



**Homeland  
Security**

**Department of Homeland Security**  
**FY 2009 Explanation of Changes - General Provisions**

**Proposal to Delete Language from Section 503:**

SEC. 503. (a) None of the funds provided by this Act, provided by previous appropriations Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year [2008] 2009, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that: (1) creates a new program, project, or activity; (2) eliminates a program, project, office, or activity; *or* (3) increases funds for any program, project, or activity for which funds have been denied or restricted by the Congress[; **(4) proposes to use funds directed for a specific activity by either of the Committees on Appropriations of the Senate or the House of Representatives for a different purpose; or (5) contracts out any function or activity for which funding levels were requested for Federal full-time equivalents in the object classification tables contained in the fiscal year 2008 Budget Appendix for the Department of Homeland Security, as specified in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act)**], unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds. (b) None of the funds provided by this Act, provided by previous appropriations Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year [2008] 2009, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for programs, projects, or activities through a reprogramming of funds in excess of \$5,000,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by the Congress; or (3) results from any general savings from a reduction in personnel that would result in a change in existing programs, projects, or activities as approved by the Congress; unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds. (c) Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Homeland Security by this Act or provided by previous appropriations Acts may be transferred between such appropriations, but no such appropriations, except as otherwise specifically provided, shall be increased by more than 10 percent by such transfers: *Provided*, That any transfer under this section shall be treated as a reprogramming of funds under subsection (b) and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer. **[(d) Notwithstanding subsections (a), (b), and (c) of this section, no funds shall be reprogrammed within or transferred between appropriations after June 30, except in extraordinary circumstances which imminently threaten the safety of human life or the protection of property.]**

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Explanation: For item (4), language is proposed for deletion to eliminate potential inconsistencies in reconciling House Reports, Senate Reports and the Joint Explanatory Statement. For item (5), language is proposed for deletion to eliminate the restrictions on contracting out functions for which funds have been appropriated for Federal FTEs. Circumstances may warrant from time to time that contracting out functions can be prudent and judicious use of federal funding resources.

Item (d) is proposed for deletion to provide the Department with greater flexibility with respect to timing of potential reprogrammings.

**Proposal to Delete *Old* Section 504:**

**[SEC. 504. None of the funds appropriated or otherwise made available to the Department of Homeland Security may be used to make payments to the “Department of Homeland Security Working Capital Fund”, except for the activities and amounts allowed in the President’s fiscal year 2008 budget, excluding sedan service, shuttle service, transit subsidy, mail operations, parking, and competitive sourcing: *Provided*, That any additional activities and amounts shall be approved by the Committees on Appropriations of the Senate and the House of Representatives 30 days in advance of obligation.]**

Explanation: This section is proposed for deletion since the April 11, 2005 report referenced in Section 6024 of P.L. 109-13 does not include any FY 2008 data. The FY 2008 Congressional Budget Justification includes FY 2008 funding estimates for each Working Capital Fund activity.

**Proposal to Delete and Insert Language in *New* Section 504:**

Proposed changes include deleting [**a request**] and [**for approval**] and inserting ‘notice thereof’.

Explanation: Proposed deletions would clarify that any submissions pursuant to this section are notifications.

**Proposal to Delete and Insert Language in *New* Section 508:**

Proposed changes include deleting [**approval**] and inserting ‘notification’.

Explanation: Proposed deletion would clarify that any submissions pursuant to this section are notifications.

**Proposal to Delete *Old* Section 510:**

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**[SEC. 510. The Director of the Federal Law Enforcement Training Center shall schedule basic and/or advanced law enforcement training at all four training facilities under the control of the Federal Law Enforcement Training Center to ensure that these training centers are operated at the highest capacity throughout the fiscal year.]**

Explanation: This provision is proposed for deletion because it is not an authority that needs to be enforced by a general provision at this time, and is not necessary for enabling FLETC to operate in an efficient manner.

**Proposal to Delete Old Section 513:**

**[SEC. 513. (a) None of the funds provided by this or previous appropriations Acts may be obligated for deployment or implementation, on other than a test basis, of the Secure Flight program or any other follow-on or successor passenger prescreening program, until the Secretary of Homeland Security certifies, and the Government Accountability Office reports, to the Committees on Appropriations of the Senate and the House of Representatives, that all ten of the conditions contained in paragraphs (1) through (10) of section 522(a) of Public Law 108–334 (118 Stat. 1319) have been successfully met. (b) The report required by subsection (a) shall be submitted within 90 days after the Secretary provides the requisite certification, and periodically thereafter, if necessary, until the Government Accountability Office confirms that all ten conditions have been successfully met. (c) Within 90 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives a detailed plan that describes: (1) the dates for achieving key milestones, including the date or timeframes that the Secretary will certify the program under subsection (a); and (2) the methodology to be followed to support the Secretary’s certification, as required under subsection (a). (d) During the testing phase permitted by subsection (a), no information gathered from passengers, foreign or domestic air carriers, or reservation systems may be used to screen aviation passengers, or delay or deny boarding to such passengers, except in instances where passenger names are matched to a Government watch list. (e) None of the funds provided in this or previous appropriations Acts may be utilized to develop or test algorithms assigning risk to passengers whose names are not on Government watch lists. (f) None of the funds provided in this or any other Act may be used for data or a database that is obtained from or remains under the control of a non-Federal entity: *Provided*, That this restriction shall not apply to Passenger Name Record data obtained from air carriers.]**

Explanation: This provision is proposed for deletion as it restricts the Department’s flexibility to execute this program in an effective and efficient manner. The Department has completed rebaselining the cost, schedule and performance goals of the program and plans to satisfy the GAO requirements in 2008.

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**Proposal to Delete *Old* Section 514:**

**[SEC. 514. None of the funds made available in this Act may be used to amend the oath of allegiance required by section 337 of the Immigration and Nationality Act (8 U.S.C. 1448).]**

Explanation: DHS has stated in the past that the Executive Branch should continue to be responsible for the actual language of the Oath of Renunciation and Allegiance. Through the Immigration and Nationality Act, Congress has already provided a clear mandate on the necessary content and substance of the Oath.

**Proposal to Delete *Old* Section 515:**

**[SEC. 515. None of the funds appropriated by this Act may be used to process or approve a competition under Office of Management and Budget Circular A-76 for services provided as of June 1, 2004, by employees (including employees serving on a temporary or term basis) of United States Citizenship and Immigration Services of the Department of Homeland Security who are known as of that date as Immigration Information Officers, Contact Representatives, or Investigative Assistants.]**

Explanation: This provision is proposed for deletion as it restricts the Department's flexibility. The Administration has adopted an approach to provide for the fair and effective application of public-private competition. Management decisions about public-private competition, and accountability for results, should be vested with the USCIS. Agencies across the Government are using competitive sourcing to reduce costs and improve program performance.

**Proposal to Delete *Old* Section 517:**

**[SEC. 517. Section 517(b) of the Department of Homeland Security Appropriations Act, 2007 (18 U.S.C. 3056 note) is amended to read as follows: “(b) For fiscal year 2008, and each fiscal year thereafter, the Director of the United States Secret Service may enter into an agreement to perform protection of a Federal official other than a person granted protection under section 3056(a) of title 18, United States Code, on a fully reimbursable basis.”.]**

Explanation: This section is proposed for deletion because funding has been included in the U.S. Secret Service's FY 2009 budget request for this purpose. The USSS is best equipped to cover these costs rather than seek reimbursement.

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**Proposal to Delete *Old* Section 518:**

**[SEC. 518. (a) The Secretary of Homeland Security shall research, develop, and procure new technologies to inspect and screen air cargo carried on passenger aircraft at the earliest date possible. (b) Existing checked baggage explosive detection equipment and screeners shall be utilized to screen air cargo carried on passenger aircraft to the greatest extent practicable at each airport until technologies developed under subsection (a) are available. (c) The Assistant Secretary (Transportation Security Administration) shall work with air carriers and airports to ensure that the screening of cargo carried on passenger aircraft, as defined in section 44901(g)(5) of title 49, United States Code, increases incrementally each quarter. (d) Not later than 45 days after the end of each quarter, the Assistant Secretary (Transportation Security Administration) shall submit to the Committees on Appropriations of the Senate and the House of Representatives a report on air cargo inspection statistics by airport and air carrier detailing the incremental progress being made to meet section 44901(g)(2) of title 49, United States Code.]**

Explanation: This provision is proposed for deletion because screening air cargo is already a high priority for the Department. The Department will provide the required information regardless of this provision.

**Proposal to Delete *Old* Section 519:**

**[SEC. 519. None of the funds made available in this Act may be used by any person other than the Privacy Officer appointed under section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142) to alter, direct that changes be made to, delay, or prohibit the transmission to Congress of any report prepared under paragraph (6) of such section.]**

Explanation: This provision is proposed for deletion as it is inconsistent with the President's constitutional authority to coordinate and supervise all replies and comments from the Executive Branch to Congress.

**Proposal to Delete *Old* Section 521:**

**[SEC. 521. Except as provided in section 44945 of title 49, United States Code, funds appropriated or transferred to Transportation Security Administration "Aviation Security", "Administration" and "Transportation Security Support" for fiscal years 2004, 2005, 2006, and 2007 that are recovered or deobligated shall be available only for the procurement or installation of explosives detection systems, for air cargo, baggage, and checkpoint screening systems, subject to notification: *Provided*, That quarterly reports shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives on any funds that are recovered or deobligated.]**

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Explanation: This provision is proposed for deletion in an effort to provide greater flexibility in the use of appropriated resources and to consider the most pressing needs in the Department's efforts to protect the Homeland.

**Proposal to Delete Old Section 522:**

**[SEC. 522. Section 525(d) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295; 120 Stat. 1382) shall apply to fiscal year 2008.]**

Explanation: This provision is proposed for deletion because the management directive has been modified.

**Proposal to Delete Old Section 524:**

**[SEC. 524. The Department of Homeland Security Working Capital Fund, established pursuant to section 403 of Public Law 103–356 (31 U.S.C. 501 note), shall continue operations during fiscal year 2008.]**

Explanation: This provision is proposed for deletion because the Department is requesting a more comprehensive provision on the Working Capital Fund in new Section 529.

**Proposal to Delete Old Section 529:**

**[SEC. 529. The functions of the Federal Law Enforcement Training Center instructor staff shall be classified as inherently governmental for the purpose of the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note).]**

Explanation: This provision is proposed for deletion because the Department opposes provisions that limit competitive sourcing. This provision overrides Executive Branch discretion to consider public-private competition by dictating that commercial classroom training performed at the Federal Law Enforcement Training Center is an inherently governmental activity. Precluding public-private competition for performance of these activities deprives the Department of the operational efficiencies to be gained by competition, and limits its ability to direct Federal resources to other priorities. Management decisions about public-private competition, and accountability for results, should be vested with the Department.

**Proposal to Delete Old Section 530:**

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**[SEC. 530. None of the funds made available in this Act may be used in contravention of section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212).]**

Explanation: This provision is proposed for deletion because it is already required by codified law.

**Proposal to Delete Old Section 533:**

**[SEC. 533. None of the funds provided by this or any other Act may be obligated for the development, testing, deployment, or operation of any system related to the MAX-HR project, or any subsequent but related human resources management project, until any pending litigation concerning such activities is resolved, and any legal claim or appeal by either party has been fully resolved.]**

Explanation: This provision is proposed for deletion to provide the Department with greater flexibility with respect to its management of human resources, because strict interpretation of the provision's broad language prevents the Department from meeting basic operational needs of its management of human resources, and because it is not necessary for ensuring that the Department will adhere to judicial determinations.

**Proposal to Delete Old Section 534:**

**[SEC. 534. Section 550 of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note) is amended by adding at the end the following: “(h) This section shall not preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance with respect to chemical facility security that is more stringent than a regulation, requirement, or standard of performance issued under this section, or otherwise impair any right or jurisdiction of any State with respect to chemical facilities within that State, unless there is an actual conflict between this section and the law of that State.”.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete Old Section 535:**

**[SEC. 535. (a) AMENDMENTS RELATING TO THE CIVIL SERVICE RETIREMENT SYSTEM.— (1) DEFINITIONS.—Section 8331 of title 5, United States Code, is amended—(A) by striking “and” at the end of paragraph (28), by striking the period at the end of the first paragraph (29) and inserting a semicolon, by redesignating the second paragraph (29) as paragraph (30), and by striking the period at the end of paragraph (30) (as so redesignated) and inserting “; and”; and (B) by adding at the end the following: “(31) ‘customs and border protection officer’**

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means an employee in the Department of Homeland Security (A) who holds a position within the GS-1895 job series (determined applying the criteria in effect as of September 1, 2007) or any successor position, and (B) whose duties include activities relating to the arrival and departure of persons, conveyances, and merchandise at ports of entry, including any such employee who is transferred directly to a supervisory or administrative position in the Department of Homeland Security after performing such duties (as described in subparagraph (B)) in 1 or more positions (as described in subparagraph (A)) for at least 3 years.”. (2) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—Section 8334 of title 5, United States Code, is amended—(A) in subsection (a)(1)(A), by striking “or nuclear materials courier,” and inserting “nuclear materials courier, or customs and border protection officer,”; and (B) in the table contained in subsection (c), by adding at the end the following: “Customs and border protection officer7.5After June 29, 2008.”. (3) MANDATORY SEPARATION.—The first sentence of section 8335(b)(1) of title 5, United States Code, is amended by striking “or nuclear materials courier” and inserting “nuclear materials courier, or customs and border protection officer”. (4) IMMEDIATE RETIREMENT.—Section 8336 of title 5, United States Code, is amended—(A) in subsection (c)(1), by striking “or nuclear materials courier” and inserting “nuclear materials courier, or customs and border protection officer”; and (B) in subsections (m) and (n), by striking “or as a law enforcement officer,” and inserting “as a law enforcement officer, or as a customs and border protection officer.”. (b) Amendments Relating to the Federal Employees’ RETIREMENT SYSTEM.—(1) DEFINITIONS.—Section 8401 of title 5, United States Code, is amended—(A) in paragraph (34), by striking “and” at the end; (B) in paragraph (35), by striking the period and inserting “; and”; and (C) by adding at the end the following: “(36) the term ‘customs and border protection officer’ means an employee in the Department of Homeland Security (A) who holds a position within the GS-1895 job series (determined applying the criteria in effect as of September 1, 2007) or any successor position, and (B) whose duties include activities relating to the arrival and departure of persons, conveyances, and merchandise at ports of entry, including any such employee who is transferred directly to a supervisory or administrative position in the Department of Homeland Security after performing such duties (as described in subparagraph (B)) in 1 or more positions (as described in subparagraph (A)) for at least 3 years.”. (2) IMMEDIATE RETIREMENT.—Paragraphs (1) and (2) of section 8412(d) of title 5, United States Code, are amended by striking “or nuclear materials courier,” and inserting “nuclear materials courier, or customs and border protection officer,”. (3) COMPUTATION OF BASIC ANNUITY.—Section 8415(h)(2) of title 5, United States Code, is amended by striking “or air traffic controller.” and inserting “air traffic controller, or customs and border protection officer”. (4) DEDUCTIONS FROM PAY.—The table contained in section 8422(a)(3) of title 5, United States Code, is amended by adding at the end the following: (5) GOVERNMENT CONTRIBUTIONS.—Paragraphs (1)(B)(i) and (3) of section 8423(a) of title 5, United States Code, are amended by inserting “customs and border protection officers,” after “nuclear materials couriers,” each place it appears. (6) MANDATORY SEPARATION.—Section 8425(b)(1) of title 5, United States Code, is amended—(A) by striking “or nuclear

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materials courier who” and inserting “nuclear materials courier, or customs and border protection officer who”; and (B) by striking “or nuclear materials courier,” and inserting “nuclear materials courier, or customs and border protection officer”.

**(c) MAXIMUM AGE FOR ORIGINAL APPOINTMENT.**—Section 3307 of title 5, United States Code, is amended by adding at the end the following: “(g) The Secretary of Homeland Security may determine and fix the maximum age limit for an original appointment to a position as a customs and border protection officer, as defined by section 8401(36).”.

**(d) REGULATIONS.**—Any regulations necessary to carry out the amendments made by this section shall be prescribed by the Director of the Office of Personnel Management in consultation with the Secretary of Homeland Security.

**(e) EFFECTIVE DATE; TRANSITION RULES.**—(1) **EFFECTIVE DATE.**—The amendments made by this section shall become effective on the later of June 30, 2008, or the first day of the first pay period beginning at least 6 months after the date of the enactment of this Act. (2) **TRANSITION RULES.**—(A) **NONAPPLICABILITY OF MANDATORY SEPARATION PROVISIONS TO CERTAIN INDIVIDUALS.**—The amendments made by subsections (a)(3) and (b)(6), respectively, shall not apply to an individual first appointed as a customs and border protection officer before the effective date under paragraph (1). (B) **TREATMENT OF PRIOR CBPO SERVICE.**—(i) **GENERAL RULE.**—Except as provided in clause (ii), nothing in this section or any amendment made by this section shall be considered to apply with respect to any service performed as a customs and border protection officer before the effective date under paragraph (1). (ii) **EXCEPTION.**—Service described in section 8331(31) or 8401(36) of title 5, United States Code (as amended by this section) rendered before the effective date under paragraph (1) may be taken into account to determine if an individual who is serving on or after such effective date then qualifies as a customs and border protection officer by virtue of holding a supervisory or administrative position in the Department of Homeland Security. (C) **MINIMUM ANNUITY AMOUNT.**—The annuity of an individual serving as a customs and border protection officer on the effective date under paragraph (1) pursuant to an appointment made before that date shall, to the extent that its computation is based on service rendered as a customs and border protection officer on or after that date, be at least equal to the amount that would be payable—(i) to the extent that such service is subject to the Civil Service Retirement System, by applying section 8339(d) of title 5, United States Code, with respect to such service; and (ii) to the extent such service is subject to the Federal Employees’ Retirement System, by applying section 8415(d) of title 5, United States Code, with respect to such service. (D) **RULE OF CONSTRUCTION.**—Nothing in the amendment made by subsection (c) shall be considered to apply with respect to any appointment made before the effective date under paragraph (1). (3) **ELECTION.**—(A) **INCUMBENT DEFINED.**—For purposes of this paragraph, the term “incumbent” means an individual who is serving as a customs and border protection officer on the date of the enactment of this Act. (B) **NOTICE REQUIREMENT.**—Not later than 30 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall take measures reasonably designed to ensure that incumbents are notified as to their election rights under this paragraph, and the effect of making

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or not making a timely election. (C) ELECTION AVAILABLE TO INCUMBENTS.—(i) IN GENERAL.—An incumbent may elect, for all purposes, either—(I) to be treated in accordance with the amendments made by subsection (a) or (b), as applicable; or (II) to be treated as if subsections (a) and (b) had never been enacted. Failure to make a timely election under this paragraph shall be treated in the same way as an election made under subclause (I) on the last day allowable under clause (ii). (ii) DEADLINE.—An election under this paragraph shall not be effective unless it is made at least 14 days before the effective date under paragraph (1). (4) DEFINITION.—For purposes of this subsection, the term “customs and border protection officer” has the meaning given such term by section 8331(31) or 8401(36) of title 5, United States Code (as amended by this section). (5) EXCLUSION.—Nothing in this section or any amendment made by this section shall be considered to afford any election or to otherwise apply with respect to any individual who, as of the day before the date of the enactment of this Act—(A) holds a position within U.S. Customs and Border Protection; and (B) is considered a law enforcement officer for purposes of subchapter III of chapter 83 or chapter 84 of title 5, United States Code, by virtue of such position.]

Explanation: This provision is proposed for deletion because the definition of “law enforcement officer” under the Federal Employees’ Retirement System and the Civil Service Retirement System is an employee whose primary duties are (1) the “investigation, apprehension, and detention of individuals suspected or convicted of offenses against the criminal laws of the United States,” and (2) employees who have “frequent and direct” contact with convicted criminals, such as prison support staff. CBP officers, while performing an important and necessary function, do not perform comparable duties.

**Proposal to Insert Language in New Section 536:**

Proposed changes include inserting ‘and thereafter’.

Explanation: This proposed change would provide the Department the flexibility to identify and respond to threats as necessary and would preclude the Assistant Secretary from having to revisit on an annual basis the determination of July 19, 2007 relating to butane lighters.

**Proposal to Delete Old Section 537:**

[SEC. 537. None of the funds provided in this Act may be used to alter or reduce operations within the Civil Engineering Program of the Coast Guard nationwide, including the civil engineering units, facilities, design and construction centers, maintenance and logistics command centers, and the Coast Guard Academy, except as specifically authorized by a statute enacted after the date of the enactment of this Act.]

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Explanation: This provision is proposed for deletion to provide the Department with greater flexibility on use of appropriated resources.

**Proposal to Delete Old Section 538:**

**[SEC. 538. The cumulative amount appropriated in title I of this Act for the “Office of the Secretary and Executive Management” and the “Office of the Under Secretary for Management” shall be reduced by \$5,000,000.]**

Explanation: This provision is proposed for deletion because it was a one-time rescission.

**Proposal to Delete Old Section 539:**

**[SEC. 539. (a) Except as provided in subsection (b), none of the funds appropriated in this Act to the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management and the Office of the Chief Financial Officer, may be obligated for a grant or contract awarded by a means other than full and open competition. (b) This section does not apply to obligation of funds for a contract awarded—(1) by a means that is required by a Federal statute, including obligation for a purchase made under a mandated preferential program, such as the AbilityOne Program, that is authorized under the Javits-Wagner-O’Day Act (41 U.S.C. 46–48c); or (2) under the Small Business Act (15 U.S.C. 631 et seq.). (c) The Secretary of Homeland Security may waive the application of this section to the award of a contract in the period of a national emergency determined by the Secretary. (d) In addition to the requirements established by this section, the Inspector General for the Department of Homeland Security shall review departmental contracts awarded through other than full and open competition to assess departmental compliance with applicable laws and regulations: *Provided*, That the Inspector General shall review selected contracts awarded during the previous fiscal year through other than full and open competition: *Provided further*, That in determining which contracts to review, the Inspector General shall consider the cost and complexity of the goods and services to be provided under the contract, the criticality of the contract to fulfilling Department missions, past performance problems on similar contracts or by the selected vendor, complaints received about the award process or contractor performance, and such other factors as the Inspector General deems relevant: *Provided further*, That the Inspector General shall report the results of the reviews to the Committees on Appropriations of the Senate and the House of Representatives.]**

Explanation: This provision is proposed for deletion to provide the Department with greater flexibility on the use of its appropriated resources and because a strict

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interpretation of the broad language of the provision would prevent the Department from carrying out perfunctory or purely administrative operations, services and activities.

**Proposal to Delete Old Section 540:**

**[SEC. 540. Section 44940(a)(2) of title 49, United States Code, is amended by striking the period in the last sentence of subparagraph (A) and the clause (iv) of subparagraph B and adding the following, “except for estimates and additional collections made pursuant to the appropriation for Aviation Security in Public Law 108–334: *Provided*, That such judicial review shall be pursuant to section 46110 of title 49, United States Code: *Provided further*, That such judicial review shall be limited only to additional amounts collected by the Secretary before October 1, 2007.”.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete Old Section 541:**

**[SEC. 541. None of the funds provided by this or previous appropriations Acts shall be used to fund any position designated as a Principal Federal Official for any Robert T. Stafford Disaster Relief and Emergency Assistance Act declared disasters or emergencies.]**

Explanation: This provision is proposed for deletion because it was a one-time directive and has been superceded by provisions of the Consolidated Appropriations Act, 2008.

**Proposal to Delete Old Section 542:**

**[SEC. 542. Section 46301(a) of title 49, United States Code, is amended by adding at the end the following: “(6)FAILURE TO COLLECT AIRPORT SECURITY BADGES.—Notwithstanding paragraph (1), any employer (other than a governmental entity or airport operator) who employs an employee to whom an airport security badge or other identifier used to obtain access to a secure area of an airport is issued before, on, or after the date of enactment of this paragraph and who does not collect or make reasonable efforts to collect such badge from the employee on the date that the employment of the employee is terminated and does not notify the operator of the airport of such termination within 24 hours of the date of such termination shall be liable to the Government for a civil penalty not to exceed \$10,000.”.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

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**Proposal to Delete *Old* Section 545:**

**[SEC. 545. EXTENSION OF THE IMPLEMENTATION DEADLINE FOR THE WESTERN HEMISPHERE TRAVEL INITIATIVE Subparagraph (A) of section 7209(b)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458; 8 U.S.C. 1185 note) is amended by striking “This plan shall be implemented not later than 3 months after the Secretary of State and the Secretary of Homeland Security make the certifications required in subsection (B), or June 1, 2009, whichever is earlier.” and inserting “Such plan may not be implemented earlier than the date that is the later of 3 months after the Secretary of State and the Secretary of Homeland Security make the certification required in subparagraph (B) or June 1, 2009.”.]**

Explanation: This provision is proposed for deletion to provide the Department with greater flexibility in carrying out its requirements for protecting the Homeland.

**Proposal to Delete *Old* Section 546:**

**[SEC. 546. None of the funds provided in this Act shall be available to carry out section 872 of Public Law 107–296.]**

Explanation: This provision is proposed for deletion to provide the Department with greater flexibility in carrying out its requirements for protecting the Homeland.

**Proposal to Delete *Old* Section 547:**

**[SEC. 547. None of the funds provided in this Act under the heading “Office of the Chief Information Officer” shall be used for data center development other than for the National Center for Critical Information Processing and Storage until the Chief Information Officer certifies that the National Center for Critical Information Processing and Storage is fully utilized, to the maximum extent feasible, as the Department’s primary data storage center at the highest capacity throughout the fiscal year.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 548:**

**[SEC. 548. None of the funds in this Act shall be used to reduce the United States Coast Guard’s Operations Systems Center mission or its government-employed or contract staff levels.]**

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Explanation: This provision is proposed for deletion to provide the Department with greater flexibility in carrying out its requirements for protecting the Homeland and in the use of appropriated resources.

**Proposal to Delete *Old* Section 549:**

**[SEC. 549. None of the funds appropriated by this Act may be used to conduct, or to implement the results of, a competition under Office of Management and Budget Circular A-76 for activities performed with respect to the Coast Guard National Vessel Documentation Center.]**

Explanation: This provision is proposed for deletion as it restricts the Department's flexibility. The Administration has adopted an approach to provide for the fair and effective application of public-private competition. Management decisions about public-private competition, and accountability for results, should be vested with the U.S. Coast Guard. Agencies across the Government are using competitive sourcing to reduce costs and improve program performance.

**Proposal to Delete *Old* Section 550:**

**[SEC. 550. (a) Notwithstanding section 503 of this Act, up to \$24,000,000 from prior year balances currently available to the Transportation Security Administration may be transferred to "Transportation Threat Assessment and Credentialing" for the Secure Flight program. (b) In carrying out the transfer authority under subsection (a), the Transportation Security Administration shall not utilize any prior year balances from the following programs: screener partnership program; explosives detection system purchase; explosives detection system installation; checkpoint support; aviation regulation and other enforcement; air cargo; and air cargo research and development: *Provided*, That any funds proposed to be transferred under this section shall not be available for obligation until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure for such funds that is submitted by the Secretary of Homeland Security: *Provided further*, That the plan shall be submitted simultaneously to the Government Accountability Office for review consistent with its ongoing assessment of the Secure Flight Program as mandated by section 522(a) of Public Law 108-334 (118 Stat. 1319).]**

Explanation: This provision is proposed for deletion because funds were proposed for a one-time transfer.

**Proposal to Delete *Old* Section 551:**

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[SEC. 551. RESCISSIONS (a) The following unobligated balances made available pursuant to section 505 of Public Law 109–295 are rescinded: \$2,003,441 from U.S. Customs and Border Protection “Salaries and Expenses”; \$9,583,611 from Coast Guard “Operating Expenses”; \$672,230 from “United States Citizenship and Immigration Services”; \$2,790,513 from Federal Emergency Management Agency “Management and Administration”; \$127,994 from Federal Emergency Management Agency “Disaster Assistance Direct Loan Program Account”; \$5,136,819 from U.S. Immigration and Customs Enforcement “Salaries and Expenses”; \$333,520 from Federal Law Enforcement Training Center “Salaries and Expenses”; \$4,211,376 from the “Office of the Secretary and Executive Management”; \$443,672 from the “Office of the Under Secretary for Management”; \$380,166 from the “Office of the Chief Financial Officer”; \$493,106 from the “Office of the Chief Information Officer”; \$368,166 from Domestic Nuclear Detection Office “Management and Administration”; \$45,369 from the “Office of Health Affairs”; \$32,299 from the “Office of Inspector General”; \$1,994,454 from National Protection and Programs Directorate “Management and Administration”; and \$216,727 from Science and Technology “Management and Administration”. (b) From the unobligated balances of funds transferred to the Department of Homeland Security when it was created in 2003, \$59,286,537 are rescinded: *Provided*, That the rescission made under this subsection shall not be executed from the following programs: Coast Guard Retired Pay; U.S. Immigration and Customs Enforcement Violent Crime Reduction Program; Federal Law Enforcement Training Center Instructor Salaries; and Federal Emergency Management Agency National Security Support. (c) Of the amounts available under the heading “Counterterrorism Fund”, \$8,480,000 are rescinded. (d) Of the unobligated balances available in the “Department of Homeland Security, Transportation Security Administration Expenses” account, \$4,500,000 are rescinded.]

Explanation: This provision is proposed for deletion because funds were subject to a one-time rescission.

**Proposal to Delete Old Section 552:**

[SEC. 552. Notwithstanding any other provision of law, the Secretary of Homeland Security shall, under the Federal Emergency Management Agency Public Assistance Program, provide a single payment for any eligible costs for local educational agencies impacted by Hurricanes Katrina or Rita within 30 days of such request: *Provided*, That the payment for schools in Louisiana shall be submitted to the Louisiana Department of Education, which may expend up to 3 percent of those funds for administrative costs: *Provided further*, That the Federal Emergency Management Agency shall not reduce assistance in accordance with section 406(c)(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act for local educational agencies impacted by Hurricanes Katrina or Rita: *Provided further*, That nothing in the previous proviso shall be construed to alter the appeals or review process: *Provided further*, That section 406(d) of the Robert T. Stafford

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**Disaster Relief and Emergency Assistance Act shall not apply to more than one facility on a school site impacted by Hurricanes Katrina or Rita.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete Old Section 553:**

**[SEC. 553. TECHNICAL CORRECTIONS (a) IN GENERAL.—(1) REDESIGNATIONS.—Chapter 27 of title 18, United States Code, is amended by redesignating section 554 added by section 551(a) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295; 120 Stat. 1389) (relating to border tunnels and passages) as section 555. (2) TABLE OF SECTIONS.—The table of sections for chapter 27 of title 18, United States Code, is amended by striking the item relating to section 554, “Border tunnels and passages”, and inserting the following: “555.Border tunnels and passages.”. (b) CRIMINAL FORFEITURE.—Section 982(a)(6) of title 18, United States Code, is amended by striking “554” and inserting “555”. (c) DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.—Section 551(d) of the Department of Homeland Security Appropriations Act, 2007 (Public Law 109–295; 120 Stat. 1390) is amended in paragraphs (1) and (2)(A) by striking “554” and inserting “555”.]**

Explanation: This provision is no longer required as the U.S. code has been amended with the changes included in the provision.

**Proposal to Delete Old Section 554:**

**[SEC. 554. Sections 2241, 2242, 2243, and 2244 of title 18, United States Code, are each amended by striking “the Attorney General” each place that term appears and inserting “the head of any Federal department or agency”.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete Old Section 555:**

**[SEC. 555. Not later than 30 days after the date of enactment of this Act—(1) the Secretary of Homeland Security shall establish and maintain on the homepage of the website of the Department of Homeland Security, a direct link to the website of the Office of Inspector General of the Department of Homeland Security; and (2) the Inspector General of the Department of Homeland Security shall establish and maintain on the homepage of the website of the Office of Inspector General a direct link for individuals to anonymously report waste, fraud, or abuse.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

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**Proposal to Delete *Old* Section 558:**

**[SEC. 558. None of the funds made available in this Act for U.S. Customs and Border Protection may be used to prevent an individual not in the business of importing a prescription drug (within the meaning of section 801(g) of the Federal Food, Drug, and Cosmetic Act) from importing a prescription drug from Canada that complies with the Federal Food, Drug, and Cosmetic Act: *Provided*, That this section shall apply only to individuals transporting on their person a personal-use quantity of the prescription drug, not to exceed a 90-day supply: *Provided further*, That the prescription drug may not be—(1) a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802); or (2) a biological product, as defined in section 351 of the Public Health Service Act (42 U.S.C. 262).]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 559:**

**[SEC. 559. None of the funds made available in this Act may be used by the Secretary of Homeland Security or any delegate of the Secretary to issue any rule or regulation which implements the Notice of Proposed Rulemaking related to Petitions for Aliens To Perform Temporary Nonagricultural Services or Labor (H–2B) set out beginning on 70 Fed. Reg. 3984 (January 27, 2005).]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 560:**

**[SEC. 560. Notwithstanding any other provision of law, Watsonville Community Hospital, or its successor trust, shall not be required to pay the Federal Emergency Management Agency additional funds related to DR–845.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 561:**

**[SEC. 561. Notwithstanding any other provision of law, the Secretary of Homeland Security shall provide, under the Federal Emergency Management Agency Public Assistance Program, the relocation costs as estimated by the Federal Emergency Management Agency on May 5, 2006, for the Peebles School in Iberia Parish, Louisiana, which was damaged by Hurricane Rita in 2005.]**

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Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 562:**

**[SEC. 562. Notwithstanding any other provision of law, the Secretary of Homeland Security shall provide, under the Federal Emergency Management Agency Public Assistance Program, the currently uncompensated debris removal costs from Super Typhoon Paka and the firefighting costs associated with the Malojloj hardfill fire in 1998.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 569:**

**[SEC. 569. (a) Notwithstanding any other provision of this Act, except as provided in subsection (b), and 30 days after the date that the President determines whether to declare a major disaster because of an event and any appeal is completed, the Administrator shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Homeland Security of the House of Representatives, the Committee on Transportation and Infrastructure of the House of Representatives, the Committees on Appropriations of the Senate and the House of Representatives, and publish on the website of the Federal Emergency Management Agency, a report regarding that decision, which shall summarize damage assessment information used to determine whether to declare a major disaster. (b) The Administrator may redact from a report under subsection (a) any data that the Administrator determines would compromise national security. (c) In this section—(1) the term “Administrator” means the Administrator of the Federal Emergency Management Agency; and (2) the term “major disaster” has the meaning given that term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete *Old* Section 570:**

**[SEC. 570. If the Secretary of Homeland Security establishes a National Transportation Security Center of Excellence to conduct research and education activities, and to develop or provide professional security training, including the training of transportation employees and transportation professionals, the Mineta Transportation Institute at San Jose State University may be included as a member institution of such Center.]**

Explanation: This provision is proposed for deletion because it was a one-time directive.

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**Proposal to Delete *Old* Section 571:**

[SEC. 571. Effective no later than ninety days after the date of enactment of this Act, the Transportation Security Administration shall permit approved members of Registered Traveler programs to satisfy fully the required identity verification procedures at security screening checkpoints by presenting a biometrically-secure Registered Traveler card in lieu of the government-issued photo identification document required of non-participants: *Provided*, That if their identity is not confirmed biometrically, the standard identity and screening procedures will apply: *Provided further*, That if the Assistant Secretary (Transportation Security Administration) determines this is a threat to civil aviation, then the Assistant Secretary (Transportation Security Administration) shall notify the Committees on Appropriations of the Senate and House of Representatives five days in advance of such determination and require Registered Travelers to present government-issued photo identification documents in conjunction with a biometrically-secure Registered Traveler card.]

Explanation: This provision is proposed for deletion because it was a one-time directive.

**Proposal to Delete and Insert Language in *New* Section 572:**

SEC. [572] 525. Section 831(a) of the Homeland Security Act of 2002 (6 U.S.C. 391(a)) is amended by striking [“**During the 5-year period following the effective date of this Act**” and inserting] “Until September 30, 2008” and inserting in lieu thereof, “Until September 30, 2009”.

Explanation: This proposed change will provide the Department with greater flexibility in the use of appropriated resources.

**Proposal to Delete *Old* Section 573**

[SEC. 573. (a) RESCISSION.—Of amounts previously made available from the Federal Emergency Management Agency “Disaster Relief” to the State of Mississippi pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) for Hurricane Katrina, \$20,000,000 are rescinded. (b) APPROPRIATION.—For Federal Emergency Management Agency “State and Local Programs”, there is appropriated an additional \$20,000,000, to remain available until expended, for a grant to the State of Mississippi for an interoperable communications system required in the aftermath of Hurricane Katrina: *Provided*, That this entire amount is designated as described in section 5 (in the matter preceding division A of this consolidated Act).]

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Explanation: This provision is proposed for deletion because funds were subject to a one-time rescission.

**Proposal to Add New Section 526:**

*SEC. 526. The adjustments in rates of basic pay for employees under the statutory pay systems that take effect in fiscal year 2009 and thereafter under sections 5303 and 5304 of title 5, United States Code, shall apply to civilian employees in the Department of Homeland Security, except that with respect to those employees covered under a pay system administered under section 114 of title 49, United States Code, the Assistant Secretary of Homeland Security (Transportation Security Administration) may determine the adjustments in rates of pay based upon performance criteria established by the Assistant Secretary, and such adjustments shall be effective as of the first day of the first applicable pay period beginning on or after January 1 of the applicable fiscal year.*

Explanation: The provision is requested to negate the requirement to give every screener an annual pay increase regardless of their performance rating.

**Proposal to Add New Section 527:**

*SEC. 527. Notwithstanding any other provision of law, should the Secretary of Homeland Security determine that the National Bio and Agro-defense Facility be located at a site other than Plum Island, the Secretary is authorized to liquidate the Plum Island asset by directing the Administrator of General Services to sell through public sale all real and related personal property and transportation assets which support Plum Island operations, subject to such terms and conditions as necessary to protect government interests and meet program requirements. The proceeds of such sale shall be deposited into a separate account that shall be available, along with any other available appropriations, for use by the Secretary in the acquisition of the site for and the construction of the National Bio and Agro-defense Facility. The Secretary may apply such gross proceeds of sale to reimburse any fund of the Secretary used to pay for the costs associated with the sale, including due diligence requirements, necessary environmental remediation, and reimbursement of expenses incurred by the General Services Administration which shall not exceed 1% of the sale price. The net proceeds will be available for other real property capital asset needs as the Secretary deems appropriate, excluding daily operations and maintenance costs. Proceeds derived from the sale shall be available to the Secretary without further appropriation until expended.*

Explanation: In the event the Secretary determines that NBAF will not be located at Plum Island, this provision will allow DHS the authority to liquidate the Plum Island assets and deposit the proceeds of the sale into a separate account for use by the Department to construct the NBAF at an alternative location.

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**Proposal to Add New Section 528:**

*SEC. 528. The Department of Homeland Security Working Capital Fund, established pursuant to section 403 of Public Law 103–356 (31 U.S.C. 501 note), shall continue operations as a permanent working capital fund for fiscal year 2009 and thereafter: Provided, That funds provided to the Working Capital Fund shall be available for obligation until expended: Provided further, That such fund shall be paid in advance or reimbursed at rates which will return the full cost of each service, and an amount necessary to maintain a reasonable operating reserve: Provided further, That funds not to exceed 10 percent of the funding for any program, project or activity within the Working Capital Fund may be transferred to another program, project or activity within the Working Capital Fund: Provided further, That any such transfer in excess of 10 percent shall be treated as a reprogramming of funds under section 503(b) of this Act and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.*

Explanation: The Department’s Working Capital Fund used to be a true revolving fund with retained earnings collected to form working capital. In 2005, the Department lost many of its authorities for the working capital fund (i.e. the ability to carry funds across years and collect more than the direct usage costs) and since then, the working capital fund account has been hampered by a rigid structure that prevents the DHS Chief Financial Officer from delivering much economies of scale and efficiencies to participating users.

The Department needs a real and effective working capital fund through which it can better integrate disparate component agencies into a single department through building and maintaining department-wide infrastructure for critical management and administrative functions. Also, the procedural obstacles created by current legal restrictions prevent DHS from being good financial managers that result in a lot of waste. Hence, the Department seeks the following authorities:

- Ability to carry over funds in a no-year revolving fund account
- Ability to retain a modest level of earnings to develop operating reserves for each service offered through the working capital fund.
- Ability to reprogram only reasonably small sums of funding across PPAs within the working capital fund account without Congressional approval to cut down on processing times, while still having to report to Congress for reprogramming funding levels greater than 10% of the total collection amount of a given PPA.

**Proposal to Add New Section 529:**

*SEC. 529. Section 44923 of title 49, United States Code is amended—( a) in subsection (a)(1)—( 1) by striking “shall” and inserting “may”; and ( 2) by inserting “, including other transaction agreements,” after “grants”; and ( b) by striking subsection (d) and*

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*redesignating subsections (e) through (j) as (d) through (i); (c) in subsection (d), as redesignated above, by inserting “up to” before “90” and by striking “95” and inserting “up to 90”; (d) in subsection (g)(1), as redesignated above—(1) by striking “(1) In general.-”; and (2) by inserting “, including other transaction agreements,” in the last sentence after “grants”; and (e) by striking paragraphs (g)(2) and (g)(3) as redesignated above.*

**Explanation:** This provision provides the Department with flexibility in use of appropriated resources to finance the installation of Explosives Detection Systems at airports.

**Proposal to Add New Section 530:**

*SEC. 530. Notwithstanding the limitations set forth in section 503(c) of this Act, funds appropriated under the heading Disaster Relief in this Act may be transferred to Disaster Readiness and Support Activities in an amount not to exceed the greater of \$50,000,000, or 25%, of the funds provided under that heading, provided that the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.*

**Explanation:** This provision will provide the Department with transfer authority to ensure FEMA has the flexibility to fund Disaster readiness and support functions in the event costs are in excess of the \$200 M requested in the Budget.

**Proposal to Add New Section 531:**

*SEC. 531. Section 535 of the Department of Homeland Security Appropriations Act, 2008 (Public Law 110–161, Division E), and the amendments contained thereto, is hereby repealed, as of the date of enactment of such Act.*

**Explanation:** This provision repeals an unfunded requirement in the Consolidated Appropriations Act, 2008, to provide CBP Officers law enforcement benefits. The Department opposes the requirement because CBP Officers, whose duties are limited to checking people and cargo for compliance with immigration and customs laws, are not inherently law enforcement officers.

**Proposal to Add New Section 532:**

*SEC. 532. In this fiscal year and thereafter, under the direction of the Secretary of Homeland Security, the United States Secret Service shall, during the period of six months immediately after an individual ceases to serve as Vice President, protect such individual if the Secretary determines that such individual is in significant danger, and the spouse of such individual if the Secretary determines that the spouse is in significant*

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*danger: Provided, That the Secret Service, under the direction of the Secretary, may thereafter provide protection to such individual or spouse temporarily at any time when the Secretary determines that information or conditions warrant such protection: Provided further, That the Secret Service shall have the same authorities and functions in providing protection under this section as under laws relating to protection of the Vice President or the spouse of the Vice President, including laws that provide for obtaining assistance from executive agencies and use of passenger carriers to transport: Provided further, That the offenses and penalties prescribed by law with respect to obstruction, resistance, or interference with the performance of protective functions, including with respect to restrictions on buildings or grounds, in relation to a Vice President or spouse of a Vice President shall apply with respect to performance of protective functions under this section: Provided further, That the authority granted by this section is in addition to any authority that may otherwise be available by law. (Department of Homeland Security Appropriations Act, 2008.)*

**Explanation:** This provision is proposed to ensure that the Department is able to provide Secret Service protection to an individual who ceases to be the Vice President, and the spouse of the individual, should it be determined that such individuals are in significant danger.

### FY 2009 Budget Overview

|  | FY 2007<br>Revised Enacted <sup>1</sup> | FY 2008<br>Enacted   | FY 2009<br>Pres. Budget | FY 2009<br>+/- FY 2008 | Percent<br>FY 2009<br>+/- FY 2008 |
|--|---|----------------------|-------------------------|------------------------|-----------------------------------|
|  | \$000                                   | \$000                | \$000                   | \$000                  | \$000                             |
| Net Discretionary:   | \$ 32,380,801                           | \$ 35,170,498        | \$ 37,613,098           | \$ 2,442,600           | 7%                                |
| Discretionary Fees:  | 2,945,369                               | 2,923,150            | 3,138,541               | 215,391                | 7%                                |
| <i>Less rescission of prior year carryover: <sup>2</sup></i> | <i>(313,005)</i>                        | <i>(262,249)</i>     | -                       | 262,249                | -100%                             |
| <b>Gross Discretionary</b>                                   | <b>35,013,165</b>                       | <b>37,831,399</b>    | <b>40,751,639</b>       | <b>2,920,240</b>       | <b>8%</b>                         |
| Mandatory, Fee, Trust Funds: <sup>3</sup>                    | 7,978,765                               | 9,191,454            | 9,750,732               | 559,278                | 6%                                |
| <b>Total Budget Authority:</b>                               | <b>\$ 42,991,930</b>                    | <b>\$ 47,022,853</b> | <b>\$ 50,502,371</b>    | <b>\$ 3,479,518</b>    | <b>7%</b>                         |
| Supplemental:  | \$ 7,290,193                            | \$ 5,630,000         | -                       | \$ (5,630,000)         | -100%                             |
| <i>Less rescission of prior year carryover P.L. 110-28:</i>  | <i>\$ (30,900)</i>                      | <i>-</i>             | <i>-</i>                | <i>-</i>               |                                   |
|  |   |                      |                         |                        |                                   |

1/ FY 2007 revised enacted reflects a transfer from DOD to USCG (\$90 million) pursuant to P.L. 109-289. FY 2008 enacted reflects a transfer from DOD to USCG (\$110 million) pursuant to P.L. 110-161.

2/ Reflects scorekeeping adjustment for rescission of prior year unobligated balances: FY 2007 enacted rescission of prior year unobligated balances from USCG (-\$102.793 million), TSA (-\$66.712 million), S&T (-\$125 million), USSS (-\$2.5 million), Counte

3/ Mandatory, Fee, Trust Funds: FY 2007 revised enacted includes revised fee estimates for: FEMA NFIF mandatory fund (\$2.631 billion), USSS Retirement Fund (\$200 million), USCG Trust Funds (\$244.202 million), CBP Customs Unclaimed Goods (\$5.897 million),

| Department of Homeland Security   |                         |                  |   |                |   |                |                               |                  |
|---|-------------------------|------------------|---|----------------|---|----------------|-------------------------------|------------------|
| Monster Chart: Total Budget Authority   |                         |                  |   |                |   |                |                               |                  |
| Detailed Table  |                         |                  |   |                |   |                |                               |                  |
|   | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                | FY 2009<br>President's Budget |                  |
|   | FTE                     | \$\$\$           | FTE   | \$\$\$         | FTE   | \$\$\$         | FTE                           | \$\$\$           |
| <b>TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS</b>                                       |                         |                  |   |                |   |                |                               |                  |
| <b>Departmental Operations (Total Budget Authority)</b>                                       | <b>1,425</b>            | <b>912,088</b>   | <b>1,637</b>  | <b>877,791</b> | <b>1,637</b>  | <b>877,791</b> | <b>1,901</b>                  | <b>1,086,114</b> |
| <b>Office of the Secretary and Executive Management (OSEM):</b>                               | <b>469</b>              | <b>95,336</b>    | <b>542</b>  | <b>97,353</b>  | <b>542</b>  | <b>97,353</b>  | <b>599</b>                    | <b>127,229</b>   |
| Immediate Office of the Secretary.....  | 12                      | 2,651            | 12  | 2,540          | 12  | 2,540          | 12                            | 3,378            |
| Immediate Office of the Deputy Secretary.....   | 6                       | 1,085            | 6   | 1,122          | 6   | 1,122          | 6                             | 1,505            |
| Chief of Staff.....   | 12                      | 2,560            | 12  | 2,639          | 12  | 2,639          | 12                            | 2,693            |
| Executive Secretary.....  | 37                      | 4,450            | 41  | 4,722          | 41  | 4,722          | 41                            | 5,848            |
| Office of Policy.....   | 136                     | 29,305           | 160   | 33,000         | 160   | 33,000         | 185                           | 43,693           |
| Secure Border Coordination Office.....  | 10                      | 4,500            | -   | -              | -   | -              | -                             | -                |
| Office of Public Affairs.....   | 43                      | 7,577            | 39  | 6,650          | 39  | 6,650          | 43                            | 8,291            |
| Office of Legislative Affairs.....  | 48                      | 4,932            | 48  | 4,900          | 48  | 4,900          | 48                            | 5,697            |
| Office of General Counsel.....  | 73                      | 12,938           | 77  | 13,500         | 77  | 13,500         | 91                            | 20,914           |
| Office of Civil Rights and Liberties.....   | 39                      | 13,090           | 73  | 14,200         | 73  | 14,200         | 80                            | 17,917           |
| Citizenship and Immigration Services Ombudsman.....   | 24                      | 5,119            | 30  | 5,900          | 30  | 5,900          | 30                            | 6,471            |
| Privacy Officer.....  | 16                      | 4,643            | 29  | 5,500          | 29  | 5,500          | 34                            | 6,804            |
| Office of Counterterrorism Enforcement.....   | 13                      | 2,486            | 15  | 2,680          | 15  | 2,680          | 17                            | 4,018            |
| Unspecified Reduction.....  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| <b>Office of the Federal Coordinator for Gulf Coast Rebuilding (OFCGCR):</b>                  | <b>14</b>               | <b>3,000</b>     | <b>14</b>   | <b>2,700</b>   | <b>14</b>   | <b>2,700</b>   | <b>2</b>                      | <b>291</b>       |
| <b>Office of the Under Secretary for Management (USM):</b>                                    | <b>283</b>              | <b>149,540</b>   | <b>352</b>  | <b>145,238</b> | <b>352</b>  | <b>145,238</b> | <b>473</b>                    | <b>321,469</b>   |
| Under Secretary for Management.....   | 8                       | 1,870            | 8   | 2,012          | 8   | 2,012          | 13                            | 2,654            |
| Office of Security.....   | 105                     | 52,640           | 108   | 53,490         | 108   | 53,490         | 117                           | 60,968           |
| Office of the Chief Procurement Officer.....  | 71                      | 16,895           | 129   | 28,495         | 129   | 28,495         | 184                           | 42,003           |
| Office of the Chief Human Capital Officer.....  | 53                      | 29,711           | 53  | 18,811         | 53  | 18,811         | 86                            | 48,117           |
| Salaries and Expenses CHCO.....   | 53                      | 9,711            | 53  | 8,811          | 53  | 8,811          | 86                            | 48,117           |
| MAX - HR System.....  | -                       | 20,000           | -   | -              | -   | -              | -                             | -                |
| Human Resources - Operational Initiatives & HR mgmt systems.....                              | -                       | -                | -   | 10,000         | -   | 10,000         | -                             | -                |
| Office of the Chief Administrative Officer.....   | 46                      | 48,424           | 54  | 47,430         | 54  | 47,430         | 73                            | 167,727          |
| Salaries and Expenses CAO (Office of Administration).....                                     | 46                      | 40,218           | 54  | 41,430         | 54  | 41,430         | 62                            | 41,727           |
| Nebraska Avenue Complex.....  | -                       | 8,206            | -   | 6,000          | -   | 6,000          | -                             | 6,000            |
| St. Elizabeth's Project (Consolidated Headquarters Project).....                              | -                       | -                | -   | -              | -   | -              | 11                            | 120,000          |
| Unspecified Reduction.....  | -                       | -                | -   | (5,000)        | -   | (5,000)        | -                             | -                |
| <b>DHS Consolidated Campus at St. Elizabeth's:</b>  | <b>-</b>                | <b>-</b>         | <b>-</b>  | <b>-</b>       | <b>-</b>  | <b>-</b>       | <b>-</b>                      | <b>-</b>         |
| <b>Office of the Chief Financial Officer (CFO):</b>   | <b>97</b>               | <b>26,000</b>    | <b>120</b>  | <b>31,300</b>  | <b>120</b>  | <b>31,300</b>  | <b>139</b>                    | <b>56,235</b>    |
| <b>Office of the Chief Information Officer (CIO) and Department-wide IT:</b>                  | <b>87</b>               | <b>330,549</b>   | <b>91</b>   | <b>295,200</b> | <b>91</b>   | <b>295,200</b> | <b>94</b>                     | <b>247,369</b>   |
| Salaries and expenses.....  | 87                      | 79,057           | 91  | 81,000         | 91  | 81,000         | 94                            | 86,928           |
| Information technology services.....  | -                       | 61,013           | -   | 56,200         | -   | 56,200         | -                             | 42,445           |
| Security activities.....  | -                       | 89,387           | -   | 124,900        | -   | 124,900        | -                             | 70,323           |
| Wireless program.....   | -                       | 68,438           | -   | -              | -   | -              | -                             | -                |
| Homeland Secure Data Network.....   | -                       | 32,654           | -   | 33,100         | -   | 33,100         | -                             | 47,673           |
| IT Infrastructure Capitalization Fund.....  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| <b>Analysis and Operations:</b>   | <b>475</b>              | <b>307,663</b>   | <b>518</b>  | <b>306,000</b> | <b>518</b>  | <b>306,000</b> | <b>594</b>                    | <b>333,521</b>   |
| Rescission of Prior Year Unobligated Balances   | -                       | (2,221)          | -   | (26,312)       | -   | (26,312)       | -                             | -                |
| Net Discretionary   | 1,425                   | 912,088          | 1,637   | 877,791        | 1,637   | 877,791        | 1,901                         | 1,086,114        |
| Adjusted Net Discretionary  | 1,425                   | 909,867          | 1,637   | 851,479        | 1,637   | 851,479        | 1,901                         | 1,086,114        |
| Discretionary Fee Funded  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| Gross Discretionary   | 1,425                   | 912,088          | 1,637   | 877,791        | 1,637   | 877,791        | 1,901                         | 1,086,114        |
| Adjusted Gross Discretionary  | 1,425                   | 909,867          | 1,637   | 851,479        | 1,637   | 851,479        | 1,901                         | 1,086,114        |
| Mandatory, Fees, Trust Funds  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| Appropriated Resources:   | 1,425                   | 912,088          | 1,637   | 877,791        | 1,637   | 877,791        | 1,901                         | 1,086,114        |
| Non-Appropriated Resources:   | -                       | -                | -   | -              | -   | -              | -                             | -                |
| <b>Office of the Inspector General</b>  | <b>545</b>              | <b>102,685</b>   | <b>551</b>  | <b>108,711</b> | <b>551</b>  | <b>108,711</b> | <b>577</b>                    | <b>101,023</b>   |
| Audit, Inspections, and Investigations Program.....   | 545                     | 102,685          | 551   | 108,711        | 551   | 108,711        | 577                           | 101,023          |
| Rescission of Prior Year Unobligated Balances   | -                       | -                | -   | (32)           | -   | (32)           | -                             | -                |
| Net Discretionary   | 545                     | 102,685          | 551   | 108,711        | 551   | 108,711        | 577                           | 101,023          |
| Adjusted Net Discretionary  | 545                     | 102,685          | 551   | 108,679        | 551   | 108,679        | 577                           | 101,023          |
| Discretionary Fee Funded  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| Gross Discretionary   | 545                     | 102,685          | 551   | 108,711        | 551   | 108,711        | 577                           | 101,023          |
| Adjusted Gross Discretionary  | 545                     | 102,685          | 551   | 108,679        | 551   | 108,679        | 577                           | 101,023          |
| Mandatory, Fees, Trust Funds  | -                       | -                | -   | -              | -   | -              | -                             | -                |
| Appropriated Resources:   | 545                     | 102,685          | 551   | 108,711        | 551   | 108,711        | 577                           | 101,023          |
| Non-Appropriated Resources:   | -                       | -                | -   | -              | -   | -              | -                             | -                |
| <b>Total, Title I, Departmental Management and Operations (Totals Appropriated Resources)</b> | <b>1,970</b>            | <b>1,014,773</b> | <b>2,188</b>  | <b>986,502</b> | <b>2,188</b>  | <b>986,502</b> | <b>2,478</b>                  | <b>1,187,137</b> |

|   | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                   | FY 2009<br>President's Budget |                   |
|---|-------------------------|------------------|---|------------------|---|-------------------|-------------------------------|-------------------|
|   | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$            | FTE                           | \$\$\$            |
| <b>TITLE II - SECURITY, ENFORCEMENT, &amp; INVESTIGATIONS</b>                     |                         |                  | -   | -                |   |                   |                               |                   |
| <b>Customs and Border Protection</b>  | <b>44,414</b>           | <b>9,497,459</b> | <b>50,417</b>   | <b>9,306,725</b> | <b>50,417</b>   | <b>10,837,725</b> | <b>54,868</b>                 | <b>10,941,231</b> |
| <b>Salaries and expenses:</b>   | <b>35,936</b>           | <b>5,644,864</b> | <b>40,654</b>   | <b>6,479,560</b> | <b>40,654</b>   | <b>6,802,560</b>  | <b>45,080</b>                 | <b>7,309,354</b>  |
| Headquarters Management and Administration.....                                   | 3,647                   | 1,201,447        | 3,693   | 1,221,341        | 3,693   | 1,221,341         | 3,767                         | 1,266,651         |
| M&A, Border Security Inspections and Trade Facilitation.....                      | 2,056                   | 612,001          | 2,087   | 619,325          | 2,087   | 619,325           | 2,133                         | 644,351           |
| M&A, Border Security and Control between Ports of Entry.....                      | 1,591                   | 589,446          | 1,606   | 602,016          | 1,606   | 602,016           | 1,634                         | 622,300           |
| Border Security Inspections and Trade Facilitation.....                           | 16,084                  | 1,974,052        | 17,060  | 2,008,247        | 17,060  | 2,279,247         | 18,043                        | 2,273,104         |
| Inspections, Trade, and Travel Facilitation at Ports of Entry.....                | 15,332                  | 1,443,453        | 16,465  | 1,583,235        | 16,465  | 1,854,235         | 17,407                        | 1,834,793         |
| Model Ports of Entry (emergency).....   | -                       | -                | -   | -                | -   | 40,000            | -                             | -                 |
| Terrorist prevention system enhancements for passenger screening (emergency)..... | -                       | -                | -   | -                | -   | 45,000            | -                             | -                 |
| Electronic Travel authorizations (emergency).....                                 | -                       | -                | -   | -                | -   | 36,000            | -                             | -                 |
| WHIT (emergency).....   | -                       | -                | -   | -                | -   | 150,000           | -                             | -                 |
| Harbor Maintenance Fee Collection (Trust Fund).....                               | -                       | 3,026            | -   | 3,093            | -   | 3,093             | -                             | 3,154             |
| International Cargo Screening (Container Security Initiative).....                | 155                     | 143,512          | 173   | 156,130          | 173   | 156,130           | 189                           | 149,450           |
| Other international programs.....   | 101                     | 10,647           | 101   | 10,866           | 101   | 10,866            | 101                           | 10,984            |
| C-TPAT [C-TPAT/ FAST/NEXUS/SENTRI].....   | 157                     | 54,730           | 182   | 62,310           | 182   | 62,310            | 207                           | 64,496            |
| Free and Secure Trade (FAST) NEXUS/SENTRI.....                                    | 106                     | 11,243           | -   | 11,243           | -   | 11,243            | -                             | 11,274            |
| Inspection and Detection Technology.....  | 124                     | 221,227          | -   | 105,027          | -   | 105,027           | -                             | 117,144           |
| Automated Targeting Systems.....  | 8                       | 27,298           | 8   | 27,580           | 8   | 27,580            | 8                             | 32,550            |
| National Targeting Center.....  | 101                     | 31,352           | 131   | 23,950           | 131   | 23,950            | 131                           | 24,481            |
| Training at the Ports of Entry.....   | -                       | 27,564           | -   | 24,813           | -   | 24,813            | -                             | 24,778            |
| Border Security and Control between Ports of Entry.....                           | 14,924                  | 2,277,510        | 18,388  | 3,037,232        | 18,388  | 3,075,232         | 21,596                        | 3,515,320         |
| Border Security and Control.....  | 14,872                  | 2,239,586        | 18,297  | 2,984,443        | 18,297  | 3,022,443         | 21,466                        | 3,440,505         |
| Ground Transportation contract (emergency).....                                   | -                       | -                | -   | -                | -   | 25,000            | -                             | -                 |
| Border Patrol vehicles (emergency).....   | -                       | -                | -   | -                | -   | 13,000            | -                             | -                 |
| Training Between the Ports of Entry.....  | 52                      | 37,924           | 91  | 52,789           | 91  | 52,789            | 130                           | 74,815            |
| Air and Marine Operations, Personnel Compensation and Benefits.....               | 1,281                   | 191,855          | 1,513   | 212,740          | 1,513   | 226,740           | 1,674                         | 254,279           |
| <b>Automation modernization:</b>  | <b>62</b>               | <b>451,440</b>   | <b>63</b>   | <b>476,609</b>   | <b>63</b>   | <b>476,609</b>    | <b>63</b>                     | <b>511,334</b>    |
| ACE/TDS.....  | 62                      | 316,800          | 62  | 316,969          | 62  | 316,969           | 62                            | 316,851           |
| Automated commercial system and legacy IT costs.....                              | -                       | 134,640          | 1   | 159,640          | 1   | 159,640           | 1                             | 194,483           |
| <b>Border Security Fencing, Infrastructure, and Technology:</b>                   | <b>80</b>               | <b>1,187,565</b> | <b>160</b>  | <b>172,000</b>   | <b>160</b>  | <b>1,225,000</b>  | <b>185</b>                    | <b>775,000</b>    |
| SBInet Development and Deployment.....  | -                       | -                | -   | 35,000           | -   | 1,088,000         | -                             | 275,000           |
| SBInet Operations and Maintenance.....  | -                       | -                | -   | 73,000           | -   | 73,000            | -                             | 410,000           |
| Program Management.....   | -                       | -                | 160   | 64,000           | 160   | 64,000            | 185                           | 90,000            |
| <b>Air and Marine Interdiction:</b>   | <b>-</b>                | <b>672,187</b>   | <b>-</b>  | <b>476,047</b>   | <b>-</b>  | <b>570,047</b>    | <b>-</b>                      | <b>528,000</b>    |
| Operations and maintenance.....   | -                       | 288,954          | -   | 353,614          | -   | 353,614           | -                             | 380,022           |
| Procurement.....  | -                       | 383,233          | -   | 122,433          | -   | 216,433           | -                             | 147,978           |
| <b>Construction:</b>  | <b>-</b>                | <b>232,978</b>   | <b>-</b>  | <b>287,363</b>   | <b>-</b>  | <b>348,363</b>    | <b>-</b>                      | <b>363,501</b>    |
| Construction (Border Patrol).....   | -                       | 232,978          | -   | 287,363          | -   | 348,363           | -                             | 363,501           |
| <b>Fee accounts:</b>  | <b>8,336</b>            | <b>1,302,528</b> | <b>9,540</b>  | <b>1,409,249</b> | <b>9,540</b>  | <b>1,409,249</b>  | <b>9,540</b>                  | <b>1,448,145</b>  |
| Immigration inspection user fee.....  | 3,953                   | 512,178          | 4,777   | 561,954          | 4,777   | 561,954           | 4,777                         | 570,059           |
| Immigration enforcement fines.....  | 137                     | 3,291            | 23  | 3,284            | 23  | 3,284             | 23                            | 3,331             |
| Land border inspection fee.....   | 287                     | 28,962           | 287   | 26,509           | 287   | 26,509            | 287                           | 26,880            |
| COBRA passenger inspection fee.....   | 1,412                   | 366,996          | 1,538   | 392,146          | 1,538   | 392,146           | 1,538                         | 410,666           |
| APHIS inspection fee.....   | 2,015                   | 272,607          | 2,332   | 320,609          | 2,332   | 320,609           | 2,332                         | 333,433           |
| CBP Inspection User Fees.....   | -                       | -                | -   | -                | -   | -                 | -                             | -                 |
| Puerto Rico Trust Fund.....   | 481                     | 111,314          | 529   | 97,690           | 529   | 97,690            | 529                           | 96,719            |
| Small Airport User Fee--discretionary.....  | 51                      | 7,180            | 54  | 7,057            | 54  | 7,057             | 54                            | 7,057             |
| <b>Trust Fund Accounts:</b>   | <b>-</b>                | <b>5,897</b>     | <b>-</b>  | <b>5,897</b>     | <b>-</b>  | <b>5,897</b>      | <b>-</b>                      | <b>5,897</b>      |
| Customs Unclaimed Goods.....  | -                       | 5,897            | -   | 5,897            | -   | 5,897             | -                             | 5,897             |
| Rescission of Prior Year Unobligated Balances                                     | -                       | -                | -   | (127,625)        | -   | (127,625)         | -                             | -                 |
| Net Discretionary   | 36,129                  | 8,196,214        | 40,931  | 7,898,636        | 40,931  | 9,429,636         | 45,382                        | 9,494,246         |
| Adjusted Net Discretionary  | 36,129                  | 8,196,214        | 40,931  | 7,871,011        | 40,931  | 9,402,011         | 45,382                        | 9,494,246         |
| Discretionary Fee Funded  | -                       | -                | -   | -                | -   | -                 | -                             | -                 |
| Gross Discretionary   | 36,129                  | 8,196,214        | 40,931  | 7,898,636        | 40,931  | 9,429,636         | 45,382                        | 9,494,246         |
| Adjusted Gross Discretionary  | 36,129                  | 8,196,214        | 40,931  | 7,871,011        | 40,931  | 9,402,011         | 45,382                        | 9,494,246         |
| Mandatory, Fees, Trust Funds  | 8,285                   | 1,301,245        | 9,486   | 1,408,089        | 9,486   | 1,408,089         | 9,486                         | 1,446,985         |
| Appropriated Resources:   | 36,078                  | 8,189,034        | 40,877  | 7,891,579        | 40,877  | 9,422,579         | 45,328                        | 9,487,189         |
| Non-Appropriated Resources:   | 8,336                   | 1,308,425        | 9,540   | 1,415,146        | 9,540   | 1,415,146         | 9,540                         | 1,454,042         |

|  | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                  | FY 2009<br>President's Budget |                  |
|--|-------------------------|------------------|---|------------------|---|------------------|-------------------------------|------------------|
|  | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$           | FTE                           | \$\$\$           |
| <b>Immigration and Customs Enforcement</b>                                     | <b>16,854</b>           | <b>4,732,641</b> | <b>17,505</b>   | <b>5,054,317</b> | <b>17,938</b>   | <b>5,581,217</b> | <b>18,965</b>                 | <b>5,676,085</b> |
| <b>Salaries and expenses:</b>  | <b>15,083</b>           | <b>3,893,000</b> | <b>16,065</b>   | <b>4,171,117</b> | <b>16,498</b>   | <b>4,687,517</b> | <b>17,395</b>                 | <b>4,690,905</b> |
| Headquarters Management and Administration.....                                | 1,292                   | 274,013          | -   | 311,541          | 1,351   | 315,541          | 1,351                         | 377,321          |
| Personnel Compensation and Benefits, service and other costs.....              | 1,127                   | 140,000          | -   | 164,887          | 1,184   | 168,887          | 1,184                         | 202,001          |
| Headquarters Managed IT Investment.....  | 165                     | 134,013          | -   | 146,684          | 167   | 146,654          | 167                           | 175,320          |
| Legal Proceedings.....   | 1,034                   | 187,353          | -   | 208,350          | 1,170   | 208,350          | 1,187                         | 214,832          |
| Investigations.....  | 7,628                   | 1,394,910        | -   | 1,479,879        | 7,994   | 1,530,079        | 8,324                         | 1,599,990        |
| Domestic.....  | 7,395                   | 1,285,229        | -   | 1,372,328        | 7,761   | 1,422,528        | 8,087                         | 1,474,761        |
| International.....   | 233                     | 109,681          | -   | 107,551          | 233   | 107,551          | 237                           | 125,229          |
| Intelligence.....  | 302                     | 52,379           | -   | 52,146           | 302   | 52,146           | 303                           | 52,983           |
| Intelligence.....  | 302                     | 52,379           | -   | 59,610           | 302   | 52,146           | 303                           | 54,300           |
| Detention and Removal Operations.....  | 4,827                   | 1,984,345        | -   | 2,119,201        | 5,681   | 2,581,401        | 6,230                         | 2,445,779        |
| Custody Operations.....  | 3,652                   | 1,381,767        | -   | 1,461,212        | 4,145   | 1,647,212        | 4,414                         | 1,694,070        |
| Fugitive Operations.....   | 423                     | 183,200          | -   | 186,145          | 613   | 218,945          | 717                           | 225,926          |
| Institutional Removal Program (Criminal Alien Program).....                    | 627                     | 137,494          | -   | 178,829          | 777   | 178,829          | 932                           | 188,267          |
| Comprehensive Identification and Removal of Criminal Aliens.....               | -                       | -                | -   | -                | -   | 200,000          | -                             | -                |
| Alternatives to Detention.....   | 125                     | 43,600           | -   | 43,889           | 146   | 53,889           | 167                           | 55,636           |
| Transportation and Removal Program.....  | -                       | 238,284          | -   | 249,126          | -   | 282,526          | -                             | 281,880          |
| Unspecified Increase.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| <b>Federal Protective Service: (Offsetting)</b>                                | <b>1,295</b>            | <b>516,011</b>   | <b>950</b>  | <b>613,000</b>   | <b>950</b>  | <b>613,000</b>   | <b>950</b>                    | <b>616,000</b>   |
| Basic security.....  | 927                     | 123,310          | 950   | 186,673          | 950   | 186,673          | 950                           | 189,673          |
| Building specific security (incl. capital equip. replacement/acquisition)..... | 368                     | 392,701          | -   | 426,327          | -   | 426,327          | -                             | 426,327          |
| <b>Automation modernization:</b>   | <b>7</b>                | <b>15,000</b>    | <b>7</b>  | <b>30,700</b>    | <b>7</b>  | <b>30,700</b>    | <b>11</b>                     | <b>57,000</b>    |
| Automation Modernization.....  | 7                       | 15,000           | 7   | 30,700           | 7   | 30,700           | 11                            | 57,000           |
| <b>Construction:</b>   | <b>9</b>                | <b>56,281</b>    | <b>9</b>  | <b>6,000</b>     | <b>9</b>  | <b>16,500</b>    | <b>9</b>                      | <b>-</b>         |
| <b>Fee accounts:</b>   | <b>460</b>              | <b>252,349</b>   | <b>474</b>  | <b>233,500</b>   | <b>474</b>  | <b>233,500</b>   | <b>600</b>                    | <b>312,180</b>   |
| Federal Protective Service.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Immigration inspection user fee.....   | 276                     | 108,000          | 276   | 113,500          | 276   | 113,500          | 276                           | 117,600          |
| Breached bond/detention fund.....  | 63                      | 90,000           | 63  | 63,800           | 63  | 63,800           | 63                            | 75,000           |
| Student exchange and visitor fee.....  | 121                     | 54,349           | 135   | 56,200           | 135   | 56,200           | 261                           | 119,580          |
| Rescission of Prior Year Unobligated Balances                                  | -                       | -                | -   | -15,137          | -   | -15,137          | -                             | -                |
| Net Discretionary  | 15,099                  | 3,964,281        | 16,514  | 4,207,817        | 16,514  | 4,734,717        | 17,415                        | 4,747,905        |
| Adjusted Net Discretionary   | 15,099                  | 3,964,281        | 16,514  | 4,202,680        | 16,514  | 4,729,580        | 17,415                        | 4,747,905        |
| Discretionary Fee Funded   | 1,295                   | 516,011          | 950   | 613,000          | 950   | 613,000          | 950                           | 616,000          |
| Gross Discretionary  | 16,394                  | 4,480,292        | 17,464  | 4,820,817        | 17,464  | 5,347,717        | 18,365                        | 5,363,905        |
| Adjusted Gross Discretionary   | 16,394                  | 4,480,292        | 17,464  | 4,815,680        | 17,464  | 5,342,580        | 18,365                        | 5,363,905        |
| Mandatory, Fees, Trust Funds   | 460                     | 252,349          | 474   | 233,500          | 474   | 233,500          | 600                           | 312,180          |
| Appropriated Resources:  | 15,099                  | 3,964,281        | 16,514  | 4,207,817        | 16,514  | 4,734,717        | 17,415                        | 4,747,905        |
| Non-Appropriated Resources:  | 1,755                   | 768,360          | 1,424   | 846,500          | 1,424   | 846,500          | 1,550                         | 928,180          |

|  | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                  | FY 2009<br>President's Budget |                  |
|--|-------------------------|------------------|---|------------------|---|------------------|-------------------------------|------------------|
|  | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$           | FTE                           | \$\$\$           |
| <b>Transportation Security Administration</b>                                      | <b>49,195</b>           | <b>6,724,291</b> | <b>50,871</b>   | <b>6,819,859</b> | <b>50,871</b>   | <b>6,819,859</b> | <b>51,448</b>                 | <b>7,101,828</b> |
| <b>Aviation Security:</b>  | <b>47,259</b>           | <b>5,117,844</b> | <b>48,897</b>   | <b>4,808,741</b> | <b>48,897</b>   | <b>4,808,741</b> | <b>49,697</b>                 | <b>5,289,810</b> |
| Screening Operations.....  | 43,802                  | 4,074,296        | 45,462  | 3,768,489        | 45,462  | 3,768,489        | 45,843                        | 3,678,287        |
| Screener Workforce.....  | 43,778                  | 2,614,830        | 45,438  | 2,779,489        | 45,438  | 2,779,489        | 45,643                        | 2,867,286        |
| Screening Partnership Program [Privatized Screening].....                          | -                       | 148,600          | -   | 143,385          | -   | 143,385          | -                             | 151,272          |
| Passenger TSO PC&B [Passenger Screener - PC&B].....                                | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Baggage TSO PC&B [Baggage Screener - PC&B].....                                    | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Passenger & Baggage TSO PC&B [Passenger & Baggage Screener - PC&B].....            | 43,778                  | 2,466,230        | 45,438  | 2,636,104        | 45,438  | 2,636,104        | 45,643                        | 2,716,014        |
| Screening Training and Other.....  | -                       | 244,466          | -   | -                | -   | -                | -                             | -                |
| Passenger TSO - other [Passenger screeners, other].....                            | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Baggage TSO - other [Baggage screeners, other].....                                | -                       | -                | -   | -                | -   | -                | -                             | -                |
| TSO Training [Screener training].....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Screening Training and Other.....  | -                       | -                | -   | 223,766          | -   | 223,766          | 54                            | 197,318          |
| HR Services.....   | -                       | 207,234          | -   | 182,234          | -   | 182,234          | -                             | -                |
| Checkpoint Support.....  | -                       | 198,366          | -   | -                | -   | -                | 40                            | 127,683          |
| EDS/ETD Systems.....   | 24                      | 809,400          | 24  | 583,000          | 24  | 583,000          | 106                           | 486,000          |
| EDS/ETD Purchase.....  | -                       | 141,400          | -   | -                | -   | -                | -                             | -                |
| EDS/ETD Installation.....  | -                       | 138,000          | -   | -                | -   | -                | -                             | -                |
| EDS Procurement and installation.....  | -                       | 285,000          | -   | 294,000          | -   | 294,000          | 106                           | 153,894          |
| Screening Technology Maintenance & Utilities [EDS/ETD Maintenance].....            | -                       | 222,000          | -   | 264,000          | -   | 264,000          | -                             | 310,625          |
| EDS/ETD Refurbishment.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Operation Integration.....   | 24                      | 23,000           | 24  | 25,000           | 24  | 25,000           | -                             | 21,481           |
| Aviation Direction and Enforcement.....  | 3,457                   | 1,043,548        | 3,433   | 1,009,977        | 3,433   | 1,009,977        | 3,852                         | 1,611,248        |
| Aviation Regulation and Other Enforcement.....                                     | 977                     | 217,516          | 1,038   | 255,953          | 1,038   | 255,953          | 1,407                         | 209,991          |
| Airport Management, IT, and Support.....   | 2,130                   | 666,032          | 2,045   | 651,933          | 2,045   | 651,933          | 1,878                         | 373,010          |
| FFDO and Flight Crew Training.....   | 25                      | 25,000           | 25  | 25,091           | 25  | 25,091           | -                             | -                |
| Air Cargo.....   | 325                     | 135,000          | 325   | 73,000           | 325   | 73,000           | -                             | -                |
| Federal Air Marshals.....  | -                       | -                | -   | -                | -   | -                | -                             | 786,000          |
| Airport Perimeter Security.....  | -                       | -                | -   | 4,000            | -   | 4,000            | -                             | -                |
| Foreign Repair Stations.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Law Enforcement.....   | -                       | -                | -   | -                | -   | -                | 567                           | 242,247          |
| Secure Flight (CAPPS II).....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Crew Vetting.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Registered Traveler Program.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Unspecified Increase (Implementing Requirements of P.L. 110-53).....               | -                       | -                | -   | 30,000           | -   | 30,000           | -                             | -                |
| Alien Flight School (by transfer from DOJ) - mandatory fee.....                    | -                       | -                | -   | -                | -   | -                | -                             | -                |
| General Aviation - offsetting fee.....   | -                       | -                | -   | 75               | -   | 75               | -                             | 75               |
| Air Cargo - offsetting fee.....  | -                       | -                | 2   | 200              | 2   | 200              | 2                             | 200              |
| [Offsetting Fee collections]   | -                       | (2,302,770)      | -   | (2,113,250)      | -   | (2,113,250)      | -                             | (2,328,942)      |
| <b>Surface Transportation Security:</b>  | <b>288</b>              | <b>37,200</b>    | <b>326</b>  | <b>46,613</b>    | <b>326</b>  | <b>46,613</b>    | <b>230</b>                    | <b>37,000</b>    |
| Staffing and operations.....   | 188                     | 24,000           | 188   | 24,485           | 188   | 24,485           | 134                           | 25,397           |
| Hazardous Materials Truck Tracking/Training.....                                   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Rail Security Inspectors and Canines.....  | 100                     | 13,200           | 138   | 22,128           | 138   | 22,128           | 96                            | 11,603           |
| Credentialing Start-up.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| TWIC Appropriated.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| HAZMAT CDL - Fees.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| <b>Transportation Threat Assessment &amp; Credentialing:</b>                       | <b>172</b>              | <b>74,670</b>    | <b>172</b>  | <b>171,490</b>   | <b>172</b>  | <b>171,490</b>   | <b>189</b>                    | <b>173,018</b>   |
| Secure Flight.....   | 65                      | 15,000           | 65  | 50,000           | 65  | 50,000           | 74                            | 82,211           |
| Crew Vetting.....  | 42                      | 14,700           | 42  | 14,990           | 42  | 14,990           | -                             | -                |
| Other Vetting/Screening Administration and Operations.....                         | 15                      | 13,970           | 15  | 9,500            | 15  | 9,500            | 65                            | 50,807           |
| Transportation Worker Identification Credential (TWIC) - Direct Appropriation..... | -                       | -                | -   | 8,100            | -   | 8,100            | -                             | -                |
| Alien Flight School - Direct Appropriation.....                                    | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Registered Traveler Program - offsetting fee.....                                  | 12                      | 3,000            | 12  | 3,500            | 12  | 3,500            | 12                            | 10,000           |
| Transportation Worker Identification Credential (TWIC) - offsetting fee.....       | 15                      | 10,000           | 15  | 64,400           | 15  | 64,400           | 15                            | 9,000            |
| HAZMAT - offsetting fee.....   | 17                      | 16,000           | 17  | 18,000           | 17  | 18,000           | 17                            | 18,000           |
| Alien Flight School (by transfer from DOJ) - mandatory fee.....                    | 6                       | 2,000            | 6   | 3,000            | 6   | 3,000            | 6                             | 3,000            |
| <b>Transportation Security Support:</b>  | <b>1,476</b>            | <b>525,283</b>   | <b>1,476</b>  | <b>523,515</b>   | <b>1,476</b>  | <b>523,515</b>   | <b>1,332</b>                  | <b>926,000</b>   |
| Intelligence.....  | 99                      | 21,000           | 99  | 21,000           | 99  | 21,000           | 92                            | 21,961           |
| Administration.....  | 1,377                   | 504,283          | 1,377   | 502,515          | 1,377   | 502,515          | 1,240                         | 904,039          |
| Headquarters Administration.....   | 1,377                   | 294,191          | 1,377   | 293,191          | 1,377   | 293,191          | 938                           | 213,135          |
| Human Capital Services.....  | -                       | -                | -   | -                | -   | -                | 176                           | 218,105          |
| Information Technology.....  | -                       | 210,092          | -   | 209,324          | -   | 209,324          | 126                           | 472,799          |
| Research and Development Consolidation.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| <b>Aviation Security Capital Fund:</b>   | <b>-</b>                | <b>250,000</b>   | <b>-</b>  | <b>250,000</b>   | <b>-</b>  | <b>250,000</b>   | <b>-</b>                      | <b>676,000</b>   |
| <b>Checkpoint screening security fund:</b>   | <b>-</b>                | <b>-</b>         | <b>-</b>  | <b>250,000</b>   | <b>-</b>  | <b>250,000</b>   | <b>-</b>                      | <b>-</b>         |
| <b>Federal Air Marshals:</b>   | <b>-</b>                | <b>719,294</b>   | <b>-</b>  | <b>769,500</b>   | <b>-</b>  | <b>769,500</b>   | <b>-</b>                      | <b>-</b>         |
| Management and Administration.....   | -                       | 628,494          | -   | 674,173          | -   | 674,173          | -                             | -                |
| Travel and Training.....   | -                       | 90,800           | -   | 95,327           | -   | 95,327           | -                             | -                |
| Air-to-ground communications.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Rescission of Prior Year Unobligated Balances                                      | -                       | (66,712)         | -   | (4,500)          | -   | (4,500)          | -                             | -                |
| Net Discretionary  | 49,145                  | 4,140,521        | 50,821  | 4,117,709        | 50,821  | 4,117,709        | 51,398                        | 4,056,886        |
| Adjusted Net Discretionary   | 49,145                  | 4,073,809        | 50,821  | 4,113,209        | 50,821  | 4,113,209        | 51,398                        | 4,056,886        |
| Discretionary Fee Funded   | 44                      | 2,331,770        | 44  | 2,199,150        | 44  | 2,199,150        | 44                            | 2,365,942        |
| Gross Discretionary  | 49,189                  | 6,472,291        | 50,865  | 6,316,859        | 50,865  | 6,316,859        | 51,442                        | 6,422,828        |
| Adjusted Gross Discretionary   | 49,189                  | 6,405,579        | 50,865  | 6,312,359        | 50,865  | 6,312,359        | 51,442                        | 6,422,828        |
| Mandatory, Fees, Trust Funds   | 6                       | 252,000          | 6   | 503,000          | 6   | 503,000          | 6                             | 679,000          |
| Appropriated Resources:  | 49,145                  | 4,140,521        | 50,821  | 4,117,709        | 50,821  | 4,117,709        | 51,398                        | 4,056,886        |
| Non-Appropriated Resources:  | 50                      | 2,583,770        | 50  | 2,702,150        | 50  | 2,702,150        | 50                            | 3,044,942        |

|  | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                  | FY 2009<br>President's Budget |                  |
|--|-------------------------|------------------|---|------------------|---|------------------|-------------------------------|------------------|
|  | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$           | FTE                           | \$\$\$           |
| <b>U.S. Coast Guard</b>  | <b>47,798</b>           | <b>8,880,160</b> | <b>48,272</b>   | <b>8,741,053</b> | <b>48,558</b>   | <b>8,907,153</b> | <b>48,930</b>                 | <b>9,346,022</b> |
| <b>Operating expenses:</b>   | <b>46,484</b>           | <b>5,688,665</b> | <b>46,950</b>   | <b>5,931,047</b> | <b>47,236</b>   | <b>6,001,347</b> | <b>48,260</b>                 | <b>6,213,402</b> |
| Military pay and allowances.....   | 40,243                  | 2,801,081        | 40,901  | 2,921,673        | 41,102  | 2,938,835        | 41,403                        | 3,076,837        |
| Civilian pay and benefits.....   | 6,241                   | 566,921          | 6,049   | 594,803          | 6,134   | 694,421          | 6,857                         | 692,858          |
| Training and recruiting.....   | -                       | 177,825          | -   | 185,604          | -   | 188,521          | -                             | 196,063          |
| Operating funds and unit level maintenance.....  | -                       | 1,013,701        | -   | 1,134,881        | -   | 1,164,427        | -                             | 1,169,943        |
| Centrally managed accounts.....  | -                       | 212,844          | -   | 229,896          | -   | 232,727          | -                             | 262,795          |
| Intermediate and depot level maintenance.....  | -                       | 706,000          | -   | 754,190          | -   | 762,416          | -                             | 814,906          |
| Port and maritime security enhancements (Port Security).....                                   | -                       | -                | -   | -                | -   | [70,300]         | -                             | -                |
| DOD Transfer (PL 109-289).....   | -                       | 90,000           | -   | -                | -   | -                | -                             | -                |
| DOD Transfer (PL 110-28).....  | -                       | 120,293          | -   | -                | -   | -                | -                             | -                |
| DOD Transfer (FY 2008 Omnibus).....  | -                       | -                | -   | 110,000          | -   | 110,000          | -                             | -                |
| Less adjustment for Defense function.....  | -                       | (340,000)        | -   | (340,000)        | -   | (340,000)        | -                             | -                |
| Defense function.....  | -                       | 340,000          | -   | 340,000          | -   | 340,000          | -                             | -                |
| <b>Environmental compliance and restoration:</b>   | <b>24</b>               | <b>10,880</b>    | <b>24</b>   | <b>13,000</b>    | <b>24</b>   | <b>13,000</b>    | <b>24</b>                     | <b>12,315</b>    |
| <b>Reserve training:</b>   | <b>536</b>              | <b>122,448</b>   | <b>536</b>  | <b>126,883</b>   | <b>536</b>  | <b>126,883</b>   | <b>536</b>                    | <b>130,501</b>   |
| <b>Acquisition, construction, and improvements:</b>  | <b>652</b>              | <b>1,438,938</b> | <b>652</b>  | <b>892,019</b>   | <b>652</b>  | <b>987,819</b>   | -                             | <b>1,205,118</b> |
| <b>Vessels</b>   |                         |                  |   |                  |   | <b>(137,264)</b> |                               | <b>137,264</b>   |
| Vessels.....   | -                       | 56,550           | -   | 9,200            | -   | 45,000           | -                             | 69,000           |
| Survey and Design - Cutters and Boats.....   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Response Boat Medium(41' UTB and NSB replacement).....   | -                       | 24,750           | -   | 9,200            | -   | 45,000           | -                             | 64,000           |
| Inland River tenders' Emergency Sustainment Project.....                                       | -                       | -                | -   | -                | -   | -                | -                             | 5,000            |
| Special Purpose craft - law enforcement.....   | -                       | 1,800            | -   | -                | -   | -                | -                             | -                |
| Coastal Patrol Boats.....  | -                       | 30,000           | -   | -                | -   | -                | -                             | -                |
| Aircraft.....  | -                       | 15,000           | -   | -                | -   | -                | -                             | -                |
| HH-60 replacement.....   | -                       | 15,000           | -   | -                | -   | -                | -                             | -                |
| Other equipment.....   | -                       | 119,823          | -   | 113,100          | -   | 173,100          | -                             | 95,174           |
| Nationwide Automatic Identification System.....  | -                       | 11,238           | -   | 12,000           | -   | 12,000           | -                             | 14,600           |
| National distress and response system modernization (Rescue 21).....                           | -                       | 39,600           | -   | 80,300           | -   | 80,300           | -                             | 73,000           |
| HF Modernization and Recapitalization.....   | -                       | 2,475            | -   | 2,500            | -   | 2,500            | -                             | 2,500            |
| Command 21.....  | -                       | -                | -   | -                | -   | 9,100            | -                             | 1,000            |
| Defense Messaging System.....  | -                       | -                | -   | 5,000            | -   | 5,000            | -                             | 4,074            |
| National Capital Region Air Defense.....   | -                       | -                | -   | 11,500           | -   | 11,500           | -                             | -                |
| Maritime security response team - Shoot House (Counter-terrorism Training Infrastructure)..... | -                       | 66,510           | -   | 1,800            | -   | 1,800            | -                             | -                |
| Interagency operational centers for port security.....   | -                       | -                | -   | -                | -   | 50,800           | -                             | -                |
| Personnel compensation and benefits.....   | 652                     | 81,000           | 652   | 82,720           | 652   | 82,720           | -                             | 500              |
| Core acquisition costs.....  | -                       | 500              | -   | 505              | -   | 505              | -                             | 500              |
| Direct personnel costs.....  | 652                     | 80,500           | 652   | 82,215           | 652   | 82,215           | -                             | -                |
| Integrated Deepwater Systems.....  | -                       | 1,144,565        | -   | 783,266          | -   | 783,266          | -                             | 990,444          |
| Aircraft.....  | -                       | 344,386          | -   | 327,416          | -   | 327,416          | -                             | 231,300          |
| Aircraft, other.....   | -                       | 312,013          | -   | -                | -   | -                | -                             | 3,000            |
| Maritime Patrol Aircraft (MPA).....  | -                       | -                | -   | 170,016          | -   | 170,016          | -                             | 86,600           |
| HH-60 conversions.....   | -                       | -                | -   | 57,300           | -   | 57,300           | -                             | 52,700           |
| HC-130H conversion/sustainment.....  | -                       | -                | -   | 18,900           | -   | 18,900           | -                             | 24,500           |
| Armed helicopter equipment.....  | -                       | -                | -   | 24,600           | -   | 24,600           | -                             | -                |
| C-130J fleet introduction.....   | -                       | -                | -   | 5,800            | -   | 5,800            | -                             | -                |
| HH-65 re-engineing.....  | -                       | -                | -   | 50,800           | -   | 50,800           | -                             | 64,500           |
| Surface ships.....   | -                       | 632,559          | -   | 243,400          | -   | 243,400          | -                             | 540,703          |
| National Security Cutter (NSC).....  | -                       | -                | -   | 165,700          | -   | 165,700          | -                             | 353,700          |
| Offshore Patrol Cutter (OPC).....  | -                       | -                | -   | -                | -   | -                | -                             | 3,003            |
| Fast Response Cutter (FRC-B).....  | -                       | -                | -   | -                | -   | -                | -                             | 115,300          |
| IDS small boats.....   | -                       | -                | -   | 2,700            | -   | 2,700            | -                             | 2,400            |
| Patrol Boat Sustainment.....   | -                       | -                | -   | 40,500           | -   | 40,500           | -                             | 30,800           |
| Medium Endurance cutter sustainment.....   | -                       | -                | -   | 34,500           | -   | 34,500           | -                             | 35,500           |
| Technology Obsolescence Prevention.....  | -                       | -                | -   | 700              | -   | 700              | -                             | 1,500            |
| C4ISR.....   | -                       | 50,000           | -   | 89,630           | -   | 89,630           | -                             | 88,100           |
| Logistics.....   | -                       | 36,000           | -   | 36,500           | -   | 36,500           | -                             | 37,700           |
| Systems engineering and integration.....   | -                       | 35,145           | -   | 35,145           | -   | 35,145           | -                             | 33,141           |
| Government program management.....   | -                       | 46,475           | -   | 50,475           | -   | 50,475           | -                             | 58,000           |
| Shore facilities and aids to navigation.....   | -                       | 22,000           | -   | 40,997           | -   | 40,997           | -                             | 50,000           |
| <b>Alteration of bridges:</b>  | -                       | <b>16,000</b>    | -   | <b>16,000</b>    | -   | <b>16,000</b>    | -                             | -                |
| <b>Research, development, test, and evaluation:</b>  | <b>102</b>              | <b>17,000</b>    | <b>102</b>  | <b>25,000</b>    | <b>102</b>  | <b>25,000</b>    | <b>102</b>                    | <b>16,000</b>    |
| <b>Health Care Fund Contribution:</b>  | -                       | <b>278,704</b>   | -   | <b>272,111</b>   | -   | <b>272,111</b>   | -                             | <b>257,305</b>   |
| <b>Retired pay:</b>  | -                       | <b>1,063,323</b> | -   | <b>1,184,720</b> | -   | <b>1,184,720</b> | -                             | <b>1,236,745</b> |
| <b>Trust Fund:</b>   |                         | <b>244,202</b>   | <b>8</b>  | <b>280,273</b>   | <b>8</b>  | <b>280,273</b>   | <b>8</b>                      | <b>274,636</b>   |
| Boat Safety.....   | -                       | 117,222          | 8   | 132,923          | 8   | 132,923          | 8                             | 125,461          |
| Oil Spill Recovery.....  | -                       | 126,900          | -   | 147,270          | -   | 147,270          | -                             | 149,095          |
| Gift Fund.....   | -                       | 80               | -   | 80               | -   | 80               | -                             | 80               |
| Rescission of Prior Year Unobligated Balances  | -                       | -1128,389        | -   | -1146,847        | -   | -1146,847        | -                             | -                |
| Net Discretionary  | 47,798                  | 7,572,635        | 48,264  | 7,276,060        | 48,550  | 7,442,160        | 48,922                        | 7,834,641        |
| Adjusted Net Discretionary   | 47,798                  | 7,444,246        | 48,264  | 7,129,213        | 48,550  | 7,295,313        | 48,922                        | 7,834,641        |
| Discretionary Fee Funded   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Gross Discretionary  | 47,798                  | 7,572,635        | 48,264  | 7,276,060        | 48,550  | 7,442,160        | 48,922                        | 7,834,641        |
| Adjusted Gross Discretionary   | 47,798                  | 7,444,246        | 48,264  | 7,129,213        | 48,550  | 7,295,313        | 48,922                        | 7,834,641        |
| Mandatory, Fees, Trust Funds   | -                       | 1,307,525        | 8   | 1,464,993        | 8   | 1,464,993        | 8                             | 1,511,381        |
| Appropriated Resources:  | 47,798                  | 8,635,958        | 48,264  | 8,460,780        | 48,550  | 8,626,880        | 48,922                        | 9,071,386        |
| Non-Appropriated Resources:  | -                       | 244,202          | 8   | 280,273          | 8   | 280,273          | 8                             | 274,636          |

|  | FY 2007 Revised Enacted |                   | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                   | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                   | FY 2009<br>President's Budget |                   |
|--|-------------------------|-------------------|---|-------------------|---|-------------------|-------------------------------|-------------------|
|  | FTE                     | \$\$\$            | FTE   | \$\$\$            | FTE   | \$\$\$            | FTE                           | \$\$\$            |
| <b>U.S. Secret Service</b>   | <b>6,649</b>            | <b>1,485,617</b>  | <b>6,700</b>  | <b>1,595,496</b>  | <b>6,700</b>  | <b>1,595,496</b>  | <b>6,732</b>                  | <b>1,639,346</b>  |
| <b>Salaries &amp; Expenses [Protection, Administration and Training]:</b>            | <b>4,564</b>            | <b>967,257</b>    | <b>6,700</b>  | <b>1,381,771</b>  | <b>6,700</b>  | <b>1,381,771</b>  | <b>6,732</b>                  | <b>1,410,621</b>  |
| Protection.....  | 3,963                   | 763,026           | 4,240   | 853,690           | 4,240   | 853,690           | 4,142                         | 849,012           |
| Protection of persons and facilities.....  | 3,463                   | 655,693           | 3,514   | 693,535           | 3,514   | 693,535           | 3,546                         | 710,468           |
| National Special Security Event Fund.....  | -                       | 3,500             | -   | 1,000             | -   | 1,000             | -                             | 1,000             |
| Protective intelligence activities.....  | 476                     | 56,523            | 476   | 57,704            | 476   | 57,704            | 476                           | 59,761            |
| Presidential candidate nominee protection.....                                       | 24                      | 31,109            | 250   | 85,250            | 250   | 85,250            | 120                           | 41,082            |
| White House mail screening.....  | -                       | 16,201            | -   | 16,201            | -   | 16,201            | -                             | 36,701            |
| Investigations [and Field operations].....   | 2,085                   | 314,635           | 1,859   | 300,193           | 1,859   | 300,193           | 1,989                         | 326,316           |
| Domestic field operations.....   | 1,683                   | 238,461           | 1,480   | 219,742           | 1,480   | 219,742           | 1,597                         | 241,772           |
| International field office administration and operations.....                        | 70                      | 23,451            | 70  | 27,520            | 70  | 27,520            | 70                            | 28,342            |
| Electronic crimes special agent program and electronic crimes task forces.....       | 312                     | 44,357            | 289   | 44,565            | 289   | 44,565            | 302                           | 47,836            |
| Forensic support and grants to NCMEC.....  | 20                      | 8,366             | 20  | 8,366             | 20  | 8,366             | 20                            | 8,366             |
| Administration.....  | 328                     | 153,437           | 328   | 175,934           | 328   | 175,934           | 328                           | 182,104           |
| Headquarters, management and administration.....                                     | 328                     | 153,437           | 328   | 175,934           | 328   | 175,934           | 328                           | 182,104           |
| National Center for Missing and Exploited Children.....                              | -                       | -                 | -   | -                 | -   | -                 | -                             | -                 |
| Training.....  | 273                     | 50,794            | 273   | 51,954            | 273   | 51,954            | 273                           | 53,189            |
| Rowley training center.....  | 273                     | 50,794            | 273   | 51,954            | 273   | 51,954            | 273                           | 53,189            |
| <b>Acquisition, construction, improvements &amp; expenses (Rowley Training Ctr):</b> | <b>-</b>                | <b>3,725</b>      | <b>-</b>  | <b>3,725</b>      | <b>-</b>  | <b>3,725</b>      | <b>-</b>                      | <b>3,725</b>      |
| <b>Retired pay (mandatory - trust fund):</b>   | <b>-</b>                | <b>200,000</b>    | <b>-</b>  | <b>210,000</b>    | <b>-</b>  | <b>210,000</b>    | <b>-</b>                      | <b>225,000</b>    |
| Rescission of Prior Year Unobligated Balances  | -                       | -2,950            | -   | -                 | -   | -                 | -                             | -                 |
| Net Discretionary  | 6,649                   | 1,285,617         | 6,700   | 1,385,496         | 6,700   | 1,385,496         | 6,732                         | 1,414,346         |
| Adjusted Net Discretionary   | 6,649                   | 1,282,667         | 6,700   | 1,385,496         | 6,700   | 1,385,496         | 6,732                         | 1,414,346         |
| Discretionary Fee Funded   | -                       | -                 | -   | -                 | -   | -                 | -                             | -                 |
| Gross Discretionary  | 6,649                   | 1,285,617         | 6,700   | 1,385,496         | 6,700   | 1,385,496         | 6,732                         | 1,414,346         |
| Adjusted Gross Discretionary   | 6,649                   | 1,282,667         | 6,700   | 1,385,496         | 6,700   | 1,385,496         | 6,732                         | 1,414,346         |
| Mandatory, Fees, Trust Funds   | -                       | 200,000           | -   | 210,000           | -   | 210,000           | -                             | 225,000           |
| Appropriated Resources:  | 6,649                   | 1,285,617         | 6,700   | 1,385,496         | 6,700   | 1,385,496         | 6,732                         | 1,414,346         |
| Non-Appropriated Resources:  | -                       | 200,000           | -   | 210,000           | -   | 210,000           | -                             | 225,000           |
| <b>Total, Title II, Security, Enforcement,<br/>and Investigations:</b>               | <b>154,769</b>          | <b>26,215,411</b> | <b>163,176</b>  | <b>26,063,381</b> | <b>163,462</b>  | <b>28,287,281</b> | <b>169,795</b>                | <b>28,777,712</b> |





|  | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                  | FY 2009<br>President's Budget |                  |
|--|-------------------------|------------------|---|------------------|---|------------------|-------------------------------|------------------|
|  | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$           | FTE                           | \$\$\$           |
| <b>TITLE IV - RESEARCH &amp; DEVELOPMENT, TRAINING, &amp; SERVICES</b> |                         |                  |   |                  |   |                  |                               |                  |
| <b>Citizenship &amp; Immigration Services</b>                          | <b>10,122</b>           | <b>2,224,240</b> | <b>10,264</b>   | <b>2,539,845</b> | <b>10,264</b>   | <b>2,619,845</b> | <b>10,623</b>                 | <b>2,689,726</b> |
| <b>Salaries and Expenses:</b>  | <b>365</b>              | <b>189,990</b>   | <b>194</b>  | <b>973</b>       | <b>194</b>  | <b>80,973</b>    | <b>265</b>                    | <b>150,540</b>   |
| Business Transformation.....   | -                       | 47,000           | -   | -                | -   | -                | -                             | -                |
| Pay and benefits.....  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| SAVE.....  | 184                     | 21,100           | -   | -                | -   | -                | -                             | -                |
| E-Verify [EEV].....  | 181                     | 113,890          | 189   | -                | 189   | 60,000           | 255                           | 100,000          |
| Real ID Act Implementation.....  | -                       | -                | -   | -                | -   | -                | 5                             | 50,000           |
| FBI Background Check.....  | -                       | 8,000            | -   | -                | -   | 20,000           | -                             | -                |
| Benefit Parole Program.....  | -                       | -                | 5   | 523              | 5   | 523              | 5                             | 540              |
| Immigration service programs.....                                      | -                       | -                | -   | 450              | -   | 450              | -                             | -                |
| <b>Immigration Examinations Fee Account:</b>                           | <b>9,527</b>            | <b>1,990,250</b> | <b>9,972</b>  | <b>2,494,872</b> | <b>9,972</b>  | <b>2,494,872</b> | <b>10,234</b>                 | <b>2,495,186</b> |
| Adjudication Services.....   | 7,205                   | 1,574,413        | 7,992   | 1,934,670        | 7,992   | 1,934,670        | 7,999                         | 1,934,670        |
| Pay and benefits.....  | 7,205                   | 637,435          | 7,992   | 742,345          | 7,992   | 742,345          | 7,999                         | 763,873          |
| District Operations.....   | -                       | 438,033          | -   | 536,685          | -   | 536,685          | -                             | 525,716          |
| Service Center Operations.....   | -                       | 338,879          | -   | 336,873          | -   | 336,873          | -                             | 329,988          |
| Asylum, Refugee and International Operations.....                      | -                       | 81,224           | -   | 92,028           | -   | 92,028           | -                             | 90,147           |
| Records Operations.....  | -                       | 78,842           | -   | 87,739           | -   | 87,739           | -                             | 85,946           |
| Business Transformation.....   | -                       | -                | -   | 139,000          | -   | 139,000          | -                             | 139,000          |
| Information and Customer Services.....                                 | 1,790                   | 146,617          | 1,230   | 167,799          | 1,230   | 167,799          | 1,357                         | 167,799          |
| Pay and benefits.....  | 1,790                   | 82,633           | 1,230   | 89,977           | 1,230   | 89,977           | 1,357                         | 92,587           |
| Operating Expenses.....  | -                       | 63,984           | -   | 77,822           | -   | 77,822           | -                             | 75,212           |
| National Customer Service Center.....                                  | -                       | 48,000           | -   | 55,600           | -   | 55,600           | -                             | 53,747           |
| Information Services.....  | -                       | 15,984           | -   | 22,222           | -   | 22,222           | -                             | 21,465           |
| SAVE/EEV Operating Expenses.....                                       | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Administration.....  | 532                     | 269,220          | 580   | 373,899          | 580   | 373,899          | 658                           | 373,899          |
| Pay and benefits.....  | 532                     | 50,096           | 580   | 86,245           | 580   | 86,245           | 658                           | 88,746           |
| Operating Expenses.....  | -                       | 219,124          | -   | 287,654          | -   | 287,654          | -                             | 285,153          |
| SAVE.....  | -                       | -                | 170   | 18,504           | 170   | 18,504           | 220                           | 18,818           |
| <b>HI-B Visa Fee Account:</b>  | <b>-</b>                | <b>13,000</b>    | <b>-</b>  | <b>13,000</b>    | <b>-</b>  | <b>13,000</b>    | <b>-</b>                      | <b>13,000</b>    |
| Adjudication Services.....   | -                       | 13,000           | -   | 13,000           | -   | 13,000           | -                             | 13,000           |
| Service Center Operations.....   | -                       | 13,000           | -   | 13,000           | -   | 13,000           | -                             | 13,000           |
| <b>HI-B and I. Fraud Prevention:</b>                                   | <b>230</b>              | <b>31,000</b>    | <b>98</b>   | <b>31,000</b>    | <b>98</b>   | <b>31,000</b>    | <b>124</b>                    | <b>31,000</b>    |
| Adjudication Services.....   | 230                     | 31,000           | 98  | 53,800           | 98  | 53,800           | 124                           | 53,800           |
| Pay and benefits.....  | 230                     | 23,000           | 98  | 15,746           | 98  | 15,746           | 124                           | 16,203           |
| District Operations.....   | -                       | 6,000            | -   | 9,728            | -   | 9,728            | -                             | 9,440            |
| Asylum, Refugee Operating Expenses.....                                | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Service Center Operations.....   | -                       | 2,000            | -   | 2,993            | -   | 2,993            | -                             | 2,915            |
| Rescission of Prior Year Unobligated Balances                          | -                       | -                | -   | (672)            | -   | (672)            | -                             | -                |
| Net Discretionary  | 365                     | 189,990          | 194   | 973              | 194   | 80,973           | 265                           | 150,540          |
| Adjusted Net Discretionary   | 365                     | 189,990          | 194   | 301              | 194   | 80,301           | 265                           | 150,540          |
| Discretionary Fee Funded   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Gross Discretionary  | 365                     | 189,990          | 194   | 973              | 194   | 80,973           | 265                           | 150,540          |
| Adjusted Gross Discretionary   | 365                     | 189,990          | 194   | 301              | 194   | 80,301           | 265                           | 150,540          |
| Mandatory, Fees, Trust Funds   | 9,757                   | 2,034,250        | 10,070  | 2,538,872        | 10,070  | 2,538,872        | 10,358                        | 2,539,186        |
| Appropriated Resources:  | 365                     | 189,990          | 194   | 973              | 194   | 80,973           | 265                           | 150,540          |
| Non-Appropriated Resources:  | 9,757                   | 2,034,250        | 10,070  | 2,538,872        | 10,070  | 2,538,872        | 10,358                        | 2,539,186        |





|   | FY 2007 Revised Enacted |                  | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                  | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                  | FY 2009<br>President's Budget |                  |
|---|-------------------------|------------------|---|------------------|---|------------------|-------------------------------|------------------|
|   | FTE                     | \$\$\$           | FTE   | \$\$\$           | FTE   | \$\$\$           | FTE                           | \$\$\$           |
| <b>Domestic Nuclear Detection Office</b>  | <b>112</b>              | <b>615,968</b>   | <b>121</b>  | <b>484,750</b>   | <b>121</b>  | <b>484,750</b>   | <b>137</b>                    | <b>563,800</b>   |
| <b>Management and Administration:</b>   | <b>112</b>              | <b>30,468</b>    | <b>121</b>  | <b>31,500</b>    | <b>121</b>  | <b>31,500</b>    | <b>137</b>                    | <b>38,900</b>    |
| <b>Research, Development, and Operations:</b>   | -                       | <b>307,500</b>   | -   | <b>323,500</b>   | -   | <b>323,500</b>   | -                             | <b>334,200</b>   |
| Systems Engineering and architecture.....   | -                       | -                | -   | 22,400           | -   | 22,400           | -                             | 25,147           |
| Systems development.....  | -                       | -                | -   | 118,100          | -   | 118,100          | -                             | 108,100          |
| Transformational research and development.....  | -                       | -                | -   | 96,000           | -   | 96,000           | -                             | 113,300          |
| Assessments.....  | -                       | -                | -   | 37,500           | -   | 37,500           | -                             | 32,000           |
| Operations support.....   | -                       | -                | -   | 34,500           | -   | 34,500           | -                             | 37,753           |
| National Technical Nuclear Forensics Center.....  | -                       | -                | -   | 15,000           | -   | 15,000           | -                             | 17,900           |
| <b>Systems Acquisition:</b>   | -                       | <b>278,000</b>   | -   | <b>129,750</b>   | -   | <b>129,750</b>   | -                             | <b>190,700</b>   |
| Radiation Portal Monitor Program.....   | -                       | -                | -   | 90,000           | -   | 90,000           | -                             | 157,700          |
| Securing the Cities.....  | -                       | -                | -   | 30,000           | -   | 30,000           | -                             | 20,000           |
| Human Portal Radiation Detection Systems Program.....                                     | -                       | -                | -   | 9,750            | -   | 9,750            | -                             | 13,000           |
| Rescission of Prior Year Unobligated Balances   | -                       | -                | -   | (368)            | -   | (368)            | -                             | -                |
| Net Discretionary   | 112                     | 615,968          | 121   | 484,750          | 121   | 484,750          | 137                           | 563,800          |
| Adjusted Net Discretionary  | 112                     | 615,968          | 121   | 484,382          | 121   | 484,382          | 137                           | 563,800          |
| Discretionary Offsets   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Gross Discretionary   | 112                     | 615,968          | 121   | 484,750          | 121   | 484,750          | 137                           | 563,800          |
| Adjusted Gross Discretionary  | 112                     | 615,968          | 121   | 484,382          | 121   | 484,382          | 137                           | 563,800          |
| Mandatory, Fees, Trust Funds  | -                       | -                | -   | -                | -   | -                | -                             | -                |
| Appropriated Resources:   | 112                     | 615,968          | 121   | 484,750          | 121   | 484,750          | 137                           | 563,800          |
| Non-Appropriated Resources:   | -                       | -                | -   | -                | -   | -                | -                             | -                |
| <b>Total, Title IV, Research and Development, Training<br/>Assessments, and Services:</b> | <b>1,907</b>            | <b>2,054,368</b> | <b>1,721</b>  | <b>1,583,724</b> | <b>1,721</b>  | <b>1,684,724</b> | <b>1,889</b>                  | <b>1,857,303</b> |

|  | FY 2007 Revised Enacted |                   | FY 2008 Enacted<br>Excluding Emergency<br>Including Transfers |                   | FY 2008 Enacted<br>Including Emergency Funding<br>and Transfers |                   | FY 2009<br>President's Budget |                   |
|--|-------------------------|-------------------|---|-------------------|---|-------------------|-------------------------------|-------------------|
|  | FTE                     | \$\$\$            | FTE   | \$\$\$            | FTE   | \$\$\$            | FTE                           | \$\$\$            |
| <b>DEPARTMENT OF HOMELAND SECURITY</b>                   | <b>185,570</b>          | <b>50,595,128</b> | <b>195,146</b>  | <b>47,285,102</b> | <b>195,865</b>  | <b>52,915,102</b> | <b>203,514</b>                | <b>50,502,371</b> |
| Rescission of Prior Year Unobligated Balances            | -                       | -(343,905)        | -   | -(262,249)        | -   | -(262,249)        | -                             | -                 |
| Net Discretionary  | 165,453                 | 39,670,994        | 174,234   | 35,170,498        | 174,520   | 40,800,498        | 181,718                       | 37,613,098        |
| Adjusted Net Discretionary                               | 165,453                 | 39,327,089        | 174,234   | 34,910,758        | 174,520   | 40,540,758        | 181,718                       | 37,613,098        |
| Discretionary Fee Funded                                 | 1,609                   | 2,945,369         | 1,294   | 2,923,150         | 1,294   | 2,923,150         | 1,324                         | 3,138,541         |
| Gross Discretionary                                      | 167,062                 | 42,616,363        | 175,528   | 38,093,648        | 175,814   | 43,723,648        | 183,042                       | 40,751,639        |
| Adjusted Gross Discretionary                             | 167,062                 | 42,272,458        | 175,528   | 37,833,908        | 175,814   | 43,463,908        | 183,042                       | 40,751,639        |
| Mandatory, Fees, Trust Funds                             | 18,508                  | 7,978,765         | 20,051  | 9,191,454         | 20,051  | 9,191,454         | 20,472                        | 9,750,732         |
| Appropriated Resources:                                  | 165,402                 | 40,727,137        | 174,180   | 36,348,161        | 174,466   | 41,978,161        | 181,664                       | 38,842,786        |
| Non-Appropriated Resources:                              | 20,168                  | 9,867,991         | 21,399  | 10,936,941        | 21,399  | 10,936,941        | 21,850                        | 11,659,585        |
| <b>Grand total, Department of<br/>Homeland Security:</b> | <b>165,402</b>          | <b>40,383,232</b> | <b>174,180</b>  | <b>36,085,912</b> | <b>174,466</b>  | <b>41,715,812</b> | <b>181,664</b>                | <b>38,842,786</b> |
| Appropriations.....                                      | 165,402                 | 40,727,137        | 174,180   | 36,348,161        | 174,466   | 41,978,061        | 181,664                       | 38,842,786        |
| Rescissions of prior year unobligated balances.....      | -                       | (343,905)         | -   | (262,249)         | -   | (262,249)         | -                             | -                 |
| [Discretionary Fee Funded Programs].....                 | [1,609]                 | [2,945,369]       | [1,294]   | [2,923,150]       | [1,294]   | [2,923,150]       | [1,324]                       | [3,138,541]       |
| [Rescission of prior year emergency supplemental].....   | -                       | -                 | [2]   | [3]               | -   | -                 | -                             | -                 |
| [Mandatory Fee Funded Programs and Trust Funds].....     | [18,559]                | [6,922,622]       | [20,105]  | [8,013,791]       | [20,105]  | [8,013,791]       | [20,526]                      | [8,521,044]       |
| <b>CONGRESSIONAL BUDGET RECAP</b>                        |                         |                   |   |                   |   |                   |                               |                   |
| <b>Total, Scorekeeping adjustments:</b>                  | -                       | (343,905)         | -   | (262,249)         | -   | (262,249)         | -                             | -                 |
| Rescission of Prior Year Unobligated Balances.....       | -                       | (343,905)         | -   | (262,249)         | -   | (262,249)         | -                             | -                 |
| <b>Total, Appropriations.....</b>                        | <b>165,402</b>          | <b>40,383,232</b> | <b>174,180</b>  | <b>36,085,912</b> | <b>174,466</b>  | <b>41,715,812</b> | <b>181,664</b>                | <b>38,842,786</b> |
| Amount in this bill.....                                 | 165,402                 | 40,727,137        | 174,180   | 36,348,161        | 174,466   | 41,978,061        | 181,664                       | 38,842,786        |
| Scorekeeping adjustments.....                            | -                       | (343,905)         | -   | (262,249)         | -   | (262,249)         | -                             | -                 |
| <b>Total, Mandatory and Discretionary.....</b>           | <b>165,402</b>          | <b>40,383,232</b> | <b>174,180</b>  | <b>36,085,912</b> | <b>174,466</b>  | <b>41,715,812</b> | <b>181,664</b>                | <b>38,842,786</b> |
| Mandatory.....   | -                       | 1,063,323         | -   | 1,184,720         | -   | 1,184,720         | -                             | 1,236,745         |
| Discretionary.....                                       | 165,402                 | 39,319,909        | 174,180   | 34,901,192        | 174,466   | 40,531,092        | 181,664                       | 37,606,041        |

**Department of Homeland Security**  
 FY 2007-2009 Enacted Budget Authority Crosswalk  
 February 4, 2009 - President's Budget

Dollars in Thousands

| Component   | Revised Enacted Crosswalk  |                  |                    |                   |                               |                   |
|---|----------------------------|------------------|--------------------|-------------------|-------------------------------|-------------------|
|   | FY 2007<br>Revised Enacted |                  | FY 2008<br>Enacted |                   | FY 2009<br>President's Budget |                   |
|   | FTE                        | Dollars          | FTE                | Dollars           | FTE                           | Dollars           |
| <b>Office of the Secretary &amp; Executive Management</b>                             | <b>469</b>                 | <b>\$95,336</b>  | <b>542</b>         | <b>\$97,353</b>   | <b>599</b>                    | <b>\$127,229</b>  |
| Discretionary Resources.....  | 469                        | 95,336           | 542                | 97,353            | 599                           | 127,229           |
| Enacted Level.....  | 469                        | 94,470           | 542                | 97,353            | 599                           | 127,229           |
| Transfer to TSA Aviation Security prior year obligations.....                         | -                          | -300             | -                  | -                 | -                             | -                 |
| Transfer from PREP Post-Katrina Section 872 Reorganizations.....                      | -                          | 1,629            | -                  | -                 | -                             | -                 |
| Transfer to NPPD Post-Katrina Section 872 Reorganizations.....                        | -                          | -463             | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | [-1,201]         | -                  | [-16,295]         | -                             | -                 |
| <b>Under Secretary for Management</b>   | <b>283</b>                 | <b>149,540</b>   | <b>352</b>         | <b>145,238</b>    | <b>473</b>                    | <b>321,469</b>    |
| Discretionary Resources.....  | 283                        | 149,540          | 352                | 145,238           | 473                           | 321,469           |
| Enacted Level.....  | 283                        | 153,640          | 352                | 150,238           | 462                           | 201,469           |
| Rescission (P.L. 110-161).....  | -                          | -                | -                  | -5,000            | -                             | -                 |
| St. Elizabeth's Project.....  | -                          | -                | -                  | -                 | 11                            | 120,000           |
| Supplemental (P.L. 110-28).....   | -                          | 900              | -                  | -                 | -                             | -                 |
| Transfer to TSA Aviation Security prior year obligations.....                         | -                          | -5,000           | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | [-513]           | -                  | [-444]            | -                             | -                 |
| <b>Office of the Chief Financial Officer</b>  | <b>97</b>                  | <b>26,000</b>    | <b>120</b>         | <b>31,300</b>     | <b>139</b>                    | <b>56,235</b>     |
| Discretionary Resources.....  | 97                         | 26,000           | 120                | 31,300            | 139                           | 56,235            |
| Enacted Level.....  | 97                         | 26,000           | 120                | 31,300            | 139                           | 56,235            |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | [-45]            | -                  | [-380]            | -                             | -                 |
| <b>Office of the Chief Information Officer</b>  | <b>87</b>                  | <b>330,549</b>   | <b>91</b>          | <b>295,200</b>    | <b>94</b>                     | <b>247,369</b>    |
| Discretionary Resources.....  | 87                         | 330,549          | 91                 | 295,200           | 94                            | 247,369           |
| Enacted Level.....  | 87                         | 349,013          | 91                 | 295,200           | 94                            | 247,369           |
| Transfer to NPPD Post-Katrina Section 872 Reorganizations.....                        | -                          | -18,464          | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | [-461]           | -                  | [-493]            | -                             | -                 |
| <b>Working Capital Fund</b>   |                            |                  |                    |                   |                               |                   |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | -                | -                  | [-2,509]          | -                             | -                 |
| <b>Counter-Terrorism Fund</b>   |                            |                  |                    |                   |                               |                   |
| Rescission of prior year unobligated balances: Non-add P.L. 110-161.....              | -                          | [-16,000]        | -                  | [-8,480]          | -                             | -                 |
| <b>Office of the Federal Coordinator for Gulf Coast Rebuilding</b>                    | <b>14</b>                  | <b>3,000</b>     | <b>14</b>          | <b>2,700</b>      | <b>2</b>                      | <b>291</b>        |
| Discretionary Resources.....  | 14                         | 3,000            | 14                 | 2,700             | 2                             | 291               |
| Enacted Level.....  | 14                         | 3,000            | 14                 | 2,700             | 2                             | 291               |
| <b>Analysis and Operations</b>  | <b>475</b>                 | <b>307,663</b>   | <b>518</b>         | <b>306,000</b>    | <b>594</b>                    | <b>333,521</b>    |
| Discretionary Resources.....  | 475                        | 307,663          | 518                | 306,000           | 594                           | 333,521           |
| Enacted Level.....  | 475                        | 299,663          | 518                | 306,000           | 594                           | 333,521           |
| Supplemental (P.L. 110-28).....   | -                          | 8,000            | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | -                | -                  | [-8,700]          | -                             | -                 |
| <b>Inspector General</b>  | <b>545</b>                 | <b>102,685</b>   | <b>551</b>         | <b>108,711</b>    | <b>577</b>                    | <b>101,023</b>    |
| Discretionary Resources.....  | 545                        | 102,685          | 551                | 108,711           | 577                           | 101,023           |
| Enacted Level.....  | 545                        | 85,185           | 551                | 92,711            | 577                           | 101,023           |
| Transfer from FEMA Disaster Relief Fund.....  | -                          | 13,500           | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 110-28).....   | -                          | 4,000            | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | -                | -                  | [-32]             | -                             | -                 |
| <b>U.S. Customs &amp; Border Protection</b>   | <b>44,414</b>              | <b>9,497,459</b> | <b>50,417</b>      | <b>10,837,725</b> | <b>54,868</b>                 | <b>10,941,231</b> |
| Discretionary Resources.....  | 36,129                     | 8,196,214        | 40,931             | 9,429,636         | 45,328                        | 9,494,246         |
| Enacted Level.....  | 35,998                     | 6,435,156        | 40,877             | 7,891,579         | 45,274                        | 9,487,189         |
| Emergency Funding 110-161.....  | -                          | -                | -                  | 1,531,000         | -                             | -                 |
| Technical Adjustment: realignment of Small Airports from fees.....                    | 51                         | 7,180            | 54                 | 7,057             | 54                            | 7,057             |
| Supplemental (P.L. 109-295): Salaries & Expenses.....                                 | -                          | 100,000          | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 109-295): Border Security Fencing, Infrastructure, Technology..... | 80                         | 1,159,200        | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 109-295): Air & Marine Interdiction.....                           | -                          | 232,000          | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 109-295): Construction.....  | -                          | 110,000          | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 110-28): Salaries & Expenses.....                                  | -                          | 75,000           | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 110-28): Air & Marine Interdiction.....                            | -                          | 75,000           | -                  | -                 | -                             | -                 |
| Technical Adjustment: realignment of FY 2006 balances to Salaries & Expenses.....     | -                          | 2,678            | -                  | -                 | -                             | -                 |
| <b>Fee Accounts.....</b>  | <b>8,285</b>               | <b>1,295,348</b> | <b>9,486</b>       | <b>1,402,192</b>  | <b>9,540</b>                  | <b>1,441,088</b>  |
| Estimates at Enacted Level.....   | 8,249                      | 1,265,231        | 9,540              | 1,384,925         | 9,540                         | 1,448,145         |
| Technical Adjustment: realignment of Small Airports to discretionary.....             | -51                        | -7,180           | -54                | -7,057            | 0                             | -7,057            |
| Technical Adjustment: revised Small Airports fee estimate.....                        | 6                          | 950              | -                  | -                 | -                             | -                 |
| Technical Adjustment: revised COBRA fee estimate.....                                 | -                          | -20,808          | -                  | -                 | -                             | -                 |
| Technical Adjustment: revised Land Border Inspection fee estimate.....                | -5                         | 891              | -                  | (3,612)           | -                             | -                 |
| Technical Adjustment: revised Immigration User fee estimate.....                      | -105                       | -17,122          | -                  | 26,663            | -                             | -                 |
| Technical Adjustment: revised Enforcement Fines fee estimate.....                     | 71                         | 1,567            | -                  | (156)             | -                             | -                 |
| Technical Adjustment: revised APHS fee estimate.....                                  | 293                        | 58,320           | -                  | 20,987            | -                             | -                 |
| Technical Adjustment: revised Puerto Rico fee estimate.....                           | -173                       | 13,499           | -                  | (19,524)          | -                             | -                 |
| <b>Trust Fund &amp; Public Enterprise Accounts.....</b>                               |                            |                  |                    |                   |                               |                   |
| Estimates at Enacted Level.....   | -                          | 5,897            | -                  | 5,897             | -                             | 5,897             |
| Technical Adjustment: presentation of estimates for Customs Unclaimed Goods.....      | -                          | 5,897            | -                  | 5,897             | -                             | 5,897             |
| Technical Adjustment: revised Customs Unclaimed Goods fee estimate.....               | -                          | -                | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | -                          | -                | -                  | [-27,625]         | -                             | -                 |
| <b>U.S. Immigration &amp; Customs Enforcement</b>                                     | <b>16,854</b>              | <b>4,732,641</b> | <b>17,938</b>      | <b>5,581,217</b>  | <b>18,965</b>                 | <b>5,676,085</b>  |
| Discretionary Resources.....  | 16,394                     | 4,480,292        | 17,464             | 5,347,717         | 18,365                        | 5,363,905         |
| Enacted Level.....  | 16,394                     | 4,444,292        | 17,464             | 4,820,817         | 18,365                        | 5,363,905         |
| Supplemental (P.L. 109-295): Salaries and Expenses.....                               | -                          | 30,000           | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 110-28): Salaries and Expenses.....                                | -                          | 6,000            | -                  | -                 | -                             | -                 |
| Rescission (P.L. 109-148): 1% across the board.....                                   | -                          | -                | -                  | -                 | -                             | -                 |
| Emergency Funding 110-161: Salaries and Expenses.....                                 | -                          | -                | -                  | 516,400           | -                             | -                 |
| Emergency Funding 110-162: Construction.....  | -                          | -                | -                  | 10,500            | -                             | -                 |
| Discretionary Offset: Non-add.....  | -                          | [-516,011]       | [0]                | [-613,000]        | [0]                           | [-613,000]        |
| <b>Fee Accounts.....</b>  | <b>460</b>                 | <b>252,349</b>   | <b>474</b>         | <b>233,500</b>    | <b>600</b>                    | <b>312,180</b>    |
| Estimates at Enacted Level.....   | 460                        | 252,349          | 474                | 233,500           | 600                           | 312,180           |
| Technical Adjustment: revised Breached Bond fee estimate (P.L. 109-13).....           | -                          | -                | -                  | -                 | -                             | -                 |
| Technical Adjustment: revised Immigration User fee estimate (P.L. 109-13).....        | -                          | -                | -                  | -                 | -                             | -                 |
| Technical Adjustment: revised Breached Bond Detention Fund fee estimate.....          | -                          | -                | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add.....                           | [0]                        | [0]              | [0]                | [-5,137]          | [0]                           | [0]               |

**Department of Homeland Security**  
 FY 2007-2009 Enacted Budget Authority Crosswalk  
 February 4, 2009 - President's Budget

Dollars in Thousands

| Component   | Revised Enacted Crosswalk  |                   |                    |                   |                               |                  |
|---|----------------------------|-------------------|--------------------|-------------------|-------------------------------|------------------|
|   | FY 2007<br>Revised Enacted |                   | FY 2008<br>Enacted |                   | FY 2009<br>President's Budget |                  |
|   | FTE                        | Dollars           | FTE                | Dollars           | FTE                           | Dollars          |
| <b>Transportation Security Administration</b>   | <b>49,195</b>              | <b>6,724,291</b>  | <b>50,871</b>      | <b>6,819,859</b>  | <b>51,448</b>                 | <b>7,101,828</b> |
| Discretionary Resources   | 49,189                     | 6,472,291         | 50,865             | 6,316,859         | 51,442                        | 6,422,828        |
| Enacted Level   | 49,195                     | 6,124,392         | 50,865             | 6,311,510         | 51,442                        | 6,422,828        |
| Technical Adjustment: realignment of Alien Flight School to fees  | -6                         | -2,000            | -                  | -                 | -                             | -                |
| Technical Adjustment: revise Credentialing fee estimates  | -                          | -45,101           | -                  | 5,349             | -                             | -                |
| Supplementals (P.L. 110-28): Aviation Security  | -                          | 390,000           | -                  | -                 | -                             | -                |
| Supplementals (P.L. 110-28): Federal Air Marshalls  | -                          | 5,000             | -                  | -                 | -                             | -                |
| Discretionary Offset: Non-add   | -                          | -(2,331,770)      | -                  | -(2,199,150)      | -                             | -(2,368,942)     |
| Estimates at Enacted Level  | -                          | -2,496,101        | -                  | -2,210,225        | -                             | -2,328,942       |
| Technical Adjustment: revised TSA passenger fee offset  | -                          | 117,230           | -                  | 96,975            | -                             | -                |
| Technical Adjustment: revised Credentialing fee offset  | -                          | 45,101            | -                  | -88,900           | -                             | -37,000          |
| Technical Adjustment: scoring Alien Flight School as mandatory  | -                          | 2,000             | -                  | 3,000             | 6                             | -3,000           |
| Fee Accounts  | 6                          | 252,000           | 6                  | 503,000           | -                             | 679,000          |
| Estimates at Enacted Level  | -                          | 250,000           | -                  | 500,000           | -                             | 676,000          |
| Technical Adjustment: revised Alien Flight School fee   | -                          | -                 | -                  | 1,000             | -                             | -                |
| Technical Adjustment: realignment of Alien Flight School from discretionary                               | 6                          | 2,000             | 6                  | 2,000             | 6                             | 3,000            |
| Rescission of prior year unobligated balances: Non-add  | -                          | -(66,712)         | -                  | -(4,500)          | -                             | -                |
| <b>Office of Health Affairs<sup>12</sup></b>  | <b>15</b>                  | <b>17,917</b>     | <b>49</b>          | <b>116,500</b>    | <b>80</b>                     | <b>161,339</b>   |
| Discretionary Resources   | 15                         | 17,917            | 49                 | 116,500           | 80                            | 161,339          |
| Enacted Level   | -                          | 0                 | 49                 | 116,500           | 80                            | 161,339          |
| Supplemental (P.L. 110-28)  | -                          | 8,000             | -                  | -                 | -                             | -                |
| Transfer from PREP Post-Katrina Section 872 Reorganizations   | 15                         | 4,980             | -                  | -                 | -                             | -                |
| Transfer of Prior year unobligated balances from FLETC (\$420M); USCG (\$4.1M); TSA (\$386M)              | 0                          | 4,937             | -                  | -                 | -                             | -                |
| Rescission of prior year unobligated balances: Non-add  | -                          | -                 | -                  | -(45)             | -                             | -                |
| <b>National Protection &amp; Programs Directorate</b>   | <b>602</b>                 | <b>966,436</b>    | <b>664</b>         | <b>1,177,076</b>  | <b>849</b>                    | <b>1,286,100</b> |
| Discretionary Resources   | 602                        | 966,436           | 664                | 1,177,076         | 849                           | 1,286,100        |
| Enacted Level   | -                          | -                 | 664                | 902,076           | 849                           | 1,286,100        |
| Technical Adjustment: realignment of legacy Preparedness Funds into Management and Administration         | -                          | 16,154            | -                  | 0                 | -                             | 0                |
| Technical Adjustment: realignment of legacy Preparedness Funds into IPIS - Management and Administration  | -                          | 563,788           | -                  | -                 | -                             | -                |
| Technical Adjustment: realignment of legacy US Visit into NPPD  | 102                        | 362,494           | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28) Funds provided to IPIS   | 0                          | 24,000            | -                  | -                 | -                             | -                |
| Emergency Funding 110-161   | -                          | 0                 | -                  | 275,000           | -                             | -                |
| Rescission of prior year unobligated balances: Non-add  | -                          | -(968)            | -                  | -(1,994)          | -                             | -                |
| <b>Federal Emergency Management Agency (FEMA)</b>   | <b>6,409</b>               | <b>13,187,216</b> | <b>6,689</b>       | <b>12,669,978</b> | <b>6,917</b>                  | <b>8,766,794</b> |
| Discretionary Resources   | 6,409                      | 10,555,820        | 6,682              | 9,836,978         | 6,903                         | 5,729,794        |
| Enacted Level   | 5,930                      | 2,639,492         | 6,682              | 6,823,470         | 6,903                         | 5,729,794        |
| Transfer (P.L. 109-295): Disaster Relief to OIG   | -                          | -13,500           | 0                  | -16,000           | 0                             | 0                |
| Transfer (P.L. 109-295): Public Health to HHS   | -40                        | -33,885           | -                  | -                 | -                             | -                |
| Transfer from Operations, Planning, & Support to USSS   | -                          | -6,459            | -                  | -                 | -                             | -                |
| Transfer to State & Local from PREP Post-Katrina Section 872 Reorganizations                              | 235                        | 3,386,500         | -                  | -                 | -                             | -                |
| Transfer to Operations, Planning, & Support from PREP Post-Katrina Section 872 Reorganizations            | 42                         | 12,800            | -                  | -                 | -                             | -                |
| Transfer to US Fire Administration from PREP Post-Katrina Section 872 Reorganizations                     | 112                        | 41,349            | -                  | -                 | -                             | -                |
| Transfer to REPP from PREP Post-Katrina Section 872 Reorganizations                                       | 130                        | -477              | -                  | -                 | -                             | -                |
| Technical adjustment: revised fee estimates for REPP  | -                          | -6,000            | -                  | -                 | -                             | -                |
| Technical adjustment: scoring of the NFIF transfer  | -                          | -31,000           | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Operations, Planning, and Support   | -                          | 14,000            | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Office of Grants and Training   | -                          | 297,000           | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Disaster Relief   | -                          | 4,260,000         | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Transfer to OIG from Disaster Relief  | -                          | -4,000            | -                  | -                 | -                             | -                |
| Technical Adjustment: revised radiological emergency preparedness estimates                               | -                          | -                 | -                  | -492              | -                             | -                |
| Emergency Funding 110-161: Disaster Relief Fund   | -                          | -                 | -                  | 2,900,000         | -                             | -                |
| Emergency Funding 110-161: State and Local Programs & Emergency Management Perf. Grants                   | -                          | -                 | -                  | 130,000           | -                             | -                |
| Emergency Funding 110-161   | -                          | -                 | -                  | -                 | -                             | -                |
| Discretionary Offset: Non-add   | -                          | -(97,588)         | -                  | -(111,000)        | -                             | -(156,599)       |
| Estimates at Enacted Level  | -                          | -128,588          | -                  | -111,000          | -                             | 156,599          |
| Technical Adjustment: revised discretionary NFIF fee estimates  | -                          | 31,000            | -                  | -                 | -                             | -                |
| Trust Fund & Public Enterprise Accounts   | -                          | 2,631,396         | 7                  | 2,833,000         | 14                            | 3,037,000        |
| Estimates at Enacted Level  | -                          | -                 | -                  | -                 | -                             | -                |
| Technical Adjustment: reflect NFIF mandatory fee estimates  | -                          | 2,233,024         | 7                  | 2,833,000         | 14                            | 3,037,000        |
| Technical Adjustment: revised mandatory NFIF fee estimates  | -                          | 398,372           | -                  | -                 | -                             | -                |
| Rescission of prior year supplemental unobligated balances: Non-add                                       | -                          | -(450)            | -                  | -(37,176)         | -                             | -                |
| <b>U.S. Citizenship &amp; Immigration Services</b>  | <b>10,122</b>              | <b>2,224,240</b>  | <b>10,264</b>      | <b>2,619,845</b>  | <b>10,623</b>                 | <b>2,689,726</b> |
| Discretionary Resources   | 365                        | 189,990           | 194                | 80,973            | 265                           | 150,540          |
| Enacted Level   | 365                        | 181,990           | 194                | 973               | 265                           | 150,540          |
| Supplemental (P.L. 110-28): Salaries & Expenses   | -                          | 8,000             | -                  | 80,000            | -                             | -                |
| Emergency Funding 110-161: Salaries and Expenses  | -                          | -                 | -                  | -                 | -                             | -                |
| Fee Accounts  | 9,757                      | 2,034,250         | 10,070             | 2,538,872         | 10,358                        | 2,539,186        |
| Estimates at Enacted Level  | 9,757                      | 1,804,000         | 10,070             | 2,538,872         | 10,358                        | 2,539,186        |
| Technical Adjustment: revised fee estimates   | -                          | 230,250           | -                  | -                 | -                             | -                |
| Rescission of prior year supplemental unobligated balances: Non-add                                       | -                          | -                 | -                  | -(672)            | -                             | -                |
| <b>United States Secret Service</b>   | <b>6,649</b>               | <b>1,485,617</b>  | <b>6,700</b>       | <b>1,595,496</b>  | <b>6,732</b>                  | <b>1,639,346</b> |
| Discretionary Resources   | 6,649                      | 1,285,617         | 6,700              | 1,385,496         | 6,732                         | 1,414,346        |
| Enacted Level   | 6,649                      | 1,276,658         | 6,700              | 1,385,496         | 6,732                         | 1,414,346        |
| Technical Adjustment: reappropriated funds from rescinded unobligated balances                            | -                          | 2,500             | -                  | -                 | -                             | -                |
| Transfer from FEMA to Salaries & Expenses   | -                          | 6,459             | -                  | -                 | -                             | -                |
| Supplemental (P.L. 109-234): Salaries and Expenses  | -                          | -                 | -                  | -                 | -                             | -                |
| Rescission (P.L. 109-148): 1% across the board  | -                          | -                 | -                  | -                 | -                             | -                |
| Trust Fund  | -                          | 200,000           | -                  | 210,000           | -                             | 225,000          |
| Estimates at Enacted Level  | -                          | -                 | -                  | -                 | -                             | -                |
| Technical Adjustment: reflect Retirement Pay estimates  | -                          | 200,000           | -                  | 210,000           | -                             | 225,000          |
| Technical Adjustment: revised authority   | -                          | -                 | -                  | -                 | -                             | -                |
| Rescission of prior year unobligated balances: Non-add  | -                          | -(2,950)          | -                  | -                 | -                             | -                |
| <b>United States Coast Guard</b>  | <b>47,798</b>              | <b>8,880,160</b>  | <b>48,558</b>      | <b>8,907,153</b>  | <b>48,930</b>                 | <b>9,346,022</b> |
| Discretionary Resources   | 47,798                     | 7,572,635         | 48,550             | 7,442,160         | 48,922                        | 7,834,641        |
| Enacted Level   | 47,798                     | 7,077,134         | 48,264             | 7,303,324         | 48,922                        | 7,834,641        |
| Technical Adjustment: netting rescission against current year appropriation (AC&I is a zero-based budget) | -                          | -                 | -                  | -137,264          | 0                             | 0                |
| Technical Adjustment: reappropriated funds from rescinded unobligated balances                            | -                          | -                 | -                  | 78,693            | -                             | -                |
| Transfer (P.L. 109-289): DOD to Operating Expenses  | -                          | 90,000            | -                  | -                 | -                             | -                |
| Supplemental (P.L. 109-295): Acquisition, Construction and Improvements                                   | -                          | 175,800           | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Operating Expenses  | -                          | 120,293           | -                  | -                 | -                             | -                |
| Supplemental (P.L. 110-28): Acquisition, Construction and Improvements                                    | -                          | 30,000            | -                  | -                 | -                             | -                |
| Technical Adjustment: sale of lighthouses   | -                          | 683               | -                  | -                 | -                             | -                |
| Transfer: ONDCP to Operating Expenses   | -                          | 32                | -                  | -                 | -                             | -                |
| Emergency Funding 110-161: Acquisition, Construction and Improvements                                     | -                          | -                 | -                  | 95,800            | -                             | -                |
| Emergency Funding 110-161: Operating Expenses   | -                          | -                 | 286                | 70,300            | -                             | -                |
| Transfer P.L. 110-161: DOD to Operating Expenses  | -                          | -                 | -                  | 110,000           | -                             | -                |
| Mandatory Appropriation   | -                          | 1,063,323         | -                  | 1,184,720         | -                             | 1,236,745        |

**Department of Homeland Security**  
 FY 2007-2009 Enacted Budget Authority Crosswalk  
 February 4, 2009 - President's Budget

*Dollars in Thousands*

| Component   | Revised Enacted Crosswalk  |                   |                    |                   |                               |                   |
|---|----------------------------|-------------------|--------------------|-------------------|-------------------------------|-------------------|
|   | FY 2007<br>Revised Enacted |                   | FY 2008<br>Enacted |                   | FY 2009<br>President's Budget |                   |
|   | FTE                        | Dollars           | FTE                | Dollars           | FTE                           | Dollars           |
| <b>Trust Fund &amp; Public Enterprise Accounts</b>                                    |                            | 244,202           | 8                  | 280,273           | 8                             | 274,636           |
| Estimates at Enacted Level  | -                          | -                 | -                  | -                 | -                             | -                 |
| Technical Adjustment: reflect estimated resources                                     | -                          | 241,980           | 8                  | 280,273           | 8                             | 274,636           |
| Technical Adjustment: revised Boat Safety fee estimates                               | -                          | 2,222             | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add                                | -                          | [-128,389]        | -                  | [-146,847]        | -                             | -                 |
| <b>Federal Law Enforcement Training Center</b>  | <b>1,047</b>               | <b>275,279</b>    | <b>1,056</b>       | <b>288,666</b>    | <b>1,106</b>                  | <b>274,126</b>    |
| Discretionary Resources   | 1,047                      | 275,279           | 1,056              | 288,666           | 1,106                         | 274,126           |
| Enacted Level   | 1,047                      | 253,279           | 1,056              | 267,666           | 1,106                         | 274,126           |
| Supplemental (P.L. 109-295): Acquisition, Construction and Improvements               | -                          | 22,000            | -                  | 17,000            | -                             | -                 |
| Emergency Funding 110-161: Salaries and Expenses                                      | -                          | -                 | -                  | 4,000             | -                             | -                 |
| Emergency Funding 110-161: Acquisition, Construction, Improvements & Related Expenses | -                          | -                 | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add                                | -                          | [-128,389]        | -                  | [-334]            | -                             | -                 |
| <b>Science &amp; Technology Directorate</b>   | <b>383</b>                 | <b>973,131</b>    | <b>350</b>         | <b>830,335</b>    | <b>381</b>                    | <b>868,837</b>    |
| Discretionary Resources   | 383                        | 973,131           | 350                | 830,335           | 381                           | 868,837           |
| Enacted Level   | 383                        | 973,109           | 350                | 830,335           | 381                           | 868,837           |
| Supplemental (P.L. 110-28) RDA&O  | -                          | 5,000             | -                  | -                 | -                             | -                 |
| Transfer to PREP Post-Katrina Section 872 Reorganizations                             | -                          | -4,978            | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add                                | -                          | [-126,215]        | -                  | [-217]            | -                             | -                 |
| <b>Domestic Nuclear Detection Office</b>  | <b>112</b>                 | <b>615,968</b>    | <b>121</b>         | <b>484,750</b>    | <b>137</b>                    | <b>563,800</b>    |
| Discretionary Resources   | 112                        | 615,968           | 121                | 484,750           | 137                           | 563,800           |
| Enacted Level   | 112                        | 480,968           | 121                | 484,750           | 137                           | 563,800           |
| Supplemental (P.L. 110-28) RD&O   | -                          | 35,000            | -                  | -                 | -                             | -                 |
| Supplemental (P.L. 110-28) Systems Acquisition  | -                          | 100,000           | -                  | -                 | -                             | -                 |
| Rescission of prior year unobligated balances: Non-add                                | -                          | -                 | -                  | [-368]            | -                             | -                 |
| <b>Real ID Act</b>  |                            |                   |                    |                   |                               |                   |
| Discretionary Resources   | -                          | -                 | -                  | -                 | -                             | -                 |
| Enacted Level   | -                          | -                 | -                  | -                 | -                             | -                 |
| Technical Adjustment: realignment of Real ID Act funds to Preparedness                | -                          | -                 | -                  | -                 | -                             | -                 |
| <b>TOTAL BUDGET AUTHORITY: Discretionary plus Mandatory, Fees, &amp; Trust Funds</b>  | <b>185,570</b>             | <b>50,595,128</b> | <b>195,865</b>     | <b>52,915,102</b> | <b>203,514</b>                | <b>50,502,371</b> |
| Discretionary   | 167,062                    | 45,561,732        | 175,770            | 46,646,798        | 182,658                       | 43,890,180        |
| Discretionary Fee Offsets   | -                          | -2,945,369        | 44                 | -2,923,150        | 330                           | -3,138,541        |
| Mandatory, Fees, Trust Funds  | 18,508                     | 7,978,765         | 20,051             | 9,191,454         | 20,526                        | 9,750,732         |
| Scorekeeping Adjustment for rescission of prior year unobligated balances:            | -                          | -343,904          | -                  | -262,249          | -                             | -                 |
| <b>Adjusted Total Budget Authority:</b>   | <b>185,570</b>             | <b>50,251,224</b> | <b>195,865</b>     | <b>52,652,853</b> | <b>203,514</b>                | <b>50,502,371</b> |

# Department of Homeland Security

*U. S. Customs and Border Protection*

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Fiscal Year 2009

Overview

Congressional Justification

**ia. Summary of FY 2009 Budget Estimates by Appropriation without Emergency Funding**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Summary of Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Budget Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                     | Increase (+) or Decrease (-) for FY 2009 |                    |                 |                    |                     |                  |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--|--------------------|-----------------|--------------------|---------------------|------------------|
|  | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT              | Total Changes                            |                    | Program Changes |                    | Adjustments-to-Base |                  |
|  |                   |                    |                    |                    |                    |                     | FTE                                      | AMOUNT             | FTE             | AMOUNT             | FTE                 | AMOUNT           |
| Salaries and Expenses  | 35,621            | 6,193,390          | 40,346             | \$6,479,560        | 45,080             | \$7,309,354         | 4,734                                    | 829,794            | 1,668           | 729,932            | 3,066               | 99,862           |
| Automation Modernization                                     | 62                | 473,371            | 63                 | 476,609            | 63                 | 511,334             | ---                                      | 34,725             | ---             | 35,000             | ---                 | (275)            |
| Border Security, Fencing, Infrastructure and Technology      | 39                | 461,168            | 160                | 172,000            | 185                | 775,000             | 25                                       | 603,000            | 15              | 277,610            | 10                  | 325,390          |
| Air and Marine Operations                                    | ---               | 497,431            | ---                | 476,047            | ---                | 528,000             | ---                                      | 51,953             | ---             | 20,369             | ---                 | 31,584           |
| Construction   | ---               | 391,707            | ---                | 287,363            | ---                | 363,501             | ---                                      | 76,138             | ---             | 159,513            | ---                 | (83,375)         |
| Small Airports   | 54                | 8,349              | 54                 | 7,057              | 54                 | 7,057               | ---                                      | ---                | ---             | ---                | ---                 | ---              |
| COBRA  | 1,462             | 372,750            | 1,538              | 392,146            | 1,538              | 410,666             | ---                                      | 18,520             | ---             | ---                | ---                 | 18,520           |
| Land Border Inspection                                       | 262               | 33,146             | 287                | 26,509             | 287                | 26,880              | ---                                      | 371                | ---             | ---                | ---                 | 371              |
| Immigration Enforcement Fines                                | 27                | 3,972              | 23                 | 3,284              | 23                 | 3,331               | ---                                      | 47                 | ---             | ---                | ---                 | 47               |
| Puerto Rico Trust Fund                                       | 596               | 110,073            | 529                | 97,690             | 529                | 96,719              | ---                                      | (971)              | ---             | ---                | ---                 | (971)            |
| Immigration User Fee   | 3,953             | 518,425            | 4,777              | 561,954            | 4,777              | 570,059             | ---                                      | 8,105              | ---             | ---                | ---                 | 8,105            |
| Animal & Plant Health Inspection Service (APHIS)             | 2,083             | 286,399            | 2,332              | 320,609            | 2,332              | 333,433             | ---                                      | 12,824             | ---             | ---                | ---                 | 12,824           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>44,159</b>     | <b>9,350,181</b>   | <b>50,109</b>      | <b>\$9,300,828</b> | <b>54,868</b>      | <b>\$10,935,334</b> | <b>4,759</b>                             | <b>1,634,506</b>   | <b>1,683</b>    | <b>1,222,424</b>   | <b>3,076</b>        | <b>412,082</b>   |
| Customs Unclaimed Goods                                      | ---               | 5,897              | ---                | 5,897              | ---                | 5,897               | ---                                      | ---                | ---             | ---                | ---                 | ---              |
| Rescission of prior year unobligated balances (P.L. 110-161) |                   |                    |                    | [25,621]           |                    |                     |  |                    |                 |                    |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>44,159</b>     | <b>\$9,356,078</b> | <b>50,109</b>      | <b>\$9,306,725</b> | <b>54,868</b>      | <b>\$10,941,231</b> | <b>4,759</b>                             | <b>\$1,634,506</b> | <b>1,683</b>    | <b>\$1,222,424</b> | <b>3,076</b>        | <b>\$412,082</b> |

**ib. Summary of FY 2009 Budget Estimates by Appropriation with Emergency Funding**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Summary of Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Budget Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                     | FY 2009<br>Request |                     | Increase (+) or Decrease (-) for FY 2009 |                  |                 |                    |                     |                      |
|--|-------------------|--------------------|--------------------|---------------------|--------------------|---------------------|--|------------------|-----------------|--------------------|---------------------|----------------------|
|  | FTE               | AMOUNT             | FTE                | AMOUNT              | FTE                | AMOUNT              | Total Changes                            |                  | Program Changes |                    | Adjustments-to-Base |                      |
|  |                   |                    |                    |                     |                    |                     | FTE                                      | AMOUNT           | FTE             | AMOUNT             | FTE                 | AMOUNT               |
| Salaries and Expenses  | 35,621            | 6,193,390          | 40,654             | \$6,802,560         | 45,080             | \$7,309,354         | 4,426                                    | 506,794          | 1,668           | 729,932            | 2,758               | (223,138)            |
| Automation Modernization                                     | 62                | 473,371            | 63                 | 476,609             | 63                 | 511,334             | ---                                      | 34,725           | ---             | 35,000             | ---                 | (275)                |
| Border Security, Fencing, Infrastructure and Technology      | 39                | 461,168            | 160                | 1,225,000           | 185                | 775,000             | 25                                       | (450,000)        | 15              | 277,610            | 10                  | (727,610)            |
| Air and Marine Operations                                    | ---               | 497,431            | ---                | 570,047             | ---                | 528,000             | ---                                      | (42,047)         | ---             | 20,369             | ---                 | (62,416)             |
| Construction   | ---               | 391,707            | ---                | 348,363             | ---                | 363,501             | ---                                      | 15,138           | ---             | 159,513            | ---                 | (144,375)            |
| Small Airports   | 54                | 8,349              | 54                 | 7,057               | 54                 | 7,057               | ---                                      | ---              | ---             | ---                | ---                 | ---                  |
| COBRA  | 1,462             | 372,750            | 1,538              | 392,146             | 1,538              | 410,666             | ---                                      | 18,520           | ---             | ---                | ---                 | 18,520               |
| Land Border Inspection                                       | 262               | 33,146             | 287                | 26,509              | 287                | 26,880              | ---                                      | 371              | ---             | ---                | ---                 | 371                  |
| Immigration Enforcement Fines                                | 27                | 3,972              | 23                 | 3,284               | 23                 | 3,331               | ---                                      | 47               | ---             | ---                | ---                 | 47                   |
| Puerto Rico Trust Fund                                       | 596               | 110,073            | 529                | 97,690              | 529                | 96,719              | ---                                      | (971)            | ---             | ---                | ---                 | (971)                |
| Immigration User Fee   | 3,953             | 518,425            | 4,777              | 561,954             | 4,777              | 570,059             | ---                                      | 8,105            | ---             | ---                | ---                 | 8,105                |
| Animal & Plant Health Inspection Service (APHIS)             | 2,083             | 286,399            | 2,332              | 320,609             | 2,332              | 333,433             | ---                                      | 12,824           | ---             | ---                | ---                 | 12,824               |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>44,159</b>     | <b>9,350,181</b>   | <b>50,417</b>      | <b>\$10,831,828</b> | <b>54,868</b>      | <b>\$10,935,334</b> | <b>4,451</b>                             | <b>103,506</b>   | <b>1,683</b>    | <b>1,222,424</b>   | <b>2,768</b>        | <b>(1,118,918)</b>   |
| Customs Unclaimed Goods                                      | ---               | 5,897              | ---                | 5,897               | ---                | 5,897               | ---                                      | ---              | ---             | ---                | ---                 | ---                  |
| Rescission of prior year unobligated balances (P.L. 110-161) |                   |                    |                    | [25,621]            |                    |                     |  |                  |                 |                    |                     |                      |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>44,159</b>     | <b>\$9,356,078</b> | <b>50,417</b>      | <b>\$10,837,725</b> | <b>54,868</b>      | <b>\$10,941,231</b> | <b>4,451</b>                             | <b>\$103,506</b> | <b>1,683</b>    | <b>\$1,222,424</b> | <b>2,768</b>        | <b>(\$1,118,918)</b> |

**ii. Homeland and Non-Homeland Allocation**

**Department of Homeland Security  
U.S. Customs and Border Protection**  
Homeland and Non-Homeland Allocation by Program/Project Activity  
(Dollars in Thousands)

| Budget Activity   | FY 2007<br>Enacted |                    |              |                  |               |                    | FY 2008<br>Enacted |                    |              |                    |               |                  | FY 2009<br>Request |                    |              |                    |               |                    |
|---|--------------------|--------------------|--------------|------------------|---------------|--------------------|--------------------|--------------------|--------------|--------------------|---------------|------------------|--------------------|--------------------|--------------|--------------------|---------------|--------------------|
|   | Homeland           |                    | Non-Homeland |                  | Total         |                    | Homeland           |                    | Non-Homeland |                    | Total         |                  | Homeland           |                    | Non-Homeland |                    | Total         |                    |
|   | FTE                | Amount             | FTE          | Amount           | FTE           | Amount             | FTE                | Amount             | FTE          | Amount             | FTE           | Amount           | FTE                | Amount             | FTE          | Amount             | FTE           | Amount             |
| <b>Salaries and Expenses</b>  | <b>28,703</b>      | <b>\$4,531,843</b> | <b>6,918</b> | <b>1,110,343</b> | <b>35,621</b> | <b>\$5,642,186</b> | <b>33,916</b>      | <b>\$5,774,063</b> | <b>6,738</b> | <b>\$1,028,497</b> | <b>40,654</b> | <b>6,802,560</b> | <b>37,952</b>      | <b>\$6,266,320</b> | <b>7,128</b> | <b>\$1,043,034</b> | <b>45,080</b> | <b>\$7,309,354</b> |
| - HQ Management & Administration  | 2,413              | 804,965            | 1,188        | 396,476          | 3,601         | 1,201,441          | 3,084              | 1,019,820          | 609          | 201,521            | 3,693         | 1,221,341        | 3,145              | 1,057,654          | 622          | 208,997            | 3,767         | 1,266,651          |
| - Border Security Inspections & Trade<br>Facilitation at POEs           | 10,790             | 1,320,799          | 5,314        | 650,543          | 16,104        | 1,971,342          | 11,430             | 1,527,095          | 5,630        | 752,152            | 17,060        | 2,279,247        | 12,089             | 1,522,980          | 5,954        | 750,124            | 18,043        | 2,273,104          |
| - Border Security & Control Between the Ports (100%)                    | 14,656             | 2,277,510          | ---          | ---              | 14,656        | 2,277,510          | 18,388             | 3,075,232          | ---          | ---                | 18,388        | 3,075,232        | 21,596             | 3,515,320          | ---          | ---                | 21,596        | 3,515,320          |
| - Air and Marine Operations - Salaries                                  | 844                | 128,568            | 416          | 63,325           | 1,260         | 191,893            | 1,014              | 151,916            | 499          | 74,824             | 1,513         | 226,740          | 1,122              | 170,367            | 552          | 83,912             | 1,674         | 254,279            |
| Automation Modernization (.5)   | 31                 | 225,720            | 31           | 225,720          | 62            | 451,440            | 32                 | 238,305            | 32           | 238,305            | 63            | 476,609          | 32                 | 255,667            | 32           | 255,667            | 63            | 511,334            |
| Construction 100%   | ---                | 232,978            | ---          | ---              | ---           | 232,978            | ---                | 348,363            | ---          | ---                | ---           | 348,363          | ---                | 363,501            | ---          | ---                | ---           | 363,501            |
| Border Security, Fencing, Infrastructure and Technology<br>100%         | 39                 | 1,187,565          | ---          | ---              | 39            | 1,187,565          | 160                | 1,225,000          | ---          | ---                | 160           | 1,225,000        | 185                | 775,000            | ---          | ---                | 185           | 775,000            |
| Air and Marine Interdiction, Operations, Maintenance<br>and Procurement | ---                | 450,365            | ---          | 221,822          | ---           | 672,187            | ---                | 381,931            | ---          | 188,116            | ---           | 570,047          | ---                | 353,760            | ---          | 174,240            | ---           | 528,000            |
| <b>Total Direct Appropriations and Budget Estimates</b>                 | <b>28,773</b>      | <b>6,628,471</b>   | <b>6,949</b> | <b>1,557,885</b> | <b>35,722</b> | <b>8,186,356</b>   | <b>34,107</b>      | <b>7,967,662</b>   | <b>6,770</b> | <b>1,454,917</b>   | <b>40,877</b> | <b>9,422,579</b> | <b>38,168</b>      | <b>8,014,248</b>   | <b>7,160</b> | <b>1,472,941</b>   | <b>45,328</b> | <b>9,487,189</b>   |
| Small Airports  | 54                 | 8,349              | ---          | ---              | 54            | 8,349              | 54                 | 7,057              | ---          | ---                | 54            | 7,057            | 54                 | 7,057              | ---          | ---                | 54            | 7,057              |
| Fee Accounts  | 8,384              | 1,259,001          | ---          | ---              | 8,384         | 1,259,001          | 9,486              | 1,402,192          | ---          | ---                | 9,486         | 1,402,192        | 9,486              | 1,441,088          | ---          | ---                | 9,486         | 1,441,088          |
| COBRA   | 1,462              | 387,804            | ---          | ---              | 1,462         | 387,804            | 1,538              | 392,146            | ---          | ---                | 1,538         | 392,146          | 1,538              | 410,666            | ---          | ---                | 1,538         | 410,666            |
| Land Border Inspection  | 262                | 28,071             | ---          | ---              | 262           | 28,071             | 287                | 26,509             | ---          | ---                | 287           | 26,509           | 287                | 26,880             | ---          | ---                | 287           | 26,880             |
| Immigration Enforcement Fines   | 28                 | 1,724              | ---          | ---              | 28            | 1,724              | 23                 | 3,284              | ---          | ---                | 23            | 3,284            | 23                 | 3,331              | ---          | ---                | 23            | 3,331              |
| Puerto Rico Trust Fund  | 596                | 97,815             | ---          | ---              | 596           | 97,815             | 529                | 97,690             | ---          | ---                | 529           | 97,690           | 529                | 96,719             | ---          | ---                | 529           | 96,719             |
| Immigration User Fee  | 3,953              | 529,300            | ---          | ---              | 3,953         | 529,300            | 4,777              | 561,954            | ---          | ---                | 4,777         | 561,954          | 4,777              | 570,059            | ---          | ---                | 4,777         | 570,059            |
| Animal & Plant Health Inspection Services (APHIS)                       | 2,083              | 214,287            | ---          | ---              | 2,083         | 214,287            | 2,332              | 320,609            | ---          | ---                | 2,332         | 320,609          | 2,332              | 333,433            | ---          | ---                | 2,332         | 333,433            |
| Total, CBP  | 37,211             | 7,895,821          | 6,949        | 1,557,885        | 44,160        | 9,453,706          | 43,647             | 9,376,911          | 6,770        | 1,454,917          | 50,417        | 10,831,828       | 47,708             | 9,462,393          | 7,160        | 1,472,941          | 54,868        | 10,935,334         |
| Customs Unclaimed Goods   | ---                | ---                | ---          | 5,897            | ---           | 5,897              | ---                | ---                | ---          | 5,897              | ---           | 5,897            | ---                | ---                | ---          | 5,897              | ---           | 5,897              |

iii. Status of Congressional Requested Studies, Reports, and Evaluation

| Fiscal Year | Due Date  | Reference/Citation  | Requirement  | Status  |
|-------------|---|---|--|---|
| 2008        | January 31, 2008  | Division E, DHS<br>Appropriations Act, 2008<br>Pg 4<br>House Report 110-181, pg 16      | <b>Comparative Border and Control Resources</b> --Directs a report to the Committee on the number, type and location of DHS facilities, personnel, major assets and technology based or deployed within 100 miles of the United States border with Mexico and Canada.  | AC Review completed<br>OES reviewing  |
| 2008        | 180 days after enactment  | Division E, DHS<br>Appropriations Act, 2008<br>Pg 4<br>Sec. 569 of S.1644               | <b>Study of Radio Communications</b> --the Secretary is directed to conduct a study of law enforcement radio communications along the international borders of the United States consistent with the terms and conditions listed in section 569 of the Senate Bill.  | Appropriations bill passed 12/26/07.<br>Reporting activity updated to match requirements.       |
| 2008        | 90 days after date of the enactment   | Division E, DHS<br>Appropriations Act, 2008<br>Pg 4<br>Sec. 552 of S.1644               | <b>Vancouver Olympic Games</b> --The Committee expect the Department to effectively manage security risks associated with the 2010 Vancouver Olympic and Paralympic Games, and directs the Secretary to submit a report as described in Section 522 of the Senate bill to the House and Senate Committees listed in that section.  | Submitted for FY 2007 new requirements are being vetted against the previous report submission. |
| 2008        | No less than 120 days after enactment of the Act<br><br>\$75,000,000 of funds will be unavailable for obligation until receipt. | Division E, DHS<br>Appropriations Act, 2008<br>Pg 15<br><br>House Report 110-181, pg. 7 | <b>WHTI</b> --CBP is directed to provide a report on preliminary results of Federal and State pilot programs to implement WHTI procedures at ports of entry. The report should include: (1) infrastructure and staffing required, with associated costs, by port of entry; (2) updated timetable milestones; (3) information on how requirements of Section 7209(b)(1)(B) of the Intelligence Reform Act, as amended, have been satisfied; (4) confirmation that a vicinity-read radio frequency identification card has been adequately tested to ensure operational success; and (5) a description of steps taken to ensure the integrity of privacy safeguards. | Appropriations bill passed . Reporting activity updated to match requirements.                  |
| 2008        | 01/31/2008  | House Report 110-181, pg. 31  | ATS Progress Update -- <b>The Committee directs CBP to report not later than January 31, 2008, on how efforts to improve the ATS for cargo and container screening have progressed and, in particular, how CBP has complied with section 203 of the SAFE Port Act (P.L. 109-347).</b>  | Under DHS review  |
| 2008        | To be reflected in budget submission  | Division E, DHS<br>Appropriations Act, 2008<br>Pg 16                                    | <b>Vehicle Fleet Management Plan</b> --Directs CBP to provide in future budget requests the needs identified in the plan and to inform Committee regarding deviations from plan.   | Budget Submission   |
| 2008        | N/A   | House Report 110-181, pg 32<br><br>Senate Report 110-184, pg 30                         | <b>Multi-Year Vehicle Fleet Replacement Report</b><br><br>The Committee acknowledges the receipt of a five-year vehicle fleet recapitalization and management plan and expects CBP will follow the this plan in managing its fleet and budgeting for replacement and maintenance of its significant vehicle investment, and will inform the Committee if it needs to deviate from or alter the plan.<br><br>Committee directs the Department to include in the fiscal year 2009 budget submission a plan to replace, at a minimum, 25 percent of the vehicle fleet on an annual basis.   | Sent to DHS 1/8/08  |

|      |  |   |  |   |
|------|--|---|--|---|
| 2008 | Report included with 2009 Budget Submission                          | Division E, DHS Appropriations Act, 2008 Pg 16<br>House Report 110-181, pg 33 | <b>Immigration Advisory Program</b><br>Directs CBP to include report in 2009 budget submission and to notify the Committees on Appropriations whenever it expands the program to a new international location.   | Budget Submission   |
| 2008 | Report included with 2009 Budget Submission                          | Division E, DHS Appropriations Act, 2008 Pg 16-17                             | <b>Law Enforcement Status for CBP Officers</b><br>Requests the Department and OMB to include adequate resources for this purpose in the fiscal 2009 budget submission  | Budget Submission   |
| 2008 | 1/31/2008  | Division E, DHS Appropriations Act, 2008 Pg 17<br>House Report 110-181, pg 32 | <b>International Registered Traveler Program</b> -The Secretary and CBP are directed to report on the DHS plans, staffing, and funding needed to realize these programs, including establishing the IRT program at U.S. airports with the highest volume of international passengers traffic.  | Report with OCA for review  |
| 2008 | Due 180 days after enactment   | Senate Report 110-84, pg. 31  | <b>Trafficking of Illicit Goods from Mexico</b> ---Urges the Department to work cooperatively with the Mexican Government and its law enforcement agencies, as well as U.S. law enforcement agencies, to provide aid and intelligence sharing as necessary to slow methamphetamine (and precursor chemical) trafficking into and out of Mexico, as well as the southward flow of weapons into Mexico, and the northern migration of Mexican drug gang violence into the U.S. Requests a status report on these efforts within 180 days after enactment.  | 2007 Report submitted for methamphetamine submitted in only. Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 | Annual report within 30 days of each years' distribution under CDSOA | Division E, DHS Appropriations Act, 2008 Pg 18                                | <b>Anti-Dumping Enforcement</b> --To provide an annual report which summarizes CBP's efforts to collect past due amounts and increase current and future collections. The Committees on Appropriations direct CBP in these annual reports to break out the non-collected amounts for each of the fiscal years 2004, 2005, 2006, and 2007, by order, country, and claimant, along with a description of each of the specific reasons for the non-collection with respect to each other. Further, CBP is once again directed to provide the amounts of antidumping (AD) and countervailing duties (CVD) held by CBP in its Clearing Account for unliquidated entries as of October 1, 2006 (and, now, as of October 1, 2007), segregated by case number and Department of Commerce period of review. In that same report, CBP should explain, with particularity, what other enforcement actions it is taking to collect unpaid duties owed the U.S. Government, CBP is also directed in these annual reports, beginning in 2008 and thereafter, to indicate which liquidated entries resulted in CDSOA vs. non-CDSOA distributions. | Sent to DHS for FY 2007   |

|      |   |   |   |   |
|------|---|---|---|---|
| 2008 | 90 days after enactment   | Division E, DHS Appropriations Act, 2008 Pg 19<br><br>Section 538 of S.1644         | <b>Invasive Species</b> --To direct the Secretary to develop and submit a plan, consistent with the terms and conditions listed in section 538 of the Senate bill, which shall specifically address the following species: <i>Arundo donas</i> (Carrizo cane); <i>Tamarix ramosissima</i> (salt cedar); and <i>Elaeagnus angustifolia</i> (Russian olive). Funding to implement this plan should come from within this account, rather than the Border Security, Fencing, Infrastructure, and Technology (BSFIT) account, as proposed by the House.   | OBP has draft of Carrizo cane report and reporting activity updated to match additional requirements              |
| 2008 | 5 months after enactment for  | Division E, DHS Appropriations Act, 2008 Pg 19                                      | <b>Food and Agricultural Import Training and Inspections</b> --To direct the Commissioner to report to the Committees on Appropriations on the training CBP officers receive to effectively assist the Food and Drug Administration in monitoring our Nation's food supply.   | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements.                            |
| 2008 | Submission of expenditure plan & Quarterly Reports, every 3 months. | Division E, DHS Appropriations Act, 2008 Pg 20                                      | <b>ACE</b> --Although GAO review no longer necessary the Committee requires submission of an expenditure plan, and have made \$216,969,000 unavailable for obligation until 30 days after such plan has been submitted to the Committee. In addition, the Committees on Appropriations direct CBP to continue to submit quarterly reports on ACE implementation progress, and to improve the timeliness of such submissions.  | ACE Expenditure report sent 1/4/08 to DHS.<br><br>Submitted to DHS for review. First Quarterly report due 1/09/08 |
| 2008 | 5 months after enactment<br><br>Due 90 days after enactment         | Division E, DHS Appropriations Act, 2008 Pg 20<br><br>Senate Report 110-184, pg. 35 | <b>TECS Modernization Program</b> --CBP is directed to submit the report on the TECS Modernization Program as requested in Senate Report 110-84 in lieu of the request for notification in House Report 110-181.<br><br>Directs CBP to submit a report on the TECS modernization program, within 90 days of the date of enactment which includes: (1) description of each project in the program; (2) cost estimates for the complete modernization program; and (3) timelines and milestones for the development and implementation of each project. | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements.                            |
| 2008 | 90 days after enactment   | Division E, DHS Appropriations Act, 2008 Pg 20-21                                   | <b>BSFIT</b> --Secretary directed to submit, an expenditure plan for continued implementation of a security barrier along the land borders of the United States to the Committees on Appropriations, as specified in bill language. The Committees on Appropriations direct the Department to include a description of the methodology used to develop all program and lifecycle costs included in the plan.  | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements.                            |

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|------|---|---|--|--|
| 2008 | N/A   | House Report 110-181, pg 37   | <b>Consultation with Federal Agencies</b> —Requires the Department to coordinate with the National Park Service, the U.S. Fish and Wildlife Service, the Forest Service, the Bureau of Indian Affairs and the Bureau of Land Management on any decisions related to construction of tactical infrastructure on lands administered by those agencies and, to the extent practicable, to minimize impacts on wildlife and natural resources.   | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 |   | House Report 110-181<br>Pg 35   | <b>Environmental and Regulatory Assessments</b> —Requires the Secretary to provide a 15-day notice in the Federal Register for each instance in which a decision is made to invoke environmental waivers and expects the Department to exercise the Secretary's authority sparingly.   | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 | N/A   | Division E, DHS<br>Appropriations Act, 2008<br>Pg 21,<br>House Report 110-181<br>Pg 37  | <b>SBI Procurement Process and System Review/Encouragement of Best Procurement Practices</b> ---Requires special, disinterested, third-party expertise (such as the Defense Acquisition University) to assess how and whether best procurement practices are being put into effect.  | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 | To be submitted with the Quarterly SBI reports, every 90 days | Division E, DHS<br>Appropriations Act, 2008<br>Pg 21  | <b>Border Security Requirements</b> --CBP is directed to include in the quarterly SBI reports the information required in Section 546 of the Senate passed bill.   | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 | 90 days after enactment<br><br>N/A<br><br>9/01/2007           | Division E, DHS<br>Appropriations Act, 2008<br>Pg 22<br><br>Senate Report 110-84, pg. 39<br><br>House Report 110-181,<br>pg. 38 | <b>Air and Marine Interdiction, Operations, Maintenance, and Procurement</b> -- Directs CBP to submit a revised air and marine expenditure plan, with reference to the strategic recapitalization plan and directs the Commissioner to certify any proposed use of these funds for new UAS procurement as reflecting the priorities of the CBP Air and Marine Recapitalization and Modernization Plan and the most cost effective use of such funding.<br><br><b>Marine Enforcement Units</b> --Directs the submission of an expenditure plan prior to the obligation of funds for facilities and equipment for 11 additional Marine Enforcement Units.<br><br><b>UAS Funding</b> --Requires that no funding for procurement of UASs is available until CBP certifies that UAS are essential and are higher priority and more cost effective than other items on the Air and Marine Strategic Recapitalization and Modernization plan. | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |
| 2008 | 90 days after enactment                                       | Division E, DHS<br>Appropriations Act, 2008<br>Pg 24  | <b>Construction</b> --Directs CBP to submit a revised expenditure plan as the Committees on Appropriation include more funding than proposed in either the House or Senate bills.  | Appropriations bill passed 12/26/07. Reporting activity updated to match requirements. |

|      |  |  |   |   |
|------|--|--|---|---|
| 2008 | 1/31/08                                      | FY 08 Appropriations Conference Rpt., Sec 603, 604, 605, pg 31 | <b>LPOE Infrastructure Needs of CBP</b> —Port of Entry Infrastructure Assessment Study.   |   |
| 2008 | 01/31/2008                                   | House Report 110-181, pg. 31                                   | <b>In-Bond Cargo COTS Technology</b> --Directs CBP to report on the results of its FY 2007 tests of the pilot studies on the use of commercial off the shelf (COTS) technology to track in-bond shipments. The report should include a description of how CBP has addressed the issues raised in GAO report (GAO-04-345) relating to the use of in-bond diversion to conceal textile transshipment.   | Submitted to DHS for review   |
| 2008 | 02/04/2008<br>Submitted alongside the budget | House Report 110-181, pg. 32                                   | <b>Textile Transshipment Enforcement</b> --Directs CBP to submit an interim report with the FY 2009 budget request on execution of the five-year strategic plan, which should provide information on enforcement activities, including textile production verification team exercises and special operations; number of seizures; penalties imposed; and the numbers and types of personnel responsible for enforcing textile laws.                                   | Report has undergone review<br>Submitted to DHS CFO 01.03.08                              |
| 2008 | Due 180 days after enactment                 | Senate Report 110-181, pg. 31                                  | <b>Border Crossing Cards</b> --Directs CBP to submit a report on the legal, legislative, and administrative history on how the varying distances into the U.S. that Mexicans can travel using border crossing cards was decided. The report should include the rationale for retaining these distances and timeframes and the impact on CBP's enforcement of our immigration and trade laws should these distances be expanded and/or standardized across the border. | Appropriations bill passed 12/26/07.<br>Reporting activity updated to match requirements. |
| 2008 | 1/31/2008                                    | House Report 110-181, pg 38                                    | <b>Northern Border Airwings</b> —Directs CBP to report on the performance of the Northern Border Airwing and the schedule for their completion.   | OCA review  |
| 2008 | N/A  | House Report 110-181, pg 29                                    | <b>Internal Affairs Staffing</b> —Directs CBP to present program performance result from the initiative to expand internal affairs staffing with the 2009 budget submission   | Budget submission   |

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
U.S. Customs and Border Protection**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity   | Last Year of Authorization |    | Authorized Level   |    | Appropriation in Last Year of Authorization |    | FY 2009 Request    |
|---|----------------------------|----|--------------------|----|---|----|--------------------|
|   | Fiscal Year                |    | Amount             |    | Amount                                      |    | Amount             |
| Salaries and Expenses   | 2003                       |    | \$2,739,695        | 1/ | \$3,195,094                                 | 2/ | \$7,309,354        |
| Salaries and Expenses   | 2002                       | 3/ | such sums          |    | 730,710                                     |    |                    |
| Air and Marine Interdiction, Operations, Maintenance, and Procurement | NA                         |    | NA                 |    | NA  |    | 528,000            |
| Border Security Fencing, Infrastructure, and Technology (BSFIT)       | NA                         |    | NA                 |    | NA  |    | 775,000            |
| Automation Modernization  | NA                         |    | NA                 |    | NA  |    | 511,334            |
| Construction  | NA                         |    | NA                 |    | NA  |    | 363,501            |
|   |                            |    |                    |    |   |    |                    |
| <b>Total Direct Authorization/Appropriation</b>                       |                            |    | <b>\$2,739,695</b> |    | <b>\$3,195,094</b>                          |    | <b>\$9,487,189</b> |

Note:

1/ Immigration and Naturalization Service - inspection, investigations, Border Patrol, detention and deportation only.

2/ Includes \$2,862,094,000 from the FY 2003 INS Salaries and Expenses appropriation, and \$333,000,000 included in the FY 2003 Wartime Supplemental Appropriations Act, P.L. 108-11.

3/ Agriculture Plant and Health Inspection Service only.

# Department of Homeland Security

## *U. S. Customs and Border Protection* *Salaries and Expenses*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection** **Salaries and Expenses**

### **I. Appropriation Overview**

#### **A. Mission Statement for Salaries and Expenses:**

For almost five years, CBP has made great strides toward securing America's borders, protecting trade and travel, and ensuring the vitality of our economy. With the creation of U.S. Customs and Border Protection, for the first time in our nation's history, responsibility for securing, controlling and managing the U.S. border is consolidated within a single agency. As America's frontline border agency, CBP employs over 54,000 highly trained and professional personnel, resources, expertise and law enforcement authorities to discharge our mission. CBP is responsible for protecting the sovereign borders of the United States at and between official ports of entry. CBP is on the frontline protecting the American public against terrorists and instruments of terror. CBP also protects economic security by regulating and facilitating the lawful movement of goods and persons across U.S. borders. CBP performs these missions with vigilance, integrity and professionalism.

CBP is responsible for ensuring that all persons and cargo enter the United States legally and safely through official ports of entry. CBP Officers prevent cross-border smuggling of contraband such as controlled substances, weapons of mass destruction, and illegal or diseased plants and animals. CBP ensures that travelers and immigrants present appropriate documentation. CBP works to prevent the illegal export of U.S. currency or other monetary instruments, stolen goods such as vehicles, and strategically sensitive technologies.

In support of this mission, CBP has instituted various programs and initiatives such as the Secure Border Initiative (SBI), a comprehensive multi-year plan to secure America's borders and reduce illegal migration, the Cargo Security Initiative (CSI), a program intended to help increase security for containerized cargo shipped to the United States from around the world and Customs Trade Partnership Against Terrorist (C-TPAT), a joint government-business initiative to build cooperative relationships that strengthen overall supply chain and border security.

CBP is the federal agency principally responsible for security of our nation's borders, both at and between the ports of entry. For the first time, one agency can develop and implement a comprehensive strategy for security and enforcement of all laws at our borders.

CBP carries out its mission without restricting the flow of legitimate trade and travel so important to our nation's economy. Accordingly, CBP has a dual mission – to prevent terrorists and their weapons of mass destruction from entering the U.S. and to facilitate legitimate trade and travel. CBP has found that by using advance information, risk management and technology, and by partnering with other nations and private industry, these goals need not be mutually exclusive.

CBP's primary field occupations include CBP Officers, Border Patrol agents, pilots, marine officers, import and entry specialists, and agricultural specialists. Its field organization is focused around 20 Border Patrol Sectors with 34 border patrol checkpoints and 69 tactical checkpoints between the ports of entry, 142 stations and substations, 20 Field Offices and 327 associated ports of entry, of which 15 are pre-clearance stations. Field personnel use a mix of air and marine assets, non-intrusive technology such as large-scale x-rays and radiation portal monitors, targeting systems, and automation to ensure the identification and apprehension of high-risk travelers and trade and the facilitation of legitimate traffic

### **Mission Statement**

We are the guardians of our Nation's borders.

We are America's frontline.

We safeguard the American homeland at and beyond our borders.

We protect the American public against terrorists and the instruments of terror.

We steadfastly enforce the laws of the United States while fostering our Nation's economic security through lawful international trade and travel.

We serve the American public with vigilance, integrity, and professionalism.

### **Core Values**

***Vigilance:*** Vigilance is how we ensure the safety of all Americans. We are continuously watchful and alert to deter, detect, and prevent threats to our Nation. We demonstrate courage and valor in the protection of our Nation.

***Service to Country:*** Service to Country is embodied in the work we do. We are dedicated to defending and upholding the Constitution of the United States. The American people have entrusted us to protect the homeland and defend liberty.

***Integrity:*** Integrity is our cornerstone. We are guided by the highest ethical and moral principles. Our actions bring honor to our agency and ourselves.

## **B. Budget Activities:**

### **Headquarter Management and Administration**

Headquarters Management and Administration provides critical policy and operational direction, mission support, including equipment, training, and technical expertise to CBP front-line personnel. This program is essential in carrying out CBP's dual mission of protecting our homeland while facilitating legitimate trade and travel.

### **Border Security Inspections and Trade Facilitation at the Ports of Entry**

Inspections, Trade and Travel Facilitation at the Ports of Entry facilitates the flow of legitimate travel and trade across U.S. borders while ensuring that threats to the United States are not allowed entry. This is accomplished by using technology, intelligence and risk information, targeting and international cooperation in the screening of entering international cargo and travelers and departing export cargo. This program reduces the potential of terrorists' instruments of terror and contraband from entering the U.S. while facilitating the legal flow of people and trade by deploying CBP Officers to the ports of entry. The goal of this program is to improve compliance with trade regulations and other mandatory import/export guidance while increasing the security of the U.S. CBP has extended its zone of security beyond its physical borders through the use of bilateral and private-sector partnerships, targeting and scrutinizing advance information on people and products coming into this country. CBP is cultivating "smart borders" through the use of technology, has established a layered defense strategy and created "one face at the border," a unified, recognizable presence at the border that combines and capitalizes on the authorities and skills of our diverse workforce.

### **Border Security and Control Between the Ports of Entry**

The primary purpose of the Border Security and Control Between the Ports of Entry program is to establish and maintain effective control of U.S. borders by detecting, responding to, and interdicting border penetrations. A national strategy that consists of five objectives has been established to achieve the mission of this program: 1) Establish substantial probability of apprehending terrorists attempting to illegally enter between ports of entry, 2) Deter illegal entries through improved enforcement, 3) Detect, apprehend, and deter smugglers of humans, drugs and other contraband, 4) Leverage "Smart Border" technology to multiply the effect of enforcement personnel, and 5) Reduce crime in border communities and consequently improve quality of life and economic vitality of targeted areas. The national strategy requires increasing our national security by augmenting enforcement resources along the northern and southern border. The proper balance in the deployment of personnel, equipment, intelligence, support, technology, and infrastructure is critical. Reducing our vulnerability to the entry of terrorists, illegal aliens and drugs by increasing personnel and resources, is the key to the successful implementation of this strategy.

### **CBP Air and Marine – Salaries**

CBP Air and Marine Salaries support a staff of over 1,300 air interdiction officers/pilots, marine enforcement officers, operational support and administrative positions. It provides funding to enhance skills and expertise to deter, interdict, and prevent acts of terrorism arising from unlawful movement of people and goods across the borders of the U.S.

### **C. Budget Request Summary:**

CBP Salaries and Expense requests 46,794 positions, 45,080 FTEs, and \$7,309,354,000 for FY 2009. Excluding emergency funds provided in P.L. 110-161, total adjustments-to-base is 3,066 FTE and an increase of \$99,862,000. Program increases include 3,353 positions and 1,668 FTEs:

- Border Patrol Agent and Support – \$362.5 million is requested to hire, train and equip 2,200 new Border Patrol agents. The purpose of this initiative is two-fold: (1) add 500 new Border Patrol agents to stay on course for meeting the President’s goal of 6,000 new Border Patrol agents by the end of the 1<sup>st</sup> quarter of fiscal year 2009 (total equals 18,319); and (2) provide an additional 1,700 agents to reach 20,019 by the end of the fiscal year. Additional resources are proposed for 441 operational/mission support personnel (\$32.2 million), relocation (\$25.6 million), and training (\$22.1 million). CBP is also seeking \$149.5 million in the Construction account for new or expanded facilities to accommodate significant increases in Border Patrol agents and support staff.
- Air and Marine Staffing –\$4.0 million is requested to hire 24 Unmanned Aircraft Systems (UAS) pilots to provide adequate staffing at northern Border/Great Lakes locations as CBP expands support for border security operations consistent with the Secure Border Initiative (SBI) and the CBP Air and Marine Strategic Plan.
- Western Hemisphere Travel Initiative (WHTI) – An increase of \$106.9 million is requested in support of the WHTI implementation to complete infrastructure improvements at the top 39 Land ports of entry covering 95 percent of the land border arrivals. Funding would support an additional 89 CBP Officers (\$9.9 million) and equipment and contract services (\$97.0 million). In FY 2008, CBP received \$225 million to develop the primary vehicle application, install hardware and make the necessary lane modifications to implement WHTI at 13 high volume ports, accounting for about 68 percent of all vehicle passenger traffic at U.S. land border ports of entry. The FY 2009 increment would pay for the completion of infrastructure improvements to the remaining POEs and includes facility modifications and the build out of primary lanes as operationally necessary. In addition, it completes the implementation of the non-RFID POEs and pays for program management and support of the previously installed POEs.
- Radiation Portal Monitors (RPM) Staffing – \$35.5 million is requested for personnel and operations and maintenance support of the Domestic Nuclear Detection Office (DNDO) deployment of Radiation Portal Monitors. Of the \$35.5 million, \$27.3 million will be utilized to hire 238 CBP Officers, 20 scientists, 25 IT specialists and 12 mission support personnel to implement the deployment and to perform the subsequent operation of the RPMs at our Nation’s seaports. Funding in the amount of \$8.2 million will be utilized for operations and maintenance of RPMs and will ensure effective operation of new Advanced Spectroscopic Portals (ASP). The ASP systems are expected to operate 24 hours per day, 7 days per week, and 365 days per year.
- Passenger Screening at Land Ports of Entry - \$25.0 million is requested to hire 212 CBP officers and 22 support positions for passenger processing activities at the ports of entry on our borders with Mexico and Canada.

- US-VISIT (including 10-Print) - \$62.8 million is requested to provide the operations and maintenance (O&M) funding to sustain the US-VISIT increments within CBP. US-VISIT provided funding to CBP to develop and implement US-VISIT increments since FY 2003. These increments provide functionality critical to both US-VISIT and CBP in securing entry to the United States at the ports of entry and providing entry and exit information for aliens. Previously, CBP prepared an annual O&M request for US-VISIT funding. Beginning in FY 2009, CBP will request funding for operations and maintenance.
- Replace Obsolete Non-Intrusive Inspection (NII) Imaging Systems - \$10.0 million is requested to replace small-scale NII systems that are over 10 years old and are approaching the end of their life cycle. Funds will also be utilized to purchase NII small-scale technologies to cover identified deficiencies in inspection and detection capabilities. The remaining FY 2009 funds will be used for operations and maintenance of NII equipment. Small-scale NII equipment enables the CBP to perform more effective and efficient non-intrusive inspections and screenings of international passengers and luggage and of packages and flat mail at mail facilities and consignment centers. In addition, small-scale NII equipment enables CBP to inspect cars, trucks, railcars, and sea containers that have been identified by large-scale NII systems as potentially containing illicit goods. Such illicit goods are money, guns, ammunition, agricultural items, explosives, and chemical, biological, and nuclear agents.
- Automated Targeting System Passenger (ATS-P) –\$5.0 million is requested to begin targeting methodology improvement activities and begin to address the requirement for high priority infrastructure improvements including high availability, Service Oriented Architecture (SOA), and a simulation and testing environment to improve service delivered to CBP Officers in the field, accommodate increased volume of passengers and vehicles, provide a simulation and test environment to support passenger targeting improvements, and move towards true 24/7 system availability.
- Ground Transportation -\$8.0 million is requested to expand the use of contract transportation and guard services for the southwest border. The additional requested transportation resources will be applied along the southwest border freeing up an additional 96,000 hours for agents and officers to resume primary law enforcement and investigative duties. The primary use of the funds will be to secure transportation of detainees. Agents and Officers must perform transportation duties, if contracted services are not funded thereby removing the agents and officers from their primary missions of enforcement of the border. Guard and law enforcement custodial services will also be provided at processing centers or at medical facilities treating ill or injured detainees.
- CBP Intelligence Program –\$24.0 million is requested to hire and train 27 personnel and fund approximately 10 relocations to stand-up a 24x7 CBP National Intelligence Watch; and to develop and deploy a comprehensive and innovative Analytical Framework for Intelligence (AFI). The 24/7 Intelligence Watch will provide Total Situational Awareness for CBP decision-makers and mission partners for All Crimes/All Threats/All Hazards. AFI integrates multiple operational and intelligence databases and provides relevant data flow to the desktop automatically based on mission focus areas that are specifically designed for CBP intelligence officers.

- Conduct and Integrity Oversight - \$5.3 million is requested to hire an additional 24 GS-1801 Investigators and 5 support positions to address internal affairs staffing needs. By FY 2009, CBP will have a workforce of over 54,000 with frontline personnel conducting a mission that is vulnerable to corruption. FY 2009 will also be the second year developing a permanent, full-time cadre of investigators that is responsible for investigating all serious non-criminal misconduct allegations and lesser administrative violations involving CBP employees; as well as criminal allegations not related to corruption. In addition to addressing reports of alleged misconduct in a timely manner, the investigators will also be responsible for participating in active partnerships with the Department of Homeland Security Office of Inspector General, Immigration and Customs Enforcement's Office of Professional Responsibility and other Federal, state and local law enforcement authorities to proactively develop sources of information and new investigative subjects.
- CBP's Regulatory Program - \$1.0 million is requested to support CBP's regulatory program. The requested funds will allow CBP to obtain an additional 7 attorneys, 2 economist, 2 paralegals and 1 mission support personnel. These personnel will ensure the efficient and legally-thorough drafting of new regulations; assist in the removal of obsolete and inconsistent regulations that may pre-date the Department's creation; help issue guidance to the private sector on homeland security-related matters; and aid in the Department's compliance with new Presidential mandates concerning legal review.

## IIa. Summary of FY 2008 Budget Estimates by Program/Project Activity (PPA) excludes all 2008 emergency funding

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses**  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) for FY 2009 |                  |                 |                  |                     |                 |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|   |                   |                    |                    |                    |                    |                    | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|   | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| <b>1. Headquarters Management and Administration</b>                  | <b>3,601</b>      | <b>\$1,287,712</b> | <b>3,689</b>       | <b>\$1,221,341</b> | <b>3,767</b>       | <b>\$1,266,651</b> | <b>78</b>                                | <b>\$45,310</b>  | <b>29</b>       | <b>29,300</b>    | <b>49</b>           | <b>\$16,010</b> |
| <b>2. Border Security Inspections and Trade Facilitation at POE's</b> | <b>16,104</b>     | <b>2,167,807</b>   | <b>16,801</b>      | <b>2,008,247</b>   | <b>18,043</b>      | <b>2,273,104</b>   | <b>1,242</b>                             | <b>264,857</b>   | <b>305</b>      | <b>246,200</b>   | <b>937</b>          | <b>18,657</b>   |
| Inspections, Trade & Travel Facilitation at POE's                     | 15,523            | 1,673,823          | 15,920             | 1,583,235          | 17,407             | 1,834,793          | <b>1,487</b>                             | 251,558          | 305             | 223,032          | 1,182               | 28,526          |
| Harbor Maintenance Fee Collection                                     | ---               | 3,026              | ---                | 3,093              | ---                | 3,154              | ---                                      | 61               | ---             | ---              | ---                 | 61              |
| International Cargo Screening   | 164               | 138,499            | 173                | 156,130            | 189                | 149,450            | <b>16</b>                                | (6,680)          | ---             | ---              | 16                  | (6,680)         |
| Other International Programs  | 101               | 15,597             | 101                | 10,866             | 101                | 10,984             | ---                                      | 118              | ---             | ---              | ---                 | 118             |
| C-TPAT (formerly C-TPAT//FAST/NEXUS/SENTRI)                           | 157               | 49,717             | 157                | 62,310             | 207                | 64,496             | <b>50</b>                                | 2,186            | ---             | ---              | 50                  | 2,186           |
| FAST/NEXUS/SENTRI   | ---               | 11,239             | 106                | 11,243             | ---                | 11,274             | <b>(106)</b>                             | 31               | ---             | ---              | (106)               | 31              |
| Inspection and Detection Technology                                   | 42                | 200,137            | 205                | 105,027            | ---                | 117,144            | <b>(205)</b>                             | 12,117           | ---             | 18,168           | (205)               | (6,051)         |
| Systems for Targeting   | 16                | 26,801             | 8                  | 27,580             | 8                  | 32,550             | ---                                      | 4,970            | ---             | 5,000            | ---                 | (30)            |
| National Targeting Center   | 101               | 23,521             | 131                | 23,950             | 131                | 24,481             | ---                                      | 531              | ---             | ---              | ---                 | 531             |
| Training at the Ports of Entry  | ---               | 25,447             | ---                | 24,813             | ---                | 24,778             | ---                                      | (35)             | ---             | ---              | ---                 | (35)            |
| <b>3. Border Security and Control between the POE's</b>               | <b>14,656</b>     | <b>2,552,019</b>   | <b>18,384</b>      | <b>3,037,232</b>   | <b>21,596</b>      | <b>3,515,320</b>   | <b>3,212</b>                             | <b>478,088</b>   | <b>1,322</b>    | <b>450,432</b>   | <b>1,890</b>        | <b>27,656</b>   |
| Border Security and Control between POE's                             | 14,604            | 2,514,830          | 18,293             | 2,984,443          | 21,466             | 3,440,505          | <b>3,173</b>                             | 456,062          | 1,322           | 428,332          | 1,851               | 27,730          |
| Training Between the Ports of Entry                                   | 52                | 37,189             | 91                 | 52,789             | 130                | 74,815             | <b>39</b>                                | 22,026           | ---             | 22,100           | 39                  | (74)            |
| <b>4. Air and Marine Operations - Salaries</b>                        | <b>1,260</b>      | <b>185,852</b>     | <b>1,472</b>       | <b>212,740</b>     | <b>1,674</b>       | <b>254,279</b>     | <b>202</b>                               | <b>41,539</b>    | <b>12</b>       | <b>4,000</b>     | <b>190</b>          | <b>37,539</b>   |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>35,621</b>     | <b>\$6,193,390</b> | <b>40,346</b>      | <b>\$6,479,560</b> | <b>45,080</b>      | <b>\$7,309,354</b> | <b>4,734</b>                             | <b>\$829,794</b> | <b>1,668</b>    | <b>\$729,932</b> | <b>3,066</b>        | <b>\$99,862</b> |
| Rescission of prior year unobligated balances (P.L. 110-161)          |                   |                    |                    | [25,621]           |                    |                    |  |                  |                 |                  |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>35,621</b>     | <b>6,193,390</b>   | <b>40,346</b>      | <b>6,479,560</b>   | <b>45,080</b>      | <b>7,309,354</b>   | <b>4,734</b>                             | <b>829,794</b>   | <b>1,668</b>    | <b>729,932</b>   | <b>3,066</b>        | <b>99,862</b>   |

## Iib. Summary of FY 2008 Budget Estimates by Program/Project Activity (PPA) includes FY 2008 emergency funding

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) for FY 2009 |                  |                 |                  |                     |                    |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|------------------|---------------------|--------------------|
|   |                   |                    |                    |                    |                    |                    | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                    |
|   | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT             |
| <b>1. Headquarters Management and Administration</b>                  | <b>3,601</b>      | <b>\$1,287,712</b> | <b>3,693</b>       | <b>\$1,221,341</b> | <b>3,767</b>       | <b>\$1,266,651</b> | <b>74</b>                                | <b>\$45,310</b>  | <b>29</b>       | 29,300           | <b>45</b>           | <b>\$16,010</b>    |
| <b>2. Border Security Inspections and Trade Facilitation at POE's</b> | <b>16,104</b>     | <b>2,167,807</b>   | <b>17,060</b>      | <b>2,279,247</b>   | <b>18,043</b>      | <b>2,273,104</b>   | <b>983</b>                               | <b>(6,143)</b>   | <b>305</b>      | <b>246,200</b>   | <b>678</b>          | <b>(252,343)</b>   |
| Inspections, Trade & Travel Facilitation at POE's                     | 15,523            | 1,673,823          | 16,465             | 1,854,235          | 17,407             | 1,834,793          | <b>942</b>                               | (19,442)         | 305             | 223,032          | 637                 | (242,474)          |
| Harbor Maintenance Fee Collection                                     | ---               | 3,026              | ---                | 3,093              | ---                | 3,154              | ---                                      | 61               | ---             | ---              | ---                 | 61                 |
| International Cargo Screening   | 164               | 138,499            | 173                | 156,130            | 189                | 149,450            | <b>16</b>                                | (6,680)          | ---             | ---              | 16                  | (6,680)            |
| Other International Programs  | 101               | 15,597             | 101                | 10,866             | 101                | 10,984             | ---                                      | 118              | ---             | ---              | ---                 | 118                |
| C-TPAT (formerly C-TPAT/FAST/NEXUS/SENTRI)                            | 157               | 49,717             | 182                | 62,310             | 207                | 64,496             | <b>25</b>                                | 2,186            | ---             | ---              | 25                  | 2,186              |
| FAST/NEXUS/SENTRI   | ---               | 11,239             | ---                | 11,243             | ---                | 11,274             | ---                                      | 31               | ---             | ---              | ---                 | 31                 |
| Inspection and Detection Technology                                   | 42                | 200,137            | ---                | 105,027            | ---                | 117,144            | ---                                      | 12,117           | ---             | 18,168           | ---                 | (6,051)            |
| Systems for Targeting   | 16                | 26,801             | 8                  | 27,580             | 8                  | 32,550             | ---                                      | 4,970            | ---             | 5,000            | ---                 | (30)               |
| National Targeting Center   | 101               | 23,521             | 131                | 23,950             | 131                | 24,481             | ---                                      | 531              | ---             | ---              | ---                 | 531                |
| Other Technologies  | ---               | ---                | ---                | ---                | ---                | ---                | ---                                      | -                | ---             | ---              | ---                 | -                  |
| Training at the Ports of Entry  | ---               | 25,447             | ---                | 24,813             | ---                | 24,778             | ---                                      | (35)             | ---             | ---              | ---                 | (35)               |
| <b>3. Border Security and Control between the POE's</b>               | <b>14,656</b>     | <b>2,552,019</b>   | <b>18,388</b>      | <b>3,075,232</b>   | <b>21,596</b>      | <b>3,515,320</b>   | <b>3,208</b>                             | <b>440,088</b>   | <b>1,322</b>    | <b>450,432</b>   | <b>1,886</b>        | <b>(10,344)</b>    |
| Border Security and Control between POE's                             | 14,604            | 2,514,830          | 18,297             | 3,022,443          | 21,466             | 3,440,505          | <b>3,169</b>                             | 418,062          | 1,322           | 428,332          | 1,847               | (10,270)           |
| Secure Border Initiative Technology                                   | ---               | ---                | ---                | ---                | ---                | ---                | ---                                      | -                | ---             | ---              | ---                 | -                  |
| Training Between the Ports of Entry                                   | 52                | 37,189             | 91                 | 52,789             | 130                | 74,815             | <b>39</b>                                | 22,026           | ---             | 22,100           | 39                  | (74)               |
| <b>4. Air and Marine Operations - Salaries</b>                        | <b>1,260</b>      | <b>185,852</b>     | <b>1,513</b>       | <b>226,740</b>     | <b>1,674</b>       | <b>254,279</b>     | <b>161</b>                               | <b>27,539</b>    | <b>12</b>       | <b>4,000</b>     | <b>149</b>          | <b>23,539</b>      |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>35,621</b>     | <b>\$6,193,390</b> | <b>40,654</b>      | <b>\$6,802,560</b> | <b>45,080</b>      | <b>\$7,309,354</b> | <b>4,426</b>                             | <b>\$506,794</b> | <b>1,668</b>    | <b>\$729,932</b> | <b>2,758</b>        | <b>(\$223,138)</b> |
| Less: Adjustments for Other Funding Sources:                          |                   |                    |                    |                    |                    |                    |  |                  |                 |                  |                     |                    |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>35,621</b>     | <b>6,193,390</b>   | <b>40,654</b>      | <b>6,802,560</b>   | <b>45,080</b>      | <b>7,309,354</b>   | <b>4,426</b>                             | <b>506,794</b>   | <b>1,668</b>    | <b>729,932</b>   | <b>2,758</b>        | <b>(223,138)</b>   |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Customs and Border Protection**  
**Salaries and Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: HEADQUARTERS MANAGEMENT AND ADMINISTRATION

|                              | <b>Perm.</b> |              |                  |
|------------------------------|--------------|--------------|------------------|
|                              | <b>Pos.</b>  | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>3,647</b> | <b>3,601</b> | <b>1,287,712</b> |
| <b>2008 Enacted</b>          | <b>3,738</b> | <b>3,693</b> | <b>1,221,341</b> |
| 2009 Adjustment to Base      |              | 45           | 16,010           |
| <b>2009 Current Services</b> | <b>3,738</b> | <b>3,738</b> | <b>1,237,351</b> |
| 2009 Program Change          | 56           | 29           | 29,300           |
| <b>2009 Request</b>          | <b>3,794</b> | <b>3,767</b> | <b>1,266,651</b> |
| Total Change 2008-2009       | 56           | 74           | 45,310           |

CBP requests \$1.3 billion for Headquarters Management and Administration. This is an increase of \$45.3 million over FY 2008 Enacted. The request includes:

- increase of \$2.9 million for pay annualization, and \$8.7 million for pay inflation
- decrease of \$3.0 million for non-recurring expenses
- increase of \$3.7 million for FY 07 Supplemental annualization tail, \$3.4 million for Integrity Oversight annualization, and \$373,000 for Anti-Dumping enforcement
- program increases of \$5.3 million for conduct and integrity oversight, and \$24 million for Intelligence.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Headquarters Management and Administration provides critical policy and operational direction, mission support, and technical expertise to CBP front-line personnel. This program is essential in carrying out CBP's dual mission of protecting our homeland while facilitating legitimate trade and travel.

Headquarters Management and Administration is comprised of two main groupings: "Policy, Direction and Human Capital," and "Technology and National Support."

## Policy, Direction and Human Capital

### **Office of the Commissioner**

The Office of the Commissioner includes the Commissioner's direct staff and 4 offices:

#### Office of Intelligence and Operations Coordination (OIOC)

Effective October 1, 2007, U.S. Customs and Border Protection established the Office of Intelligence and Operations Coordination. The OIOC is responsible for two primary missions:

Intelligence Production – this effort encompasses the complete Intelligence Cycle, including: planning; collection; processing; analysis and dissemination of all-source information and intelligence in support of CBP's All Crimes/All Threats/All Hazards mission set. This effort ensures that intelligence is focused on CBP operators and operational decision-makers and is integrally linked with passenger and cargo targeting efforts.

Operational Coordination – the new office will coordinate the development of CBP-wide plans and operations, manage CBP National Incident responses, and provide organizational decision-makers with situational awareness.

Through the establishment of this office, CBP realizes greater effectiveness in combating terrorism, drug and alien smuggling, and other crimes within its jurisdiction by: improving the collection and analysis of information from CBP Officers, Border Patrol agents, Air Interdiction agents, Marine Interdiction agents, DHS and other agencies; integrating that information into larger analytic efforts; coordinating the development and implementation of intelligence-based operations; developing and evaluating targeting rules that are intelligence-based and constantly refreshed; and overseeing the establishment of field-level operational coordination and intelligence functionalities that will provide field leadership the mechanisms to share information and to plan and coordinate joint operations.

The office will be comprised of an optimal blend of operators, analysts and mission support personnel, and it will be structured in such a way as to optimize their interaction and collaboration. The office will be focused on programmatic oversight, analysis, and coordination, rather than the conduct of operations. The new OIOC will establish mechanisms to ensure the flow of valuable information to and from field intelligence assets, and the integration of field information into broader analytic products that directly support headquarters and field operations.

The Offices of Intelligence and Anti-Terrorism will be moved into the new organization, along with all resources. The appropriate resources from the headquarters Offices of Border Patrol, Field Operations, and Information Technology will also be realigned into the new office.

### Office of Chief Counsel

The Chief Counsel is the chief legal officer of CBP and reports to the General Counsel of the Department of Homeland Security through the Assistant General Counsel. The Chief Counsel serves as the Ethics Officer for the organization and is the principal legal advisor to the Commissioner of CBP and its officers. The Office of the Chief Counsel provides legal advice to, and legal representation of, CBP officers in matters relating to the activities and functions of CBP. The Office is also responsible for reviewing proposed actions to ensure compliance with legal requirements, preparing formal legal opinions, preparing or reviewing responses in all court actions, civil or criminal, involving CBP, and developing, implementing, and evaluating nationwide programs, policies, and procedures within its functional areas. The Office of the Chief Counsel has both a Headquarters and a field structure. The Headquarters office is located in Washington, D.C. and its activities are divided broadly into three functional areas under the supervision of Associate Chief Counsels: Ethics, Labor and Employment; Enforcement and Trade; and Finance. The field structure consists of Associate and Assistant Chief Counsels located in major cities across the United States who advise CBP field managers in their geographic areas.

### Office of Policy and Planning (OPP)

The Office of Policy and Planning provides leadership and direction to CBP's overall strategic and tactical planning; organizational assessment and strategic goal alignment; statistical analysis and performance measurement; resource management and risk analysis; and, policy development and implementation in the board array of issues addressed by CBP. OPP advises the Executive Staff on the development of national border security policy. It is the central coordinating point for matters related to the Government Performance and Results Act (GPRA) and the President's Management Agenda (PMA). In addition to leading CBP in the development of planning products required by GPRA, OPP assists CBP programs with providing performance measurement and vital information to justify five-year resource requests through the Future Year Homeland Security Plan (FYHSP). OPP helps CBP maintain a consistent strategic planning methodology to apply its programs and assists programs to prepare comprehensive strategic plans to address special issues and topics identified by the Commissioner. OPP coordinates all Congressional reporting and ensures reporting requirements are met an appropriate manner. OPP also serves as the liaison with external audit groups such as the Office of the Inspector General (OIG) and the Government Accounting Office (GAO) to coordinate CBP responses to external audit reports.

### Office of Equal Opportunity

The Office of Equal Opportunity is responsible for ensuring compliance with civil rights statutes and regulations. The Office ensures equal opportunity for all U.S. Customs and Border Protection employees, applicants for employment, members of the trade and traveling public without regard to race, color, religion, sex, age, national origin, or physical and mental disability. The Office provides program leadership in the formulation, implementation, and evaluation of policies and programs in the areas of dispute resolution; complaints processing; and compliance, analysis and special programs.

### **Office of International Trade (OT)**

In FY 2009, The Office of International Trade will be realigned to the Border Security Inspections and Trade Facilitation at POEs PPA.

### **Office of Internal Affairs (IA)**

The Office of Internal Affairs exercises oversight authority for all aspects of CBP operations, personnel, and facilities. IA is responsible for ensuring compliance with all bureau-wide programs and policies relating to corruption, misconduct, or mismanagement; investigating misconduct by CBP employees; and executing the internal security, integrity, management self-inspection program and operational field testing. IA also conducts personnel security investigations; educates employees concerning ethical standards and integrity responsibilities; evaluates physical security threats to CBP facilities, and sensitive information; and inspects CBP operations and processes for managerial effectiveness and improvements.

### **Office of Human Resources (HRM)**

The Office of Human Resources is responsible for ensuring effective delivery of the following services: recruiting, providing employee services and benefits, processing personnel actions, improving business processes, and facilitating workforce effectiveness. HRM promotes and enables mission accomplishments through human capital planning and utilization, strategic leadership with regard to CBP employees, labor-management relations, training and employee safety.

### **Office of Training and Development (OTD)**

The Office of Training and Development is responsible for centralized leadership and direction of all CBP training programs. OTD ensures that all training efforts meet the needs of a diverse and dispersed workforce. OTD establishes standards and policies for designing, developing, delivering, and evaluating training. OTD directly executes career development programs, basic and advanced training to all occupations, management and executive development programs, and develops and implements the annual training plan for the agency.

### **Office of International Affairs and Trade Relations (INATR)**

The Office of International Affairs and Trade Relations is responsible for coordinating and supporting foreign initiatives, programs and activities within CBP. INATR strives to extend U.S. borders by implementing programs and initiatives that promote anti-terrorism, global border security, non-proliferation, export controls, immigration, capacity building, and facilitating legitimate trade. INATR focuses on international cooperation and strengthening multi- and bi-lateral relationships to achieve international agreements and joint efforts that both facilitate and secure legitimate trade. INATR promotes expansion of the World Customs Organization (WCO) Framework of Standards for supply chain security and facilitation by providing targeted countries with training and advisory support through programs such as Capacity Building and Export Control and Border Security (EXBS). INATR provides in-country advisory support for broad-based customs reform and modernization and ensures CBP is represented at overseas

posts and influencing policy throughout the world. In addition, INATR oversees the development and communication of trade policy and serves as an objective and independent problem resolution resource for the international trade community on issues elevated to the Assistant Commissioner, INATR.

### **Office of Congressional Affairs**

The Office of Congressional Affairs is responsible for advising CBP managers on legislative and congressional matters and for assisting members of Congress and their staffs in understanding current and proposed CBP programs.

### **Office of Public Affairs (OPA)**

The Office of Public Affairs communicates CBP's mission and operations. OPA continually informs the agency's chief stakeholders, the American public, through media outreach and public information campaigns conducted via media events, news and video and photography as well as the public Web site CBP.gov, informational brochures, and a national customer service call center to address public questions/complaints. OPA also provides continual information to the CBP work force through the CBPnet intranet site, the weekly e-mailed news compilation Frontline News, and through mass e-mails. A monthly newsletter, CBP Today, is mailed to CBP personnel and other stakeholders throughout the nation. OPA acts as a conduit for information to and guidance from the Department of Homeland Security.

### Technology and National Support

#### **Office of Finance (OF)**

The Office of Finance provides high quality, cost-efficient financial management services through customer involvement and modern, integrated financial systems, in support of CBP's goal of developing and promoting more effective and efficient methods to obtain and manage financial data, resources, and capital assets, consistent with the needs of customers and stakeholders. OF is responsible for acquiring and effectively managing the assets needed to accomplish CBP's frontline mission. This includes centralized requirements, planning and implementation of CBP's facilities and fleet management programs. It also includes translating workloads and requirements into budget requests for needed resources, allocating and distributing funds after resources are made available, acquiring and distributing personnel, goods, and services that are used to accomplish CBP's mission, managing and paying for those goods and services, and reporting on costs and use of personnel, goods, and services. OF is also responsible for preparing the annual financial statements in compliance with the CFO Act, and for acting as a liaison with auditors contracted by the Inspector General to perform the CBP stand-alone Financial Statements Audit and the DHS consolidated Financial Statements Audit.

#### **Office of Information and Technology (OIT)**

The Office of Information and Technology provides integrated, comprehensive technical support to carry out the mission of CBP, as well as the Department of Homeland Security. OIT is responsible for developing, acquiring, testing, and maintaining existing technology and engineering new technology solutions; for managing the CBP

Modernization Program; for overseeing the forensic and scientific analyses in the CBP laboratory system; for designing, developing, maintaining and training personnel on CBP's automated systems; for overseeing the tactical wireless radio program; and for ensuring the reliable performance of our infrastructure. OIT also manages the computer security program; establishes automated interfaces between CBP, trade participants, and other government agencies; and provides reference library and electronic information resources.

### **Enterprise Data Management & Engineering (EDME)**

Enterprise Data Management & Engineering provides innovative Information Technology (IT) services and solutions to Office of Information and Technology (OIT), Customs and Border Protection and the Department of Homeland Security customers. EDME engineers enterprise solutions providing optimal IT data integrity and accessibility that ensures performance quality, reliability and 24x7 IT systems availability which supports the protection of our borders and the facilitation of legitimate trade. In this capacity, EDME uses industry and government best practices to integrate business and technical solutions across the OIT enterprise. EDME provides its DHS and CBP customers with financial guidance, enterprise architecture design and management, systems engineering, data center operations and services, strategic planning, security program management, technology evaluation and integration, audit coordination, and enterprise process management. As a service and mentoring organization, EDME works collaboratively with its DHS and CBP customers to provide innovative technology services and solutions through teamwork and technical excellence.

### **Enterprise Networks & Technology Support (ENTS)**

Enterprise Networks & Technology Support is responsible for enterprise architecture, design and management of CBP network infrastructures, including the shared departmental DHS OneNet. ENTS provides operational day-to-day technology support to all CBP field locations, technology training, enterprise-wide area network, security operations and helpdesk services. ENTS provides 24x7 local area network, wireless, surveillance and detection technology support to all CBP field offices, performs field outreach, manages field modernization projects and oversees all field deployments. ENTS is aggressively working to modernize CBP Field locations deploying a common wireless communications infrastructure and a consistent desktop configuration across all of CBP, while improving network diversity and survivability.

### **Targeting and Analysis Systems Program Office (TASPO)**

The Targeting and Analysis Systems Program Office is responsible for enhancing, administering, and maintaining selectivity and targeting systems and related systems that help secure the supply chain and support CBP's layered defense strategy for international cargo and passengers. TASPO systems include the Automated Targeting System (ATS), an Intranet-based enforcement and decision support tool that is the cornerstone for all Customs and Border Protection's targeting efforts. In addition to ATS, TASPO has developed and maintains other systems, including Cargo Enforcement Reporting and Tracking System (CERTS), Customs Automated Operations System (CAOS), Customs-Trade Partnership Against Terrorism (C-TPAT), and Port Radiation Inspection, Detection

& Evaluation System (PRIDE). TASPO also supports CBP operational units like the National Targeting Center (NTC), Passenger Analysis Units (PAUs), Advanced Targeting Units (ATUs), Office of Intelligence, and other analytical groups within the government.

#### **Cargo Systems Program Office (CSPO)**

The Cargo Systems Program Office is responsible for the development, maintenance, and deployment of systems (such as the new Automated Commercial Environment, the Automated Commercial System, and the Automated Export System) and interfaces that support CBP, participating government agencies, and the trade community requirements concerning the importation, exportation, and control of merchandise shipments.

#### **Passenger Systems Program Office (PSPO)**

The Passenger Systems Program Office provides application development and continued operational support of all passenger and immigration management systems hosted by CBP. PSPO integrates the Traveler Enforcement Communication System (TECS), formerly known as Treasury Enforcement Communication System, the Advanced Passenger Information System (APIS) and other systems with US VISIT.

#### **Border Enforcement and Management Systems Program Office (BEMSPO)**

The Border Enforcement and Management Systems Program Office responsibilities include system development for the full systems life cycle from planning through deployment of all Border Enforcement and Mission Support systems. BEMSPO provides concentrated support of Border Enforcement Systems for the Office of Border Patrol, the Office of Field Operations, and the Office of Air and Marine. BEMSPO also supports Management Systems solutions for the Office of Finance, the Office of Internal Affairs, the Office of Human Resource Management and the Office of Training and Development. Some of the systems supported include ENFORCE; Border Patrol Enforcement and Tracking System (BPETS); iCAD; Enterprise GeoSpatial Information System; Customs Overtime Scheduling System (COSS); Systems, Applications and Processes (SAP); CBP.gov; and CBP.net.

#### **Laboratories and Scientific Services**

Laboratories and Scientific Services is the Forensic/Scientific arm of the U.S. Customs and Border Protection providing forensic and scientific testing in the area of Trade Enforcement, Weapons of Mass Destruction, Intellectual Property Rights, and Narcotics Enforcement. Each of the eight field laboratories operates a mobile laboratory that is used at the borders for on-site emergency response and programmatic on-site border security operations. A specially trained laboratory forensic "jump" team that can be activated at a moments notice provides crime scene investigation, documentation, and testing for cases involving possible terrorist activity. In addition, CBP's scientists are rotated to the front-line of many of the busiest ports to provide on-site operational support, analysis, training, and response to alerts from CBP's sophisticated Non-Intrusive Inspection and Radiation Portal Monitor technologies.

**Workforce Management Group (WMG)**

The Workforce Management Group is responsible for providing administrative, organizational, and management support to the managers and personnel of the Office of Information and Technology (OIT). WMG's various functional areas include logistics and space management, physical security, reviewing and tracking Background Investigations (BI) packages, and Human Resource activities relating to staffing, awards, Performance Management System, Labor & Employee Relations (LER), Workers' Compensation Program, and Human Capital. In addition, the WMG supports various special projects such as audits relative to WMG, data calls, budget activities, communications, Web Content Administration and developing & preparing OIT Executive Performance Plans.

**Financial Management Group (FMG)**

The Financial Management Group formulates and executes budgets and coordinates property management for the Office of Information and Technology (OIT). FMG supports the CBP's Investment Management Process (IMP) and the approval process of CBP information technology investment and funding approvals through the Department of Homeland Security investment review process. FMG also coordinates CBP IT acquisition plans through the DHS CIO acquisition approval process. FMG works closely with all OIT organizations to ensure sound fiscal management of OIT resources, to coordinate budgets, and to participate in all program, project, and budget reviews.

PPA: BORDER SECURITY INSPECTIONS AND TRADE FACILITATION AT  
POE's

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b>    | <b>Amount</b>    |
|------------------------------|-----------------------|---------------|------------------|
| <b>2007 Actual</b>           | <b>15,855</b>         | <b>15,523</b> | <b>1,673,823</b> |
| <b>2008 Enacted</b>          | <b>17,072</b>         | <b>16,465</b> | <b>1,854,235</b> |
| 2009 Adjustment to Base      | 59                    | 637           | -242,474         |
| <b>2009 Current Services</b> | <b>17,131</b>         | <b>17,102</b> | <b>1,611,761</b> |
| 2009 Program Change          | 630                   | 305           | 223,032          |
| <b>2009 Request</b>          | <b>17,761</b>         | <b>17,407</b> | <b>1,834,793</b> |
| Total Change 2008-2009       | 689                   | 924           | -19,442          |

\*The table above includes emergency funding of \$271 million provided in P.L. 110-161. CBP requests \$1.8 billion for Border Security Inspections and Trade Facilitation at Ports of Entry (POE). Excluding emergency funds provided, the increase of \$251.6 million over FY 2008 includes pay and non-pay inflation as well as program increases for WHTI, Radiation Portal Monitors (RPM) Staffing, Regulatory Attorneys, US-VISIT Operations and Maintenance (O&M), Passenger Screening at Land POEs, and DNDO RPM O&M staff support:

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The CBP Officer is multi-disciplined and performs the full range of inspection, intelligence analysis, examination, and law enforcement activities relating to arrival and departure of persons, conveyances, and merchandise at ports of entry. The Officer's primary responsibility is to identify potential terrorists and instruments of terror and to perform layered enforcement activities relative to counter-terrorism. These enforcement activities are to prevent the entry of terrorists and instruments of terror, harmful pests and diseases, illegal drugs and contraband, and illegal aliens and importations/exportations contrary to law and trade agreements, from entering/exiting the United States. The Officer interprets the laws and regulations of a broad range of Federal, state, and local agencies, relating to the admissibility of people, cargo and conveyances.

In FY 2008, CBP received funding for 200 new CBP Officers as authorized under the SAFE Ports Act, as well as funding for the Model Ports Program and an additional 200 CBP Officers to support Model Ports, which CBP will implement at the 20 busiest airports.

SBI program offices work with Border Patrol, Field Operations, Intelligence, and Information Technology offices to identify and provide information on developing and installing a technology and tactical infrastructure solution for border control at and between the ports of entry to DHS stakeholders. During FY 2007 and FY 2008, the SBI program made numerous advances towards providing a solution towards the goal of

border security. The initial focus of *SBI*net has been on the southwest land border sectors and between the official ports of entry where there are serious vulnerabilities to border security. In FY 2009, CBP will continue to secure the southwest border and commence *SBI*net technology and tactical infrastructure funding for the northern border sectors. Further, *SBI*net is continuing efforts to build a common operating picture (COP) of the border environment within a command center environment that will provide uniform data to all DHS agencies and be interoperable with stakeholders external to DHS. Specific programs under Border Security Inspections and Trade Facilitation at the ports of entry are covered below:

### **Trusted Traveler Programs (TT)**

Since the terrorist attacks of September 11th, CBP has placed great emphasis on developing and expanding Trusted Traveler programs for passengers and commercial truck drivers at the land borders with Canada and Mexico and developing similar programs for international air passengers. The TT programs help to identify low-risk, pre-vetted travelers by the voluntary submission of an application and subsequent vetting using automated checks for law enforcement databases, fingerprint/name checks, and an interview with a uniformed officer.

Currently, CBP TT has four credentialing programs – NEXUS Air and Highway, Secure Electronic Network for Travelers Rapid Inspection (SENTRI), SENTRI Pedestrian, and Free and Secure Trade (FAST). These programs are discussed under the FAST/SENTRI/NEXUS PPA. CBP is looking for legislative and regulatory approval to launch another air program (US PASS) at John F. Kennedy International Airport, Terminal 4, Washington Dulles International Airport, and Houston Intercontinental Airport in 2008. US PASS will implement a single integrated passenger processing system that will expedite the movement of international low-risk air travelers by providing an alternative primary inspection process for pre-approved, pre-screened eligible travelers.

### **Western Hemisphere Travel Initiative (WHTI)**

Section 7209 of the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA), Public Law 108-458, as amended, directs the Secretary of Homeland Security, in consultation with the Secretary of State, to develop and implement a plan to require U.S. citizens (and non-U.S. citizens) to present a passport or other authorized travel document that denotes identity and citizenship when entering the United States. Consistent with the Consolidated Appropriations Act of 2008, DHS will be making the investments to prepare for implementation of this secure document requirement at land and sea border ports of entry by June 1, 2009.

Deployment of infrastructure and technology will occur primarily at the 39 high volume ports of entry that support 95 percent of the land border traffic. CBP will complete the design, development, and implementation of a new land border application utilizing Radio Frequency Identification (RFID) Technology and IT infrastructure to read, validate and process Passport Cards to be issued by the Department of State and other WHTI compliant RFID-enabled documents such as the Enhanced Driver's License.

The FY 2009 resources will be utilized to complete the rollout of WHTI, provide improved lane management, and support maintenance of the installed base including the program management office. In addition, the non-RFID POEs will be upgraded with the new vehicle primary application that will be developed under WHTI. This new land border application will fully interface with the trusted traveler database in order to allow “flex” lanes at the POEs. This will enable lanes to be used as trusted traveler, RFID only, or standard vehicle primary lanes based on the operational needs of the individual port of entry. When a member in one of the trusted traveler programs (NEXUS, SENTRI, FAST) utilizes their RFID enabled card in the Trusted Traveler Lane it will also automatically capture and satisfy WHTI document requirements, thus enhancing CBP’s ability to manage traffic flow at the land borders. Additionally, this will support the Enhanced Driver’s License Project for the States and the Native American Tribal Enrollment Project in terms of developing the requirements and support the technical interfaces necessary.

#### **Electronic Travel Authorization (ETA)**

Congress included funding for the Electronic Travel Authorization in FY 2008 to develop an internet-based system for Visa Waiver Program (VWP) travelers as required by Section 711 of the 9/11 Commission Act. ETA will give VWP travelers advanced approval to travel to the U.S. and will allow CBP to pre-vet VWP travelers, providing another tool for CBP further secure U.S. borders by pushing the zone of security outward.

#### **Immigration Advisory Program (IAP)**

Under the Immigration Advisory Program, CBP deploys Officers overseas (London, Amsterdam, Warsaw, Tokyo, and Frankfurt) to support CBP’s goal of enhancing the security of air travel by preventing terrorists from boarding commercial aircraft destined for the U. S. and reducing the number of improperly documented passengers traveling from or through a country to the U. S. IAP provides information to host countries, or appropriate authorities, regarding travelers of interest. It focuses on high-risk persons through the use of current targeting and passenger analysis information or an assessment of the passenger’s travel documentation. The goal of these efforts is the apprehension and prosecution of criminals and persons of national security interest by host countries, the disruption of attempts to smuggle aliens, and the disruption of attempts to enter the U. S. with fraudulent documents. Since IAP does not have any authority in the host country to take such action, the program works with the host country’s immigration and/or control authority and the air carrier who will take the appropriate action to prevent the person from boarding the flight to the U. S.

Since the initial deployment of IAP in June 2004 through December 1, 2007, IAP officers have assisted foreign governments and airline personnel in preventing 2,794 persons from boarding flights for the U.S., discovered 173 fraud cases (such as altered documents and imposters), identified 199 terrorists targets, saved CBP \$4,213,572 in processing costs, and saved airlines \$4,101,135 in fines.

### **Fraudulent Document Analysis Unit (FDAU)**

The Fraudulent Document Analysis Unit gathers in one location all the fraudulent documents intercepted at the ports of entry, nationally. From these documents and their accompanying apprehension reports, analysts compile profiles of smugglers, smuggling routes and methods, and trends. They target for close scrutiny at entry persons whose travel may have been arranged by a smuggler. FDAU analysts also focus on documents from terrorist-linked countries and documents presented by persons with a connection to terrorism. Analysts gather intelligence information, write regular reports and customized reports, plot trends, generate document seizure statistics, and give briefings on international travel using fraudulent documents. The products generated by the FDAU, to include training material using the actual sized documents, benefit the ports, government intelligence units within DHS, the Forensic Document Laboratory at U.S. Immigration and Customs Enforcement and other parts of the Federal Government.

### **Admissibility Review Office (ARO)**

The Admissibility Review Office provides CBP with a dedicated resource with institutional knowledge and a consistent approach in making determinations of admissibility relative to the exercise of discretion of inadmissible aliens under the Immigration and Nationality Act (INA). The ARO works extensively with the Department of State (DOS) and other agencies to determine whether inadmissible aliens may be permitted to travel as non-immigrants with waivers. They review applications submitted by aliens who have been determined by CBP Officers or consular officers to be ineligible to be admitted to the United States because of one or more grounds of inadmissibility under section 212(a) of the INA.

The ARO currently processes and adjudicates all nonimmigrant waivers of inadmissibility recommended by DOS consular officers worldwide. It also adjudicates all nonimmigrant waiver applications within the jurisdiction of CBP. The ARO is in the conceptual phase for transition of decision-making authority for all National Security Entry Exit Registration System (NSEERS) waivers from field offices to the ARO.

### **Canine Enforcement Program (CEP)**

The Canine Enforcement Program plays a crucial role in CBP's anti-terrorism and interdiction efforts. The CEP remains a major component in CBP's ability to interdict illegal narcotics, concealed humans, prohibited agriculture products, explosives and undeclared currency while facilitating legitimate trade and travel.

The CEP has established and deployed world-class detector dogs programs to augment existing technology while establishing cutting edge detection capabilities. Under these programs, the agency now provides a higher level of security and detection capability while emphasizing a seamless conduit between existing technology and the proven capabilities of detector dogs. The CEP will continue to advance and develop the anti-terrorism aspects of our mission while maintaining the traditional roles of narcotics interdiction.

### **Office of International Trade (OT)**

In FY 2009, funding for The Office of International Trade is being realigned from the Headquarters Management and Administration PPA. OT is responsible developing the national CBP trade policy and programs that facilitate legitimate trade and enforce our trade laws. OT is able to leverage a diverse array of skill sets to develop a comprehensive trade strategy and action plans, focused on results-driven strategic initiatives addressing trade facilitation, administration and enforcement issues. By promoting trade facilitation through partnership programs, OT streamlines the flow of legitimate shipments and fosters corporate self-governance as a means of achieving compliance with trade laws and regulations. OT also directs national enforcement responses through effective targeting of goods crossing the border as well as strict, swift punitive actions against companies participating in predatory trade practices, including textile transshipment and intellectual property rights infringement. A risk-based audit program is used to respond to allegations of commercial fraud and to conduct corporate reviews of internal controls to ensure importers comply with trade laws and regulations. Finally, OT provides the legal tools such as all regulations, Federal Register notices, binding rulings and decisions, informed compliance publications, to support and promote facilitation and enforcement of our trade and border security requirements.

The Office of International Trade administers the Trade Agreements Program, Textile Enforcement and Operations Program, the Antidumping Countervailing Duty (AD/CVD) Program, the Intellectual Property Rights (IPR) Enforcement Program and leads CBP's efforts on import safety. In addition, the Office of International Trade provides technical assistance and training to United States Trade Representative (USTR), international organizations, and foreign governments to further support our trade and border security policies.

### **Agriculture Programs and Liaison (APL)**

CBP's Agriculture Programs and Liaison office provides leadership, expertise, and innovation to defend the United States from the threats of bio and agro-terrorism. APL also is responsible for meeting the traditional goals of safeguarding and protecting American agriculture from the risks associated with the entry, establishment, or spread of plant pests, noxious weeds, and animal diseases. The specific activities conducted by CBP's APL fall into four general areas:

Agricultural Safeguarding is responsible for the development, clarification, and interpretation of agricultural oversight policy and procedures. In addition, they are responsible for the application strategies for maritime cargo, air cargo, land border cargo, passenger processing (air, maritime, land border), and trade facilitation and related operations.

Agriculture Policy provides policy, planning, and guidance for CBP agriculture inspection programs in order to prevent the intentional and unintentional introduction of plant and animal pests and diseases.

Agricultural Risk Analysis and Mitigation assesses and examines plant and animal pest risks with the US Department of Agriculture (USDA), provides joint trend analyses with USDA, monitors performance indicators, and reviews/develops/implements procedures for mitigation of risks to develop new agricultural-related programs with USDA.

Agro-Terror Countermeasures Program focuses on preventing the intentional introduction of ag/bio-terrorist, equipment, and weapons into the United States. In partnership with other scientific regulatory and law enforcement agencies, the program seeks to assess risks and obtain intelligence to guide the development and implementation of specific targeting and inspection systems to better protect our people, agriculture, food, beverages, and economy from ag/bio-terror attacks.

### **Air/Sea Cargo Security Verification Program**

The Air/Sea Cargo Security Verification Program establishes maritime and air cargo policy. The program's primary focus is to secure cargo against terrorists and the transport of terrorist weapons within the cargo arena, to coordinate the maritime/air programs with other law enforcement agencies, and to ensure the maximization of efforts in these environments. The program provides a critical component in the facilitation and coordination among other law enforcement agencies of combined anti-terrorism efforts while ensuring the facilitation of trade continues with minimal effect on our economy.

In the maritime environment, CBP has the lead for cargo security controls and measures to mitigate the risk of suspect shipments arriving from or departing to foreign destinations. These efforts support the CBP Cargo Security Strategy and other DHS initiatives such as implementation of the SAFE Port Act. CBP works in collaboration with DHS and its component agencies, such as the U.S. Coast Guard (USCG), on cargo and port security matters. To date, CBP and USCG have developed joint protocols for maritime operations to include law enforcement vessel boarding protocols, targeting efforts, and response matrices in the event of an incident of national significance. Additionally, CBP and USCG continue to work together to address business resumption and recovery efforts under the Maritime Infrastructure Recovery Plan and collaboratively address industry and trade issues through specific cargo and maritime federal advisory committees.

In the air environment, CBP is strengthening air cargo security measures by implementing a national targeting strategy in support of the CBP Cargo Security Strategy. CBP is coordinating with the Transportation Security Administration to maximize efforts in the air cargo security environment. Also under the Air Cargo program, CBP is supporting the DHS/Israeli work group in addressing air cargo security measures and identifying best practices.

The Cargo Security Verification Program plays an instrumental role in addressing maritime and air cargo security issues identified in the Security and Prosperity Partnership for North America and will participate in various working groups comprised of government representatives from the U.S., Mexico, and Canada.

FY 2007 Accomplishments include:

- IAP expanded to Tokyo and Frankfurt. CBP is in the process of converting Amsterdam, London and Tokyo to permanent locations in early to mid FY 2008;
- Successfully implemented the CBP-USCG Senior Guidance Team joint vessel targeting and boarding initiative, comprised of joint targeting, joint boarding teams, information sharing, training and officer exchange activities;
- Air WHTI implemented January 23, 2007.

In FY 2008, goals include:

- Execute capital investment planning development and Strategic Resource Assessments for all ports of entry facilities that reflect modern mission priorities of DHS and CBP, particularly unified processes;
- IAP will conduct pilots at up to six previously identified sites to test the feasibility of establishing permanent operations at those locations. As mandated in the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA), CBP has identified 50 locations as presenting potential for permanent IAP operations;
- Begin implementation of WHTI at high volume land ports of entry and at seaports.

In FY 2009, goals include:

- Complete rollout of infrastructure and technology to all remaining land ports of entry;
- Deploy new vehicle primary application to non-RFID enabled ports of entry;
- Enhance Trusted Traveler Programs and Global Enrollment System.

PPA: HARBOR MAINTENANCE FEE (HMF) COLLECTION

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                   | ...        | 3,026         |
| <b>2008 Enacted</b>          | ...                   | ...        | 3,093         |
| 2009 Adjustment to Base      | ...                   | ...        | 61            |
| <b>2009 Current Services</b> | ...                   | ...        | 3,154         |
| 2009 Program Change          | ...                   | ...        | ...           |
| <b>2009 Request</b>          | ...                   | ...        | 3,154         |
| Total Change 2008-2009       | ...                   | ...        | 61            |

CBP requests \$3.2 million for Harbor Maintenance Fee Collection. This is an increase of \$61,000 over the FY 2008 Enacted. The request includes:

- increase of \$21,000 for pay annualization, and \$64,000 for pay inflation

- decrease of \$24,000 for non recurring expenses.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Harbor Maintenance Fee is an Army Corps of Engineers (COE) fee, which is collected for the operation and maintenance, as well as improvements, of U.S. channels and harbors. CBP is reimbursed for a portion of the costs associated with the collection of the fee for COE.

PPA: INTERNATIONAL CARGO SCREENING

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|-----------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>155</b>            | <b>164</b> | <b>138,499</b> |
| <b>2008 Enacted</b>          | <b>189</b>            | <b>173</b> | <b>156,130</b> |
| 2009 Adjustment to Base      |                       | 16         | -6,680         |
| <b>2009 Current Services</b> | <b>189</b>            | <b>189</b> | <b>149,450</b> |
| 2009 Program Change          |                       |            | ...            |
| <b>2009 Request</b>          | <b>189</b>            | <b>189</b> | <b>149,450</b> |
| Total Change 2008-2009       | 0                     | 16         | -6,680         |

CBP requests \$149.5 million for International Cargo Screening. This is a decrease of \$6.7 million from the FY 2008 Enacted. The request includes:

- increase of \$244,000 for pay annualization, and \$731,000 for pay inflation
- increase of \$1 million for Secure Freight annualization, \$375,000 to recur FY07 supplemental for equipment O&M, \$2.5 million to recur CSI positions from the FY07 supplemental
- decrease of \$442,000 for non-recurring expenses and a decrease of \$11.1 million for Secure Freight

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Formerly called the “Container Security Initiative” this PPA has been renamed “International Cargo Screening” to acknowledge the inclusion of Container Security Initiative (CSI) operations at 58 foreign ports and the growing Secure Freight Initiative (SFI) efforts. SFI is the next phase of CSI. The CSI/SFI program will continue its mission to prevent terrorists and terrorist weapons from entering the U. S. while also facilitating the flow of legitimate trade.

As of September 30<sup>th</sup>, 2007, CSI is now operational in 58 ports and screening over 86 percent of the volume of maritime containers destined to the U.S.

Today, CSI is the only multinational program in the world actually protecting the primary system of global trade – containerized shipping – from being exploited or disrupted by international terrorists.

The core elements of CSI are:

- Identify high-risk containers. CBP uses automated targeting tools to identify containers that pose a potential risk of terrorism, based on advance shipping information and strategic intelligence.
- Screen and evaluate containers before they are shipped. Containers are screened as early in the supply chain as possible, generally at the last port of lading.
- Use technology to scan high-risk containers to ensure that scanning can be done rapidly without impeding the movement of trade. This technology includes large-scale X-ray, gamma ray machines and/or radiation detection devices.

Through the CSI program, CBP deploys multi-disciplined teams that include CBP Officers, Intelligence Analysts, and ICE agents to selected foreign seaports throughout the world to protect the U. S. and its citizens from potential terrorist attacks in the maritime cargo environment and to help secure the primary system of international trade. CSI helps to secure an indispensable link in the chain of global trade: maritime containerized shipping. Since CSI was unveiled in January 2002, it has become a part of our government's strategy to secure the nation from the potential terrorist threat using maritime cargo containers. CSI will continue fostering partnerships with other countries and our trading partners in order to inspect all high-risk containers before they are loaded on board vessels to the United States. CBP will ensure effective coordination with host countries by conducting periodic risk evaluations of ports to assess the level of staffing and other resource needs. CBP will also encourage interagency cooperation by developing a capacity to collect and share information and trade data gathered from CSI ports. The following is a comprehensive listing of the 58 CSI operational ports.

In the Americas and Caribbean:

- Montreal, Vancouver, and Halifax, Canada
- Santos, Brazil
- Buenos Aires, Argentina
- Puerto Cortes, Honduras
- Caucedo, Dominican Republic
- Kingston, Jamaica
- Freeport, Bahamas
- Cartagena, Columbia
- Balboa, Manzanillo, and Colon, Panama

In Europe:

- Antwerp and Zeebrugge, Belgium
- Le Havre and Marseilles, France
- Bremerhaven and Hamburg, Germany
- Piraeus, Greece
- Geona, La Spezia, Livorno, Gioia Tauro, and Naples, Italy
- Rotterdam, Netherlands
- Gothenburg, Sweden
- Felixstowe, Southampton, Liverpool, Thamesport, and Tilbury, United Kingdom
- Lisbon, Portugal
- Algeciras, Valencia, and Barcelona, Spain

In Asia and the Middle East:

- Shanghai, Shenzhen, and Hong Kong, China
- Ports of Kaoshung and Chi-Lung
- Tokyo, Kobe, Yokohama, and Nagoya, Japan
- Pusan, Korea
- Quasim, Pakistan
- Port Klang and Tanjung Pelepas, Malaysia
- Singapore
- Laem Chabang, Thailand
- Colombo, Sri Lanka
- Dubai, United Arab Emirates (UAE)
- Port Salalah, Oman
- Ashdod and Haifa, Israel

In Africa:

- Durban, South Africa
- Port Alexandria, Egypt

The Secure Freight Initiative (SFI) incorporates a three-pronged approach to enhance supply chain security through the following projects: the International Container Security (ICS) and Security Filing (SF).

The ICS project will significantly strengthen maritime security and global non-proliferation efforts by integrating radiation detection, radiography, and manifest data within CBP's risk management process. ICS also fulfills the requirements of section 231 of the SAFE Port Act.

On October 12, 2007, Southampton Container Terminals, United Kingdom, Port Qasim, Pakistan and Puerto Cortez, Honduras became the first seaports to implement the Secure Freight Initiative by scanning all maritime containers destined for the United States for nuclear or radiological materials. These ports fulfill the requirements set out in the

Security and Accountability For Every (SAFE) Port Act of 2006, which establishes a program that couples Non-Intrusive Inspection (NII) and radiation detection technology. Data from these systems is then provided to U.S. officials at U.S. Customs and Border Protection's National Targeting Center for analysis.

The Security Filing (SF) project will provide additional critical data earlier in the cargo risk assessment process, prior to containerized cargo being loaded at foreign ports. These data elements will give greater visibility into the supply chain, including data associated with container movements, and supplement information now transmitted under the 24-hour rule and Trade Act requirements.

The Global Trade Exchange (GTX) project will foster a trade-managed solution that allows government to be a customer of trade services, and facilitates access to trade data, without dealing with every trade entity on a transaction or account basis. Private sector owned and operated, GTX would offer a new business model for collecting and fusing disparate international cargo data, providing governments and other parties with greater visibility into that data.

FY 2007 accomplishments include:

- Development and implementation of the Secure Freight Initiative – International Container Security provided CBP with the capability to obtain radiation and non-intrusive inspection scans of containers pre-lading in three foreign ports (Southampton, United Kingdom, Port Qasim, Pakistan and Puerto Cortez, Honduras);
- Development and dissemination of a Security Filing Notice of Proposed Rule Making (NPRM) is still ongoing;
- Expansion of CSI to 58 locations. CSI established 8 additional CSI ports during FY 2007. With these additional deployments, CSI now provides screening for over 86 percent of the maritime containers destined for the U.S.

FY 2008 goals include:

- Respond to SF NPRM comments and develop a phase in operational plan;
- Issue a Request For Quotation regarding GTX and review bids accordingly and develop a pilot program for GTX;
- Review current and potential new CSI locations for strategic importance to secure the U.S. and the global supply chain.

FY 2009 goals include:

- Expand deployment of ICS to one new site and adding more capacity at others designated ports;
- Based on findings of the GTX pilot, expand program accordingly;
- Continue to transition CSI TDY personnel to permanent status and place resources at the NTC-C in order to reduce the number of CBP Officers deployed.

PPA: OTHER INTERNATIONAL PROGRAMS

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>101</b>            | <b>101</b> | <b>15,597</b> |
| <b>2008 Enacted</b>          | <b>101</b>            | <b>101</b> | <b>10,866</b> |
| 2009 Adjustment to Base      | ...                   | ...        | 118           |
| <b>2009 Current Services</b> | <b>101</b>            | <b>101</b> | <b>10,984</b> |
| 2009 Program Change          | ...                   | ...        | ...           |
| <b>2009 Request</b>          | <b>101</b>            | <b>101</b> | <b>10,984</b> |
| Total Change 2008-2009       | ...                   | ...        | 118           |

CBP requests \$11 million for Other International Programs. This is an increase of \$118,000 over the FY 2008 Enacted. The request includes:

- increase of \$59,000 for pay annualization, and \$176,000 for pay inflation
- decrease of \$117,000 non-recurring expenses

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The goal of Other International Programs is to establish international partnerships that promote security and facilitation of international travel and trade. In this arena, Customs and Border Protection (CBP) implements international programs and initiatives that support the U.S. Government's objectives in anti-terrorism, border security, non-proliferation and customs and immigration laws. Other International Programs is the conduit for CBP's participation in the World Customs Organization (WCO) and in regional bodies such as the Asia-Pacific Economic Cooperation (APEC) forum; support for the negotiation of bilateral and multilateral agreements, conventions and treaties; and high-level meetings with foreign administrations. Other International Programs key objectives are:

- Identify and drive CBP's international strategy;
- Internationalizing CBP's programs and initiatives;
- Manage the international agreements process for CBP;
- Advance CBP policy agenda and international initiatives in international fora;
- Develop and maintain strategic international relationships

FY 2007 accomplishments include:

- Established a Bilateral Strategic Plan with Mexico Customs to formalize cooperative relationships on an identified set of shared interests;
- Established CBP permanent presence in 10 overseas embassies and consulates;
- Concluded three customs mutual assistance agreements, with Azerbaijan, Indonesia, and Pakistan;
- Coordinated the deployment of teams of CBP personnel to a small number of ports of entry in Iraq, leading the transition toward phased assistance to improve border control operations in that country;

- Established mechanisms for the maintenance and amendment of the WCO Framework of Standards and its associated standards pertaining to data elements;
- Began development of international strategy for immigration issues, which will include supporting expansion of the Immigration Advisory Program, promoting expansion of the Regional Movement Alert System, and identifying organizations responsible for addressing immigration matters on an international level.

FY 2008 goals include:

- Identify and pursue opportunities for cooperation with foreign governments and international organizations on issues such as the mutual recognition of customs-trade programs and "single window" data systems for international trade and customs information;
- Develop protocols related to the issuance and use of APEC Business Travel Cards in accordance with U.S. commitments;
- Assess the deployment of overseas personnel based on CBP mission needs and cooperation with foreign governments of strategic importance.

FY 2009 goals include:

- Pursue international partnerships to share best practices, exchange information, and promote the facilitation of secure travel and trade;
- Support implementation of the WCO Framework;
- Implement initiatives in support of an international immigration strategy to identify and interdict high risk travelers.

PPA: CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM (C-TPAT)

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | 157                   | 157        | 49,717        |
| <b>2008 Enacted</b>          | 207                   | 182        | 62,310        |
| 2009 Adjustment to Base      | ...                   | 25         | 2,186         |
| <b>2009 Current Services</b> | 207                   | 207        | 64,496        |
| 2009 Program Change          | ...                   | ...        | ...           |
| <b>2009 Request</b>          | 207                   | 207        | 64,496        |
| Total Change 2008-2009       | ...                   | 25         | 2,186         |

CBP requests \$64.5 million for C-TPAT. This is an increase of \$2.2 million over the FY 2008 Enacted. The request includes:

- increase of \$246,000 for annualization of FY 2007 pay, and \$636,000 for pay inflation
- decrease of \$647,000 for non-recurring expenses
- increase of \$2 million for C-TPAT annualizations of FY 2008 program increases

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Customs-Trade Partnership Against Terrorism (C-TPAT) program is CBP's premier trade security program. The purpose of C-TPAT is to partner with the trade community for the purpose of securing the U.S. and international supply chains from possible intrusion by terrorist organizations. C-TPAT requires the trade community participant to document and validate their supply chain security procedures in relation to existing CBP C-TPAT criteria or guidelines as applicable. CBP requires that C-TPAT company participants develop an internal validation process to ensure the existence of security measures documented in their Supply Chain Security Profile and in any supplemental information provided to CBP. As a part of the C-TPAT process, CBP C-TPAT Supply Chain Security Specialists (SCSS) and the C-TPAT participants will jointly conduct a validation of the company's supply chain security procedures. The validation process is essential to verifying the company's commitment to C-TPAT.

C-TPAT's currently has a cadre of 157 Supply Chain Security Specialists who provide advice and guidance to Customs field officers and trade community representatives on supply chain security issues. In FY 2008, CBP received funding for additional Supply Chain Specialist as authorized under the SAFE Ports Act.

The Supply Chain Security Specialists conduct C-TPAT validations, identify supply chain security vulnerabilities, and work to monitor company initiatives that address those vulnerabilities. Validations conducted by Supply Chain Security Specialists serve to determine the accuracy and effectiveness of companies' security profiles as applied to their foreign and domestic supply chains.

To better secure and facilitate the flow of goods into the United States, CBP will continue to ensure that existing and new C-TPAT partners fulfill their commitments by verifying that agreed upon security measures have been implemented. CBP will also continue to work with C-TPAT partners to further finalize minimum applicable supply chain security criteria and security best practices. C-TPAT teams travel around the globe, to visit partners, their vendors, and vendors' plants to validate that supply chain security meets C-TPAT minimum security criteria and best practices and that procedures used are reliable, accurate, effective and meet the agreed upon security standards. CBP will continue providing tools and creating incentives for the private sector to join C-TPAT, which is a prerequisite for the Free and Secure Trade (FAST) program and other CBP expedited processing programs.

As of November 29, 2007 there are 7,842 companies certified into the C-TPAT program and 6,475 have been validated.

During the first 10-months of calendar year 2007 (January to October), C-TPAT conducted 1,526 initial validations and 368 revalidations. Also during this period, and in accordance with the SAFE Port Act, C-TPAT initiated the Third-Party Validation program.

FY 2007 accomplishments include:

- Conducted a mutual recognition pilot program with the Authorized Economic Operator (AEO) program of the European Union (EU). The pilot identified the differences between the two programs and resulted in the advancement of the mutual recognition process with the EU;
- CBP signed the first Mutual Recognition Arrangement between C-TPAT and the New Zealand Customs Service's Secure Export Scheme business partnership program;
- September, 2007, C-TPAT posted the minimum-security requirements for Mexico long haul highway carriers and marine port authority and terminal operators. In addition, the minimum-security requirements for foreign manufacturers were posted in seven additional languages (Arabic, Chinese, Dutch, German, Italian, Portuguese, and Thai).

FY 2008, goals include:

- Maintaining an on-going percentage of 90 percent validated/certified partners;
- Establishing mutual recognition programs with established foreign business partnership programs.

FY 2009, goals include:

- Maintaining an on-going program of revalidations;
- Assessing the capabilities of a C-TPAT export program.

PPA: FREE AND SECURE TRADE (FAST)/NEXUS/SENTRI

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                   | ...        | <b>11,239</b> |
| <b>2008 Enacted</b>          | ...                   | ...        | <b>11,243</b> |
| 2009 Adjustment to Base      | ...                   | ...        | 31            |
| <b>2009 Current Services</b> | ...                   | ...        | 11,274        |
| 2009 Program Change          | ...                   | ...        | ...           |
| <b>2009 Request</b>          | ...                   | ...        | 11,274        |
| Total Change 2008-2009       | ...                   | ...        | 31            |

CBP requests \$11.3 million for Free and Secure Trade (Fast)/Nexus/Sentri. This is an increase of \$31,000 over the FY 2008 Enacted. The request includes:

- increase \$32,000 for pay annualization, and \$96,000 for pay inflation
- decrease of \$97,000 for non recurring expenses

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

### **Free and Secure Trade (FAST)**

FAST is the cargo equivalent to facilitative programs in the passenger environment such as SENTRI and NEXUS. Through FAST, importers, commercial carriers, truck drivers, and manufacturers who enroll in the program and meet agreed upon security criteria, including participation in the Customs-Trade Partnership Against Terrorism program, are entitled to expedited clearance at the port of entry. Using electronic data transmission and transponder technology, CBP expedites clearance of approved trade participants. The FAST program fosters more secure supply chains and enables CBP to focus security efforts and inspections where they are needed most – on high-risk commerce.

CBP projects that there will be 110,000 participants in the FAST commercial driver program by the end of FY 2008. This is a 22 percent increase from FY 2007.

CBP has plans to support 205 lanes at 131 sites, 104 ports of entry, in FY 2008 – FY 2009. FAST lane expansion infrastructure is funded with the Automation Modernization Appropriation, Automated Commercial Environment (ACE) PPA.

### **NEXUS Highway and Air**

The NEXUS Highway and NEXUS Air programs are combined into one NEXUS Program with air and highway components. NEXUS is a joint US/Canada enrollment program at the northern border land ports of entry and all Canadian pre clearance ports that identifies, through a complete background check and fingerprinting, low-risk travelers. Once an applicant is identified as low-risk they are enrolled in the NEXUS program and given a Radio Frequency Identification (RFID) card that is specific to the traveler. The RFID card allows the traveler to utilize the NEXUS dedicated commuter lane, which is a specific primary lane at the land border port of entry that can only be used by NEXUS enrollees. The use of the NEXUS lane facilitates the movement of low-risk travelers. At the Canadian pre clearance airports, kiosks are used instead of commuter lanes and iris scans are used to identify low risk travelers rather than RFID cards. At the time of enrollment, travelers qualify for trusted traveler status in all modes of travel but must report to a pre clearance site to have the iris scan process performed.

In FY 2008, CBP is projecting a 663,086 person enrollment in NEXUS constituting a 370 percent increase of FY 2007 enrollment. In FY 2009, CBP is projecting approximately one million person enrolled in the NEXUS Highway and Air Program and there are no plans to add exclusive/specific NEXUS lanes. The future WHTI lane expansions will have NEXUS and SENTRI RFID capabilities.

### **Secure Electronic Network for Traveler's Rapid Inspection (SENTRI)**

SENTRI is an enrollment program at the southern land border ports of entry that identifies, through a complete background check and fingerprinting, low-risk travelers. Once an applicant is identified as low-risk they are enrolled in the SENTRI program and given an RFID that is specific to the traveler. The RFID card allows the traveler to utilize the SENTRI dedicated commuter lane, which is a specific primary lane at the land border

Ports of entry that can only be used by SENTRI enrollees. The use of the SENTRI lane facilitates the movement of low-risk travelers. The SENTRI program is located at nine southern border locations - Nogales, Arizona (1); Calexico (1) Otay Mesa (1) and San Ysidro (1), California; and Brownsville (1), Hidalgo (1), Laredo (1) and El Paso (2), Texas.

CBP is projecting a 266,721 person enrollment in SENTRI by the end of FY 2008. This represents an 88 percent increase from FY2007. In FY 2009, there is no plan to add SENTRI lanes. The future WHTI lane expansions will have NEXUS and SENTRI RFID capabilities.

### **Global Enrollment System (GES)**

CBP has developed a Global Enrollment System (GES) for all CBP registered trusted traveler programs to be operational on the CBP national network. The GES has integrated the independent CBP enrollment and validation processes into a single solution, and provides a more efficient platform to share data and perform real-time watch list and lookout checks.

The GES will also reduce the redundancy of maintaining several application processes, and allow for a quicker and accurate manner to process applications. A single online, paperless application process has been developed by CBP to support the GES and will allow a traveler to apply to multiple programs online. The on-line application (Global On-Line Enrollment System) currently supports the SENTRI program. It is envisioned that once GES is fully operational, CBP will have a single Trusted Traveler program in which a person will only have to apply for one time, pay one fee, and be registered in all modes of travel.

FY 2007 accomplishments include:

- Provided centralized on-line vetting through GES to NEXUS applicants and implement on-line fee payment and internet based self scheduling of interviews for the credentialing of both NEXUS and SENTRI applicants;
- Added Automated Biometric Identification System (IDENT)/Integrated Automated Fingerprint Identification System (IAFIS) 10 fingerprint collection to the NEXUS program;
- Opened enrollment centers and lanes at all Canadian pre-clearance ports and 7 land border ports.

FY 2008, goals include:

- Provide enrollment for FAST Driver through GES;
- Add iris scan equipment to all NEXUS and some FAST enrollment centers;
- Set up selected FAST enrollment centers to support both NEXUS and FAST.

FY 2009, goals include:

- Enroll 336,914 people in NEXUS;
- Enroll 291,773 people in SENTRI.

PPA: INSPECTION AND DETECTION TECHNOLOGY

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|-----------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>42</b>             | <b>42</b>  | <b>200,137</b> |
| <b>2008 Enacted</b>          | ...                   | ...        | <b>105,027</b> |
| 2009 Adjustment to Base      |                       |            | -6,051         |
| <b>2009 Current Services</b> | ...                   | ...        | <b>98,976</b>  |
| 2009 Program Change          |                       |            | 18,168         |
| <b>2009 Request</b>          | ...                   | ...        | <b>117,144</b> |
| Total Change 2008-2009       |                       |            | 12,117         |

CBP requests \$117.1 million for Inspection and Detection Technology. This is an increase of \$12.1 million above the FY 2008 Enacted. The request includes:

- increase of \$44,000 for pay annualization, and \$131,000 for pay inflation
- increase \$538,000 from non-recurs, and a decrease of \$12 million for PPA realignment to Border Security Inspections and Trade Facilitation at POEs
- increase of \$1 million for Radiation Portal Monitoring (RPM) Staffing annualization, \$750,000 for recurring of FY07 equipment cost for Non-Intrusive Inspection (NII) technology, \$3.5 million for supplemental tail for Domestic Nuclear Detection Office (DNDO) acquisitions
- program increases of \$8.2 million for DNDO Operation and Maintenance, and \$10 million to replace obsolete NII systems

**CURRENT SERVICES PROGRAM DESCRIPTION:**

As trade increases, CBP’s reliance on NII technology, the cornerstone of CBP’s multi-layered strategy to secure the borders, becomes more and more critical. In conjunction with CBP’s many other initiatives (Customs-Trade Partnership Against Terrorism (C-TPAT), Automated Targeting System, National Targeting Center, Container Security Initiative, etc.), NII technology allows us to work “smarter.”

Since an adversary can defeat any single sensor or device, CBP does not rely on any single technology or inspection process. Instead, CBP uses various technologies in different combinations to substantially increase the likelihood that a nuclear or radiological weapon or weapons grade material will be detected.

CBP also uses NII technology to detect and interdict narcotics, currency, and other contraband secreted in large containers and commercial shipments. Technologies deployed to our nation's land, sea, and airports of entry include large-scale X-ray and gamma-ray imaging systems, as well as a variety of portable and handheld technologies, and radiation detection technology. To ensure the detection of radiological materials programs are coordinated effectively within DHS’ development programs, the acquisition

of RPMs are funded through DNDO. Operations and maintenance of RPMs and of the other types of NII technology is funded within this PPA.

CBP will continue to prioritize the assignment of additional NII equipment to the nation's busiest ports of entry, especially seaports. NII technologies are viewed as force multipliers that enable CBP Officers to screen or examine a larger portion of the stream of commercial traffic, while maintaining the flow of legitimate trade, cargo and passengers.

A priority plan for CBP is to screen sea-borne containerized cargo for illicit radiological materials with RPMs. By the end of calendar year 2008, CBP will be able to screen approximately 98 percent of all arriving sea containerized cargo with RPMs. The deployment of RPMs at seaports is, however, proving to be a staffing challenge. This challenge stems from the fact that CBP screens a large percent of sea cargo for illicit radiological materials with RPMs and that the majority of seaport RPMs are located at terminal exit gates where CBP Officers are not normally assigned or readily available to respond to alarming containers. For this reason, the majority of the new Officers available as a result of the FY 2008 appropriations will be deployed to seaports to ensure CBP has dedicated personnel to resolve alarms from RPMs and to conduct radiological examinations at our Nation's busiest seaports.

Since October 2002, CBP has deployed over 1,000 Radiation Isotope Identifier Devices (RIIDs) and over 16,000 Personal Radiation Detectors (PRDs) nation-wide. As of December 1, 2007 CBP has deployed a total of 192 large-scale imaging systems nationwide. Additionally, as of December 1, 2007 CBP has 1,052 operational RPMs. With the FY 2007 Supplemental Appropriations (\$121.3 million), CBP expects to deploy 24 high-energy mobile x-ray imaging systems (18 to seaports, 5 to southern border, and 1 to the Federal Law Enforcement Training Center in Glynco, Georgia); 5 rail gamma-ray imaging systems; 6 portal gamma-ray imaging systems; 8 replacement fixed high-energy x-ray imaging systems; and 20 fixed gamma-ray imaging system upgrades.

FY 2007 accomplishments included:

- By the end of FY 2007, a total of 353 RPMs were deployed on the Southern land border crossings, allowing CBP to screening 99 percent of containerized truck cargo and 95 percent of private owned vehicles (POV) traffic;
- By the end of FY 2007, a total of 241 RPMs were deployed on northern land border crossings, allowing CBP to screen 91 percent of containerized truck cargo and 81 percent of POV traffic;
- By the end of FY 2007, a total of 358 RPMs were deployed at seaports, allowing CBP to screen 93 percent of all sea-borne cargo containers.

FY 2008, goals include:

- By the end of FY 2008, a total of 371 RPMs will be deployed to the southern land border crossings, allowing CBP to screen 100 percent containerized truck cargo and 98 percent of POVs traffic for radiation;
- At northern land border crossings screen 99 percent of containerized truck cargo and 93 percent POV traffic for radiation using 380 RPMs;
- Screen 97 percent of all sea-borne cargo containers for radiation with 421 RPMs at Seaports.

FY 2009 goals include:

- Deploy :
  - 581 RPMs at northern land border crossings , allowing CBP to screen 100 percent containerized truck cargo and 99 percent of POVs traffic for radiation;
  - 382 RPMs at southern land border crossing, allowing CBP to screen 100 percent of containerized truck cargo and 100 percent POV traffic for radiation;
  - 584 RPMs at Seaports, allowing CBP to screen 98 percent of all sea-borne cargo containers for radiation;
- Replace of 20 large-scale NII systems. The systems include: 11 mobile truck gamma ray units and 9 mobile x-rays;
- Upgrade an additional 10 fixed gamma ray systems from Cesium 137 to Cobalt 60.

PPA: SYSTEMS FOR TARGETING

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>16</b>             | <b>16</b>  | <b>26,801</b> |
| <b>2008 Enacted</b>          | <b>8</b>              | <b>8</b>   | <b>27,580</b> |
| 2009 Adjustment to Base      | ---                   | ---        | -30           |
| <b>2009 Current Services</b> | <b>8</b>              | <b>8</b>   | <b>27,550</b> |
| 2009 Program Change          | ---                   | ---        | 5,000         |
| <b>2009 Request</b>          | <b>8</b>              | <b>8</b>   | <b>32,550</b> |
| Total Change 2008-2009       | ---                   | ---        | 4,970         |

CBP requests \$33 million for Systems for Targeting. This is an increase of 5 million above FY 2008 Enacted. The request includes:

- increase of \$3,000 for pay annualization, and \$9,000 for pay inflation
- decrease of \$42,000 for non recurring expenses
- increase of \$5 million for program increases to enhance and expand Automated Targeting System - Passenger.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

At the core of CBP's ability to achieve its critical border security objectives and maintain the flow of lawful commerce is the ability to identify high-risk travelers and goods for inspection while allowing the vast majority of law-abiding travelers and commerce to move without unnecessary delay. Recent legislation and regulatory action, such as the Trade Act of 2002, the 24-hour rule and the SAFE Port Act, have made it mandatory to provide advance information about passengers and goods arriving in the United States. CBP uses computer technology and rule-based software to analyze the data provided on passengers and shipments arriving in the United States. CBP applies its targeting methods against the data to determine which passengers or shipments need to be segregated for a closer look and possible intensive inspection.

The main platform used to perform this analysis is the Automated Targeting System (ATS). The Automated Commercial System (ACS) and associated databases provide CBP Officers (including those stationed overseas at Container Security Initiative ports) with advanced notice of travelers and goods arriving at U.S. ports of entry, allowing them to cross-check the passenger and cargo manifests against databases such as the Traveler Enforcement Compliance System (TECS), the Interagency Border Inspection System (IBIS), and National Crime Information Center (NCIC) for "lookouts" for unlawful activity. CBP also uses ATS to analyze data in the Automated Export System (AES) on shipments leaving the United States.

ATS enhances the Advance Passenger Information System (APIS), ACS, and AES data by running rules developed by CBP's subject matter experts to identify travelers and shipments with high-risk travel patterns. ATS also allows CBP Officers to conduct advanced queries of these and other government databases to reveal new threat patterns.

Currently, ATS consists of six modules, all in production, that focus on exports, imports, passengers and crews (airline passengers and crew on international flights, passengers and crew on sea carriers), private vehicles crossing at land borders, and import trends over time. The six modules are ATS-Inbound which serve as the primary decision support tool for inbound targeting of cargo; ATS-Outbound which is used for targeting outbound cargo and assists in identifying exports which pose a high risk of containing goods requiring specific export licenses, narcotics, or other contraband; ATS-Passenger (ATS-P) which is used at all U.S. airports and seaports receiving international flights and voyages to evaluate passengers and crewmembers prior to arrival or departure; ATS-Land (ATS-L) provide analysis and rules-based risk assessment of private passenger vehicles crossing the nation's borders; ATS-Trend Analysis and Analytical Selectivity improve CBP's ability to examine, locate, and target for action violators of United States laws, treaties, quotas, and policies regarding international trade and ATS-International provide foreign custom authorities with automated cargo targeting capabilities and provides a systematic medium for exchanging best practices and developing and testing targeting concepts.

Future targeting system enhancements will focus on increasing data collection from internal and external sources and improving geographical unit interface display capabilities.

FY 2007 accomplishments include:

- Deployed ATS-L Personal Digital Assistant module to additional ports of entry to enhance screening of applicants for admission and private passenger vehicles;
- Coordinated with the Office of Border Patrol to pilot the ATS-L module at a U.S. Border Patrol checkpoint;
- Developed a Simulation and Test Environment (ASTE), which is designed to support the development, evaluation, and testing of ATS screening and targeting concepts.

FY 2008, goals include:

- Development of passenger and pedestrian centric components for ATS-L. The development of targeting strategies for these ATS-L components will likely be an adaptation of the techniques and methods currently employed in ATS-P with significant enhancements focused for the land border environment.

FY 2009, goals include:

- Increased information sharing situational awareness to improve border security processing by expanding the ATS Targeting Framework to field locations;
- Development of a User Defined Rule module, which is designed to support the development, evaluation, and testing of ATS cargo rules;
- Technology refresh needed to modernize and update systems, including automated screening, and provide for true 24/7 availability.

PPA: NATIONAL TARGETING CENTER (NTC)

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>131</b>            | <b>101</b> | <b>23,521</b> |
| <b>2008 Enacted</b>          | <b>131</b>            | <b>131</b> | <b>23,950</b> |
| 2009 Adjustment to Base      | ---                   | ---        | 531           |
| <b>2009 Current Services</b> | <b>131</b>            | <b>131</b> | <b>24,481</b> |
| 2009 Program Change          | ---                   | ---        | ---           |
| <b>2009 Request</b>          | <b>131</b>            | <b>131</b> | <b>24,481</b> |
| Total Change 2008-2009       | ---                   | ---        | 531           |

CBP requests \$24.5 million for the National Targeting Center. This is an increase of \$531,000 over FY 2008 Enacted. The request includes:

- increase of \$115,000 for pay annualization, and \$345,000 for pay inflation,
- decrease of \$139,000 for non recurring expenses
- increase of \$210,000 for Operations and Maintenance equipment costs

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The priority mission of CBP's National Targeting Center (NTC) is to provide around-the-clock tactical targeting and analytical research support for CBP antiterrorism efforts. CBP Officers, Border Patrol agents, and Field Analysis Specialists who are experts in passenger and cargo targeting for air, sea, and land operations in the inbound and outbound environments primarily staff the NTC. In addition to using existing databases and information to identify potential targets the NTC also develops tactical targets from raw intelligence in support of CBP's mission to detect and prevent terrorists and terrorist weapons from entering the United States.

In FY 2007, NTC Cargo (NTCC) and NTC Passenger (NTCP) operations were officially divided. The NTCC staff moved to a new NTCC facility in May of 2007. NTCC enhances remote targeting operations in support of the Container Security Initiative (CSI), supports and coordinates the International Container Scanning (ICS) component of the Secure Freight Initiative (SFI) and supports domestic port targeting. NTCC uses advanced targeting strategies as well as new tools and technologies to enhance CBP cargo targeting efforts. NTCC provides quality 24x7 tactical and strategic cargo research in all modes. NTCC staff includes CBP Officers, Agriculture Specialists, Field Analysis Specialists, Import Specialists and Intelligence Research Specialists.

NTC Passenger has integrated all key aspects of CBP targeting programs including CSI, the Immigration Advisory Program (IAP), the US-VISIT program and the Regional Movement Alert System (RMAS). In addition to providing targeting support for the expanding IAP and the RMAS programs, NTC will be responsible for the real-time targeting of all international passengers departing from or arriving in the U. S., to ensure that subjects of the No-Fly list are not permitted to board these flights.

The NTCC Cargo Unit (CU) provides cargo research and analysis on positive Terrorist Identities Datamart Environment (TIDE) passengers, responds to research requests from CBP domestic and CSI ports and conducts cargo research for NTCP and NTCC liaisons. Additionally, the CU conducts national cargo sweeps in the Automated Targeting Systems (ATS), supports Intelligence Driven Special Operations (IDSOs), and conducts Weapons of Mass Destruction/Weapons of Mass Effect (WMD/WME), agro-terrorism, and bio-terrorism and rules development. The NTCC will continue to provide support to CBP's Container Security Initiative and Secure Freight Initiative. The NTCC has dedicated staff to support and coordinate the International Container Scanning (ICS) component of SFI. The program utilizes remote technology to facilitate real time scanning and monitoring of cargo/containers destined to the United States from select

foreign ports. Targeting decisions are made based on container images, radiation alarm profiles, and cargo descriptions provided from overseas.

FY 2007 accomplishments included:

- Implementation of revised U. K. vetting procedures (Mirage II) based upon requested revisions to the ATS-P (passenger) module. These revisions have significantly streamlined the U. K. vetting process improving the NTC's effectiveness and efficiencies in targeting high-risk passengers;
- Support Transportation Security Administration's Office of Intelligence by monitoring and identifying high-risk passengers with terrorist ties and preventing them from boarding flights in foreign locations. NTC has developed a Concept of Operations (CONOPS) with TSA-OI.

FY 2008 goals include:

- Coordination and delivery of the document assessment tool (DAT) to the land border environment. NTC will support the expansion of the DAT program with targeting and analysis related to DAT document alert responses developed at the ports of entry;
- Expansion of the NTCC to continue remote targeting and CSI support roles. The remote targeting expansion for FY 2008 will include Haifa and Ashdod Israel;
- Expansion of the ability to identify watch-listed individuals who are connected to businesses and cargo shipments and to disseminate quality research products and lookouts.

FY 2009 goals include:

- Enhancing NTCP's automated systems in an effort to identify passengers with possible ties to terrorist activities;
- Expanding the NTCC support and coordination of the International Container Scanning (ICS) component of the Secure Freight Initiative by increasing the number of ports in which NTCC utilizes remote location technology to facilitate real time scanning and monitoring of cargo/containers destined for the U. S. from selected foreign ports;
- Enhancing research efficiency of positive Terrorist Identities Datamart Environment (TIDE) matches to identify possible links between terrorist related passenger events and cargo activity.

PPA: AT THE PORTS TRAINING

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                   | ...        | <b>25,447</b> |
| <b>2008 Enacted</b>          | ...                   | ...        | <b>24,813</b> |
| 2009 Adjustment to Base      | ...                   | ...        | -35           |
| <b>2009 Current Services</b> | ...                   | ...        | <b>24,778</b> |
| 2009 Program Change          | ...                   | ...        | ...           |
| <b>2009 Request</b>          | ...                   | ...        | <b>24,778</b> |
| Total Change 2008-2009       | ...                   | ...        | -35           |

- CBP requests \$25 million for At the Ports Training. This is a decrease of \$35,000 from the FY 2008 Enacted for non-recurring expenses

**CURRENT SERVICES PROGRAM DESCRIPTION:**

At the Ports Training Programs are responsible for:

- (1) CBP Field Operations Academy
- (2) OTD/Use of Force Policy
- (3) OTD/Leadership and Organization Development
- (4) OTD/Border Enforcement Training
- (5) Regulatory Auditor Training
- (6) Other Training

The Office of Training and Development (OTD), through the National Training Plan (NTP), provides CBP with a comprehensive and accurate needs assessment of all standard, core, and recurring training. The NTP provides CBP’s headquarters and field managers an opportunity to advance the Secure Border Initiative by bringing the workforce together to train. The NTP also emphasizes CBP’s anti-terrorism mission as a strategic imperative, providing a robust menu of anti-terrorism related courses of every level of sophistication and covering a wide range of specialization. The NTP will continue to modernize and streamline the training and development infrastructure and ensure support of pivotal training such as firearms and tactical training, leadership, and advanced training programs. CBP will continue to utilize the NTP to successfully plan and execute training resources to effectively meet the ever expanding and evolving mission.

**CBP Field Operations Academy**

The CBP Field Operations Academy is located at the Federal Law Enforcement Training Center in Glynco, Georgia. The Academy is responsible for the development and delivery of basic, mid, and advanced-level training programs for mission critical

occupations (e.g., CBP Officers, Agriculture Specialists, Import Specialists, Entry Specialists). This training represents key components of the goal to combat terrorism, improve border security, improve inspection and control, and facilitate trade.

#### **OTD/Use of Force Policy (UFPD)**

The OTD/Use of Force Policy Division is responsible for the development, articulation and implementation of CBP use of force policy and related equipment. The OTD/UFPD seeks to research, evaluate and procure the best possible equipment while providing comprehensive asset and resource management for tactical equipment and body armor. The OTD/UFPD has developed appropriate controls, standards, training, best practices and policies in order to enhance the safety and performance of approximately 18,000 Customs and Border Protection (CBP) Officers.

#### **OTD/Leadership and Organization Development (OTD/LODD)**

The OTD/Leadership and Organization Development Division designs, develops, delivers, and evaluates training and development activities for CBP supervisors, managers, and executives. The OTD/LODD provides core and advanced leadership/supervisory/management courses to meet organization, occupational, and individual needs.

#### **OTD/Border Enforcement Training (OTD/BETD)**

The OTD/Border Enforcement Training Division primarily engages in anticipating, identifying, initiating, and analyzing occupation specific training needs of CBP's approximately 32,000 uniformed workforce, and producing customer focused training portfolios that facilitate border enforcement readiness.

The fight against terrorism remains the top priority for CBP. In support of that primary mission, OTD will continue to oversee the anti-terrorism training program ensuring employee preparedness and skill development to confront the threat of terrorist incidents or infiltration along our borders.

#### **Regulatory Auditor Training**

The OTD in partnership with the Office of International Trade provides basic, mid, and advance-level training for Regulatory Auditors. Basic training includes introduction to government auditing and CBP-specific auditing functions to include automated audit documents, report writing, interviewing techniques, valuation, and focused assessment audits. Intermediate and advanced training includes valuation, drawback, advanced writing skills, and continuing professional education needs. Other training focuses on balancing legitimate trade with security (basic and advanced financial investigations).

#### **Other Training**

OTD/Headquarters sponsors other basic and specialized training programs for various occupations offered CBP-wide. These training programs, including Canine Office of Field Operations training, are funded through the NTP but are often coordinated with other NTP Training Leads, CBP organizations, and program managers for scheduling, facilities, instructors, etc.

PPA: BORDER SECURITY AND CONTROL BETWEEN THE POE'S

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b>    | <b>Amount</b>    |
|------------------------------|-----------------------|---------------|------------------|
| <b>2007 Actual</b>           | <b>16,448</b>         | <b>14,604</b> | <b>2,514,830</b> |
| <b>2008 Enacted</b>          | <b>20,144</b>         | <b>18,297</b> | <b>3,022,443</b> |
| 2009 Adjustment to Base      | ...                   | 1,847         | -10,270          |
| <b>2009 Current Services</b> | <b>20,144</b>         | <b>20,144</b> | <b>3,012,173</b> |
| 2009 Program Change          | 2,643                 | 1,322         | 428,332          |
| <b>2009 Request</b>          | <b>22,787</b>         | <b>21,466</b> | <b>3,440,505</b> |
| Total Change 2008-2009       | 2,643                 | 3,169         | 418,062          |

\*The above table includes emergency funding of \$38.0 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$3.4 billion. Excluding emergency funds provided, the increase of \$456.1 million over FY 2008 is for pay and non-pay inflation as well as program increases for 2,200 Border Patrol Agents and 441 support staff, relocation costs, and ground transportation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The National Border Patrol Strategy articulates one clear, strategic mission for the Border Patrol: To establish and maintain control of the border of the U.S. between the ports of entry. The strategic goal includes interdicting illegal aliens, smugglers, narcotics and other contraband entering the U.S. Since the terrorist attacks of September 11, 2001, preventing terrorists and terrorist weapons from entering the U.S. was added to the Border Patrol's strategic goal.

The Border Patrol developed five objectives to support the national strategy. Each objective further identifies the intended mission outcome and focus of the Border Patrol's operational planning and execution. The objectives are: (1) Establish a substantial probability of apprehending terrorists and their weapons as they attempt to enter illegally between the ports of entry; (2) Deter illegal entries through improved enforcement; (3) Detect, apprehend, and deter smugglers of humans, drugs and other contraband; (4) Leverage Smart Border Technology to multiply the effect of enforcement personnel; and (5) Reduce crime in border communities and consequently improve the quality of life and economic vitality of targeted areas. The National Border Patrol Strategy ensures that the Border Patrol deploys the appropriate mix of resources and employs appropriate tactics with the end state objective of consistently being able to detect, identify and classify, respond and resolve all illegal entries.

The Secure Border Initiative (SBI) is a comprehensive approach to immigration enforcement and directly supports the National Border Patrol Strategy. The SBI focuses broadly on two major enforcement themes, controlling the border and immigration enforcement within the United States. Controlling the border will require gaining full

control of our borders, so we can prevent illegal immigration as well as security breaches while interior immigration enforcement will focus on locating and removing aliens who are present in the United States in violation of our laws. The interior enforcement pillar is tied to the President's proposal for a temporary worker program, making broader and more aggressive enforcement practical. Both the border control and interior enforcement strategies are developed to ensure that all enforcement efforts are prioritized based on the two overarching priorities of SBI – national security and public safety.

Achieving full control of the border and effectively enforcing the law within U.S. borders requires *a transformation in the way these issues have been viewed*. Specifically, it requires integrating additional staff, new technology, and enhanced infrastructure investment, as well as a new regime of regulations and legislative proposals. In developing the SBI, DHS is taking an integrated systems approach to the problem. The entire immigration enforcement system requires review, beginning with the gathering of immigration-specific intelligence and the detection of illegal border crossings, followed by apprehension, processing, transportation, and detection of the alien, and ending with the alien's removal from the United States. A systematic approach will deploy all of these tools in stages, allowing each stage to build on the success of the earlier stages.

The SBI unified border control strategy encompasses both the northern and southern land borders, and the interdiction of cross border violations between the ports and at the official ports of entry and has three main goals:

- Detect and respond to all cross border crime
- End "Catch and Release" of Non-Mexican Illegal Aliens
- Deter cross border crime

Through the strategy, CBP will funnel all traffic to the United States through ports of entry where we have a greater level of control. The border environment is extremely complex encompassing rural, urban and remote areas as well as extreme climate variations and terrain. Therefore, any strategy must be flexible and capable of being implemented in a manner that best suits individual needs and requirements.

The Border Patrol's national strategy is based on deploying the appropriate mix of resources – personnel, tactical infrastructure and technology – to gain control of the border. A significant Border Patrol initiative is to reach a staffing level of 20,019 Border Patrol agents by September 30, 2009. To support the increase in Border Patrol agents, CBP will hire an appropriate number of operational and mission support personnel and upgrade its facilities to ensure the new resources are adequately supported. CBP also plans to add significantly to its inventory of permanent tactical infrastructure and technology deployments on the border. In FY 2008, CBP will deploy resources developed through CBP's *SBI*net program. The new resources will include technology solutions such as sensors and cameras to increase the Border Patrol's ability to detect illegal entries and to provide greater situational awareness. In addition, *SBI*net will provide new tactical infrastructure such as fences and vehicle barriers to further enhance the Border Patrol's ability to secure the border.

The Border Patrol establishes and maintains effective partnerships, formal and informal, with other Federal, state and local law enforcement agencies as well as other Federal agencies with interests in the border regions. Further, the Border Patrol maintains international partnerships to enhance border security primarily with agencies of the governments of Mexico and Canada.

### **Border Patrol National Native American Program**

The mission of the Border Patrol National Native American Program is to facilitate new partnerships, improve relationships, and increase trust throughout the Native American Indian tribes who have a nexus to the U.S. border. The program champions partnerships between tribal law enforcement, various Native American organizations and the U.S. Border Patrol in support of the national strategy. The Border Patrol National Native American Program is operational in twelve of the Border Patrol sectors. The program acts as a conduit between the Border Patrol and tribal, local, state and Federal law enforcement agencies as well as tribal councils located along both the southwest and northern borders.

The program was designed to support ongoing enforcement operations within the respective agencies while enhancing the liaison between them. As our relationship solidified, contact and responses to illicit activity along the borders has increased allowing for joint law enforcement support for both Border Patrol and Tribal Law enforcement. Routine communication and liaison between some sectors and Tribal Council officials has led to enhancing the security and safety of our Agents working in dangerous areas along the border. Through the Border Patrol National Native American Program, information sharing efforts have allowed the Border Patrol sectors to conduct All-Terrain Vehicle training, search and rescue training, advanced four wheel drive training and vehicle stops.

The Border Patrol National Native American Program is working to standardize policies and procedures and is proactively developing performance measures for the program to evaluate and measure the effectiveness of its initiatives.

### **Border Patrol Mexican Liaison Unit (MLU)**

The mission of Border Patrol Mexican Liaison Unit (MLU) is to build and maintain positive working relations and develop alliances with foreign counterparts. The emphasis of the relationship is to resolve issues and work together proactively in support of increased border safety and security. This is in direct support of two of the National Border Patrol Strategy core elements: build partnerships with other law enforcement agencies and increase border awareness. The Border Patrol MLU is operational in nine southwest border sectors. The unit has approximately 60 Agents including the national coordinator at Border Patrol headquarters in Washington, DC in addition to a coordinator at each sector. The units act as a conduit between the Border Patrol and representatives of Mexican local, state and Federal law enforcement agencies located along the

southwest border. The program was designed to support ongoing enforcement operations within their respective agencies while enhancing the liaison between them. Foreign relationships via the MLU have grown and solidified. As our relationships increase, contact and responses to illicit activity along the border increase allowing for joint law enforcement support for both sides of the southwest border. Routine communication and liaison between some sectors and Government of Mexico officials has led to enhancing the security and safety of our Agents working in dangerous areas along the border.

The MLU is working to standardize policies and procedures. The program is also seeking to standardize national reporting standards and is proactively developing performance measures for the program to evaluate and measure the effectiveness of the MLU program initiatives.

### **Integrated Border Enforcement Team (IBET)**

The Integrated Border Enforcement Teams operate as intelligence-driven enforcement teams comprised of Federal, state/provincial, and local law enforcement personnel incorporating integrated mobile response capability (air, land, marine) to provide participating law enforcement agencies a force multiplier maximizing border enforcement efforts in support the U.S. Customs and Border Protection National Strategy. IBET consists of five core agencies with law enforcement responsibilities within the border area that share information and intelligence, work coordinated operations and share resources to maximize border enforcement efficiency and effectiveness. The agencies include CBP, Immigration and Customs Enforcement, U.S. Coast Guard, Royal Canadian Mounted Police and Canada Border Services Agency. Since its inception, IBETs has enhanced border integrity and security on both sides of the U.S. and Canada border by identifying, investigating, and interdicting persons and criminal organizations that pose a threat to the national security of both the U.S. and Canada. Fifteen IBET Regions actively share information work bi-national and joint enforcement operations aimed at securing the integrity of the Canada/U.S. border.

Recent significant IBET results include:

- Red River IBET intelligence led investigation into Chinese-based organized crime operation purchasing rural properties for large-scale outdoor marijuana grows.
  - 37 arrests
  - Seizure of \$49 million worth of marijuana
  
- Atlantic IBET, Operation "Jaloux," Canadian and U.S. law enforcement major drug smuggling operation
  - 26 arrests (11 in Canada, 15 in the U.S.)
  - Seizure of 1,529 pounds of marijuana
  - Seizure of 111,800 ecstasy pills
  - Seizure of \$1.2 million in U.S. currency

- Red River IBET (July 2006) received the "Criminal Intelligence Awareness and Leadership Award" from the RCMP's Criminal Intelligence Directorate in Ottawa for the hard work and dedication of the IBET unit members.

Future plans for IBET include work to standardize procedures and IBET participation for U.S. agencies. IBET will also continue intelligence training, further expand IBET collocations and enhance outreach to local, municipal, county, State and tribal law enforcement agencies.

## **Conclusion**

In furtherance of its mission, the Border Patrol will continue in FY 2009 to use a variety of programs and initiatives to support strategic objectives. The Border Patrol will continue to plan for an appropriate mix of additional resources to achieve its strategic goal. A major future objective of the Border Patrol is to ensure that its workforce is highly mobile so that it can rapidly adjust to changes in the border security environment. The Border Patrol will continue to reevaluate its existing programs and planned initiatives as the threats and vulnerabilities to border security change in response to newly deployed border enforcement resources.

Significant Accomplishments in FY 2007 include:

- Brought an additional 75 miles of border under control by deploying the right mix of new resources and enforcement operations supported by intelligence activities.
- Constructed 70 additional miles of permanent tactical infrastructure;
- Hired 2,500 new Border Patrol agents
- Coordinated and implemented initiatives to gain and maintain control of the border;
  - Utilized existing traffic checkpoints and deployed tactical checkpoints as part of a defense-in-depth strategy.
  - Arizona Border Control Initiative (ABCI)
  - Coordinated with ICE/Detention and Removal Operations to end "catch and release" of aliens who are in the country illegally
  - Continued partnership with DoD to maintain momentum pursuant to "Operation Jumpstart."
  - Established Border Intelligence Centers (BICS) which serve as a critical tactical intelligence resource center available 24 hours to support the Border Patrol mission along our Nation's border.
  - Established the Border Patrol Mexican Liaison Unit (MLU) to create and maintain positive working relations and develop alliances with foreign counterparts.
  - Established the Border Security Evaluation Team (BSET) with a purpose to serve as a mechanism for the northern Border Patrol sectors to evaluate the level of border security within the outlying border regions of their respective sectors.

- Established the Integrated Border Enforcement Team (IBET) which consists of five core agencies with law enforcement responsibilities within the border area that share information and intelligence, work coordinated operations and share resources to maximize border enforcement efficiency and effectiveness.
  - Established the “Airfield Initiative” along the northern border. This highly innovative methodology was adopted to increase the probability of identifying and intercepting an air smuggling incursion by low-flying private aircraft.
  - Initiated Operations “Red Bull” and “Uniforce.” The strategic goal of Operations Red Bull and Uniforce is to integrate the Federal, state, and local law enforcement efforts that are focused on cross-country, over-the-road smuggling into a coordinated multi-agency, multi-jurisdictional law enforcement effort with a common objective.
  - Provide a staff officer to man the Texas Border Security Operations Center in Austin, Texas. This office works with Federal, state, local, and tribal law enforcement agencies to coordinate and plan joint enforcement operations within the State of Texas.
- Sustained established “Best Practices:”
    - Operation Against Smugglers Initiative on Safety and Security (OASISS), through binational cooperation with the Government of Mexico, prosecutes smugglers and guides who do not meet the prosecution thresholds in the U.S. Engaging the Government of Mexico in border efforts like OASISS assists CBP in more swiftly gaining control of the border.
    - Operation Streamline is a progressive enforcement effort in the Del Rio Sector that combines intensive prosecution with expeditious removal. The effort is a collaboration between personnel and resources from CBP’s Office of Border Patrol and Office of the Chief Counsel, the U.S. Attorney’s Office, Immigration and Customs Enforcement’s Office of Detention and Removal, the U.S. Federal courts, the Executive Office for Immigration Review, and the U.S. Marshals Service.
    - Operational Requirements Budget Based Planning (ORBBP) is the tool used by the Border Patrol to implement the National Border Patrol Strategy. It is a rigorous and comprehensive methodology that takes a risk-based approach in determining resource requirements, deployments and operational tactics. ORBBP is a dynamic process that recognizes the ever-changing border security environment and examines all factors, current and future, internal and external, affecting border security. It ensures that the Border Patrol engages the appropriate resources and tactics against current and projected threats and vulnerabilities. Using this methodology, the Border Patrol met or exceeded all of its performance targets for FY 2006 through strategic placement of resources.

FY 2008 planned accomplishments include:

- Bringing an additional 71 miles of border under control;
- Building 150 miles of new tactical infrastructure;
- Hiring 3,000 new Border Patrol agents;
- Hiring 688 new mission support staff;
- Relocating 172 senior Border Patrol agents to establish the appropriate supervisor ratio to support expanding workforce;
- Relocating 300 Border Patrol agents from the southwest border to the northern border based on operational requirements and threat assessments by utilizing the new “Voluntary Relocation Program” (VRP). This program is a comprehensive approach to meeting the goal of providing the northern border Sectors with the necessary manpower resources to quickly mitigate threats to the Homeland attempting to gain entry through our northern border.
- Continuing to provide the current Ground Transportation Contract capability along the southwest border. The contract will free up Border Patrol agents and ICE/DRO personnel to perform their enforcement duties as opposed to enforcement support roles.

The Office of Border Patrol (OBP) anticipates FY 2008 to be a year of unprecedented growth and accomplishment. Several factors will contribute to the successes anticipated. In addition to the efforts already outlined, new strategies and methodologies will be adopted to ensure that OBP continues to be a proactive, intelligence-driven law enforcement operation.

A major opportunity for OBP in the coming fiscal year is the establishment of permanent checkpoints in the Tucson Sector area of operation. These checkpoints will restrict the routes of egress from the border area and create a deterrence to the initial illegal entry by forcing smugglers to shift their operations to areas more difficult for them to traverse and operate, thus giving us more time to intercept those engaged in illicit/illegal activities. By working closely with members of Congress and their staffs; OBP is confident that the construction of this important enforcement tool will proceed. A new initiative to establish a Director for the Special Operations Division (SOD) is being pursued. The rationale behind this initiative focuses on increasing the response, operational, and training capabilities of the Special Operations Divisions within OBP. The goal is to provide a highly mobile, rapid response capability to react to specific terrorist threats or incidents of national significance, as well as to provide operational support to the Sector Chiefs.

The Border Patrol Tactical Unit (BORTAC) remains CBP’s premier tactical response team. BORTAC is summoned for difficult and high risk missions both nationally and internationally. In FY 2007, BORTAC continued to develop and implement the Special Operations Group (SOG) concept. SOG consists of the Border Patrol’s three special operations team including BORTAC, the Border Patrol National Special Response Team (SRT), and the Border Patrol Search, Trauma, and Rescue Team (BORSTAR). BORTAC has updated and restructured its facilities at Biggs Army Airfield in El Paso,

Texas to prepare for its transition into the SOG national facility. There was a complete renovation of the barracks, the classroom and the defensive tactics training facility located at McGregor Range, NM. BORTAC completed over 50 tactical, training and support missions during FY 2007. BORTAC trained over 85 percent of its active personnel on their Mission Essential Tasks List and hosted numerous advanced skills training sessions for both SRT and BORTAC Agents. BORTAC has worked in conjunction with the U.S. National Guard, and multiple local, state and Federal law enforcement agencies in both training and operational environments.

In the future, BORTAC will continue to train its members to improve its readiness for response to threats of National Security. BORTAC will continue to improve its facilities to prepare for the influx of the full time operators and growth in the SOG national facility.

The possibility of widespread bio-terrorism and other pandemic perils remains a paramount concern for CBP and other Federal, state, and municipal entities. OBP is a major participant/facilitator in the CBP Continuity of Operations Plan (COOP) and will continue to build on established partnerships in an effort to rapidly respond and mitigate the impact of a catastrophic incident, be it an act of terrorism or natural disaster.

OBP will establish Law Enforcement Technical Collection centers (LETCs) to improve intelligence collection and dissemination capabilities among the 20 Sectors that comprise the field Headquarters element. The best practices established will streamline and standardize the methodologies use to collect, analyze and disseminate actionable intelligence.

PPA: BETWEEN THE PORTS TRAINING

| <b>TRAINING</b>              | <b>Perm.<br/>Pos.</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|-----------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>78</b>             | <b>52</b>  | <b>37,189</b> |
| <b>2008 Enacted</b>          | <b>130</b>            | <b>91</b>  | <b>52,789</b> |
| 2009 Adjustment to Base      |                       | 39         | -74           |
| <b>2009 Current Services</b> | <b>130</b>            | <b>130</b> | <b>52,715</b> |
| 2009 Program Change          |                       |            | 22,100        |
| <b>2009 Request</b>          | <b>130</b>            | <b>130</b> | <b>74,815</b> |
| Total Change 2008-2009       | 0                     | 39         | 22,026        |

CBP requests \$75 million for Between the Ports Training. This is an increase of \$22 million over FY 2008 Enacted. The request includes:

- decrease of \$74,000 for non-recurring expenses
- increase of \$22.1 million to address critical needs at the Border Patrol Academy to support the hiring of Border Patrol agents.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

Between the Ports Training Programs are responsible for:

- (1) Border Patrol Academy
- (2) OTD/Use of Force Policy
- (3) OTD/Leadership and Organization Development
- (4) OTD/Border Enforcement Training
- (5) Border Patrol Agent Training
- (6) Other Training

The Office of Training and Development (OTD), through the National Training Plan (NTP), provides the CBP's national leadership with a comprehensive and accurate needs assessment of all standard, core, and recurring training. The NTP provides CBP's headquarters and field managers an opportunity to advance the Secure Border Initiative by bringing the workforce together to train. The NTP emphasizes CBP's anti-terrorism mission as a strategic imperative, providing a robust menu of anti-terrorism related courses of every level of sophistication and covering a wide range of specialization. The NTP will continue to modernize and streamline the training and development infrastructure and ensure support of pivotal training such as firearms and tactical training, leadership, and advanced training programs. CBP will continue to utilize the NTP to successfully plan and execute training resources to effectively meet the ever expanding and evolving mission.

### **Border Patrol Academy**

The U.S. Border Patrol Academy identifies and provides core operational training for Border Patrol agents to accomplish their mission of protecting the boundaries of the United States. The Border Patrol Academy is currently located in Artesia, New Mexico. Basic training for Border Patrol agents is provided at Artesia. Advanced-level training and instructor training is held at Charleston and field delivered.

### **OTD/Use of Force Policy (UFPD)**

The OTD/Use of Force Policy Division is responsible for the development, articulation and implementation of CBP use of force policy and related equipment. The OTD/UFPD seeks to research, evaluate and procure the best possible equipment while providing comprehensive asset and resource management for tactical equipment and body armor. The OTD/UFPD has developed appropriate controls, standards, training, best practices and policies in order to enhance the safety and performance of approximately 14,900 Border Patrol agents.

### **OTD/Leadership and Organization Development (OTD/LODD)**

The OTD/Leadership and Organization Development Division designs, develops, delivers, and evaluates training and development activities for CBP supervisors, managers, and executives. The OTD/LODD provides core and advanced leadership/supervisory/management courses to meet organization, occupation, and individual needs.

**OTD/Border Enforcement Training (OTD/BETD)**

The OTD/Border Enforcement Training Division primarily engages in anticipating, identifying, initiating, and analyzing occupation specific training needs of CBP’s approximately 33,500 uniformed workforce, and producing customer focused training portfolios that facilitate border enforcement readiness.

The fight against terrorism remains the top priority for CBP. In support of that primary mission, the OTD will continue to oversee the anti-terrorism training program ensuring employee preparedness and skill development to confront the threat of terrorist incidents or infiltration along our borders.

**Border Patrol Agent Training**

Training courses focus on technical, intelligence, or specialized training for Border Patrol agents. Training courses include Office of Border Patrol Technical Course for Supervisors, Border Patrol agent In Charge (PAIC) Intel Course, Emergency Medical Technician Certification, Border Patrol Search, Trauma and Rescue (BORSTAR) and Canine training.

**Other Training**

OTD/Headquarters sponsors other basic and specialized training programs for various occupations offered CBP-wide. These training programs are funded through the NTP but are often coordinated with other NTP Training Leads, CBP organizations, and program managers for scheduling, facilities, instructors, etc.

PPA: AIR AND MARINE OPERATIONS – SALARIES

|                              | <b>Perm.<br/>Pos.</b> | <b>FTE</b>   | <b>Amount</b>    |
|------------------------------|-----------------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>1,429</b>          | <b>1,260</b> | <b>\$185,852</b> |
| <b>2008 Enacted</b>          | <b>1,662</b>          | <b>1,513</b> | <b>226,740</b>   |
| 2009 Adjustment to Base      | ---                   | 149          | 23,539           |
| <b>2009 Current Services</b> | <b>1,662</b>          | <b>1,662</b> | <b>250,279</b>   |
| 2009 Program Change          | 24                    | 12           | 4,000            |
| <b>2009 Request</b>          | <b>1,686</b>          | <b>1,674</b> | <b>254,279</b>   |
| Total Change 2008-2009       | 24                    | 161          | 27,539           |

The above table includes emergency funding of \$14.0 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$254.3 million. Excluding emergency funds provided, the increase of \$41.5 million over FY 2008 is for pay inflation as well as a program increase to support 24 UAS pilot positions.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

CBP Air and Marine (A&M) secures the borders against terrorists, acts of terrorism, drug smuggling and other illegal activity by operating air and marine branches at strategic locations along the borders. Multi-mission aircraft with advanced sensors and communications equipment provide powerful interdiction and mobility capabilities directly in support of detecting, identifying and interdicting suspect conveyances, and apprehending suspect terrorists and smugglers. CBP A&M maximizes the capabilities of air and marine assets through a cohesive joint air operations model for centralized command and control and a responsive and integrated control system for decentralized execution.

CBP A&M partners with numerous stakeholders in performing its missions throughout the continental United States and the Western Hemisphere. This includes domestic operations at the borders, source, transit and arrival zone operations, interior law enforcement support, and support to other agencies. In fulfilling the priority mission of CBP to protect the borders, CBP Air and Marine's geographical mission has a strong focus along the southern border, with a recent expansion of coverage on the northern border.

CBP Air and Marine Salaries and Expenses (S&E) appropriation covers Personnel Compensation and Benefits. This appropriation also covers expenses such as Permanent Change in Station moves, ammunition, firearms, administrative training and travel, and school tuition for dependants of employees in foreign countries.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Customs and Border Protection  
 Salaries and Expenses  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1: Border Patrol Agent and Support Hiring**

Strategic Goal(s) & Objective(s): Strategic Goal # 2: Detect, deter and mitigate threats to our homeland, Objective # 2: Secure our borders against terrorist, means of terrorism, illegal drugs and other illegal activity.

PPA: Border Security and Control Between the POE's and Training Between the POE's

Program Increase: Positions 2,641 FTE 1,321 Dollars \$ 442,432

|                        | FY 2007 Actual |               |                  | FY 2008 Enacted |               |                  | FY 2009 Request |               |                  |
|------------------------|----------------|---------------|------------------|-----------------|---------------|------------------|-----------------|---------------|------------------|
|                        | Pos            | FTE           | Dollars (\$000)  | Pos             | FTE           | Dollars (\$000)  | Pos             | FTE           | Dollars (\$000)  |
| Current Services Level |                |               |                  |                 |               |                  | 20,144          | 20,136        | 3,012,173        |
| Program Increase       |                |               |                  |                 |               |                  | 2,643           | 1,321         | 442,432          |
| <b>Total Request</b>   | <b>16,448</b>  | <b>14,872</b> | <b>2,514,830</b> | <b>20,144</b>   | <b>18,297</b> | <b>3,022,443</b> | <b>22,787</b>   | <b>21,466</b> | <b>3,454,605</b> |

**Description of Item:**

Additional funding in the amount of \$442.4 million is requested to hire, train and equip 2,200 new Border Patrol agents (\$362.5 million). The purpose of this initiative is two-fold: (1) adding 500 new Border Patrol agents to stay on course for meeting the President's goal of adding 6,000 new Border Patrol agents by the end of the 1<sup>st</sup> quarter of fiscal year 2009; (2) providing an additional 1,700 agents to reach 20,019 by the end of the fiscal year. Resources are proposed for 441 operational/mission support personnel (\$32.2 million), relocation (\$25.6 million), and training (\$22.1 million). CBP is also seeking an additional \$149.5 million in the Construction account for new or expanded facilities to accommodate significant increases in Border Patrol agents and support staff.

**Justification:**

Agents & Support (\$394.8 million)

To secure our borders, CBP recommends that Border Patrol agent levels should continue to increase. An additional 500 agents in FY 2009 will allow CBP to accomplish the President's goal, of adding 6,000 new Border Patrol agents by the end of the 1<sup>st</sup> quarter of

fiscal year 2009, for a total of 18,319. The remaining 1,700 (Total = 2,200) agents will also be hired in Fiscal Year 2009 in order to reach 20,019 by the end of the fiscal year.

As part of its strategy to gain and maintain the security of the Nation's border, CBP identified the requirement for additional agents based on the current operational situation, emerging threats and vulnerabilities and other operational requirements.

The mission success of the 2,200 agents is predicated on CBP also receiving additional technological and tactical infrastructure resources to complement the increase in Border Patrol agents. The technology (sensors, cameras, communication equipment, etc.) and tactical infrastructure (fence, roads, and vehicle barriers) funded in the BSFIT (Border Security, Fencing, Infrastructure and Technology) account act as force multipliers making the Border Patrol agents more effective.

In addition, resources are proposed for 441 operational/mission support personnel in FY 2009, based on the ratio of operational/mission support personnel to front line agents. Operational support positions include Sector Enforcement Specialists (SEs) to handle radio communications, automotive mechanics to maintain the Border Patrol fleet, personnel to maintain Border Patrol facilities, and information technology (IT) support staff to provide support in developing and implementing IT systems. Mission support positions include management/program analysts to advise program managers regarding specific projects and operational initiatives, attorneys to provide legal support services, human resource specialists to meet the increase in workload required to fill vacancies, training technicians to perform tasks related to delivery of basic training, and finance and procurement positions to perform duties related to increases in travel, payroll, and major acquisitions.

The following ratios were used to develop resource proposals:

- One Border Patrol operational support position for every seven Border Patrol agents;
- One CBP mission support position for every 20 agent/officer positions; and
- Seventeen positions to provide construction support.

#### Relocations (\$25.6 million)

Additional funds will be required to cover relocation expenses for Border Patrol agents since experienced supervisors may need to be moved from other locations. Once new agents complete their training and are assigned to their duty station, they are supervised by an experienced agent. CBP assumes that the Office of Border Patrol will need to pay \$90,000 on average per agent for relocation expenses for every seven additional Border Patrol agents hired. Within the additional 2,200 Border Patrol agents (BPAs) requested in FY 2009, the requirement for 275 new supervisors is included. Of the 275 new supervisory positions, 50 percent of those hires are estimated to be from local hires and the other 50 percent will be from relocations representing 138 moves.

In addition to the relocation of new supervisory agents, the Office of Border Patrol will be relocating up to 440 agents from the southern border to the northern border in FY 2009.

The increase in agents on the northern border is accomplished by moving experienced journeyman agents to remote locations along the northern border. The movement of these agents will be accomplished through the use of the Voluntary Relocation Program (VRP) which will reduce the cost of these moves to about \$30,000 per agent or less. This request supports relocation of approximately 440 Border Patrol agents.

Training (\$22.1 million)

Additional funding in the amount of \$22.1 million is requested to support non-personnel expenses related to the training of 2,200 new Border Patrol agents. Resources are required to expand the training capacity of the CBP Border Patrol Training Academy to accommodate the increased number of Agents. This funding is needed to equip the CBP Border Patrol Academy with sufficient infrastructure, technology and instructors.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 2: Air & Marine Staffing**

Strategic Goal(s) & Objective(s): Strategic Priority #2 – Prevention

PPA: Air and Marine Compensation and Benefits

Program Increase: Positions 24 FTE 12 Dollars \$4,000

|                        | FY 2007 Actual |              |                 | FY 2008 Enacted |              |                 | FY 2009 Request |              |                 |
|------------------------|----------------|--------------|-----------------|-----------------|--------------|-----------------|-----------------|--------------|-----------------|
|                        | Pos            | FTE          | Dollars (\$000) | Pos             | FTE          | Dollars (\$000) | Pos             | FTE          | Dollars (\$000) |
| Current Services Level |                |              |                 |                 |              |                 | 1,662           | 1,662        | 250,335         |
| Program Increase       |                |              |                 |                 |              |                 | 24              | 12           | 4,000           |
| <b>Total Request</b>   | <b>1,429</b>   | <b>1,314</b> | <b>175,796</b>  | <b>1,662</b>    | <b>1,512</b> | <b>226,740</b>  | <b>1,686</b>    | <b>1,674</b> | <b>254,335</b>  |

**Description of Item:**

CBP requests \$4 million to provide adequate staffing at northern border/Great Lakes locations as CBP expands support for border security operations consistent with the Secure Border Initiative (SBI) and the CBP Air and Marine Strategic Plan. The positions are comprised of 24 Unmanned Aircraft Systems (UAS) pilots.

Justification

These positions are necessary for CBP Air and Marine to achieve maximum compliance with strategic goals and objectives and to support Border Patrol agents on the ground. During FY 2009, Air and Marine plans to expand its capabilities across the entire northern border by building on five primary air branches achieved by the middle of FY 2008.

Impact on Performance (Relationship of Increase to Strategic Goals)

The hiring of additional personnel supports DHS strategic goal #2, Prevention, and CBP objective: 2.2 Maximize Border Security along the northern, southern and coastal borders through an appropriate balance of personnel, equipment, technology, communication capabilities and tactical infrastructure.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 3: Western Hemisphere Travel Initiative (WHTI)**

Strategic Goal(s) & Objective(s): 4.4 – Facilitate Legitimate Trade and Travel/Enforce all U.S. trade, immigration, drug, consumer protection, intellectual property and agricultural laws and regulations at the borders.

PPA: Inspections, Trade and Travel Facilitation at Ports of Entry

Program Increase: Positions 89 FTE 45 Dollars \$106,900

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|----------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |            |                 | 205             | 205        | 33,073          |
| Program Increase       |                |          |                 |                 |            |                 | 89              | 45         | 106,900         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>26,084</b>   | <b>205</b>      | <b>103</b> | <b>225,000</b>  | <b>294</b>      | <b>250</b> | <b>139,973</b>  |

**Description of Item:**

CBP requests \$106.9 million to support the WHTI implementation at additional inbound lanes at land ports of entry, which will complete coverage for 95 percent of the land border arrivals. Funding would also support an additional 89 CBP Officers (\$9.9 million) and equipment and contract services (\$97 million).

|   |                         |
|---|-------------------------|
| Program Management                      | \$ 5,862,770            |
| Communications and Outreach             | \$ 6,855,000            |
| Deployment and Implementation (26 POEs) | \$ 74,150,137           |
| Infrastructure and Support              | <u>\$ 10,116,358</u>    |
| <b>Subtotal</b>                         | <b>\$ 96,984,265</b>    |
| <br>CBP Officers                        | <br><u>\$ 9,915,735</u> |
| <b>Total</b>                            | <b>\$106,900,000</b>    |

In FY 2008, CBP received \$225 million to develop the primary vehicle application, install hardware and make the necessary lane modifications to implement WHTI at 13 high volume ports, accounting for about 68 percent of all vehicle passenger traffic at U.S. land border ports of entry. The FY 2009 increment will pay for the completion of the rollout of infrastructure and technology in support of WHTI to cover 95 percent of land border traffic (the top 39 POEs). In addition, it completes the implementation of the non-

Radio Frequency Identification (RFID) Ports of Entry (POE)s, provides for improved lane management, and pays for program management and support of the previously installed POEs.

**Justification:**

WHTI is mandated by law and requires all travelers to present acceptable travel documents that WHTI will verify at the time of crossing. WHTI will benefit CBP Officers by providing a tool to conduct the necessary authentication at the time of crossing and benefit the traveling public by speeding up the verification process to the extent possible with Radio Frequency Identification (RFID), communications technology, and improved lane management. WHTI will be developed in discrete useful segments. Each segment is capable of standing alone and each will provide value to the program. Consistent with the Consolidated Appropriations Act of 2008, DHS will be making the investments to prepare for implementation of the WHTI secure document requirement at land and sea border ports of entry by June 1, 2009.

The proposed investment will support the following elements:

- Modification to vehicle primary processing lanes at ports of entry that were not completed during FY 2008. Upon completion, RFID technology infrastructure will be deployed at the highest volume ports of entry that support 95 percent of the land border traffic and CBP will have the capability to better manage cross border traffic. Installation of RFID technology at primary inspection lanes will authenticate traveler identity and citizenship at the time of crossing.
- Development of a new software application for use on vehicle primary inspection lanes to read both RFID and non-RFID documents, validate document information, run lookout queries, correlate this information with license plate queries provided by in-lane license plate readers, display photos where available (visas, permanent resident cards, etc.) and incorporate NEXUS/SENTRI capabilities so that lanes may be used for both NEXUS/SENTRI traffic and regular vehicle traffic. CBP anticipates that NEXUS/SENTRI documents will be acceptable under WHTI. The ability to process NEXUS/SENTRI travelers on the same lanes as other WHTI travelers will expedite border traffic at the affected POEs.

| Land Port Locations                | Rank | # POV Inbound Lanes | PAX Traffic (million) <sup>1</sup> | % PAX Traffic | POE | EC* | total |
|------------------------------------|------|---------------------|------------------------------------|---------------|-----|-----|-------|
| San Ysidro, CA                     | 1    | 24                  | 31.741                             | 12.70%        | 16  |     | 16    |
| El Paso, TX                        | 2    | 38                  | 28.609                             | 11.40%        | 15  | 6   | 21    |
| Brownsville, TX                    | 3    | 17                  | 14.171                             | 5.70%         | 8   | 6   | 14    |
| Laredo, TX                         | 4    | 20                  | 14.108                             | 5.60%         | 7   | 7   | 14    |
| Buffalo/Niagara Falls, NY          | 5    | 39                  | 13.535                             | 5.40%         | 7   | 12  | 19    |
| Hidalgo, TX                        | 6    | 16                  | 12.954                             | 5.20%         | 7   | 7   | 14    |
| Otay Mesa, CA                      | 7    | 13                  | 11.448                             | 4.60%         | 6   | 22  | 28    |
| Calexico, CA                       | 8    | 10                  | 11.263                             | 4.50%         | 6   | 6   | 12    |
| Detroit, MI                        | 9    | 21                  | 10.136                             | 4.00%         | 5   | 6   | 11    |
| Nogales, AZ                        | 10   | 12                  | 8.651                              | 3.50%         | 5   | 3   | 8     |
| Eagle Pass, TX                     | 11   | 11                  | 8.518                              | 3.40%         | 7   | 3   | 10    |
| Calexico East, CA                  | 12   | 8                   | 7.802                              | 3.10%         | 5   | 3   | 8     |
| San Luis, AZ                       | 13   | 6                   | 5.503                              | 2.20%         | 6   |     | 6     |
| Blaine, WA                         | 14   | 14                  | 5.165                              | 2.10%         | 4   | 12  | 16    |
| Douglas, AZ                        | 15   | 7                   | 4.407                              | 1.80%         | 4   |     | 4     |
| Port Huron, MI                     | 16   | 7                   | 4.122                              | 1.60%         | 3   | 4   | 7     |
| Del Rio, TX                        | 17   | 5                   | 4.032                              | 1.60%         | 4   |     | 4     |
| Champlain-Rouses Point, NY         | 18   | 9                   | 2.873                              | 1.10%         | 3   | 5   | 8     |
| Roma, TX                           | 19   | 5                   | 2.851                              | 1.10%         | 2   |     | 2     |
| Calais, ME                         | 20   | 4                   | 2.586                              | 1.00%         | 2   |     | 2     |
| Progreso, TX                       | 21   | 5                   | 2.414                              | 1.00%         | 2   |     | 2     |
| Rio Grande City, TX                | 22   | 3                   | 2.216                              | 0.90%         | 2   |     | 2     |
| Massena, NY                        | 23   | 4                   | 1.908                              | 0.80%         | 2   |     | 2     |
| Tecate, CA                         | 24   | 2                   | 1.907                              | 0.80%         | 2   |     | 2     |
| Point Roberts, WA                  | 25   | 3                   | 1.865                              | 0.70%         | 2   | 2   | 4     |
| Sault Sainte Marie, MI             | 26   | 3                   | 1.671                              | 0.70%         | 1   |     | 1     |
| Presidio, TX                       | 27   | 3                   | 1.63                               | 0.70%         | 2   |     | 2     |
| Alexandria Bay, NY                 | 28   | 6                   | 1.566                              | 0.60%         | 1   |     | 1     |
| Andrade, CA                        | 29   | 2                   | 1.355                              | 0.50%         | 1   |     | 1     |
| Derby Line, VT                     | 30   | 8                   | 1.274                              | 0.50%         | 1   | 5   | 6     |
| Fabens, TX                         | 31   | 4                   | 1.243                              | 0.50%         | 1   |     | 1     |
| Sumas, WA                          | 32   | 4                   | 1.241                              | 0.50%         | 1   |     | 1     |
| Lukeville, AZ                      | 33   | 3                   | 1.236                              | 0.50%         | 1   |     | 1     |
| International Falls/Ranier, MN     | 34   | 2                   | 1.175                              | 0.50%         | 1   |     | 1     |
| Columbus, NM                       | 35   | 2                   | 1.124                              | 0.40%         | 1   |     | 1     |
| Madawaska, ME                      | 36   | 2                   | 1.116                              | 0.40%         | 1   |     | 1     |
| Lynden, WA                         | 37   | 3                   | 0.983                              | 0.40%         | 1   |     | 1     |
| Highgate Springs/Alburg, VT        | 38   | 9                   | 0.87                               | 0.30%         | 1   | 5   | 6     |
| Sweetgrass, MT                     | 39   | 3                   | 0.87                               | 0.30%         |     | 2   | 2     |
| <b>Total for top 39 RFID Ports</b> |      | 357                 | 232.139                            | 92.60%        | 146 | 114 | 260   |

| Additional Land Ports of Entry Receiving Positions due to Workload Requirements | Rank | # POV Inbound Lanes | PAX Traffic (million) <sup>1</sup> | % PAX Traffic | POE | EC* | total |
|---|------|---------------------|------------------------------------|---------------|-----|-----|-------|
| Naco, AZ <sup>2</sup>   | 40   | 2                   | 0.858                              | 0.30%         | 1   |     | 1     |
| Pembina, ND <sup>2</sup>  | 42   | 5                   | 0.778                              | 0.30%         |     | 2   | 2     |
| Houlton, ME <sup>2</sup>  | 43   | 5                   | 0.713                              | 0.30%         |     | 2   | 2     |
| Williston Enrollment Center   |      |                     |                                    |               |     | 27  | 27    |
| <b>Total Additional Positions for non-RFID</b>                                  |      | 12                  |                                    |               | 1   | 31  | 32    |

\* Enrollment Centers

<sup>1</sup> Rankings are based on FY 2006 traffic volume data.

<sup>2</sup> Although not ranked in the top 39 ports by traffic volume, Naco, Pembina and Houlton are selected to receive additional CBP Officers due to anticipated increases in workload that will develop at the port of entry in the case of Naco and at the enrollment centers in the cases of Pembina and Houlton.

### **Impact on Performance (Relationship of Increase to Strategic Goals):**

Increased traveler information provided via the WHTI investment will improve officers' decisions on admissions to the United States. This investment will incorporate new technology into additional vehicle primary lanes to enable a more effective process for validating identity and citizenship at the time of border crossing. It will improve customer service by avoiding a more time intensive and intrusive inspection process that would result from meeting the WHTI requirements without this technology. The investment also will improve operational effectiveness at the land border ports by automatically correlating license plate information and passenger documentation information, providing improved passenger information to the CBP primary inspection officer, by creating watch lists, and by performing more in-depth and automated lookout queries.

CBP Officers requested in FY 2009 will be deployed at various locations to the top 39 land POEs by crossing volume and at enrollment centers to handle the expected increase in applications to CBP Trusted Traveler programs. The new CBP Officers requested in FY2009 will complete the deployment at land POEs and enrollment centers. The locations to receive additional CBP Officers will be determined based on projected increases in workload.

WHTI will provide the means for CBP to conduct the necessary authentication of travelers at the time of crossing and will benefit the traveling public by speeding up the verification process to the extent possible with RFID and communications technology. This will counter the threat of illegal entry into the U.S. at the ports of entry, including the threat of terrorists entering the country.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 4: Radiation Portal Monitors Staffing Operations and Maintenance**

Strategic Goal(s) & Objective(s): 2.1 Secure our borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigrant laws.

PPA: Inspections, Trade and Travel Facilitation at Ports of Entry/Inspection and Detection Technology

Program Increase: Positions 295 FTE 137 Dollars \$35,500

|                         | FY 2007 Actual |          |                 | FY 2008 Enacted |           |                 | FY 2009 Request |            |                 |
|-------------------------|----------------|----------|-----------------|-----------------|-----------|-----------------|-----------------|------------|-----------------|
|                         | Pos            | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level* |                |          |                 |                 |           |                 | 55              | 55         | 7,032           |
| Program Increase        |                |          |                 |                 |           |                 | 295             | 137        | 35,500          |
| <b>Total Request</b>    | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>55</b>       | <b>28</b> | <b>6,000</b>    | <b>350</b>      | <b>192</b> | <b>42,532</b>   |

\*Note: CBP has been maintaining RPMs and staffing locations that allow for the resolution of alarms since the agency was created in 2003. Funding shown represents the portion of the FY 2008 increase carried over into FY 2009.

**Description of Item:**

CBP requests \$35.5 million for personnel and operations and maintenance support of the Domestic Nuclear Detection Office (DNDO) deployment of Radiation Portal Monitors (RPMs). Of the \$35.5 million, \$27.3 million will be utilized to hire 238 CBP Officers, 20 scientists, 25 IT specialists and 12 mission support personnel to implement the deployment and to perform the subsequent operation of the RPMs at our Nation’s seaports. The remaining \$8.2 million will be utilized for operations and maintenance of RPMs and will ensure effective operation of new Advanced Spectroscopic Portals (ASP).

**Justification:**

The additional CBP Officers will ensure that a cadre of highly trained personnel will be readily available to ascertain whether an alarming container poses a national security risk or whether the alarming shipment is benign and should be released into the U.S. commerce. The additional scientists will perform program oversight which includes training, site visits, “green alarm” audits and general operations. The additional scientists will support the RPM program and the ongoing deployments of ASPs. The introduction of the ASP RPMs will result in additional training, deployment, and support issues beyond what can be accomplishment by current staff. In order to accommodate large

Ports of entry (POEs) who have increased cargo inspections, and subsequent alarms, scientist are rotated into large POEs from their usual laboratory duty station where they assist in operating technologies, provide on-site expertise in interpreting alarms, and make recommendations to resolve issues that arise. The additional IT and mission support personnel will support the offices by performing management, infrastructure related duties, and administrative functions.

Funding in the amount of \$8.2 million will be utilized for operations and maintenance of RPMs and will ensure effective operation of new ASPs. The ASP systems are expected to operate 24 hours per day, 7 days per week, and 365 days per year.

By the end of CY 2008, CBP will have deployed 488 RPMs at seaports in order to increase the ability to scan cargo for radiation. At the land border ports of entry, CBP Officers are already positioned to conduct radiological screening prior to entry into the United States. However at seaports, RPMs generally are positioned at the terminal exit gates to ensure 100 percent radiological screening of all containerized shipments exiting the seaport terminal while avoiding delays for non-alarming shipments. This ensures that trade is not unnecessarily impeded at the seaport when an RPM alarms. Since CBP Officers are currently not sited at the terminal exits, additional personnel are needed to allow CBP to screen cargo containers entering the country for radiological materials prior to exiting the seaport terminal.

Operations and maintenance will support:

- Transition operations and support from DNDO to CBP - funding will enable CBP to transition, train and knowledge share from DNDO/Pacific Northwest National Laboratory (PNNL) to CBP
- Enable CBP to establish a minimum parts reserve to respond to more routine maintenance requirements
- Provide operations and maintenance support for equipment that will come off the DNDO/PNNL provided one-year warranty (the warranty on equipment purchased and deployed throughout FY 2008 will end throughout FY 2009; thus, CBP needs funding to maintain devices as the warranty ends).
- Travel to the field to perform training, on-site support/analysis, and routine maintenance/calibration.
- Provide training and help desk support - many ports have multiple shifts of many individuals, with several employees identified to operate this equipment; thus, help desk and training support needs will increase (initial training will provide basic operational foundation); however, as equipment is used more, and/or as Officers are rotated, and/or new Officers come on-board, additional training requirements will have to be met.
- Provide preventive maintenance - routine calibration
- Provide corrective maintenance - specific calls to respond to unique problems. Uncertainties surround the new complex crystal technology and maintenance/replacement costs are unknown in the operational environment.
- Provide for replacement parts - parts for these new more complex devices, are expected to cost more than current technologies.

- Network equipment to optimize performance and use - CBP intends to have all these devices networked to monitor usage, alerts, etc. These costs are inherent in the operational cost to optimize use of the technology, and to ensure utilization metrics are monitored and available to identify when maintenance may be required.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

The deployment of CBP Officers directly supports the accomplishment of DHS Strategic Objective 2.1, to “Secure our borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws.” This initiative will allow CBP to reap considerable per inspection time-savings, from an average of 10 minutes required for one officer to scan an entire container to 5-8 seconds for an RPM to scan an entire container, which will enable CBP to scan 98 percent of all containers entering the country. This will also minimize the impact to trade when an alarm does occur. RPMs are capable of screening an entire conveyance and/or container for radioactive materials in seconds. Additionally, due to the RPMs being orders of magnitude more sensitive than hand held screening devices (Radiation Isotope Identifier Devices and Personal Radiation Detectors), CBP will have the capability to thoroughly screen seaport conveyances and/or shipments. The time-savings and sensitivity means that CBP can accomplish more examinations and assures that CBP can accomplish its appointed missions of securing the Nation's borders from the threat of terror and facilitating the legitimate trade that is so critical to this country and its economy.

Without the additional staffing, CBP will not be able to readily resolve RPM alarms in a timely manner and commerce will experience delays. An Officer’s presence at the terminal exit gates will ensure compliance with CBP’s mission goal of preventing the entry of illicit radiological or nuclear materials. Funding for operations and maintenance will ensure that CBP has the resources necessary to provide program oversight, have scientists on board to advise on proper response to alerts, and provide day-to-day operations and maintenance to keep equipment operational, as well as provide funding to leverage third party vendor support for corrective maintenance, preventive maintenance, parts, and technical support – beyond what CBP technical support is able to provide.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 5: Passenger Screening at Land Ports of Entry**

Strategic Goal(s) & Objective(s): 4.4 – Facilitate Legitimate Trade and Travel/Enforce all U.S. trade, immigration, drug, consumer protection, intellectual property and agricultural laws and regulations at the borders.

PPA: Inspections, Trade and Travel Facilitation at Ports of Entry

Program Increase:      Positions 234   FTE 117   Dollars \$25,000

|                        | FY 2007 Actual |              |                 | FY 2008 Enacted |              |                 | FY 2009 Request |              |                 |
|------------------------|----------------|--------------|-----------------|-----------------|--------------|-----------------|-----------------|--------------|-----------------|
|                        | Pos            | FTE          | Dollars (\$000) | Pos             | FTE          | Dollars (\$000) | Pos             | FTE          | Dollars (\$000) |
| Current Services Level |                |              |                 |                 |              |                 | 8,211           | 8,211        | 529,372         |
| Program Increase       |                |              |                 |                 |              |                 | 234             | 117          | 25,000          |
| <b>Total Request</b>   | <b>8,211</b>   | <b>8,211</b> | <b>494,834</b>  | <b>8,211</b>    | <b>8,211</b> | <b>520,566</b>  | <b>8,445</b>    | <b>8,328</b> | <b>554,372</b>  |

\* Current service level estimates are based on the total number of CBP Officers at the Land Border Ports of Entry.

**Description of Item:**

Funding in the amount of \$25 million is requested to hire 212 CBP Officers and 22 support positions for passenger processing activities at the ports of entry (POEs) on our borders with Mexico and Canada. Twelve of the CBP Officers will directly support the Office of Training and the Office of Field Operations Academy in Glynco, Georgia.

**Justification:**

CBP requests additional resources to support the hiring of additional CBP Officers and support positions to alleviate the current deficit of Officers for passenger processing, which is currently in excess of 850 CBP Officers. This estimate is derived from CBP’s Workload Staffing Model, which uses criteria such as passenger volume, processing times, facility constraints/expansions, number of terminals/lanes, threat and risk factors, and overtime. The model illustrates the need for additional CBP Officers to meet current passenger processing in the air, land, and sea environments.

The hiring of 200 CBP Officers would eliminate approximately one-fourth of the current Officer deficit at the land borders in the passenger environment and provide greater

assurance that CBP can perform its critical Homeland Security mission as the guardian of our borders.

CBP faces significant and constant changing challenges in protecting the U.S. at its POEs from the infiltration of terrorists and other criminal elements into the country. Transportation of explosives, improvised explosive devices (IEDs), and other harmful weapons, such as man-portable air defense systems (MANPADS), into our Nation is a significant threat. Intelligence indicates that terrorists will continue to study, experiment with, and seek chemical, biological, and radiological agents. Such weapons, due to the variety of sizes and packaging requirements, may be compact enough to transport within the passenger environment.

Threats to national security are not confined to the entry of terrorists and terrorist weapons. The illegal smuggling of drugs, monetary instruments, and aliens continue to present concerns and challenges. The trafficking of harmful drugs leads to increased violence and criminal activity across our Nation. The cyclical relationship between drug trafficking and money laundering is central to the success of drug traffickers. The revenue generated from illegal drugs funds more drug trafficking, creating an illegal and very profitable industry operating within and across our borders.

In addition to the smuggling of illegal drugs and monetary instruments, preventing the entry of illegal aliens is critical to protecting our borders. Despite increased security measures, numerous aliens attempt to enter at our ports of entry using fraudulent documents. The economic impact of these individuals is growing as the population of illegal aliens living in the U.S. increases.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

This request supports CBP's mission to prevent terrorist and terrorist weapons, including weapons of mass effect, from entering the United States. It directly aligns with DHS Strategic Goals of: 1) Prevention; (2) – Detect, deter and mitigate threats to the homeland; and 2) Service (6) - Serve the public effectively by facilitating lawful trade, travel and immigration. The initiative also directly supports CBP's Strategic Goals 1 (Preventing Terrorism at Ports of Entry) and Strategic Goal 4 (Facilitating Legitimate Trade and Travel).

The additional positions will support DHS Strategic Goal 1 and CBP Strategic Goal 1 by providing increased capability to identify and address potential threats, vulnerabilities, and their consequences that are critical to CBP's and the Nation's future. The use of human capital to analyze data, model scenarios, and align actions with assessed risk levels is central to CBP's proactive approach to operations. Adequate staffing levels, combined with the use of risk management principles and technology at our ports of entry, proactively address threats, minimize vulnerabilities, and identify consequences to maximize security at ports of entry.

The additional positions will support DHS Strategic Goal 6, and CBP Strategic Goal 4, by increasing CBP's ability to more efficiently process legitimate passengers while detaining and preventing potentially dangerous travelers from entering the U.S.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 6: US-VISIT (including 10-Print)**

Strategic Goal(s) & Objective(s): 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal: by denying entrance to the US to individuals that offer a threat to national security; and 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities: by providing biometric screening and travel document authentication.

PPA: Inspections, Trade and Travel Facilitation at Ports of Entry

Program Increase: Positions 0 FTE 0 Dollars \$62,800

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 0               | 0        | \$62,800        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$62,800</b> |

**Description of Item:**

CBP requests \$62.8 million to fund operations and maintenance (O&M) required to sustain US-VISIT functionalities within CBP as follows:

|  |                     |
|--|---------------------|
| Software maintenance for US VISIT applications                 | \$5,600,000         |
| Hardware, software license maintenance and engineering support | \$24,300,000        |
| Operations Support, telecommunications, disaster recovery      | <u>\$32,900,000</u> |
| <b>Total</b>   | <b>\$62,800,000</b> |

The major categories for O&M costs include the below specifics:

- **Software maintenance:** Includes labor for software maintenance and changes to US-VISIT applications at air/sea and land ports Of entry (POEs). Full maintenance life cycle support includes documentation, software changes, testing, security, quality assurance, configuration management, project support and researching/resolving operational problems with the software.

- **Hardware Maintenance:** Includes maintenance of equipment and systems at the Data Center systems including processors and data storage, workstations used for US-VISIT at POEs to include a three year refresh cycle and specialized peripherals such as the cameras, ePassport readers, ten print scanners and document readers.
- **Software License Maintenance:** Includes recurring license fees for software used to support US-VISIT at both the data center and at the POEs.
- **Telecommunications:** Includes costs for bandwidth used by US-VISIT increments and labor costs for the maintenance and monitoring of the network.
- **Operational Support:** Includes labor for Data Center operations, engineering support, help desk support, security support, asset management, duty officers, situation room monitoring, auto operations support, change management and code migration support, project management support and field technology officers at the POEs to provide on the ground support.
- **Disaster Recovery:** Includes the maintenance of the environment for disaster recovery including data replication and circuit costs.

Previously, funding for operations and maintenance of US-VISIT was included in the US-VISIT appropriation.

**Justification:**

Since FY 2003, US-VISIT enhancements have improved the inspection processes at POEs that enabled changes to the CBP business processes by improving the security of the U.S. The enhancements are so intertwined with the inspection process that it is almost impossible to isolate US-VISIT functionality from other aspects of the inspections process. The infrastructure changes made as a result of US-VISIT since FY 2003 must be sustained if DHS is to continue to benefit from the enhanced inspection processes for people entering the U.S. at POEs. The recurring costs support the increased network, data processing, help desk, field support, data recovery, software systems support, etc. required to sustain the US-VISIT enhancements made to CBP's systems and infrastructure, and to ensure continued efficient processing of passengers at POEs. Without this requested O&M funding, CBP processing of over 200,000 alien entry inspections per day will be impacted by increased response times, less information available to make an inspection decision and possibly losing all capability to conduct the inspection electronically.

These increments provide functionality critical to both US-VISIT and CBP in securing entry to the U.S. at POEs and providing entry and exit information for aliens. Previously, CBP prepared an annual O&M request for US-VISIT funding. Beginning in FY 2009, CBP will request funding for operations and maintenance. US-VISIT increments and functionality supported by this request include:

- Increment 1: Improve the primary inspection process at air/sea POEs by adding biometrics checks for aliens and providing visa validation both through biometrics and presentation of the visa issuance data and photograph of the visa. Also provides alien entry and exit data for air/sea POEs and the processing of this data to determine overstays.
- Increment 2A: Improve the primary inspection process at air/sea by adding in Citizenship and Immigration Service's (CIS) documents for validation both through biometrics and presentation of the CIS document issuance data and photograph. In the air environment Increment 2A also added ePassport capability, which allows the chip on the ePassport to be read in order to present the picture and biographic data to the CBP Officer. Increment 2A added the travel document validation capability to the land border for I-94 issuance and for pedestrian primary.
- Increment 2B/3: Improve the I-94 issuance process at all land border POEs by providing biometric and biographic checks and automation of the data collection and printing of the I-94 departure coupon in one integrated process.
- Ten-Print: Ten-Print implementation is planned for FY07 and FY08 pending successful completion of some pilots. It will replace the current two-print processing to capture fingerprints for real time lookout checks against IDENT lookouts and later checks against IAFIS. Also provides biometric validation against visas, CIS documents and previous entries.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

Continued operation of US-VISIT functionality supports the following DHS and CBP Strategic Goals:

DHS:

- 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal: by denying entrance to the US to individuals that offer a threat to national security.
  - 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal: by denying entrance to the US to individuals that offer a threat to national security.
  - 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities: by providing biometric screening and travel document authentication.

CBP:

- 1.2 Improve identification and targeting of potential terrorists and terrorists weapons, through risk management and automated advanced and enhanced information: Provides biometric screening and travel document validation.
- 4.2 Utilize start-of-the-art technologies and processes to leverage resources and to conduct examinations of all potential high-risk cargo, conveyances, and passengers: Biometric screening and travel document validation contribute to a much stronger primary inspection process than just biographic checks.
- 5.3 Cooperate with other agencies, foreign governments, and industry partners to administer and enforce the laws of the United States: US-VISIT leverages partnerships across DHS and with Department of State and Federal Bureau of Investigation (FBI).
- 6.4 Maintain a reliable, stable and secure IT infrastructure and an array of technical support services including laboratory and scientific services, tactical radio communication, field equipment maintenance / support and 24/7 customer assistance: Through the various US-VISIT projects, the infrastructure supporting primary inspections at ports of entry has been greatly enhanced. Maintaining this investment in infrastructure will ensure that US-VISIT functionality continues to be an integral part of the inspection process.

CBP Priorities supported by continued US-VISIT Operations include:

2. Prevent the entry of terrorists at the ports of entry: Biometric screening and travel document validation are key components in preventing the entry of terrorists.

**Impacts on other DHS Components and outside DHS Components:**

US-VISIT leverages partnerships across DHS and with Department of State and FBI. CBP provides the front line screening using the US-VISIT and FBI biometric information. The entry process at the POEs provides the data US-VISIT needs to identify overstays for Immigration and Customs Enforcement to investigate.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 7: Replace Obsolete Non-Intrusive Imaging Systems**

Strategic Goal(s) & Objective(s): 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity

PPA: Inspection and Detection Technology

Program Increase: Positions 0 FTE 0 Dollars \$10,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 0               | 0        | 10,000          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>10,000</b>   |

**Description of Item:**

CBP requests \$6 million to replace Non-Intrusive Imaging (NII) systems beginning with small scale systems that are over 10 years old and are approaching the end of their life cycle. The small-scale program uses hand-held equipment to inspect small-targeted cargo, parcels, luggage, and individuals, allowing system operators to examine their contents without the need for an intrusive manual search. In addition, small-scale NII equipment enables CBP to inspect cars, trucks, railcars, and sea containers that have been identified by large-scale NII systems as potentially containing illicit goods, i.e., money, guns, ammunition, agricultural items, explosives, and chemical, biological, and nuclear agents. These systems provide image information on material concealed on a person, hidden in inaccessible compartments, or enclosed in mail and parcels. The equipment protects system operators from harm by limiting their exposure to actual or potential hazardous or radioactive materials. The ability to quickly and accurately inspect cargo supports programs throughout CBP. The remaining \$4 million will be used for NII radiation monitoring equipment maintenance. Below are breakouts of the funds and systems:

|  |                 |
|--|-----------------|
| Operations and Maintenance of existing NII equipment | \$4,000         |
| Purchase and deploy 284 small-scale NII systems      | <u>\$6,000</u>  |
| <b>Total</b>   | <b>\$10,000</b> |

| <b>Small Scale NII Systems</b> |                 |
|--------------------------------|-----------------|
| <b>Type</b>                    | <b>Quantity</b> |
| Baggage X-Ray                  | 24              |
| Tool Trucks                    | 10              |
| X-Ray Vans 18                  | 10              |
| Busters                        | 100             |
| Laser Range Finders            | 60              |
| Fiberscope                     | 80              |
| <b>Total</b>                   | <b>284</b>      |

**Justification:**

The Non-Intrusive Inspection Systems Program supports the interdiction of Weapons of Mass Destruction and Effect (WMD/WME), contraband, and illegal aliens being smuggled across the United States borders, while having a minimal impact on the flow of legitimate commerce. The NII Systems Program is an essential aspect of the Customs and Border Protection’s layered enforcement strategy. The goal is to match the technology and equipment with the conditions and requirements at each inspection point, including domestic ports of entry, Border Patrol checkpoints, and overseas ports, based upon a scientific analysis of the individual conditions at that location. This synchronization will increase the effectiveness of the strategy by strengthening one of its most vital layers.

The rate of traffic across our border is increasing. Without replacement of aging systems CBP cannot meet its goals to:

- Inspect 100 percent of all targeted high-risk containers
- Inspect 15 percent of all cargo entering the US
- Inspect 100 percent of all high-risk international mail
- Provide X-ray technologies to all international mail facilities, and
- Install baggage X-ray technology at 100 percent of international airports, seaports and border crossings

For this strategy to be fully effective, the proper NII technology must be deployed to each location (i.e., high energy systems where there is high density cargo; hand-held equipment to inspect small-targeted cargo, parcels, luggage and individuals).

**Impact on Performance (Relationship of Increase to Strategic Goals):**

Continued deployment of additional NII Systems and replacement of older NII technologies support the following DHS and CBP Strategic Goals:

DHS:

- 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity: NII technologies enable CBP Officers to identify weapons of mass destruction and weapons of mass effect, illegal contraband, and illegal aliens before they enter the United States.

- 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities: NII technologies allow a team of officers to perform inspections on a targeted container or conveyance quickly and safely, and relegate the far more costly and time-consuming manual inspections to containers or conveyances wherein an anomaly is revealed by the imaging system.

**CBP:**

- CBP Strategic Goal 1, Objective 1: NII technologies enable the CBP Officers to identify weapons of mass destruction and weapons of mass effect, illegal contraband, and illegal aliens before they enter the United States.
- CBP Strategic Goal 1, Objective 2: NII technologies allow a team of officers to perform inspections on a targeted container or conveyance quickly and safely, and relegate the far more costly and time-consuming manual inspections to containers or conveyances wherein an anomaly is revealed by the imaging system.
- CBP Strategic Goal 5, Objective 2: NII technologies provide an efficient means to effectively screen a wide variety of cargo entering our country through a variety of conveyances without significantly delaying or impeding commerce. The broad range of commercially available NII technologies provides the capability to detect many types of contraband.

**Impacts on other DHS Components and outside DHS Components:**

- NII imaging systems program leverages partnerships across DHS and other agencies. CBP uses the NII imaging systems to provide the front line screening to detect and interdict narcotics, currency, and other contraband secreted in POVs, RVs, buses, large sea containers and commercial shipments. NII systems are viewed as force multipliers that enable CBP Officers to screen or examine a larger portion of the stream of commercial traffic, while easing the flow of legitimate trade, cargo, and passengers.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 8: Automated Targeting System Passenger (ATS-P)**

Strategic Goal(s) & Objective(s): 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity

PPA: Systems for Targeting

Program Increase: Positions 0 FTE 0 Dollars \$5,000

|                         | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                         | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level* |                |          |                 |                 |          |                 | 0               | 0        | \$30,149        |
| Program Increase        |                |          |                 |                 |          |                 | 0               | 0        | 5,000           |
| <b>Total Request</b>    | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$35,149</b> |

\* Current Services level of \$30 million is for ATS-P maintenance.

**Description of Item:**

CBP requests \$5 million to enhance the Automated Targeting System-Passenger (ATS-P) that has been operational since 1999. The Automated Targeting System (ATS) is a web-based enforcement and decision support tool that that is the cornerstone for all CBPs targeting efforts. ATS-P is a module of ATS that focuses on passengers and incorporates intelligence information and technologies to target suspect passengers for inspection; accordingly, ATS-P allows CBP Officers to focus their efforts on passengers that would warrant further attention. Requested funds will be utilized to implement targeting methodology improvement activities and to address the requirement for high priority infrastructure improvements including high availability, Service Oriented Architecture (SOA), and a simulation and testing environment to improve service delivered to CBP Officers in the field, accommodate increased volume of passengers and vehicles, provide a simulation and test environment to support passenger targeting improvements, and move towards true 24/7 system availability.

|  |                    |
|--|--------------------|
| Advanced Analytics                           | \$500,000          |
| Simulation and testing                       | \$1,000,000        |
| Develop collaboration tools                  | \$500,000          |
| High availability focused technology refresh | <u>\$3,000,000</u> |
| <b>Total</b>                                 | <b>\$5,000,000</b> |

**Justification:**

In order to proactively protect our nation from terrorists and others who seek to harm us, CBP must continually refine the automated screening processes. This project will allow CBP to begin making a number of much-needed refinements in Automated Targeting Systems-Passenger (ATS-P) to improve targeting methodology through:

- Targeting Methodology Improvement through Advanced Analytics (Advanced Visualization Techniques, Descriptive Analysis, Association Analysis, Prediction, Text Mining, Simulation and Optimization);
- Expanding the simulation and testing environment to passenger environment;
- Developing collaboration tools to allow the National Targeting Center and the field to collaborate and improve intelligence and real time response capabilities;
- Focusing high availability technology refresh;
- Acquiring new data sources and related targeting functionality to increase targeting capabilities and evaluate improvements to screening performance;
- Expanding support for SOA to allow for the exchange of information and utilization of targeting capabilities across the CBP enterprise; and
- Expanding wireless and handheld device support to directly support operations at U.S. ports of entry.

ATS-P requires increasing resources to expand targeting coverage to completely cover the volume of passengers and vehicles and make improvements to improve targeting capabilities, coordinate intelligence, support architectural improvements to improve service delivered to CBP Officers in the field and move towards true 24/7 system availability.

ATS-P standardizes names, addresses, and similar data to enable data elements to be more easily associated with other business data to form a more complete picture of a passenger in context with previous behavior. Every passenger processed through ATS-P is subjected to a real-time risk evaluation. Risk assessment strategies are multi-tiered in their approach and are founded on complex statistical studies, data analysis, and rules based on knowledge engineering. ATS consists of modules that provide selectivity and targeting capability to support CBP inspection and enforcement activities; and modules that focus on exports, imports, passengers, land border private vehicle crossings, and import trends over time.

Without the requested funding for ATS-P:

- Passenger targeting would remain at current capabilities without the benefit of advanced analytics (i.e., targeting methodology improvement through advanced analytics such as threat modeling, advanced visualization techniques, descriptive analysis, association analysis, prediction, text mining, simulation and optimization).

- ATS-P would be unable to perform the technology refresh necessary to make improvements to support movement toward high availability, system resilience, and reduced downtime required by the business sponsor / customer (ATS-P currently requires downtime for maintenance).
- Simulation and testing capability would not be expanded to the passenger environment and introduction of the next level / next generation of targeting will be further delayed.
- ATS-P would not realize the benefits from intelligence integration, i.e., engaging terrorism experts and intelligence organizations and integrating intelligence into ATS-P targeting algorithms.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

ATS Passenger Enhancements will support the following DHS and CBP Strategic Goals:

**DHS: GOAL 2 – PREVENTION**

ATS-P helps to detect, deter, and mitigate threats to our homeland. ATS supports DHS objectives to secure our borders against terrorists, means of terrorism, illegal drugs and other illegal activity and provide operational end users with the technology and capabilities to detect and prevent terrorist attacks, means of terrorism and other illegal activities and facilitate the legitimate movement of cargo and people.

- ATS-P is an important tool in overall efforts to secure our borders against terrorists, means of terrorism, illegal drugs and other illegal activity (2.1). ATS-P contributes to DHS's objective to interdict terrorist activities by targeting unlawful migration of people, drugs and other contraband, while facilitating legitimate migration and commerce. ATS-P helps extend our zones of security beyond our physical borders by identifying, prioritizing and interdicting threats to our nation before they arrive. ATS-P supports DHS's objective of enforcing all applicable trade and immigration laws (objective 2.2) in an integrated fashion while facilitating free commerce and the flow of legal immigration and travel into the United States. ATS-P supports efforts to interdict smuggling and stop other illegal activities that benefit terrorists and their supporters. ATS-P is part of a unified, cohesive enforcement capability to actively conduct and coordinate law enforcement operations. ATS-P provides operational end users with the technology and capabilities to detect and prevent terrorist attacks, means of terrorism and other illegal activities (objective 2.3).
- ATS-P also supports Strategic Goal 6, Service. ATS-P serves the public by facilitating lawful trade and travel. ATS-P facilitates the efficient movement of legitimate cargo and people (objective 6.4). ATS-P accomplishes this by identifying trustworthy people. Through the identification of both high risk and trustworthy people, cargo, and conveyances, ATS-P promotes teamwork and increase the efficiency, effectiveness, and operational synergies of CBP Officers.

CBP: ATS-P strongly supports CBP's strategic objectives and supports the following CBP Strategic Goals.

#### GOAL 1 - PREVENTING TERRORISM AT PORTS OF ENTRY

- ATS is a law enforcement system that supports trade compliance and processing of passengers and outbound and inbound cargo. ATS-P helps improve the collection, use, analysis and dissemination of intelligence to target, identify and prevent potential terrorists and terrorist weapons from entering the United States (Objective 1.1). ATS-P helps improve identification and targeting of potential terrorists and terrorist weapons, through risk management and automated advanced and enhanced information (Objective 1.2). A primary function of CBP is to protect the borders of the United States, and ATS is the key tool for analyzing data for both inbound and outbound passengers, while remaining a critical screening system for antiterrorism. The system permits CBP inspectors to better prioritize secondary inspections. ATS-P examines Advance Passenger Information System (APIS) data, required of international air carriers under the Aviation and Transportation Security Act of 2001, along with other data from the Traveler Enforcement Communication System (TECS), suspect and violator index (SAVI), and I-94s to identify high-risk travelers before they arrive. Upon their arrival, they can then be intercepted for further evaluation while low-risk travelers are expedited.

#### GOAL 3 - UNIFYING AS ONE BORDER AGENCY

- ATS is helping to unify as one border agency (Goal 3) and present one face at the border. ATS is one of the automated tools that help to create a shared law enforcement culture throughout the agency to secure the homeland (objective 3.1). ATS-P contributes to the consolidation of anti-terrorism secondary inspections to improve CBP's ability to keep terrorists and terrorist weapons out of America, by implementing combined anti-terrorism analytical and response teams in the passenger environment (Objective 3.2). ATS-P also helps CBP establish a unified primary inspection (objective 3.4) for passenger processing for inspection missions at land border crossing ports of entry into the United States including land border crossings.
- ATS contributes to unified primary inspection (Objective 3.3). ATS identifies untrustworthy people: ATS-Passenger (ATS-P) provides an automated review of inbound and outbound passengers that helps identify travelers at high-risk for terrorist links or smuggling while facilitating travel of low-risk passengers. ATS-Land will screen motor vehicles and passengers crossing U.S. land borders.

#### GOAL 4 - BALANCING LEGITIMATE TRADE AND TRAVEL WITH SECURITY

- The automated nature of ATS greatly increases the efficiency and effectiveness of the inspector's otherwise manual and labor-intensive work, and thereby helps facilitates the more efficient movement of legitimate cargo and people while safeguarding the border and the security of the United States. In this way, ATS-P facilitates international trade and travel while enhancing homeland and border security (Objective 4.5). ATS-P utilizes available technologies and processes to leverage resources and to conduct examinations of all high-risk passengers (Objective 4.2).

#### GOAL 5 – PROTECTING AMERICA AND ITS CITIZENS (STRENGTHEN OUR CONTROL OF THE UNITED STATES BORDER)

- As the principal border agency charged with ensuring that all goods entering the U.S. comply with our laws, CBP has a fundamental role to play in the national narcotics strategy, and its own strategy includes the dismantling and disrupting of drug smuggling organizations. To ensure the role is fulfilled, CBP has a clearly identified, highly visible and fully supported narcotics strategy. ATS helps CBP Officers and ATS users capitalize on the use of information and intelligence to identify and target CBP's enforcement response to drug trafficking, illegal immigration and other illegal activities (Objective 5.1). ATS deploys automation, systems, tools and other technologies that can be used to pre-screen and identify smugglers and smuggled merchandise to increase interdiction and apprehension effectiveness (Objective 5.2).

#### GOAL 6 - MODERNIZING AND MANAGEMENT

- ATS contributes to CBP's efforts to continue to build a strong, modern management infrastructure that assures the achievement of business results. ATS contributes to the modernizing and management of CBP's information, science, and technology infrastructure. ATS-P is an important component of CBP efforts to develop and deploy innovative and secure systems and advanced technologies to improve targeting and screening of goods, people and conveyances entering the United States (Objective 6.3). ATS-P contributes directly to improve risk targeting of people and vehicles entering the United States. ATS-P is an important component of a layered systems approach of integrated and advanced technologies to focus on high-risk and priority interdiction and enforcement issues. ATS-P also provides training and development to meet the most pressing needs of customers and stakeholders that is timely, responsive, high quality, and cost effective.

**Department of Homeland Security  
 Customs and Border Protection  
 Construction  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 9: Ground Transportation**

Strategic Goal(s) & Objective(s): Goal #1: Prevention  
Objective 2.1: “Secure the borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws.”

PPA: Border Security and Control Between the POE’s

Program Increase: Positions 2 FTE 1 Dollars \$8,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 8               | 8        | \$75,000        |
| Program Increase       |                |          |                 |                 |          |                 | 2               | 1        | \$8,000         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>8</b>        | <b>4</b> | <b>75,000</b>   | <b>10</b>       | <b>9</b> | <b>\$83,000</b> |

**Description of Item:**

CBP requests \$8M to expand the use of contract transportation and guard services for the southwest border. The additional requested transportation resources will be applied along the southwest border based on a current needs assessment. The primary use will be for secure transportation of detainees from the point of apprehension until the detainee is turned over to Immigration and Customs Enforcement custody. Agents and officers must perform the duties, if contracted services are not funded, removing agents and officers from primary missions of enforcement of the border. Guard and law enforcement custodial services will also be provided at processing centers or at medical facilities treating ill or injured detainees. Resources will be applied to activities between the ports of entry and at ports of entry by Border Patrol agents and CBP Officers.

**Justification:**

Every apprehension on the southwest border requires transportation, security, and law enforcement custodial services until the detainee is either repatriated, or transferred to another agency. In the absence of alternative resources, CBP Agents and Officers perform these functions. In August 2006, CBP established a contract to provide transportation with specially equipped buses and vans and guard service with certified transportation security officers. This contract frees up over 600,000 hours annually,

enabling agents and officers to resume their primary law enforcement and investigative duties.

Unfortunately, even with the existing contract in place, CBP Agents and Officers continue to spend many hours transporting and guarding detainees on the southwest border. The requested funds will expand transportation and guard services on the southwest border, making approximately 96,000 additional hours available for CBP agents and officers to perform their essential, primary law enforcement and investigative duties.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 10:**                      CBP Intelligence Program

Strategic Goal(s) & Objective(s): Goal #1: Prevention Objective 2.1: “Secure the borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws.”

PPA: Headquarters Management and Administration

Program Increase: Positions 27 FTE 14 Dollars \$24,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|----------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |            |                 | 175             | 175        | 30,108          |
| Program Increase       |                |          |                 |                 |            |                 | 27              | 14         | 24,000          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>175</b>      | <b>175</b> | <b>30,108</b>   | <b>202</b>      | <b>189</b> | <b>54,108</b>   |

**Description of Item:**

CBP requests \$24 million for this initiative containing two primary components: a systems integration effort designed specifically to support the Agency intelligence function and an increase in the number of Agency intelligence officers to allow for a 24/7 intelligence watch.

1. CBP will develop and deploy an integrated suite of software tools and supporting databases (Analytical Framework for Intelligence – AFI) to compliment the recently reorganized CBP intelligence function. It builds on the existing Automated Targeting System (ATS) and the Targeting Framework (TF) but provides significantly enhanced functionality in support of CBP’s All Crimes/All Threats/All Hazards mission set.

The AFI will incorporate advanced analytical technique capability currently available to the Department of Defense and intelligence community agencies. It will provide consolidated access to multiple CBP, DHS and other databases that currently require separate and, in some cases, geographically distinct, systems access. This effort will also expand the ATS data warehouse into a CBP enterprise data warehouse function, providing significantly greater research capability for both intelligence officers and operational personnel.

The Homeland Security Data Network (HSDN), the classified information sharing systems backbone for CBP, will also be expanded to the field through this effort to

compliment development of field intelligence capability. This request also provides for incorporation of a multi-level security (MLS) capability for sharing data between classified and unclassified environments, and reliance on an HSPD-12 compliant “single sign-on” capability to facilitate information sharing. Initial funding to begin planning and design is requested for FY 2009.

2. This initiative will also allow for the stand-up of a 24x7 CBP National Intelligence Watch that is focused on supporting CBP field operations and providing situational awareness to CBP decision-makers. This will allow for a greater than 50 percent expansion in coverage hours for the intelligence watch, which in turn will allow for a significant increase in intelligence production and a significant decrease in risk to the agency by ensuring timely review of critical, time-sensitive intelligence information. The current contract for eight intelligence analyst positions to provide staffing for a five day a week, 12 hour a day, intelligence watch will be replaced by the government positions requested here. The intelligence watch will occupy existing space at CBP Headquarters in the Ronald Reagan Building. Funding for ten relocations is included. Additionally, there will be two GS-2210, information technology positions which will ensure the effective integration of the systems components of this request.

**Justification:**

The priority mission of CBP is homeland security. For the border agency charged with managing, securing and controlling the Nation’s border, that means the CBP priority mission is to prevent terrorists and terrorist weapons from entering the United States. In addition to this priority mission, CBP also protects America and its citizens by carrying out its traditional law enforcement missions that include enforcing immigration, drug smuggling, and other criminal violations. CBP’s mission set has expanded significantly since 9/11, but the resources devoted to intelligence have not kept pace. To effectively accomplish these important missions, CBP requires timely access to relevant intelligence reporting that can be utilized to drive effective operations.

In addition to our need to receive and act internally on intelligence 24-hours per day, 7 days a week, CBP has a responsibility to ensure that CBP-generated information of intelligence value to our mission partners in the Federal, state, local, and tribal communities is appropriately reported. The Homeland Security Act of 2002 and the Implementing Recommendations of the 9/11 Commission Act of 2007 focus on the need for DHS and its components to improve intelligence and information sharing, ensuring that information gathered during the course of normal DHS business is collected, analyzed, and disseminated as appropriate. Funding this initiative will allow CBP to meet this new analysis and reporting requirement.

The requested investment funding will be used for contract services to design, develop, and implement the capabilities of the AFI, and to acquire computer servers, data storage devices and software licenses. While the CBP receives base funding for ATS, this funding is dedicated to current ATS functions, which support 24x7 operational targeting of all incoming cargo and passengers into the US. In addition, \$5 million is requested in

this budget to implement targeting methodology improvements. Still, ATS funding and hardware/software platforms are not sufficient to provide the specially designed capabilities needed for the intelligence function. In particular, ATS (and other CBP systems) lack the ability to handle classified information, which is essential to intelligence analysis. Further, existing ATS capability will be built out to support a CBP enterprise data warehouse for analysis (ATS-DW) which is currently unavailable to CBP analysts. This funding will support the development of the ATS-DW which will serve as an integration platform for outside source information.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

One of the CBP Commissioner's top priorities is to ensure that CBP is an intelligence driven organization. Funding of this initiative, coupled with other ongoing and planned intelligence initiatives, will enable CBP to achieve this priority objective. The U.S. Government's continued emphasis on homeland security, and specifically the threat of terrorism, continues to increase the volume of intelligence reporting received by CBP. The stand-up of a 24x7 CBP National Intelligence Watch will ensure that this increasing volume of reporting will be analyzed, collated, and disseminated to CBP enforcement offices in a timely manner, allowing perishable intelligence to be analyzed on while it is most actionable. This will improve CBP's ability to secure our borders by allowing Officers and Agents in the field to work with the most current intelligence information available, regardless of the time at which the intelligence is received.

One of DHS's top priorities, as well as a priority of Congress, is to improve homeland security intelligence and information sharing throughout the Federal, state, local and tribal communities. CBP is in a unique position to leverage its more than 30,000 frontline officers and agents to gain information that can be used by all our mission partners to strengthen our nation's security. To make this information usable, it must be quickly recognized, analyzed and collated, and reported to our partner agencies. Funding this initiative will allow CBP to properly staff a 24x7 intelligence watch that will work with our field offices to ensure that CBP-unique information of intelligence value is quickly identified and reported.

By providing funding to hire appropriately skilled staff to work in a 24x7 intelligence watch, this initiative directly supports CBP Strategic Objective 1.1, "Improve the collection, use, analysis and dissemination of intelligence to target, identify, and prevent potential terrorists and terrorist weapons from entering the United States." It also directly supports CBP Strategic Objective 2.1, "Enhance the intelligence program, and improve intelligence-driven operations"; CBP Strategic Objective 5.1, "Capitalize on the use of information and intelligence to identify and target the CBP enforcement response to drug trafficking, illegal immigration and other illegal activities"; and DHS Strategic Objective 2.1, "Secure the borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws."

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 11:**                      Conduct and Integrity Oversight

Strategic Goal(s) & Objective(s): 2.b “Interior Enforcement” through promotion of workforce integrity.

PPA: Headquarters Management and Administration

Program Increase: Positions 29 FTE 15 Dollars \$5,300

|                        | FY 2007 Actual <sup>1</sup> |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos                         | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                             |           |                 |                 |           |                 | 58              | 58        | 10,600          |
| Program Increase       |                             |           |                 |                 |           |                 | 29              | 15        | 5,300           |
| <b>Total Request</b>   | <b>58</b>                   | <b>16</b> | <b>6,200</b>    | <b>58</b>       | <b>58</b> | <b>10,600</b>   | <b>87</b>       | <b>73</b> | <b>15,900</b>   |

<sup>1</sup> In order to handle the cases that were transferred from ICE to CBP in FY 2007 and to promote the integrity of our workforce, Internal Affairs (IA) redirected approximately \$6.2 million to accelerate the Conduct & Integrity Program the end of FY 2007. IA was able to accomplish this by restricting the hiring and the operations of other key critical and essential IA divisions that will need to be promoted in the coming year.

**Description:**

CBP requests \$5.3 million to hire an additional 24 GS-1801 Investigators and 5 support positions to address internal affairs staffing needs. By FY 2009, CBP will have a workforce of over 54,000, with frontline personnel conducting a mission that is vulnerable to corruption. FY 2009 will also be the second year developing a permanent, full-time cadre of investigators that is responsible for investigating all serious non-criminal misconduct allegations and lesser administrative violations involving CBP employees; as well as criminal allegations not related to corruption. In addition to addressing reports of alleged misconduct in a timely manner, the 50 investigators and 8 support positions that were added in FY 2008 will also be responsible for participating in active partnerships with the Department of Homeland Security Office of Inspector General, Immigration and Customs Enforcement’s Office of Professional Responsibility (ICE-OPR) and other Federal, state and local law enforcement authorities to proactively develop sources of information and new investigative subjects.

**Justification:**

Previously, CBP remained largely dependent upon ICE/OPR to police its workforce. Factors such as competing investigative priorities, staffing shortages and budget

constraints resulted in a significant backlog of OPR cases undermining CBP's ability to fulfill its management responsibilities. With the resources acquired in FY 2008, CBP will be able to initiate or effect approximately 1,350 cases of which 150 cases will result in adverse action, 600 cases will result in disciplinary action and 600 cases will be found unsubstantiated.

In addition to the above existing case load, with an additional 24 GS-1801 investigators and 5 support positions in FY 2009, CBP will initiate 1300 new cases, of which 125-150 will result in adverse action, 300 will result in disciplinary action and 650 cases will be found unsubstantiated.

Prior to hiring its own internal affairs investigative cadre, CBP routinely received investigative reports from outside agencies that were over two years old. Now, over half of the alleged misconduct cases assigned to CBP Internal Affairs investigators are completed in 6 months to a year. This increased efficiency enhances CBP's ability to carry out operations and manage its workforce. The hiring of 24 more internal affairs investigators in FY 2009 will help CBP in its goal to complete misconduct investigations in 180 days or less and promote CBP/IA's efforts to work cooperatively and collaboratively with the DHS Office of Inspector General and other law enforcement authorities on priority corruption cases involving CBP employees. Active participation by CBP internal affairs personnel in on-going corruption investigations enables CBP to assist in the establishment of investigative priorities and address potential operational vulnerabilities that impact national security. CBP/IA's partnership efforts have already led to our agents detecting active corruption in the workplace.

#### **Impact on Performance (Relationship of Increase to Strategic Goals):**

The continued growth of an anti-corruption program ensures the identification and mitigation/elimination of vulnerabilities in the workforce. A critical element of responsibility is control. The establishment and ongoing implementation of an internal anti-corruption program is dependent upon the identification of investigative priorities, timetables and deadlines for misconduct cases. Investigations will continue to be completed in line with CBP priorities.

With the alignment of an investigative function within CBP, efficiencies will continue to be realized by conducting investigations in closer cooperation with the operational management of CBP. Creating and continuing with a strong anti-corruption program provides CBP management the visibility to address corruption and serious misconduct matters as they occur. Participation in the internal affairs process affords CBP management the opportunity to mitigate operational vulnerabilities thus reducing exposure and minimizing the risk of potential terrorist activity that might be facilitated by a corrupt employee.

Supports DHS Strategic Goal 2.b "Interior Enforcement" through promotion of workforce integrity.

This initiative supports the Commissioner's objectives to:

- Strengthen employee base and integrity assurance
- Implement a proactive anti-corruption investigative program within CBP
- Ensure that allegations are investigated thoroughly, objectively and timely by CBP investigators

To avoid duplication of effort and ensure the most effective, efficient and deployment of resources, IA will investigate serious non-criminal conduct using GS-1801, personnel. All other matters will be processed through and referred to the CBP IA Investigative Operations Division fact-finders program or CBP management for action as deemed appropriate.

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 12:**                      CBP’s Regulatory Program

DHS Strategic Goal(s) & Objective: 2 PREVENTION - Provide Legal Basis for CBP Initiatives designed to Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity; 6 SERVICE - Provide Public Guidance and Direction to Facilitate Lawful Trade and Travel; and 7 ORGANIZATIONAL EXCELLENCE - Provide uniformity and efficiencies in regulations to promote unified DHS front line.

PPA: Inspections, Trade Facilitation at Ports of Entry

Program Increase: Positions 12   FTE 6   Dollars \$1,000

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 39              | 39        | 4,719           |
| Program Increase       |                |           |                 |                 |           |                 | 12              | 6         | 1,000           |
| <b>Total Request</b>   | <b>38</b>      | <b>38</b> | <b>4,214</b>    | <b>39</b>       | <b>39</b> | <b>4,719</b>    | <b>51</b>       | <b>45</b> | <b>5,719</b>    |

**Description of Item:**

CBP requests \$1 million to support CBP’s regulatory program. The requested funds will allow CBP to obtain an additional 7 attorneys, 2 economists, 2 paralegals and 1 mission support personnel. These personnel will ensure the efficient and legally-thorough drafting of new regulations; assist in the removal of obsolete and inconsistent regulations that may pre-date the Department’s creation; help issue guidance to the private sector on homeland security-related matters; and aid in the Department’s compliance with new Presidential mandates concerning legal review and processing of significant guidance documents issued by CBP.

**Justification:**

CBP Attorneys within Regulations and Rulings developed the first Advance Passenger Information System (APIS) Regulations in 2002 (with further revisions in 2005 and in 2007), the Trade Act of 2002 Advance Cargo information regulations in 2003, the Western Hemisphere Travel Initiative (WHTI) regulations (2006 and currently) requiring specific travel documents for persons arriving and leaving the U.S., and currently, the SAFE Port Act regulations to establish requirements for additional entry level data

elements for cargo shipped to the U.S. The steps necessary to satisfy these initiatives are legally complex and labor intensive and require extensive reviews by OMB for their economic impact. In addition, a variety of trusted traveler programs are being developed through Federal Register Notices and regulations e.g. (USPASS) prepared by Regulations and Rulings Attorneys. They also developed and must continue to develop the SORN and PIA for the new Automated Targeting System –Passenger module, *SBI<sub>net</sub>*, and for many other instruments required to support DHS border security initiatives and regulations.

As a consequence of all of these new laws, regulations, and the transition into the Department, all pre-existing regulations must be updated to reflect new requirements and reconciled to resolve conflicts and overlapping between legacy Customs Service and Immigration and Naturalization Service (INS) rules and procedures. Finally, the Administration's new requirements under recently issued Executive Order 13422 to identify all significant guidance documents issued will create an entirely new host of responsibilities for Regulatory Attorneys in CBP that did not previously exist.

In FY 2006, the structure of the Regulations and Rulings Attorneys was reorganized to help address these new requirements while meeting traditional customs responsibilities with existing staff. As border security measures have increased, Free Trade Agreements (FTA) also necessitating regulatory work products proliferated, and the SAFE Port Act of 2006 has required that attorneys be designated to work on FTA regulations.

In FY 2006-2007, the Border Security Regulations Branch within Regulations and Ruling had 33 projects and 6 staff attorneys and a supervisory attorney. Due to the complexity of WHTI-I and II and APIS, Border Security assigned 3 attorneys to work those projects full time. At the same time, the Trade and Commercial Regulations Branch had a minimum of 63 regulatory projects that included several time-consuming major Free Trade Agreement regulations, a noted priority under the SAFE Port Act.

At the present, CBP employs 2 economists to serve all of the agency's rulemaking needs. The economists conduct impact analyses on CBP's own regulatory projects, and coordinate and review the regulatory impact assessments relating to other DHS component initiatives. Additional economists will serve to alleviate CBP's concern with being able to respond to the Administration in a timely fashion on its highest priority regulatory projects.

### **Impact on Performance (Relationship of Increase to Strategic Goals):**

Enhancement of CBP's Regulatory Program will provide key support for the following DHS and CBP Strategic Goals.

DHS GOAL 2 – PREVENTION/ CBP GOAL 1: PREVENTING TERRORISM AT PORTS OF ENTRY

- The Regulations, other Federal Register Notices (described above) and Interpretive Guidance developed by CBP Attorneys in Regulations and Rulings, Office of International Trade, establish specific legal foundation for many CBP border security initiatives. To further support legal and operational implements of anti-terrorism, CBP Attorneys within Regulations and Rulings must establish civil enforcement guidelines relating to these initiatives, such as guidelines for the assessment and mitigation of penalties relating to new advance information requirements for Trade Act-cargo security, APIS violations, Maritime Transportation Security Act (MTSA) requirements and now the new SAFE Port Act requirements. These instruments in addition to case by case rulings and decisions on these laws serve as guidance documents for the private sector on border security requirements.
- With additional staffing of attorneys, economists and paralegals, a more organized process for developing, reviewing and managing these high priority border security projects can be implemented and allow for faster feedback to the department on the necessary pass-backs relating to major border security regulatory projects. CBP would be able to develop more quickly, without compromising quality, Regulations and Federal Register Notices that establish legal framework for new Border Security Initiatives because more than a single attorney can be regularly assigned to major rulemaking projects such as APIS, WHTI without falling behind in other essential rulemaking projects.

**DHS GOAL 6 SERVICE/ CBP GOAL 3 UNIFYING AS ONE BORDER AGENCY and  
CBP GOAL 4 FACILITATING LEGITIMATE TRADE AND TRAVEL**

- With an enhanced Regulatory Program, CBP will be able to provide better service and efficiencies in the administrative process for regulatory projects and issuance of decisions, rulings and other guidance documents to the private sector to assist in their meeting the new border security requirements.
- First, as mentioned above, with more staffing all regulatory projects can be processed faster by the office as a whole. Through a pre-existing tracking system under which the work of all attorneys on any given project can be accounted, reports on the status of these major projects can be readily obtained at anytime during the process. Also, with additional staffing, comprehensive rulemaking projects can be initiated in the regulations branches to remove and update legacy Customs Service and INS agency regulations currently codified in titles 19 and 8 of the Code of Federal Regulations. This will provide legal tools to support unified methods and consistencies in administrative procedures for processing of goods and people at our front lines.
- Finally, with additional staffing, CBP can improve the timeline in providing legal guidance (rulings and decisions) to the private sector on specific issues emanating from the application of the new border security laws and regulations to specific facts and circumstances.

DHS GOAL 7 ORGANIZATIONAL EXCELLENCE/ CBP GOAL 6 MODERNIZING AND MANAGING

- With additional regulatory attorney staffing CBP will be able to establish a comprehensive process for assisting the agency in meeting the new requirements under OMB's Good Guidance Bulletin (E.O. 13422) that requires a listing of significant guidance documents, reasons for their issuance, procedures for issuance or reasons for exemption from the OMB procedures. While legacy Customs Service guidance documents may be exempt from these new procedures under a Treasury waiver, none of legacy INS documents, such as guidance relating to title 8 regulatory requirements will be covered by this exemption. This is because even before today's heightened terrorist alert environment, immigration related regulations and notices were generally considered by OMB as "significant". As a result CBP expects to have to comply with this new requirement for all guidance documents relating to title 8 regulatory requirements.

## V. Exhibits and Other Supporting Material

### A. Justification of Proposed Legislative Language

For necessary expenses for enforcement of laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; purchase and lease of up to ~~6,300~~[4,500] (~~2,300~~~~3,300~~ for replacement only) police-type vehicles; and contracting with individuals for personal services abroad; [~~\$6,802,560,000~~]~~\$7,309,354,000~~, of which [~~\$3,093,000~~]~~\$3,154,000~~ shall be derived from the Harbor Maintenance Trust Fund for administrative expenses related to the collection of the Harbor Maintenance Fee pursuant to section 9505(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 9505(c)(3)) and notwithstanding section 1511(e)(1) of the Homeland Security Act of 2002 (6 U.S.C. 551(e)(1)); of which not to exceed \$45,000 shall be for official reception and representation expenses; of which not less than [~~\$226,740,000~~]~~\$254,279,000~~ shall be for Air and Marine Operations; [of which \$13,000,000 shall be used to procure commercially available technology in order to expand and improve the risk-based approach of the Department of Homeland Security to target and inspect cargo containers under the Secure Freight Initiative and the Global Trade Exchange; of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that account; ] of which not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations; and of which not to exceed \$1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Secretary of Homeland Security: Provided, [That of the amount provided under this heading, \$323,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): Provided further,] That for fiscal year [~~2008~~]~~2009~~, the overtime limitation prescribed in section 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 267(c)(1)) shall be \$35,000; and notwithstanding any other provision of law, none of the funds appropriated by this Act may be available to compensate any employee of U.S. Customs and Border Protection for overtime, from whatever source, in an amount that exceeds such limitation, except in individual cases determined by the Secretary of Homeland Security, or the designee of the Secretary, to be necessary for national security purposes, to prevent excessive costs, or in cases of immigration emergencies: [Provided further, That of the amount made available under this heading, \$202,816,000 shall remain available until September 30, 2009, to support software development, equipment, contract services, and the implementation of inbound lanes and modification to vehicle primary processing lanes at ports of entry; of which \$100,000 is to promote information and education exchange with nations friendly to the United States in order to promote sharing of best practices and technologies relating to homeland security, as authorized by section 879 of Public Law 107-296; and of which \$75,000,000 may not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive a report not later than 120 days after the date of enactment of this Act on the preliminary results of testing of pilots at ports of entry used to develop and implement the plan required by section 7209(b)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458; 8 U.S.C. 1185

note), which includes the following information: (1) infrastructure and staffing required, with associated costs, by port of entry; (2) updated milestones for plan implementation; (3) a detailed explanation of how requirements of such section have been satisfied; (4) confirmation that a vicinity-read radio frequency identification card has been adequately tested to ensure operational success; and (5) a description of steps taken to ensure the integrity of privacy safeguards]. (Department of Homeland Security Appropriations Act, 2008.)

## B. FY 2008 to FY 2009 Budget Change

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u>   | <u>FTE</u>    | <u>Amount</u>    |
|---|---------------|---------------|------------------|
| <b>2007 Actual</b> .....  | <b>39,818</b> | <b>35,621</b> | <b>6,193,390</b> |
| <b>2008 Enacted</b> .....   | <b>43,382</b> | <b>40,654</b> | <b>6,802,560</b> |
| <b>Adjustments-to-Base</b>  |               |               |                  |
| Increases   |               |               |                  |
| Annualization of prior year funding and 2007 Supplemental tail..... | 59            | 2,758         | 76,493           |
| Annualization of 2008 pay raise.....                                | ---           | ---           | 32,137           |
| 2009 pay increase.....  | ---           | ---           | 95,300           |
| Non-pay inflation .....   | ---           | ---           | 48,047           |
| <b>Total Increases</b> .....  | <b>59</b>     | <b>2,758</b>  | <b>251,977</b>   |
| Decreases   |               |               |                  |
| Termination FYF 2008 of one-time costs.....                         | ---           | ---           | (427,068)        |
| Management Efficiency .....   | ---           | ---           | (48,047)         |
| <b>Total Decreases</b> .....  | <b>---</b>    | <b>---</b>    | <b>(475,115)</b> |
| <b>Total Adjustments-to-Base</b> .....                              | <b>59</b>     | <b>2,758</b>  | <b>(223,138)</b> |
| <b>2009 Current Services</b> .....                                  | <b>43,441</b> | <b>43,412</b> | <b>6,579,422</b> |
| <b>Program Changes</b>  |               |               |                  |
| Program Increases   |               |               |                  |
| Border Patrol Agents and Support                                    | 2,641         | 1,321         | 442,432          |
| Air Staffing  | 24            | 12            | 4,000            |
| Western Hemisphere Travel Initiative (WHTI)                         | 89            | 45            | 106,900          |
| Radiation Portal Monitor (RPM) Staffing & O&M                       | 295           | 137           | 35,500           |
| Passenger Screening at Land Ports of Entry                          | 234           | 117           | 25,000           |
| US-VISIT Operations & Maintenance                                   | ---           | ---           | 62,800           |
| Replace Non-intrusive Inspection Equipment                          | ---           | ---           | 10,000           |
| Automated Targeting Systems- Passenger (ATS-P)                      | ---           | ---           | 5,000            |
| Ground Transportation   | 2             | 1             | 8,000            |
| CBP Intelligence Program  | 27            | 14            | 24,000           |
| Conduct & Integrity Oversight (Internal Affairs)                    | 29            | 15            | 5,300            |
| CBP's Regulatory Program  | 12            | 6             | 1,000            |
| <b>Total Program Changes</b> .....                                  | <b>3,353</b>  | <b>1,668</b>  | <b>729,932</b>   |
| <b>2009 Request</b> .....   | <b>46,794</b> | <b>45,080</b> | <b>7,309,354</b> |
| <b>2008 to 2009 Total Change</b> .....                              | <b>3,412</b>  | <b>4,426</b>  | <b>506,794</b>   |

The FY 2008 Enacted level includes \$323 million in emergency funding provided in P.L. 110-161.

## C. Summary of Requirements

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request  |               |                  |
|------------------------------|---------------|---------------|------------------|
|                              | Perm. Pos.    | FTE           | Amount           |
| <b>2007 Actual</b>           | <b>39,818</b> | <b>35,621</b> | <b>6,193,390</b> |
| <b>2008 Enacted</b>          | <b>43,382</b> | <b>40,654</b> | <b>6,802,560</b> |
| Adjustments-to-Base          |               |               |                  |
| Increases                    | 59            | 2,758         | 251,977          |
| Decreases                    | ---           | ---           | (475,115)        |
| Total Adjustments-to-Base    | 59            | 2,758         | (223,138)        |
| <b>2009 Current Services</b> | <b>43,441</b> | <b>43,412</b> | <b>6,579,422</b> |
| Program Changes              | 3,353         | 1,668         | 729,932          |
| <b>2009 Total Request</b>    | <b>46,794</b> | <b>45,080</b> | <b>7,309,354</b> |
| 2008 to 2009 Total Change    | 3,412         | 4,426         | 506,794          |

| Estimates by Program/Project Activity                                 | 2008 Enacted  |               |                    | 2009 Adjustments-to-Base |               |                  | 2009 Program Change |              |                  | 2009 Request  |               |                    | 2008 to 2009 Total Change |              |                  |
|---|---------------|---------------|--------------------|--------------------------|---------------|------------------|---------------------|--------------|------------------|---------------|---------------|--------------------|---------------------------|--------------|------------------|
|   | Pos.          | FTE           | Amount             | Pos.                     | FTE           | Amount           | Pos.                | FTE          | Amount           | Pos.          | FTE           | Amount             | Pos.                      | FTE          | Amount           |
| <b>1. Headquarters Management and Administration</b>                  | <b>3,738</b>  | <b>3,693</b>  | <b>\$1,221,341</b> | <b>45</b>                | <b>16,010</b> |                  | <b>56</b>           | <b>29</b>    | <b>\$29,300</b>  | <b>3,794</b>  | <b>3,767</b>  | <b>\$1,266,651</b> | <b>56</b>                 | <b>74</b>    | <b>\$45,310</b>  |
| At the Ports of Entry   | 2,114         | 2,087         | \$619,325          | 31                       | 10,376        |                  | 30                  | 15           | \$14,650         | 2,144         | 2,133         | \$644,351          | 30                        | 46           | \$25,026         |
| Between the Ports of Entry  | 1,624         | 1,606         | \$602,016          | 14                       | 5,634         |                  | 26                  | 14           | \$14,650         | 1,650         | 1,634         | \$622,300          | 26                        | 28           | \$20,284         |
| <b>2. Border Security Inspections and Trade Facilitation at POE's</b> | <b>17,708</b> | <b>17,060</b> | <b>\$2,279,247</b> | <b>59</b>                | <b>678</b>    | <b>(252,343)</b> | <b>630</b>          | <b>305</b>   | <b>\$246,200</b> | <b>18,397</b> | <b>18,043</b> | <b>\$2,273,104</b> | <b>689</b>                | <b>983</b>   | <b>(\$6,143)</b> |
| Inspections, Trade & Travel Facilitation at POE's                     | 17,072        | 16,465        | 1,854,235          | 59                       | 637           | (242,474)        | 630                 | 305          | 223,032          | 17,761        | 17,407        | 1,834,793          | 689                       | 942          | (19,442)         |
| Harbor Maintenance Fee Collection                                     | ---           | ---           | 3,093              | ---                      | ---           | 61               | ---                 | ---          | ---              | ---           | ---           | 3,154              | ---                       | ---          | 61               |
| International Cargo Screening   | 189           | 173           | 156,130            | ---                      | 16            | (6,680)          | ---                 | ---          | ---              | 189           | 189           | 149,450            | ---                       | 16           | (6,680)          |
| Other International Programs  | 101           | 101           | 10,866             | ---                      | ---           | 118              | ---                 | ---          | ---              | 101           | 101           | 10,984             | ---                       | ---          | 118              |
| C-TPAT(formerly C-TPAT/FAST/NEXUS/SENTRI)                             | 207           | 182           | 62,310             | ---                      | 25            | 2,186            | ---                 | ---          | ---              | 207           | 207           | 64,496             | ---                       | 25           | 2,186            |
| FAST/NEXUS/SENTRI   | ---           | ---           | 11,243             | ---                      | ---           | 31               | ---                 | ---          | ---              | ---           | ---           | 11,274             | ---                       | ---          | 31               |
| Inspection and Detection Technology                                   | ---           | ---           | 105,027            | ---                      | ---           | (6,051)          | ---                 | ---          | 18,168           | ---           | ---           | 117,144            | ---                       | ---          | 12,117           |
| Systems for Targeting   | 8             | 8             | 27,580             | ---                      | ---           | (30)             | ---                 | ---          | 5,000            | 8             | 8             | 32,550             | ---                       | ---          | 4,970            |
| National Targeting Center   | 131           | 131           | 23,950             | ---                      | ---           | 531              | ---                 | ---          | ---              | 131           | 131           | 24,481             | ---                       | ---          | 531              |
| Training at the Ports of Entry  | ---           | ---           | 24,813             | ---                      | ---           | (35)             | ---                 | ---          | ---              | ---           | ---           | 24,778             | ---                       | ---          | (35)             |
| <b>3. Border Security and Control between POE's</b>                   | <b>20,274</b> | <b>18,388</b> | <b>\$3,075,232</b> | <b>---</b>               | <b>1,886</b>  | <b>(10,344)</b>  | <b>2,643</b>        | <b>1,322</b> | <b>\$450,432</b> | <b>22,917</b> | <b>21,596</b> | <b>\$3,515,320</b> | <b>2,643</b>              | <b>3,208</b> | <b>\$440,088</b> |
| Border Security and Control between POE's                             | 20,144        | 18,297        | 3,022,443          | ---                      | 1,847         | (10,270)         | 2,643               | 1,322        | 428,332          | 22,787        | 21,466        | 3,440,505          | 2,643                     | 3,169        | 418,062          |
| Training Between the Ports of Entry                                   | 130           | 91            | 52,789             | ---                      | 39            | (74)             | ---                 | ---          | 22,100           | 130           | 130           | 74,815             | ---                       | 39           | 22,026           |
| <b>4. Air and Marine Operations--Salaries</b>                         | <b>1,662</b>  | <b>1,513</b>  | <b>\$226,740</b>   | <b>---</b>               | <b>149</b>    | <b>23,539</b>    | <b>24</b>           | <b>12</b>    | <b>\$4,000</b>   | <b>1,686</b>  | <b>1,674</b>  | <b>\$254,279</b>   | <b>24</b>                 | <b>161</b>   | <b>\$27,539</b>  |
| <b>Total</b>  | <b>43,382</b> | <b>40,654</b> | <b>6,802,560</b>   | <b>59</b>                | <b>2,758</b>  | <b>(223,138)</b> | <b>3,353</b>        | <b>1,668</b> | <b>729,932</b>   | <b>46,794</b> | <b>45,080</b> | <b>7,309,354</b>   | <b>3,412</b>              | <b>4,426</b> | <b>506,794</b>   |

## D. Summary of Reimbursable Resources

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source                   | FY 2007 Actual |     |                | 2008 Enacted |     |                | 2009 Estimate |     |                | Increase/Decrease |     |        |
|---|----------------|-----|----------------|--------------|-----|----------------|---------------|-----|----------------|-------------------|-----|--------|
|   | Pos.           | FTE | Amount         | Pos.         | FTE | Amount         | Pos.          | FTE | Amount         | Pos.              | FTE | Amount |
| ATF                                     |                |     | \$193          |              |     | \$193          |               |     | \$193          | ---               | --- | ---    |
| BLS                                     |                |     |                |              |     | \$10           |               |     | \$10           | ---               | --- | ---    |
| CIS                                     |                |     | \$842          |              |     | \$9,610        |               |     | \$9,610        | ---               | --- | ---    |
| Coast Guard, US Army Corps of Engineers |                |     | \$1,930        |              |     | \$935          |               |     | \$935          | ---               | --- | ---    |
| Defense Technical Security Admin.       |                |     |                |              |     | \$310          |               |     | \$310          | ---               | --- | ---    |
| DHS                                     |                |     | \$26,275       |              |     | \$3,793        |               |     | \$3,793        | ---               | --- | ---    |
| DHS-FEMA                                |                |     | \$100          |              |     |                |               |     |                | ---               | --- | ---    |
| DHS-ICE                                 |                |     | \$75,653       |              |     | \$42,124       |               |     | \$42,124       | ---               | --- | ---    |
| DHS, DOD, DOJ                           |                |     |                |              |     | \$81           |               |     | \$81           | ---               | --- | ---    |
| DHS, HUD, HHS, SSA, FDA                 |                |     | 184            |              |     | \$582          |               |     | \$582          | ---               | --- | ---    |
| DOD                                     |                |     | \$3,071        |              |     | \$2,600        |               |     | \$2,600        | ---               | --- | ---    |
| DOJ                                     |                |     |                |              |     | \$1,870        |               |     | \$1,870        | ---               | --- | ---    |
| DOS                                     |                |     | \$4,300        |              |     | \$81,223       |               |     | \$81,223       | ---               | --- | ---    |
| EOAF                                    |                |     |                |              |     | \$39,150       |               |     | \$39,150       | ---               | --- | ---    |
| EPA                                     |                |     | \$44           |              |     |                |               |     |                | ---               | --- | ---    |
| FAA                                     |                |     | \$5            |              |     | \$325          |               |     | \$325          | ---               | --- | ---    |
| FDA                                     |                |     | \$149          |              |     |                |               |     |                | ---               | --- | ---    |
| ITC                                     |                |     |                |              |     | \$7            |               |     | \$7            | ---               | --- | ---    |
| JTFW                                    |                |     |                |              |     | \$25           |               |     | \$25           | ---               | --- | ---    |
| NOAA                                    |                |     | \$60           |              |     |                |               |     |                | ---               | --- | ---    |
| Treasury                                |                |     |                |              |     | \$2,100        |               |     | \$2,100        | ---               | --- | ---    |
| TS&A                                    |                |     |                |              |     | \$3,000        |               |     | \$3,000        | ---               | --- | ---    |
| US VISIT                                |                |     |                |              |     | \$91,000       |               |     | \$91,000       | ---               | --- | ---    |
| USAID                                   |                |     | \$99           |              |     | \$2,000        |               |     | \$2,000        | ---               | --- | ---    |
| USDA                                    |                |     | 178            |              |     | 1,010          |               |     | 1,010          | ---               | --- | ---    |
| Dept. Of Veterans Affairs               |                |     | 35             |              |     |                |               |     |                | ---               | --- | ---    |
| Other                                   |                |     | 328            |              |     |                |               |     |                | ---               | --- | ---    |
| <b>Total Budgetary Resources</b>        | ---            | --- | <b>113,175</b> | ---          | --- | <b>283,950</b> | ---           | --- | <b>283,950</b> | ---               | --- | ---    |

| Collections by Source           | FY 2007 Actual |              |                  | 2008 Enacted |              |                  | 2009 Estimate |              |                  | Increase/Decrease |     |               |
|---------------------------------|----------------|--------------|------------------|--------------|--------------|------------------|---------------|--------------|------------------|-------------------|-----|---------------|
|                                 | Pos.           | FTE          | Amount           | Pos.         | FTE          | Amount           | Pos.          | FTE          | Amount           | Pos.              | FTE | Amount        |
| COBRA                           | 1,462          | 1,462        | 372,750          | 1,538        | 1,538        | 392,146          | 1,538         | 1,538        | 410,666          | ---               | --- | 18,520        |
| Land Fees                       | 262            | 262          | 33,146           | 287          | 287          | 26,509           | 287           | 287          | 26,880           | ---               | --- | 371           |
| Immigration User Fee            | 3,953          | 3,953        | 518,425          | 4,777        | 4,777        | 561,954          | 4,777         | 4,777        | 570,059          | ---               | --- | 8,105         |
| Enforcement Fees                | 28             | 28           | 3,972            | 23           | 23           | 3,284            | 23            | 23           | 3,331            | ---               | --- | 47            |
| APHIS                           | 2,083          | 2,083        | 286,399          | 2,332        | 2,332        | 320,609          | 2,332         | 2,332        | 333,433          | ---               | --- | 12,824        |
| <b>Subtotal, Mandatory Fees</b> | <b>7,788</b>   | <b>7,788</b> | <b>1,214,692</b> | <b>8,987</b> | <b>8,987</b> | <b>1,304,502</b> | <b>8,987</b>  | <b>8,987</b> | <b>1,344,369</b> | ---               | --- | <b>39,867</b> |

\*Small Airports and Puerto Rico do not reimburse the S&E Account

| Obligations by Program/Project Activity          | FY 2007 Actual |              |                  | 2008 Enacted |              |                  | 2009 Estimate |              |                  | Increase/Decrease |     |                  |
|--|----------------|--------------|------------------|--------------|--------------|------------------|---------------|--------------|------------------|-------------------|-----|------------------|
|  | Pos.           | FTE          | Amount           | Pos.         | FTE          | Amount           | Pos.          | FTE          | Amount           | Pos.              | FTE | Amount           |
| Headquarters Management and Administration       |                |              | \$235,118        |              |              |                  |               |              | \$235,118        | ---               | --- | 235,118          |
| Inspections, Trade & Travel Facilitation at POEs |                |              | \$5,823          |              |              |                  |               |              | \$5,823          | ---               | --- | 5,823            |
| Salaries and Expenses                            |                |              |                  |              |              | \$25,941         |               |              |                  | ---               | --- | (\$25,941)       |
| <b>Total Direct Obligations</b>                  | ---            | ---          | <b>\$20,941</b>  | ---          | ---          | <b>\$25,941</b>  | ---           | ---          | <b>\$20,941</b>  | ---               | --- | <b>(\$5,000)</b> |
| COBRA  | 1,462          | 1,462        | 372,750          | 1,538        | 1,538        | 392,146          | 1,538         | 1,538        | 410,666          | ---               | --- | 18,520           |
| Land Fees  | 262            | 262          | 33,146           | 287          | 287          | 26,509           | 287           | 287          | 26,880           | ---               | --- | 371              |
| Immigration User Fee                             | 3,953          | 3,953        | 518,425          | 4,777        | 4,777        | 561,954          | 4,777         | 4,777        | 570,059          | ---               | --- | 8,105            |
| Enforcement Fees                                 | 28             | 28           | 3,972            | 23           | 23           | 3,284            | 23            | 23           | 3,331            | ---               | --- | 47               |
| APHIS  | 2,083          | 2,083        | 286,399          | 2,332        | 2,332        | 320,609          | 2,332         | 2,332        | 333,433          | ---               | --- | 12,824           |
| <b>Subtotal, Mandatory Fees</b>                  | <b>7,788</b>   | <b>7,788</b> | <b>1,214,692</b> | <b>8,987</b> | <b>8,987</b> | <b>1,304,502</b> | <b>8,987</b>  | <b>8,987</b> | <b>1,344,369</b> | ---               | --- | <b>39,867</b>    |

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | 2007 Actual        | 2008 Enacted       | 2009 Request       | 2008 - 2009 Change |
|---|--------------------|--------------------|--------------------|--------------------|
| 11.1 Total FTE & personnel compensation               | 2,235,836          | 2,818,280          | 2,986,506          | \$168,226          |
| 11.3 Other than full-time permanent                   | 14,555             | 28,570             | 37,306             | 8,736              |
| 11.5 Other Personnel Compensation                     | 512,502            | 357,229            | 368,484            | 11,255             |
| 11.8 Special Service Pay                              | -                  | -                  | 802                | 802                |
| 12.1 Benefits   | 1,049,593          | 1,195,461          | 1,283,700          | 88,239             |
| 13.0 Benefits - former                                | 620                | 663                | 900                | 237                |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$3,813,107</b> | <b>\$4,400,203</b> | <b>\$4,677,698</b> | <b>\$277,495</b>   |
| Other Object Classes:                                 |                    |                    |                    |                    |
| 21.0 Travel   | 145,234            | 164,312            | 213,489            | 49,177             |
| 22.0 Transportation of things                         | 13,794             | 11,933             | 13,590             | 1,657              |
| 23.1 GSA rent   | 274,493            | 261,918            | 268,111            | 6,193              |
| 23.2 Other rent                                       | 14,505             | 34,663             | 34,665             | 2                  |
| 23.3 Communications, utilities, & other misc. charges | 111,020            | 109,745            | 111,947            | 2,202              |
| 24.0 Printing and reproduction                        | 7,079              | 7,697              | 8,034              | 337                |
| 25.1 Advisory and assistance services                 | 45,248             | 29,821             | 29,821             | ---                |
| 25.2 Other services                                   | 675,698            | 1,003,798          | 803,969            | (199,829)          |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 106,002            | 106,500            | 109,453            | 2,953              |
| 25.4 Operation & maintenance of facilities            | 99,457             | 93,467             | 93,467             | ---                |
| 25.5 Research and development contracts               | 120                | 327                | 366                | 239                |
| 25.6 Medical care                                     | 8,607              | ---                | -                  | ---                |
| 25.7 Operation and maintenance of equipment           | 114,887            | 80,450             | 80,074             | (376)              |
| 25.8 Subsistence and support of persons               | 1,737              | (364)              | -                  | 364                |
| 26.0 Supplies and materials                           | 145,343            | 118,842            | 136,186            | 17,344             |
| 31.0 Equipment  | 613,685            | 596,140            | 717,551            | 121,411            |
| 32.0 Land & structures                                | 393                | 7,939              | 7,939              | ---                |
| 42.0 Indemnity  | 2,858              | 2,649              | 2,649              | ---                |
| 91.0 Unvouchered                                      | 121                | 145                | 145                | ---                |
| 99.0 Other  | ---                | ---                | ---                | ---                |
| <b>Total, Other Object Classes</b>                    | <b>\$2,380,282</b> | <b>\$2,629,982</b> | <b>\$2,631,656</b> | <b>\$1,674</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$6,193,388</b> | <b>\$7,030,185</b> | <b>\$7,309,354</b> | <b>\$279,169</b>   |
| Unobligated balance, start of year                    | (395,997)          | (227,626)          |                    |                    |
| Unobligated balance, end of year                      | 227,626            |                    |                    |                    |
| Recoveries of prior year obligations                  | (25,206)           |                    |                    |                    |
| <b>Total requirements</b>                             | <b>\$5,999,811</b> | <b>\$6,802,559</b> | <b>\$7,309,354</b> | <b>\$506,795</b>   |

## F. Permanent Position by Grade

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Permanent Positions by Grade**

| Grades and Salary Ranges                                   | 2007           | 2008            | 2009            | 2008 to 2009    |
|--|----------------|-----------------|-----------------|-----------------|
|  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES   | 77             | 69              | 69              | ---             |
| Total, EX  | 1              | 1               | 1               | ---             |
|  |                |                 |                 | ---             |
| GS-15  | 524            | 442             | 445             | 3               |
| GS-14  | 1,898          | 1,619           | 1,758           | 139             |
| GS-13  | 3,940          | 3,707           | 3,757           | 50              |
| GS-12  | 6,319          | 5,730           | 6,148           | 418             |
| GS-11  | 21,837         | 22,861          | 23,298          | 437             |
| GS-10  | 352            | 367             | 367             | ---             |
| GS-9   | 3,355          | 4,409           | 4,411           | 2               |
| GS-8   | 90             | 295             | 295             | ---             |
| GS-7   | 5,398          | 10,908          | 13,270          | 2,362           |
| GS-6   | 238            | 425             | 425             | ---             |
| GS-5   | 3,283          | 1,746           | 1,747           | 1               |
| GS-4   | 176            | 215             | 215             | ---             |
| GS-3   | 64             | 74              | 74              | ---             |
| GS-2   | 45             | 46              | 46              | ---             |
| Other Graded Positions                                     | 9              | 8               | 8               | ---             |
| Fee Funded Positions Except Puerto Rico and Small Airports | (7,788)        | (9,540)         | (9,540)         | ---             |
| <b>Total Permanent Positions</b>                           | <b>39,818</b>  | <b>43,382</b>   | <b>46,794</b>   | <b>3,412</b>    |
| Unfilled Positions EOY                                     | ---            | ---             | ---             | ---             |
| Total Perm. Employment EOY                                 | 39,818         | 43,382          | 46,794          | 3,412           |
| <b>FTE</b>   | <b>35,621</b>  | <b>40,654</b>   | <b>45,080</b>   | <b>4,426</b>    |
| Headquarters   | 2,779          | 3,056           | 3,291           | 235             |
| U.S. Field   | 35,604         | 38,895          | 42,072          | 3,177           |
| Foreign Field  | 1,435          | 1,431           | 1,431           | ---             |
| <b>Total Permanent Positions</b>                           | <b>39,818</b>  | <b>43,382</b>   | <b>46,794</b>   | <b>3,412</b>    |
| <b>Average ES Salary</b>                                   | \$ 158,725     | \$ 163,645      | \$ 168,718      | \$ 5,073        |
| <b>Average GS Salary</b>                                   | \$ 61,408      | \$ 63,312       | \$ 65,274       | \$ 1,963        |
| <b>Average GS Grade</b>                                    | 10.38          | 10.57           | 10.57           | ---             |

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

|  | 2007               | 2008               | 2009               | 2008 to 2009    |
|--|--------------------|--------------------|--------------------|-----------------|
| PPA: Headquarters Management and Administration          | Actual             | Enacted            | Request            | Change          |
| <b>Object Classes:</b>                                   |                    |                    |                    |                 |
| 11.1 Perm Positions                                      | 248,645            | 237,851            | 252,839            | \$14,988        |
| 11.3 Other than perm                                     | 4,587              | 4,304              | 4,433              | 129             |
| 11.5 Other per comp                                      | 1,309              | 1,219              | 1,274              | 55              |
| 11.8 Spec Srvc Pay                                       | ---                | ---                | 784                | 784             |
| 12.1 Benefits  | 143,540            | 136,121            | 141,743            | 5,622           |
| 13.0 Benefits-former                                     | 620                | 583                | 600                | 17              |
| 21.0 Travel  | 27,334             | 25,755             | 25,821             | 66              |
| 22.0 Transportation of things                            | 4,585              | 4,066              | 4,066              | ---             |
| 23.1 GSA rent  | 228,938            | 212,223            | 212,760            | 537             |
| 23.2 Other rent  | 3,418              | 4,176              | 4,176              | ---             |
| 23.3 Communication, Utilities, and misc charges          | 46,856             | 43,844             | 43,929             | 85              |
| 24.0 Printing  | 6,666              | 6,188              | 6,188              | ---             |
| 25.1 Advisory & Assistance Services                      | 32,181             | 29,821             | 29,821             | ---             |
| 25.2 Other Services                                      | 237,091            | 233,429            | 255,697            | 22,268          |
| 25.3 Purchase from Govt. Accts.                          | 53,642             | 49,648             | 49,749             | 101             |
| 25.4 Operation & maintenance of facilities               | 53,635             | 49,716             | 49,716             | ---             |
| 25.5 Research & Development                              | 118                | 106                | 238                | 132             |
| 25.7 Operation & maintenance of equipment                | 37,792             | 34,926             | 34,550             | (376)           |
| 25.8 Subsistence & Support of persons                    | ---                | (376)              | ---                | 376             |
| 26.0 Supplies & materials                                | 32,159             | 30,072             | 30,101             | 29              |
| 31.0 Equipment   | 121,518            | 114,818            | 115,314            | 496             |
| 32.0 Land & Structures                                   | 219                | 202                | 202                | ---             |
| 42.0 Indemnity   | 2,858              | 2,649              | 2,649              | ---             |
| <b>Total, Headquarters Management and Administration</b> | <b>\$1,287,712</b> | <b>\$1,221,341</b> | <b>\$1,266,650</b> | <b>\$45,309</b> |
| Full Time Equivalents                                    | 3,601              | 3,693              | 3,767              | 74              |

Footnote: Totals may not add due to rounding.

### Headquarters Management and Administration

Headquarters Management and Administrative provides critical policy and operational direction, mission support, including equipment, training, and technical expertise to CBP front-line personnel. This program is essential in carrying out CBP's dual mission of protecting our homeland while facilitating legitimate trade and travel.

### Summary Justification and Explanation of Changes

|                              | 2007             | 2008             | 2009             | 2008 to 2009    |
|------------------------------|------------------|------------------|------------------|-----------------|
|                              | Actual           | Enacted          | Request          | Change          |
| <b>Salaries and Benefits</b> | <b>\$398,703</b> | <b>\$380,078</b> | <b>\$401,673</b> | <b>\$21,595</b> |

Salaries and Benefits includes costs for 3,767 FTEs. The FY 2009 request includes an increase of \$8,607,000 for pay inflation, a increase of \$2,851,000 for pay annualization, a increase of \$3,381,000 for Integrity Oversight annualization, program increases of \$6,629,000, a annualization increase of \$3,002,000 for the FY 2007 Supplemental and a decrease of \$2,874,000 for non-recurring expenses.

|               | 2007            | 2008            | 2009            | 2008 to 2009 |
|---------------|-----------------|-----------------|-----------------|--------------|
|               | Actual          | Enacted         | Request         | Change       |
| <b>Travel</b> | <b>\$27,334</b> | <b>\$25,755</b> | <b>\$25,821</b> | <b>\$66</b>  |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes \$67,000 in annualization from the FY 2007 Supplemental.

|                                 | 2007           | 2008           | 2009           | 2008 to 2009 |
|---------------------------------|----------------|----------------|----------------|--------------|
|                                 | Actual         | Enacted        | Request        | Change       |
| <b>Transportation of Things</b> | <b>\$4,585</b> | <b>\$4,066</b> | <b>\$4,066</b> | <b>\$0</b>   |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$228,938      | \$212,223       | \$212,760       | \$537                  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a program increase of \$220,000 and a annualization increase of \$317,000 from the FY 2007 Supplemental.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$3,418        | \$4,176         | \$4,176         | \$0                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$46,856       | \$43,844        | \$43,929        | \$85                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a annualization increase of \$85,000 from the FY 2007 Supplemental.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$6,666        | \$6,188         | \$6,188         | \$0                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$32,181       | \$29,821        | \$29,821        | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$237,091      | \$233,429       | \$255,697       | \$22,268               |

Other Contractual Services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a program increase of \$21,894,000 and \$373,000 annualization for Anti-Dumping Enforcement funded in the FY 2008 enactment.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$53,642       | \$49,648        | \$49,749        | \$101                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes a program increase of \$7,000 and a increase of \$94,000 as result of annualization from the FY 2007 Supplemental.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$53,635       | \$49,716        | \$49,716        | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$118          | \$106           | \$238           | \$132                  |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2008 request includes a program increase of \$124,000 and a \$8,000 increase for annualization of the FY 2007 Supplemental.

|   | 2007     | 2008     | 2009     | 2008 to 2009 |
|---|----------|----------|----------|--------------|
|   | Actual   | Enacted  | Request  | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$37,792 | \$34,926 | \$34,550 | (\$376)      |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a decrease of \$376,000.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Subsistence &amp; Support of Persons</b> | \$0    | (\$376) | \$0     | \$376        |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes an increase of \$376,000.

|                                 | 2007     | 2008     | 2009     | 2008 to 2009 |
|---------------------------------|----------|----------|----------|--------------|
|                                 | Actual   | Enacted  | Request  | Change       |
| <b>Supplies &amp; materials</b> | \$32,159 | \$30,072 | \$30,101 | \$29         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a program increase of \$14,000 and an increase of \$15,000 for the annualization of the FY 2007 Supplemental.

|                  | 2007      | 2008      | 2009      | 2008 to 2009 |
|------------------|-----------|-----------|-----------|--------------|
|                  | Actual    | Enacted   | Request   | Change       |
| <b>Equipment</b> | \$121,518 | \$114,818 | \$115,314 | \$496        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a program increase of \$412,000 and a of \$84,000 for the annualization of the FY 2007 Supplemental.

|                              | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------------------|--------|---------|---------|--------------|
|                              | Actual | Enacted | Request | Change       |
| <b>Land &amp; Structures</b> | \$219  | \$202   | \$202   | \$0          |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no change.

|                  | 2007    | 2008    | 2009    | 2008 to 2009 |
|------------------|---------|---------|---------|--------------|
|                  | Actual  | Enacted | Request | Change       |
| <b>Indemnity</b> | \$2,858 | \$2,649 | \$2,649 | \$0          |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|  |  | 2007               | 2008               | 2009               | 2008 to 2009       |
|--|--|--------------------|--------------------|--------------------|--------------------|
|  |  | Actual             | Enacted            | Request            | Change             |
| <b>PPA: Inspections, Trade &amp; Travel Facilitation at POEs</b>   |  |                    |                    |                    |                    |
| <b>Object Classes:</b>   |  |                    |                    |                    |                    |
| 11.1   | Perm Positions                             | 973,608            | 979,898            | 1,045,281          | \$65,383           |
| 11.3   | Other than perm                            | 8,936              | 10,494             | 18,686             | 8,192              |
| 11.5   | Other per comp                             | 165,700            | 109,135            | 112,956            | 3,821              |
|  |  | ---                |                    | (30)               |                    |
| 11.8   | Spec Srvc Pay                              | ---                | ---                | ---                | ---                |
| 12.1   | Benefits                                   | 338,800            | 318,959            | 331,776            | 12,817             |
| 21.0   | Travel                                     | 19,818             | 11,761             | 14,286             | 2,525              |
| 22.0   | Transportation of things                   | 2,506              | 1,559              | 1,708              | 149                |
| 23.1   | GSA rent                                   | 3,687              | 13,584             | 9,754              | (3,830)            |
| 23.2   | Other rent                                 | 1,227              | 1,253              | 1,262              | 9                  |
| 23.3   | Communication, Utilities, and misc charges | 21,269             | 22,659             | 24,475             | 1,816              |
| 24.0   | Printing                                   | 38                 | 87                 | 230                | 142                |
| 25.1   | Advisory & Assistance Services             | 7,592              | ---                | ---                | ---                |
| 25.2   | Other Services                             | 39,439             | 270,110            | 57,143             | (212,967)          |
| 25.3   | Purchase from Govt. Accts.                 | 4,323              | 35,767             | 38,550             | 2,783              |
| 25.4   | Operation & maintenance of facilities      | 14,587             | 19,184             | 19,184             | ---                |
| 25.5   | Research & Development                     | 2                  | ---                | ---                | ---                |
| 25.6   | Medical care                               | 495                | ---                | ---                | ---                |
| 25.7   | Operation & maintenance of equipment       | 9,074              | 4,103              | 4,103              | ---                |
| 25.8   | Subsistence & Support of persons           | 592                | ---                | ---                | ---                |
| 26.0   | Supplies & materials                       | 16,682             | 15,826             | 18,943             | 3,117              |
| 31.0   | Equipment                                  | 45,438             | 140,856            | 134,918            | (5,938)            |
| 32.0   | Land & Structures                          | 9                  | ---                | ---                | ---                |
| 91.0   | Unvouchered                                | 1                  | 1                  | 1                  | ---                |
| <b>Total, Inspections, Trade &amp; Travel Facilitation at POEs</b> |  | <b>\$1,673,823</b> | <b>\$1,955,236</b> | <b>\$1,834,793</b> | <b>(\$120,443)</b> |
| <b>Full Time Equivalents</b>                                       |  | <b>15,523</b>      | <b>16,465</b>      | <b>17,407</b>      | <b>942</b>         |

Footnote: Totals may not add due to rounding.

**Inspections, Trade & Travel at the POE's**

The purpose of Inspections, Trade and Travel Facilitation at Ports of Entry (POEs) is to facilitate the flow of legitimate travel and trade across U.S. borders, while ensuring that threats to the United States are not allowed entry, using technology, intelligence and risk information, targeting, and international cooperation in the screening of entering international cargo and travelers and departing export cargo. This program reduces the potential of terrorists, instruments of terror, and contraband from entering our country, while facilitating the legal flow of people and trade by deploying CBP Officers, Agricultural Specialists, and Imports Specialists to the ports of entry. The goal of this program is to improve compliance with trade regulations and other mandatory import/export guidance while increasing the security of the United States.

**Summary Justification and Explanation of Changes**

|                              | 2007               | 2008               | 2009               | 2008 to 2009    |
|------------------------------|--------------------|--------------------|--------------------|-----------------|
|                              | Actual             | Enacted            | Request            | Change          |
| <b>Salaries and Benefits</b> | <b>\$1,487,044</b> | <b>\$1,418,486</b> | <b>\$1,508,669</b> | <b>\$90,213</b> |

Salaries and Benefits includes costs for 17,407 FTEs. The FY 2009 request includes an increase of \$9,773,000 for pay annualization, \$29,319,000 for pay inflation, \$3,846,000 for WHTI annualization, \$2,201,000 for CBPOs authorized under the Safe Port Act, \$22,254,000 for program changes, \$41,976,000 for annualization of the FY 2007 Supplemental, \$705,000 for a PPA realignment from Inspection and Detection Technology and a decrease of \$76,698,000 for non-recurring expenses.

|               | 2007            | 2008            | 2009            | 2008 to 2009   |
|---------------|-----------------|-----------------|-----------------|----------------|
|               | Actual          | Enacted         | Request         | Change         |
| <b>Travel</b> | <b>\$19,818</b> | <b>\$11,761</b> | <b>\$14,286</b> | <b>\$2,525</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$1,706,00 for program increases, \$110,000 for a PPA realignment from Inspection and Detection Technology, \$1,744,000 for the FY 2007 Supplemental and a decrease of \$1,035,000 for non recurring expenses.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$2,506        | \$1,559         | \$1,708         | \$149                  |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$57,000 for program increases, \$93,000 for FY 2007 Supplemental costs and a decrease of \$1,000 for a PPA realignment from Inspection and Detection Technology.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$3,687        | \$13,584        | \$9,754         | (\$3,830)              |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a increase of \$6,537,000 for recurring cost for the FY 2007 Supplemental, program increases of \$19,240,000 and a decrease of \$42,000 for PPA realignment from Inspection and Detection Technology.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$1,227        | \$1,253         | \$1,262         | \$9                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes a increase of \$9,000 for PPA realignment from Inspection and Detection Technology

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$21,269       | \$22,659        | \$24,475        | \$1,816                |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a increase of \$79,000 for PPA realignment from Inspection and Detection Technology PPA, a increase of \$1,327,000 for FY 2007 Supplemental cost, program increases of \$543,000 and a decrease of \$133,000 for Secure Freight non recurring expenses,

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$38           | \$87            | \$230           | \$142                  |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes program increases of \$49,000, \$95,000 for the FY 2007 Supplemental and a decrease of \$1,000 for Secure Freight non recurring expenses.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$7,592        | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$39,439       | \$270,110       | \$57,143        | (\$212,967)            |

Other Contractual Services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a increase of \$206,000 for the FY 2007 Supplemental, program increases of \$79,299,000, \$9,145,000 PPA realignment from Inspection and Detection Technology and a decrease of \$260,038,000 in non-recurals. FY 2008 numbers reflect \$36,849,000 in FY 2007 carry over balances.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$4,323        | \$35,767        | \$38,550        | \$2,783                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes a increase of \$2,249,000 for the FY 2007 Supplemental and program increases of \$49,717,000. FY 2008 numbers reflect \$35,700,000 in FY 2007 carry over

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$14,587       | \$19,184        | \$19,184        | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$2            | \$0             | \$0             | \$0                    |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request has no change.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$495          | \$0             | \$0             | \$0                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request has no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$9,074        | \$4,103         | \$4,103         | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request has no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$592          | \$0             | \$0             | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$16,682       | \$15,826        | \$18,943        | \$3,117                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a PPA realignment of \$46,000, an increase of \$1,078,000 for the FY 2007 Supplemental, \$2,029,000 in program increases and a decrease of \$36,000

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$45,438       | \$140,856       | \$134,918       | (\$5,938)              |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a PPA realignment of \$1,944,000 from Inspection Detection and Technology, an increase of \$5,364,000 for the FY 2007 Supplemental, \$42,641,000 in program increases and a decrease of \$27,484,000 for non recurring expenses. FY 2008 number reflect \$28,453,000 of FY 2007 carry over balances.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$9            | \$0             | \$0             | \$0                    |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no change.

|                    | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------|----------------|-----------------|-----------------|------------------------|
| <b>Unvouchered</b> | \$1            | \$1             | \$1             | \$0                    |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: Harbor Maintenance Fee Collection          |  | 2007           | 2008           | 2009           | 2008 to 2009 |
|---|--|----------------|----------------|----------------|--------------|
| Object Classes:                                 |  | Actual         | Enacted        | Request        | Change       |
| 11.1  | Perm Positions                             | -              | 2,251          | 2,295          | \$44         |
| 11.3  | Other than perm                            | ---            | 31             | 32             | 1            |
| 12.1  | Benefits                                   | ---            | 563            | 580            | 17           |
| 21.0  | Travel                                     | ---            | 30             | 30             | ---          |
| 23.3  | Communication, Utilities, and misc charges | 3,026          | 5              | 5              | ---          |
| 25.2  | Other Services                             | ---            | 165            | 165            | ---          |
| 26.0  | Supplies & materials                       | ---            | 30             | 30             | ---          |
| 31.0  | Equipment                                  | ---            | 18             | 18             | ---          |
| <b>Total, Harbor Maintenance Fee Collection</b> |  | <b>\$3,026</b> | <b>\$3,093</b> | <b>\$3,155</b> | <b>\$62</b>  |
| Full Time Equivalents                           |  | ---            | ---            | ---            | ---          |

Footnote: Totals may not add due to rounding.

**Harbor Maintenance Fee Collection**

The Harbor Maintenance Fee is an Army Corps of Engineers (COE) fee, which is collected for the operation and maintenance, as well as improvements, of U.S. channels and harbors. CBP is reimbursed for a portion of the costs associated with the collection of the fee for the COE.

**Summary Justification and Explanation of Changes**

|                              | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------------------|--------|---------|---------|--------------|
|                              | Actual | Enacted | Request | Change       |
| <b>Salaries and Benefits</b> | \$0    | \$2,845 | \$2,907 | \$62         |

Salaries and Benefits includes costs for 0 FTEs. The FY 2009 request includes an increase of \$64,000 for pay inflation, \$21,000 for pay annualization and a decrease of \$24,000 for non recurring expenses.

|               | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------|--------|---------|---------|--------------|
|               | Actual | Enacted | Request | Change       |
| <b>Travel</b> | \$0    | \$30    | \$30    | \$0          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|  | 2007    | 2008    | 2009    | 2008 to 2009 |
|--|---------|---------|---------|--------------|
|  | Actual  | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$3,026 | \$5     | \$5     | \$0          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                       | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------------|--------|---------|---------|--------------|
|                       | Actual | Enacted | Request | Change       |
| <b>Other Services</b> | \$0    | \$165   | \$165   | \$0          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes no change.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$0    | \$30    | \$30    | \$0          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------|--------|---------|---------|--------------|
|                  | Actual | Enacted | Request | Change       |
| <b>Equipment</b> | \$0    | \$18    | \$18    | \$0          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|   | 2007             | 2008             | 2009           | 2008 to 2009     |
|---|------------------|------------------|----------------|------------------|
| PPA: International Cargo Screening              | Actual           | Enacted          | Request        | Change           |
| <b>Object Classes:</b>                          |                  |                  |                |                  |
| 11.1 Perm Positions                             | 27,002           | 21,828           | 24,430         | \$2,602          |
| 11.3 Other than perm                            | 10               | 61               | 63             | 2                |
| 11.5 Other per comp                             | 1,165            | 219              | 228            | 9                |
| 11.8 Spec Srvc Pay                              | ---              | ---              | 13             | 13               |
| 12.1 Benefits                                   | 15,449           | 10,393           | 11,311         | 918              |
| 21.0 Travel                                     | 13,834           | 20,506           | 20,557         | 51               |
| 22.0 Transportation of things                   | 1,611            | 1,317            | 1,319          | 2                |
| 23.1 GSA rent                                   | 1,500            | (9)              | 206            | 215              |
| 23.2 Other rent                                 | 360              | 2                | 2              | ---              |
| 23.3 Communication, Utilities, and misc charges | 13,256           | 8,017            | 8,066          | 49               |
| 24.0 Printing                                   | ---              | 1,122            | 1,124          | 2                |
| 25.1 Advisory & Assistance Services             | 2,282            | ---              | ---            | ---              |
| 25.2 Other Services                             | 27,098           | 50,519           | 39,386         | (11,133)         |
| 25.3 Purchase from Govt. Accts.                 | 15,542           | 14,002           | 14,067         | 65               |
| 25.4 Operation & maintenance of facilities      | 16               | ---              | ---            | ---              |
| 25.5 Research & Development                     | ---              | ---              | 30             | 30               |
| 25.6 Medical care                               | 46               | ---              | ---            | ---              |
| 25.7 Operation & maintenance of equipment       | 3,472            | 1,014            | 1,014          | ---              |
| 26.0 Supplies & materials                       | 1,047            | 2,008            | 2,030          | 22               |
| 31.0 Equipment                                  | 14,755           | 25,075           | 25,548         | 473              |
| 91.0 Unvouchered                                | 53               | 56               | 56             | ---              |
| <b>Total, International Cargo Screening</b>     | <b>\$138,499</b> | <b>\$156,130</b> | <b>149,450</b> | <b>(\$6,680)</b> |
| Full Time Equivalents                           | 164              | 173              | 189            | 16               |

Footnote: Totals may not add due to rounding.

**International Cargo Screening**

International Cargo Screening (ICS), which includes CBP's Container Security Initiative (CSI) and Secure Freight Initiative (SFI), enhance the security of maritime containerized shipping from exploitation by terrorists. ICS's goal is three-fold: (1) to expand operations to new critical international seaports; (2) to secure and improve operations at existing ports; and (3) to encourage global efforts to enhance maritime container security through capacity building. Working with foreign administrations, CSI is designed to achieve a more secure maritime trade environment while ensuring the need for efficiency in global commerce. The three core elements of the program are: (1) establishing security criteria and identify high-risk containers; (2) scanning those containers identified as high-risk prior to arrival at U.S. ports; (3) using technology to quickly scan high-risk containers.

The SFI builds on the operational pillars of the DHS Container Security Initiative (CSI) and the Department of Energy Mega ports initiative to maximize radiological and nuclear screening of U.S. bound maritime containers in foreign ports of departure. It merges data from a next generation risk assessment screening program and an overseas integrated detection network with existing and new information regarding maritime containers transiting through the supply chain in order to create detailed records for CBP's risk management process to target maritime containers that pose a threat.

**Summary Justification and Explanation of Changes**

|                              | 2007            | 2008            | 2009            | 2008 to 2009   |
|------------------------------|-----------------|-----------------|-----------------|----------------|
|                              | Actual          | Enacted         | Request         | Change         |
| <b>Salaries and Benefits</b> | <b>\$43,626</b> | <b>\$32,501</b> | <b>\$36,045</b> | <b>\$3,544</b> |

Salaries and Benefits includes costs for 189 FTEs. The FY 2009 request includes an increase of \$244,000 for pay annualization, \$731,000 for pay inflation, \$1,002,000 for Secure Freight annualization, \$2,009,000 for the FY 2007 Supplemental and a decrease of \$442,000 for non recurring expenses.

|               | 2007            | 2008            | 2009            | 2008 to 2009 |
|---------------|-----------------|-----------------|-----------------|--------------|
|               | Actual          | Enacted         | Request         | Change       |
| <b>Travel</b> | <b>\$13,834</b> | <b>\$20,506</b> | <b>\$20,557</b> | <b>\$51</b>  |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a increase of \$51,000 for recurring cost associated with the FY 2007 Supplemental.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$1,611        | \$1,317         | \$1,319         | \$2                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes an increase of \$2,000 for recurring cost for the FY 2007 Supplemental.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$1,500        | (\$9)           | \$206           | \$215                  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$215,000 for recurring cost associated with the FY 2007 Supplemental.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$360          | \$2             | \$2             | \$0                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$13,256       | \$8,017         | \$8,066         | \$49                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$49,000 for recurring cost associated with the FY 2007 Supplemental.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$0            | \$1,122         | \$1,124         | \$2                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$2,000 for recurring cost associated with the FY 2007 Supplemental.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$2,282        | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$27,098       | \$50,519        | \$39,386        | (\$11,133)             |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a decrease of \$11,135,000 of non recurring expenses for the Secure Freight program and \$2,000 recurring cost associated with the FY 2007 Supplemental.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$15,542       | \$14,002        | \$14,067        | \$65                   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes \$65,000 for recurring cost associated with the FY 2007 Supplemental.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$0            | \$0             | \$30            | \$30                   |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request includes \$30,000 for recurring cost associated with the FY 2007 Supplemental.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$46           | \$0             | \$0             | \$0                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request has no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$3,472        | \$1,014         | \$1,014         | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | 2007    | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|---------|---------|---------|--------------|
|                                 | Actual  | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$1,047 | \$2,008 | \$2,030 | \$22         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes \$22,000 recurring cost associated with the FY 2007 Supplemental.

|                  | 2007     | 2008     | 2009     | 2008 to 2009 |
|------------------|----------|----------|----------|--------------|
|                  | Actual   | Enacted  | Request  | Change       |
| <b>Equipment</b> | \$14,755 | \$25,075 | \$25,548 | \$473        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase to \$98,000 of FY 2007 Supplemental recurring expenses and \$375,000 to recur FY 2007 Supplemental O&M.

|                    | 2007   | 2008    | 2009    | 2008 to 2009 |
|--------------------|--------|---------|---------|--------------|
|                    | Actual | Enacted | Request | Change       |
| <b>Unvouchered</b> | \$53   | \$56    | \$56    | \$0          |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: Other International Programs          |  | 2007            | 2008            | 2009            | 2008 to 2009 |
|--|--|-----------------|-----------------|-----------------|--------------|
| Object Classes:                            |  | Actual          | Enacted         | Request         | Change       |
| 11.1                                       | Perm Positions                             | 6,368           | 5,874           | 5,934           | \$60         |
| 11.3                                       | Other than perm                            | 74              | 31              | 32              | 1            |
| 11.5                                       | Other per comp                             | 61              | 9               | 10              | 1            |
| 12.1                                       | Benefits                                   | 1,816           | 1,916           | 1,972           | 56           |
| 21.0                                       | Travel                                     | 1,248           | 648             | 648             | ---          |
| 22.0                                       | Transportation of things                   | 49              | 70              | 70              | ---          |
| 23.3                                       | Communication, Utilities, and misc charges | 159             | 71              | 71              | ---          |
| 25.1                                       | Advisory & Assistance Services             | 510             | ---             | -               | ---          |
| 25.2                                       | Other Services                             | 3,903           | 1,698           | 1,700           | 2            |
| 25.3                                       | Purchase from Govt. Accts.                 | 573             | ---             | -               | ---          |
| 25.7                                       | Operation & maintenance of equipment       | 6               | ---             | -               | ---          |
| 25.8                                       | Subsistence & Support of persons           | ---             | 12              | 12              | ---          |
| 26.0                                       | Supplies & materials                       | 127             | 160             | 159             | (1)          |
| 31.0                                       | Equipment                                  | 704             | 377             | 376             | (1)          |
| <b>Total, Other International Programs</b> |  | <b>\$15,597</b> | <b>\$10,866</b> | <b>\$10,984</b> | <b>\$118</b> |
| Full Time Equivalents                      |  | 101             | 101             | 101             | ---          |

Footnote: Totals may not add due to rounding.

**Other International Programs**

The goal of Other International Programs is to extend the U.S. zone of security beyond US Borders by promoting international border security and global standards. In this arena, CBP implements programs and initiatives that support the U.S. Government's objectives in anti-terrorism, border security, non-proliferation, export controls, immigration and capacity building. This program's efforts foster and facilitate legitimate international trade, increase compliance, build alliances to combat trans-national crime, reduce corruption, strengthen border controls, promote the rule of law and enhance economic stability throughout the world. This is accomplished through the development and maintenance of collaborative relations with foreign governments, the development of international strategies, and representation of CBP positions in various international forums, international technical assistance and training, and the negotiation of international agreements.

In FY 2009, CBP will pursue international partnerships to share best practices, exchange information and promote the facilitation of secure travel and trade; actively support implementation of the World Customs Organization framework; and implement initiatives to support an international immigration strategy to identify and interdict high risk travelers.

**Summary Justification and Explanation of Changes**

|                              | 2007           | 2008           | 2009           | 2008 to 2009 |
|------------------------------|----------------|----------------|----------------|--------------|
|                              | Actual         | Enacted        | Request        | Change       |
| <b>Salaries and Benefits</b> | <b>\$8,319</b> | <b>\$7,830</b> | <b>\$7,948</b> | <b>\$118</b> |

Salaries and Benefits includes costs for 101 FTEs. The FY 2009 request includes an increase of \$176,000 for pay inflation, \$59,000 for pay annualization and a decrease of \$117,000 in non recurring expenses.

|               | 2007           | 2008         | 2009         | 2008 to 2009 |
|---------------|----------------|--------------|--------------|--------------|
|               | Actual         | Enacted      | Request      | Change       |
| <b>Travel</b> | <b>\$1,248</b> | <b>\$648</b> | <b>\$648</b> | <b>\$0</b>   |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|                                 | 2007        | 2008        | 2009        | 2008 to 2009 |
|---------------------------------|-------------|-------------|-------------|--------------|
|                                 | Actual      | Enacted     | Request     | Change       |
| <b>Transportation of Things</b> | <b>\$49</b> | <b>\$70</b> | <b>\$70</b> | <b>\$0</b>   |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|  | 2007         | 2008        | 2009        | 2008 to 2009 |
|--|--------------|-------------|-------------|--------------|
|  | Actual       | Enacted     | Request     | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$159</b> | <b>\$71</b> | <b>\$71</b> | <b>\$0</b>   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|   | 2007         | 2008       | 2009       | 2008 to 2009 |
|---|--------------|------------|------------|--------------|
|   | Actual       | Enacted    | Request    | Change       |
| <b>Advisory and Assistance Services</b> | <b>\$510</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$3,903        | \$1,698         | \$1,700         | \$2                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a increase of \$2,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$573          | \$0             | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$6            | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$0            | \$12            | \$12            | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes a decrease of \$12,000.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$127          | \$160           | \$159           | (\$1)                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$704          | \$377           | \$376           | (\$1)                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a increase of \$12,000.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|   | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>PPA: C-TPAT</b>                              |                 |                 |                 |                        |
| <b>Object Classes:</b>                          |                 |                 |                 |                        |
| 11.1 Perm Positions                             | 16,449          | 29,261          | 29,410          | \$149                  |
| 11.3 Other than perm                            | ---             | 18              | 19              | 1                      |
| 11.5 Other per comp                             | 3,415           | 39              | 40              | 1                      |
| 12.1 Benefits                                   | 5,963           | 3,486           | 3,571           | 85                     |
| 21.0 Travel                                     | 9,914           | 7,931           | 7,931           | ---                    |
| 22.0 Transportation of things                   | 264             | 322             | 322             | ---                    |
| 23.1 GSA rent                                   | 2,084           | 3,988           | 3,988           | ---                    |
| 23.3 Communication, Utilities, and misc charges | 45              | 184             | 184             | ---                    |
| 25.1 Advisory & Assistance Services             | 21              | ---             | -               | ---                    |
| 25.2 Other Services                             | 5,530           | 7,618           | 9,568           | 1,950                  |
| 25.3 Purchase from Govt. Accts.                 | ---             | 12              | 12              | ---                    |
| 25.4 Operation & maintenance of facilities      | 1,821           | ---             | -               | ---                    |
| 25.5 Research & Development                     | ---             | 221             | 221             | ---                    |
| 25.6 Medical care                               | 1               | ---             | -               | ---                    |
| 25.7 Operation & maintenance of equipment       | 1,004           | ---             | -               | ---                    |
| 26.0 Supplies & materials                       | 754             | 1,170           | 1,170           | ---                    |
| 31.0 Equipment                                  | 2,452           | 8,060           | 8,060           | ---                    |
| <b>Total, C-TPAT</b>                            | <b>\$49,717</b> | <b>\$62,310</b> | <b>\$64,496</b> | <b>\$2,186</b>         |
| Full Time Equivalents                           | 157             | 182             | 207             | 25                     |

Footnote: Totals may not add due to rounding.

**C-TPAT (formerly C-TPAT/FAST/NEXUS/SENTRI)**

The Customs-Trade Partnership Against Terrorism (C-TPAT) is a partnership between the Federal government and private industry. It is an effort that CBP has undertaken with the business community to secure the supply chain. The goal of C-TPAT is to develop and maintain a secure supply chain, from factory floor to port of entry, which enables CBP to facilitate trade and ensure safe and secure borders. C-TPAT is designed to use and enhance the security processes and procedures currently employed by the trade community and ensure that international shipments are not compromised nor diverted by terrorists or their accomplices.

**Summary Justification and Explanation of Changes**

|                              | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | <b>\$25,827</b> | <b>\$32,804</b> | <b>\$33,040</b> | <b>\$236</b>           |

Salaries and Benefits includes costs for 207 FTEs. The FY 2009 request includes an increase of \$270,000 for pay inflation, \$246,000 for pay annualization and a decrease of \$280,000 for non recurring expenses.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$9,914</b> | <b>\$7,931</b>  | <b>\$7,931</b>  | <b>\$0</b>             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | <b>\$264</b>   | <b>\$322</b>    | <b>\$322</b>    | <b>\$0</b>             |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|          | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------|----------------|-----------------|-----------------|------------------------|
| GSA rent | \$2,084        | \$3,988         | \$3,988         | \$0                    |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| Communication, Utilities, and miscellaneous charges | \$45           | \$184           | \$184           | \$0                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
| Advisory and Assistance Services | \$21           | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|----------------|-----------------|-----------------|------------------------|
| Other Services | \$5,530        | \$7,618         | \$9,568         | \$1,950                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes an increase of \$1,950,000 in annualization as a result of the FY 2008 enactment.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|------------------------|
| Operation & maintenance of facilities | \$1,821        | \$0             | \$0             | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                          | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------------|----------------|-----------------|-----------------|------------------------|
| Research and Development | \$0            | \$221           | \$221           | \$0                    |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request includes no change.

|              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------|----------------|-----------------|-----------------|------------------------|
| Medical Care | \$1            | \$0             | \$0             | \$0                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes no change.

|                                      | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------------------------|----------------|-----------------|-----------------|------------------------|
| Operation & Maintenance of equipment | \$1,004        | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                      | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------|----------------|-----------------|-----------------|------------------------|
| Supplies & materials | \$754          | \$1,170         | \$1,170         | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request includes no change.

|           | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------|----------------|-----------------|-----------------|------------------------|
| Equipment | \$2,452        | \$8,060         | \$8,060         | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: FAST/NEXUS/SENTRI                          | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>                          |                 |                 |                 |                        |
| 11.1 Perm Positions                             | -               | -               | -               | \$0                    |
| 12.1 Benefits                                   | 648             | -               | -               | ---                    |
| 21.0 Travel                                     | -               | 486             | 476             | (10)                   |
| 23.3 Communication, Utilities, and misc charges | 105             | -               | -               | ---                    |
| 25.1 Advisory & Assistance Services             | 65              | -               | -               | ---                    |
| 25.2 Other Services                             | 7,269           | 8,622           | 8,706           | 84                     |
| 25.3 Purchase from Govt. Accts.                 | 1,500           | -               | -               | ---                    |
| 25.4 Operation & maintenance of facilities      | 2               | -               | -               | ---                    |
| 25.7 Operation & maintenance of equipment       | 382             | -               | -               | ---                    |
| 25.8 Subsistence & Support of persons           | 3               | -               | -               | ---                    |
| 26.0 Supplies & materials                       | 51              | -               | -               | ---                    |
| 31.0 Equipment                                  | 1,215           | 2,135           | 2,092           | (43)                   |
| <b>Total, FAST/NEXUS/SENTRI</b>                 | <b>\$11,239</b> | <b>\$11,243</b> | <b>\$11,274</b> | <b>\$31</b>            |
| Full Time Equivalents                           | ---             | ---             | ---             | ---                    |

Footnote: Totals may not add due to rounding.

**FAST/NEXUS/SENTRI**

The Free and Secure Trade (FAST) program is the cargo equivalent to facilitative programs in the passenger environment such as SENTRI and NEXUS. Importers, commercial carriers, truck drivers, and manufacturers (for Southern Border FAST), who enroll in FAST and meet agreed upon security criteria, including participation in the C-TPAT program, are entitled to expedited clearance at the port of entry. Using electronic data transmission and transponder technology, CBP expedites clearance of approved trade participants. The FAST program fosters more secure supply chains and enables CBP to focus security efforts and inspections where they are needed most – on high-risk commerce while making sure legitimate, low-risk commerce is not unnecessarily delayed.

**Summary Justification and Explanation of Changes**

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| Salaries and Benefits | \$648          | \$0             | \$0             | \$0                    |

Salaries and Benefits includes cost for 0 FTEs.

|        | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------|----------------|-----------------|-----------------|------------------------|
| Travel | \$0            | \$486           | \$476           | (\$10)                 |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an decrease of \$10,000 for non recurring expenses.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| Communication, Utilities, and miscellaneous charges | \$105          | \$0             | \$0             | \$0                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
| Advisory and Assistance Services | \$65           | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no changes.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$7,269        | \$8,622         | \$8,706         | \$84                   |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a increase of \$84,000 for non recurring expenses.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$1,500        | \$0             | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$2            | \$0             | \$0             | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$382          | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$3            | \$0             | \$0             | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$51           | \$0             | \$0             | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$1,215        | \$2,135         | \$2,092         | (\$43)                 |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a decrease of \$43,000 for non recurring expenses.

**Department of Homeland Security**  
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**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|   | 2007             | 2008             | 2009             | 2008 to 2009    |
|---|------------------|------------------|------------------|-----------------|
|   | Actual           | Enacted          | Request          | Change          |
| <b>PPA: Inspection and Detection Technology</b> |                  |                  |                  |                 |
| <b>Object Classes:</b>                          |                  |                  |                  |                 |
| 11.1 Perm Positions                             | 2,468            | -                | -                | \$0             |
| 11.5 Other per comp                             | ---              | ---              | ---              | ---             |
| 12.1 Benefits                                   | 570              | ---              | ---              | ---             |
| 21.0 Travel                                     | 817              | 720              | 1,115            | 395             |
| 23.1 GSA rent                                   | 534              | (424)            | (378)            | 46              |
| 23.2 Other rent                                 | 1                | 107              | 100              | (7)             |
| 23.3 Communication, Utilities, and misc charges | 196              | 865              | 789              | (76)            |
| 24.0 Printing                                   | 8                | 9                | 11               | 2               |
| 25.2 Other Services                             | 67,290           | 88,230           | 91,428           | 3,198           |
| 25.3 Purchase from Govt. Accts.                 | 232              | ---              | ---              | ---             |
| 25.4 Operation & maintenance of facilities      | 3,010            | ---              | ---              | ---             |
| 25.7 Operation & maintenance of equipment       | 1,553            | ---              | ---              | ---             |
| 26.0 Supplies & materials                       | 187              | 505              | 462              | (45)            |
| 31.0 Equipment                                  | 123,271          | 15,015           | 23,617           | 8,602           |
| <b>PPA: Inspection and Detection Technology</b> | <b>\$200,137</b> | <b>\$105,027</b> | <b>\$117,144</b> | <b>\$12,117</b> |
| Full Time Equivalents                           | 42               | ---              | ---              | ---             |

Footnote: Totals may not add due to rounding.

**Inspection and Detection Technology**

As trade increases, CBP's reliance on Non-Intrusive Inspection (NII) technology to secure the borders becomes increasingly critical. In conjunction with CBP's many other initiatives (C-TPAT, Automated Targeting System (ATS), National Targeting Center (NTC), Container Security Initiative (CSI), etc.), NII allows us to work smarter. An adversary can defeat any single sensor or device, and therefore, CBP does not rely on any single technology or inspection process. Instead, CBP uses various technologies in different combinations to substantially increase the likelihood that a nuclear or radiological weapon or weapons grade material will be detected. In addition, CBP uses NII technology to detect and interdict narcotics, currency, and other contraband secreted in large containers and commercial shipments.

NII technology has been the cornerstone of CBP's multi-layered strategy. Technologies deployed to our nation's land, sea, and airports of entry include large-scale X-ray and gamma-imaging systems, as well as a variety of portable and handheld technologies, to include our recent focus on radiation detection technology. NII technologies are viewed as force multipliers that enable us to screen or examine a larger portion of the stream of commercial traffic while facilitating the flow of legitimate trade, cargo and passengers.

**Summary Justification and Explanation of Changes**

|                              | 2007           | 2008       | 2009       | 2008 to 2009 |
|------------------------------|----------------|------------|------------|--------------|
|                              | Actual         | Enacted    | Request    | Change       |
| <b>Salaries and Benefits</b> | <b>\$3,038</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b>   |

Salaries and Benefits includes costs for 0 FTEs. The FY 2009 request includes a increase of \$1,032,000 for RPM staffing annualization, a increase of \$538,000 for non recurring expenses, a decrease of \$705,000 for a PPA realignment to Inspections, Trade and Travel Facilitation at POEs, and a decrease of \$865,000 for an object class adjustment.

|               | 2007         | 2008         | 2009           | 2008 to 2009 |
|---------------|--------------|--------------|----------------|--------------|
|               | Actual       | Enacted      | Request        | Change       |
| <b>Travel</b> | <b>\$817</b> | <b>\$720</b> | <b>\$1,115</b> | <b>\$395</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$500,000 for program increase, \$5,000 for an object class readjustment, and a decrease of \$110,000 for a PPA realignment to Inspections, Trade and Travel Facilitaion at POEs.

|                 | 2007         | 2008           | 2009           | 2008 to 2009 |
|-----------------|--------------|----------------|----------------|--------------|
|                 | Actual       | Enacted        | Request        | Change       |
| <b>GSA rent</b> | <b>\$534</b> | <b>(\$424)</b> | <b>(\$378)</b> | <b>\$46</b>  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes increase of \$42,000 and a object class adjustment of \$4,000.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$1            | \$107           | \$100           | (\$7)                  |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes a decrease of \$9,000 for a PPA realignment to Inspections, Trade and Travel Facilitation at POEs and a object class adjustment of \$2,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$196          | \$865           | \$789           | (\$76)                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a PPA realignment of \$79,000 to Inspections, Trade and Travel Facilitation at POEs and a object class adjustment of \$3,000.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$8            | \$9             | \$11            | \$2                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes a object class adjustment of \$2,000.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$67,290       | \$88,230        | \$91,428        | \$3,198                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a PPA realignment of \$9,145,000 to Inspections, Trade and Travel Facilitation at POEs and a object class adjustment of \$475,000 and program increase of \$11,868,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$232          | \$0             | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$3,010        | \$0             | \$0             | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1,553        | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | Actual | Enacted | Request | Change |
|---------------------------------|--------|---------|---------|--------|
| <b>Supplies &amp; materials</b> | \$187  | \$505   | \$462   | (\$43) |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a PPA realignment of \$46,000 to Inspection, Trade and Travel Facilitation at POEs and a object class adjustment of \$3,000.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$123,271      | \$15,015        | \$23,617        | \$8,602                |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a PPA realignment of \$1,994,000 to Inspections, Trade and Travel Facilitation at POEs, a increase of \$4,250,000 for the FY 2007 Supplemental, \$5,800,000 in program increases and \$546,000 for a object class adjustment.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: Systems for Targeting          |  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------------|--|-----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>              |  |                 |                 |                 |                        |
| 11.1                                | Perm Positions                             | 929             | 383             | 352             | (\$31)                 |
| 11.3                                | Other than perm                            | 14              | ---             | ---             | ---                    |
| 12.1                                | Benefits                                   | 190             | 22              | ---             | ---                    |
| 21.0                                | Travel                                     | 918             | 89              | 89              | ---                    |
| 23.3                                | Communication, Utilities, and misc charges | 35              | 17              | 17              | ---                    |
| 25.2                                | Other Services                             | 7,003           | 12,885          | 15,287          | 2,402                  |
| 25.7                                | Operation & maintenance of equipment       | 14,597          | 10,102          | 10,102          | ---                    |
| 26.0                                | Supplies & materials                       | 59              | 63              | 63              | ---                    |
| 31.0                                | Equipment                                  | 3,056           | 4,019           | 6,619           | 2,600                  |
| <b>Total, Systems for Targeting</b> |  | <b>\$26,801</b> | <b>\$27,580</b> | <b>\$32,551</b> | <b>\$4,971</b>         |
| Full Time Equivalents               |  | 16              | 8               | 8               | ---                    |

Footnote: Totals may not add due to rounding.

**Systems for Targeting**

At the core of CBP's ability to achieve its critical border security objectives and maintain the flow of lawful commerce is CBP's ability to identify high-risk travelers and goods for inspection while allowing the vast majority of law abiding travelers and commerce to continue to their destination without unnecessary delay. Legislation and regulatory action, such as the Trade Act of 2002 and the Safe Port Act, respectively, have made it mandatory to provide advance information about passengers and goods arriving in the U.S. CBP uses computer technology and rule-based applications to analyze the data provided on passengers and shipments arriving in the U.S. CBP applies its targeting methods against the data to determine which passengers or shipments need to be segregated for a closer look and possibly inspection.

The main platform CBP uses to analyze arriving passenger and shipment data is the Automated Targeting System (ATS). ATS is a web-based enforcement and decision support tool that is the cornerstone for all CBPs targeting efforts. ATS incorporates intelligence information and technologies to target suspect inbound and outbound shipments for examinations and passengers for inspection. In this way, ATS allows CBP officers to focus their efforts on cargo shipments and passengers that most warrant further attention. ATS standardizes names, addresses, ship names, and similar data so these data elements can be more easily associated with other business data to form a more complete picture of a passenger, import, or export in context with previous behavior of the parties involved. Every passenger and shipment processed through ATS is subjected to a real-time risk evaluation. Risk assessment strategies are multi-tiered in their approach and are founded on complex statistical studies, data analysis, and rules based on knowledge engineering.

**Summary Justification and Explanation of Changes**

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | <b>\$1,133</b> | <b>\$405</b>    | <b>373</b>      | <b>(\$32)</b>          |

Salaries and Benefits includes costs for 8 FTEs. The FY 2009 request includes an increase of \$9,000 for pay inflation, \$3,000 for pay annualization, and a decrease of \$42,000 for non recurring expenses.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$918</b>   | <b>\$89</b>     | <b>\$89</b>     | <b>\$0</b>             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charge</b> | <b>\$35</b>    | <b>\$17</b>     | <b>\$17</b>     | <b>\$0</b>             |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                       | 2007          | 2008           | 2009           | 2008 to 2009  |
|-----------------------|---------------|----------------|----------------|---------------|
|                       | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Other Services</b> | \$7,003       | \$12,885       | \$15,287       | \$2,402       |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a program increase of \$2,400,000.

|   | 2007          | 2008           | 2009           | 2008 to 2009  |
|---|---------------|----------------|----------------|---------------|
|   | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Operation &amp; Maintenance of equipment</b> | \$14,597      | \$10,102       | \$10,102       | \$0           |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2008 request includes no change.

|                                 | 2007          | 2008           | 2009           | 2008 to 2009  |
|---------------------------------|---------------|----------------|----------------|---------------|
|                                 | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Supplies &amp; materials</b> | \$59          | \$63           | \$63           | \$0           |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007          | 2008           | 2009           | 2008 to 2009  |
|------------------|---------------|----------------|----------------|---------------|
|                  | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Equipment</b> | \$3,056       | \$4,019        | \$6,619        | \$2,600       |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a program increase of \$2,600,000.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: National Targeting Center          |  | 2007            | 2008            | 2009            | 2008 to 2009 |
|---|--|-----------------|-----------------|-----------------|--------------|
| Object Classes:                         |  | Actual          | Enacted         | Request         | Change       |
| 11.1                                    | Pem Positions                              | 9,268           | 11,227          | 11,424          | \$197        |
| 11.3                                    | Other than pem                             | 48              | --              | --              | --           |
| 11.5                                    | Other per comp                             | 1,132           | 558             | 574             | 16           |
| 12.1                                    | Benefits                                   | 4,274           | 3,551           | 3,657           | 106          |
| 21.0                                    | Travel                                     | 3,449           | 3,198           | 3,198           | --           |
| 22.0                                    | Transportation of things                   | 219             | 13              | 13              | --           |
| 23.1                                    | GSA rent                                   | 1,010           | 1,395           | 1,395           | --           |
| 23.3                                    | Communication, Utilities, and misc charges | 91              | 1,645           | 1,645           | --           |
| 24.0                                    | Printing                                   | 5               | 9               | 9               | --           |
| 25.2                                    | Other Services                             | 2,235           | 207             | 208             | 1            |
| 25.3                                    | Purchase from Govt. Accts.                 | 288             | --              | --              | --           |
| 25.4                                    | Operation & maintenance of facilities      | 115             | 1,228           | 1,228           | --           |
| 25.7                                    | Operation & maintenance of equipment       | 162             | --              | --              | --           |
| 26.0                                    | Supplies & materials                       | 169             | 202             | 202             | --           |
| 31.0                                    | Equipment                                  | 1,057           | 717             | 927             | 210          |
| <b>Total, National Targeting Center</b> |  | <b>\$23,521</b> | <b>\$23,950</b> | <b>\$24,480</b> | <b>\$530</b> |
| Full Time Equivalents                   |  | 101             | 131             | 131             | --           |

Footnote: Totals may not add due to rounding.

**National Targeting Center**

The priority mission of the U.S. Customs and Border Protection's National Targeting Center (NTC) is to provide around-the-clock tactical targeting and analytical research support for CBP anti-terrorism efforts. NTC is primarily staffed by CBP Officers and Field Analysis Specialists who are experts in passenger and cargo targeting for air, sea, and land operations in the inbound and outbound environments. The NTC staff develops tactical targets from raw intelligence in support of the CBP mission to detect and prevent terrorists and terrorist weapons from entering the United States. NTC supports all CBP field elements, including Container Security Initiative personnel stationed in countries throughout the world, with additional research assets for passenger and cargo examinations.

**Summary Justification and Explanation of Changes**

|                              | 2007            | 2008            | 2009            | 2008 to 2009 |
|------------------------------|-----------------|-----------------|-----------------|--------------|
|                              | Actual          | Enacted         | Request         | Change       |
| <b>Salaries and Benefits</b> | <b>\$14,722</b> | <b>\$15,336</b> | <b>\$15,655</b> | <b>\$319</b> |

Salaries and Benefits includes costs for 131 FTEs. The FY 2009 request includes increases of \$115,000 for pay annualization, a increase of \$345,000 for pay inflation, and a decrease of \$139,000 in non recurring expenses.

|               | 2007           | 2008           | 2009           | 2008 to 2009 |
|---------------|----------------|----------------|----------------|--------------|
|               | Actual         | Enacted        | Request        | Change       |
| <b>Travel</b> | <b>\$3,449</b> | <b>\$3,198</b> | <b>\$3,198</b> | <b>\$0</b>   |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|                                 | 2007         | 2008        | 2009        | 2008 to 2009 |
|---------------------------------|--------------|-------------|-------------|--------------|
|                                 | Actual       | Enacted     | Request     | Change       |
| <b>Transportation of Things</b> | <b>\$219</b> | <b>\$13</b> | <b>\$13</b> | <b>\$0</b>   |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|                 | 2007    | 2008    | 2009    | 2008 to 2009 |
|-----------------|---------|---------|---------|--------------|
|                 | Actual  | Enacted | Request | Change       |
| <b>GSA rent</b> | \$1,010 | \$1,395 | \$1,395 | \$0          |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no change.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$91   | \$1,645 | \$1,645 | \$0          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------|--------|---------|---------|--------------|
|                 | Actual | Enacted | Request | Change       |
| <b>Printing</b> | \$5    | \$9     | \$9     | \$0          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no change.

|                       | 2007    | 2008    | 2009    | 2008 to 2009 |
|-----------------------|---------|---------|---------|--------------|
|                       | Actual  | Enacted | Request | Change       |
| <b>Other Services</b> | \$2,235 | \$207   | \$208   | \$1          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes no change.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Purchase from Government Accounts</b> | \$288  | \$0     | \$0     | \$0          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Operation &amp; maintenance of facilities</b> | \$115  | \$1,228 | \$1,228 | \$0          |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$162  | \$0     | \$0     | \$0          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no increase.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$169  | \$202   | \$202   | \$0          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007    | 2008    | 2009    | 2008 to 2009 |
|------------------|---------|---------|---------|--------------|
|                  | Actual  | Enacted | Request | Change       |
| <b>Equipment</b> | \$1,057 | \$717   | \$927   | \$210        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$210,000 in recurring expenses from the FY 2007 Supplemental.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|   | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>PPA: Training at the Ports of Entry</b>      |                 |                 |                 |                        |
| <b>Object Classes:</b>                          |                 |                 |                 |                        |
| 11.1 Perm Positions                             | 13              | -               | -               | \$0                    |
| 12.1 Benefits                                   | 2               | ---             | ---             | ---                    |
| 21.0 Travel                                     | 10,610          | 8,954           | 8,954           | ---                    |
| 22.0 Transportation of things                   | 1               | ---             | ---             | ---                    |
| 23.1 GSA rent                                   | 1               | ---             | ---             | ---                    |
| 23.3 Communication, Utilities, and misc charges | 98              | 148             | 148             | ---                    |
| 25.1 Advisory & Assistance Services             | 1               | ---             | ---             | ---                    |
| 25.2 Other Services                             | 3,982           | 10,020          | 9,985           | (\$35)                 |
| 25.3 Purchase from Govt. Accts.                 | 3,934           | ---             | ---             | ---                    |
| 25.4 Operation & maintenance of facilities      | 316             | ---             | ---             | ---                    |
| 25.7 Operation & maintenance of equipment       | 37              | ---             | ---             | ---                    |
| 26.0 Supplies & materials                       | 1,757           | 1,837           | 1,837           | ---                    |
| 31.0 Equipment                                  | 4,584           | 3,854           | 3,854           | ---                    |
| 32.0 Land & Structures                          | 111             | ---             | ---             | ---                    |
| <b>Total, Training at the Ports of Entry</b>    | <b>\$25,447</b> | <b>\$24,813</b> | <b>\$24,778</b> | <b>(\$35)</b>          |
| Full Time Equivalents                           | ---             | ---             | ---             | ---                    |

Footnote: Totals may not add due to rounding.

**Training at the Ports of Entry**

The Office of Training and Development exists to develop and deliver basic, mid, and advanced level training programs for all CBP employees, especially mission critical occupations (e.g., CBP Officers, Agricultural Specialists, Imports Specialists, and Entry Specialists) at the ports of entry. This training empowers CBP employees with the necessary skill sets to achieve the goal of combating terrorism, improving border security, improving inspection and control, and facilitating trade.

**Summary Justification and Explanation of Changes**

|               | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|-----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$10,610</b> | <b>\$8,954</b>  | <b>\$8,954</b>  | <b>\$0</b>             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | <b>\$1</b>     | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>             |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | <b>\$1</b>     | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>             |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$98</b>    | <b>\$148</b>    | <b>\$148</b>    | <b>\$0</b>             |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$3,982        | \$10,020        | \$9,985         | (\$35)                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a decrease of \$35,000 for non recurring expenses.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$3,934        | \$0             | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$316          | \$0             | \$0             | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$37           | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$1,757        | \$1,837         | \$1,837         | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no change.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$4,584        | \$3,854         | \$3,854         | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no change.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$111          | \$0             | \$0             | \$0                    |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| PPA: Border Security and Control Between the POEs         |  | 2007               | 2008               | 2009               | 2008 to 2009     |
|---|--|--------------------|--------------------|--------------------|------------------|
| Object Classes:   |  | Actual             | Enacted            | Request            | Change           |
| 11.1  | Perm Positions                             | 857,837            | 1,410,957          | 1,478,862          | \$67,905         |
| 11.3  | Other than perm                            | 839                | 13,572             | 13,980             | 408              |
| 11.5  | Other per comp                             | 317,161            | 229,580            | 236,468            | 6,888            |
| 11.8  | Spec Srvc Pay                              | ---                | ---                | 5                  | 5                |
| 12.1  | Benefits                                   | 489,341            | 670,322            | 733,092            | 62,770           |
| 13.0  | Benefits-former                            | ---                | 80                 | 300                | 220              |
| 21.0  | Travel                                     | 44,091             | 76,793             | 118,371            | 41,578           |
| 22.0  | Transportation of things                   | 3,464              | 1,955              | 2,692              | 737              |
| 23.1  | GSA rent                                   | 36,038             | 30,364             | 39,558             | 9,194            |
| 23.2  | Other rent                                 | 9,499              | 29,125             | 29,125             | ---              |
| 23.3  | Communication, Utilities, and misc charges | 25,860             | 28,939             | 29,063             | 124              |
| 24.0  | Printing                                   | 354                | 265                | 455                | 190              |
| 25.1  | Advisory & Assistance Services             | 2,347              | ---                | ---                | ---              |
| 25.2  | Other Services                             | 264,346            | 248,721            | 251,871            | 3,150            |
| 25.3  | Purchase from Govt. Accts.                 | 25,178             | 7,071              | 7,075              | 4                |
| 25.4  | Operation & maintenance of facilities      | 25,435             | 23,339             | 23,339             | ---              |
| 25.5  | Research & Development                     | 0                  | ---                | 77                 | 77               |
| 25.6  | Medical care                               | 8,066              | ---                | ---                | ---              |
| 25.7  | Operation & maintenance of equipment       | 44,665             | 30,305             | 30,305             | ---              |
| 25.8  | Subsistence & Support of persons           | 1,143              | ---                | ---                | ---              |
| 26.0  | Supplies & materials                       | 74,750             | 60,559             | 73,585             | 13,026           |
| 31.0  | Equipment                                  | 284,295            | 253,673            | 364,457            | 110,784          |
| 32.0  | Land & Structures                          | 53                 | 7,737              | 7,737              | ---              |
| 91.0  | Unvouchered                                | 67                 | 88                 | 88                 | ---              |
| <b>Total Border Security and Control Between the POEs</b> |  | <b>\$2,514,830</b> | <b>\$3,123,445</b> | <b>\$3,440,505</b> | <b>\$317,060</b> |
| Full Time Equivalents                                     |  | 14,604             | 18,297             | 21,466             | 3,169            |

Footnote: Totals may not add due to rounding.

**Border Security and Control Between the POEs**

The Office of Border Patrol (OBP) has been delegated with the authority and responsibility to deliver the Executive Branch Program for "Border Security and Control between the Ports of Entry." The primary purpose of this program is to prevent the entry of terrorists and their instruments of terror, illegal immigrants, and contraband, while facilitating the legitimate flow of people, goods, and services on which the economy depends. The program will be accomplished through the judicious use of resources including personnel, surveillance technology, communications, and transportation, facilities, and mission support activities.

Border Patrol agents deter uncontrolled entry into the interior of the U.S. by: the rapid detection, interception, and apprehension of illegal entrants at or near the border; interdicting or deterring illegal aliens, drug smugglers, potential terrorists and criminals from attempting illegal entry between ports-of-entry; and causing persons seeking admission into the U.S. to present themselves at designated ports for inspection.

Strategic issues and challenges evolve around integrating unique and broader enforcement authorities working to uncover systemic vulnerabilities that pose a threat to the Nation and its economy and work to eliminate vulnerabilities as quickly as possible. Through an array of investigative processes in the areas of smuggling, finance and national security, OI is challenged to identify the people, materials, & funding essential to sustaining terrorist threats and criminal enterprises, and to disrupt and dismantle their operations.

The requested amount will help address Investigations' strategic challenges of disrupting terrorist threats and preventing potential terrorists and immigration violators from entering the country. More effective immigration enforcement will contribute to enhanced national security as well as greater deterrence.

**Summary Justification and Explanation of Changes**

|                              | 2007               | 2008               | 2009               | 2008 to 2009     |
|------------------------------|--------------------|--------------------|--------------------|------------------|
|                              | Actual             | Enacted            | Request            | Change           |
| <b>Salaries and Benefits</b> | <b>\$1,665,178</b> | <b>\$2,324,511</b> | <b>\$2,462,707</b> | <b>\$138,196</b> |

Salaries and Benefits includes costs for 21,466 FTEs. The FY 2009 request includes increases of \$17,434,000 for pay annualization, \$51,606,000 for pay inflation, a decrease of \$20,231,000 for non recurring expenses, decrease of \$46,079,000 for program annualizations, and a program increase of \$135,465,000.

|               | 2007            | 2008            | 2009             | 2008 to 2009    |
|---------------|-----------------|-----------------|------------------|-----------------|
|               | Actual          | Enacted         | Request          | Change          |
| <b>Travel</b> | <b>\$44,091</b> | <b>\$76,793</b> | <b>\$118,371</b> | <b>\$41,578</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a program increase of \$41,578,000.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$3,464        | \$1,955         | \$2,692         | \$737                  |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes a program increase of \$737,000.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$36,038       | \$30,364        | \$39,558        | \$9,194                |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a program increase of \$9,194,000.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$9,499        | \$29,125        | \$29,125        | \$0                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no increase.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$25,860       | \$28,939        | \$29,063        | \$124                  |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a program increase of \$124,000.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$354          | \$265           | \$455           | \$190                  |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes a program increase of \$190,000.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$2,347        | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | Actual    | Enacted   | Request   | Change  |
|-----------------------|-----------|-----------|-----------|---------|
| <b>Other Services</b> | \$264,346 | \$248,721 | \$251,871 | \$3,150 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a program increase of \$75,700,000. FY 2008 numbers reflects \$72,549,000 in FY 2007 carry-over balances.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$25,178       | \$7,071         | \$7,075         | \$4                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes a program increase of \$4,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$25,435       | \$23,339        | \$23,339        | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 requests no increase.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$0            | \$0             | \$77            | \$77                   |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request includes an increase of \$77,000.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$8,066        | \$0             | \$0             | \$0                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request has no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$44,665       | \$30,305        | \$30,305        | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$1,143        | \$0             | \$0             | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no increase.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$74,750       | \$60,559        | \$73,585        | \$13,026               |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a 13,026,000 in program increases.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$284,295      | \$253,673       | \$364,457       | \$110,784              |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a decrease of 13,000,000 for non recurring expenses and program increases of 152,237,000. FY 2008 numbers reflect \$28,453,000 in FY 2007 carry-over balances.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$53           | \$7,737         | \$7,737         | \$0                    |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no change.

|                    | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------|----------------|-----------------|-----------------|------------------------|
| <b>Unvouchered</b> | \$67           | \$88            | \$88            | \$0                    |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

|   | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>PPA: Training between the Ports of Entry</b>   |                 |                 |                 |                        |
| <b>Object Classes:</b>                            |                 |                 |                 |                        |
| 11.1 Perm Positions                               | 4,832           | -               | -               | \$0                    |
| 11.3 Other than perm                              | ---             | ---             | ---             | ---                    |
| 11.5 Other per comp                               | 225             | ---             | ---             | ---                    |
| 12.1 Benefits                                     | 1,208           | ---             | ---             | ---                    |
| 21.0 Travel                                       | 11,238          | 6,115           | 9,667           | 3,552                  |
| 22.0 Transportation of things                     | 31              | 1,249           | 2,018           | 769                    |
| 23.1 GSA rent                                     | ---             | ---             | 31              | 31                     |
| 23.3 Communication, Utilities, and misc charges   | 1               | 54              | 54              | ---                    |
| 25.1 Advisory & Assistance Services               | 250             | ---             | ---             | ---                    |
| 25.2 Other Services                               | 5,051           | 38,642          | 52,350          | 13,708                 |
| 25.3 Purchase from Govt. Accts.                   | 600             | ---             | ---             | ---                    |
| 25.7 Operation & maintenance of equipment         | 427             | ---             | ---             | ---                    |
| 26.0 Supplies & materials                         | 10,706          | 1,389           | 2,207           | 818                    |
| 31.0 Equipment                                    | 2,620           | 5,340           | 8,488           | 3,148                  |
| <b>Total, Training between the Ports of Entry</b> | <b>\$37,189</b> | <b>\$52,789</b> | <b>\$74,815</b> | <b>\$22,026</b>        |
| Full Time Equivalents                             | 52              | 91              | 130             | 39                     |

Footnote: Totals may not add due to rounding.

**Training between the Ports of Entry**

The Office of Training and Development exists to provide core operational training for Border Patrol Agents whose primary responsibility lies between the ports of entry. This training empowers CBP employees with the necessary skill sets to achieve the goal of safeguarding the borders of the United States. This training ensures that CBP is able to rapidly deploy a highly motivated, well-trained workforce, both on a temporary and permanent basis, who can quickly respond to potential terrorist threats, shifts in smuggling patterns and other national security threats.

**Summary Justification and Explanation of Changes**

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$6,265        | \$0             | \$0             | \$0                    |

Salaries and Benefits includes costs for 0 FTEs.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$11,238       | \$6,115         | \$9,667         | \$3,552                |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a program increase of \$3,552,000.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$31           | \$1,249         | \$2,018         | \$769                  |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes a program increase of \$769,000.

|                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------|--------|---------|---------|--------------|
|                 | Actual | Enacted | Request | Change       |
| <b>GSA rent</b> | \$0    | \$0     | \$31    | \$31         |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a program increase of \$31,000.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$1    | \$54    | \$54    | \$0          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no change.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Advisory and Assistance Services</b> | \$250  | \$0     | \$0     | \$0          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no change.

|                       | 2007    | 2008     | 2009     | 2008 to 2009 |
|-----------------------|---------|----------|----------|--------------|
|                       | Actual  | Enacted  | Request  | Change       |
| <b>Other Services</b> | \$5,051 | \$38,642 | \$52,350 | \$13,708     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a program increase of \$13,781,000, and a decrease of \$74,000 for non recurring expenses.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Purchase from Government Accounts</b> | \$600  | \$0     | \$0     | \$0          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$427  | \$0     | \$0     | \$0          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | 2007     | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|----------|---------|---------|--------------|
|                                 | Actual   | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$10,706 | \$1,389 | \$2,207 | \$818        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a program increase of \$819,000.

|                  | 2007    | 2008    | 2009    | 2008 to 2009 |
|------------------|---------|---------|---------|--------------|
|                  | Actual  | Enacted | Request | Change       |
| <b>Equipment</b> | \$2,620 | \$5,340 | \$8,488 | \$3,148      |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a program increase of \$3,148,000.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

|  | 2007             | 2008             | 2009             | 2008 to 2009    |
|--|------------------|------------------|------------------|-----------------|
| PPA: Air and Marine Operations - Salaries          | Actual           | Enacted          | Request          | Change          |
| <b>Object Classes:</b>                             |                  |                  |                  |                 |
| 11.1 Perm Positions                                | 88,416           | 118,750          | 135,679          | \$16,929        |
| 11.3 Other than perm                               | 47               | 59               | 61               | 2               |
| 11.5 Other per comp                                | 22,334           | 16,470           | 16,964           | 494             |
| 12.1 Benefits                                      | 47,793           | 50,128           | 55,975           | 5,847           |
| 21.0 Travel  | 1,963            | 1,326            | 2,346            | 1,020           |
| 22.0 Transportation of things                      | 1,063            | 1,382            | 1,382            | ---             |
| 23.1 GSA rent                                      | 700              | 797              | 797              | ---             |
| 23.2 Other rent                                    | 1                | ---              | ---              | ---             |
| 23.3 Communication, Utilities, and misc charges    | 22               | 3,297            | 3,501            | 204             |
| 24.0 Printing                                      | 9                | 17               | 17               | ---             |
| 25.2 Other Services                                | 5,462            | 7,310            | 8,906            | 1,596           |
| 25.3 Purchase from Govt. Accts.                    | 189              | ---              | ---              | ---             |
| 25.4 Operation & maintenance of facilities         | 520              | ---              | ---              | ---             |
| 25.7 Operation & maintenance of equipment          | 1,716            | ---              | ---              | ---             |
| 26.0 Supplies & materials                          | 6,896            | 5,021            | 5,395            | 374             |
| 31.0 Equipment                                     | 8,720            | 22,183           | 23,257           | 1,074           |
| <b>Total, Air and Marine Operations - Salaries</b> | <b>\$185,852</b> | <b>\$226,740</b> | <b>\$254,280</b> | <b>\$27,540</b> |
| Full Time Equivalents                              | 1,260            | 1,513            | 1,674            | 161             |

Footnote: Totals may not add due to rounding.

**Air and Marine Operations - Salaries**

The purpose of Air and Marine Salaries is to apply the skills and expertise of CBP air and marine personnel to deter, interdict, and prevent acts of terrorism arising from unlawful movement of people and goods across the borders of the United States. Having aircraft and vessels along the borders reduces the quantity of drugs entering the U.S. and minimizes threat levels. The goal of this program is to deny the use of air, land and coastal waters for conducting acts of terrorism and other illegal activities against the United States.

**Summary Justification and Explanation of Changes**

|                              | 2007             | 2008             | 2009             | 2008 to 2009    |
|------------------------------|------------------|------------------|------------------|-----------------|
|                              | Actual           | Enacted          | Request          | Change          |
| <b>Salaries and Benefits</b> | <b>\$158,589</b> | <b>\$185,407</b> | <b>\$208,679</b> | <b>\$23,272</b> |

Salaries and Benefits includes costs for 1,674 FTEs. The FY 2009 request includes a increase of \$1,391,000 for pay annualization, a increase of \$4,172,000 for pay inflation, a decrease of \$1,770,000 for non recurring expenses, a increase of \$6,963,000 for A&M SBI staffing, a increase of \$11,150,000 for second year cost of the FY 2007 Supplemental, and \$1,366,000 for program increase.

|               | 2007           | 2008           | 2009           | 2008 to 2009   |
|---------------|----------------|----------------|----------------|----------------|
|               | Actual         | Enacted        | Request        | Change         |
| <b>Travel</b> | <b>\$1,963</b> | <b>\$1,326</b> | <b>\$2,346</b> | <b>\$1,020</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$500,000 for the second year cost or FY 2007 Supplemental, and a program increase of \$520,000.

|                                 | 2007           | 2008           | 2009           | 2008 to 2009 |
|---------------------------------|----------------|----------------|----------------|--------------|
|                                 | Actual         | Enacted        | Request        | Change       |
| <b>Transportation of Things</b> | <b>\$1,063</b> | <b>\$1,382</b> | <b>\$1,382</b> | <b>\$0</b>   |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------|--------|---------|---------|--------------|
|                 | Actual | Enacted | Request | Change       |
| <b>GSA rent</b> | \$700  | \$797   | \$797   | \$0          |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no change.

|                   | 2007   | 2008    | 2009    | 2008 to 2009 |
|-------------------|--------|---------|---------|--------------|
|                   | Actual | Enacted | Request | Change       |
| <b>Other Rent</b> | \$1    | \$0     | \$0     | \$0          |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no change.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$22   | \$3,297 | \$3,501 | \$204        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a program increase of \$204,000.

|                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------|--------|---------|---------|--------------|
|                 | Actual | Enacted | Request | Change       |
| <b>Printing</b> | \$9    | \$17    | \$17    | \$0          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no change.

|                       | 2007    | 2008    | 2009    | 2008 to 2009 |
|-----------------------|---------|---------|---------|--------------|
|                       | Actual  | Enacted | Request | Change       |
| <b>Other Services</b> | \$5,462 | \$7,310 | \$8,906 | \$1,596      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$350,000 for second year cost of the FY 2007 Supplemental, and a program increase of \$1,246,000.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Purchase from Government Accounts</b> | \$189  | \$0     | \$0     | \$0          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Operation &amp; maintenance of facilities</b> | \$520  | \$0     | \$0     | \$0          |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|   | 2007    | 2008    | 2009    | 2008 to 2009 |
|---|---------|---------|---------|--------------|
|   | Actual  | Enacted | Request | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$1,716 | \$0     | \$0     | \$0          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no change.

|                                 | 2007          | 2008           | 2009           | 2008 to 2009  |
|---------------------------------|---------------|----------------|----------------|---------------|
|                                 | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Supplies &amp; materials</b> | \$6,896       | \$5,021        | \$5,395        | \$374         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$200,000 for second year costs for the FY 2007 Supplemental, and a program increase of \$174,000.

|                  | 2007          | 2008           | 2009           | 2008 to 2009  |
|------------------|---------------|----------------|----------------|---------------|
|                  | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Equipment</b> | \$8,720       | \$22,183       | \$23,257       | \$1,074       |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$84,000 for annualization of Marine Enforcement Unit from FY 2008 enactment, \$500,000 for the second years costs for the FY 2007 Supplemental, and a program increase of \$490,000.

## I. Changes in FTE

### CHANGES IN FULL-TIME EQUIVALENTS\* U.S. Customs and Border Protection Salaries and Expenses

|  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request |
|--|-------------------|--------------------|--------------------|
| <b>BASE: Year-end Actual from Prior Year</b>                           | <b>32,966</b>     | <b>35,621</b>      | <b>40,654</b>      |
| <b>INCREASES</b>   |                   |                    |                    |
| Annualization of prior year FTE  | 635               | 1,620              | 2,430              |
| CSI  |                   |                    |                    |
| BP Staffing  | 947               | 1,844              | 1,321              |
| WMD Technology   | 53                |                    |                    |
| Procurement Staffing   | 30                |                    |                    |
| IAP  | 15                |                    |                    |
| NTC  | 30                |                    |                    |
| Air and Marine Operations Center                                       | 11                |                    |                    |
| Air and Marine Airwings  | 25                |                    |                    |
| Port Security Enhancements   | 225               |                    |                    |
| Air and Marine Support Staff   |                   | 76                 |                    |
| Conduct Integrity Oversight  |                   | 29                 | 15                 |
| Western Hemisphere Travel Initiative                                   |                   | 103                | 45                 |
| Secure Freight   |                   | 10                 |                    |
| WMD Staffing   |                   | 28                 |                    |
| Border Patrol Training   |                   | 13                 |                    |
| RPM Staffing   |                   |                    | 137                |
| Passenger Screening  |                   |                    | 117                |
| Regulatory Audit   |                   |                    | 6                  |
| ETA  |                   | 12                 |                    |
| Air and Marine Staffing  |                   |                    | 12                 |
| Intel Staffing   |                   |                    | 14                 |
| Ground Transportation  |                   | 4                  | 1                  |
| CTPAT  |                   | 25                 |                    |
| Hiring CBPO for SAFE Port  |                   | 104                |                    |
| Antidumping Duty Collection  |                   | 4                  |                    |
| Marine Enforcement Units   |                   | 41                 |                    |
| Model Ports of Entry Program   |                   | 118                |                    |
| FY 06/07 Supplemental  | 701               | 701                |                    |
| FY 2007 Supplemental   |                   | 301                | 328                |
| <b>Subtotal, Increases</b>   | <b>2,672</b>      | <b>5,033</b>       | <b>4,426</b>       |
| <b>DECREASES</b>   |                   |                    |                    |
| Transfer Shadow Wolves to ICE  | (17)              |                    |                    |
| <b>Subtotal, Decreases</b>   | <b>(17)</b>       | <b>0</b>           | <b>0</b>           |
| <b>Year-end Enacted/Estimated FTEs</b>                                 | <b>35,621</b>     | <b>40,654</b>      | <b>45,080</b>      |
| <b>Net change from prior year SOY base to budget year EOY estimate</b> | <b>2,655</b>      | <b>5,033</b>       | <b>4,426</b>       |

**J. FY 2009 Schedule of Working Capital Fund by PPA**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Salaries and Expenses**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity

(Dollars in Thousands)

| Program/Project Activity                      | FY 2007 Actual  | FY 2008 Enacted | FY 2009 Request | Increase / Decrease<br>for FY 2009 |
|---|-----------------|-----------------|-----------------|------------------------------------|
|   | AMOUNT          | AMOUNT          | AMOUNT          | AMOUNT                             |
| 1. Headquarters Management and Administration | \$27,604        | \$43,286        | \$46,759        | \$3,473                            |
|   |                 |                 |                 | ---                                |
| <b>Total Working Capital Fund</b>             | <b>\$27,604</b> | <b>\$43,286</b> | <b>\$46,759</b> | <b>\$3,473</b>                     |

# Department of Homeland Security

*U. S. Customs and Border Protection*  
*Border Security Fencing, Infrastructure, and Technology*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Customs and Border Protection Border Security, Fencing, Infrastructure, and Technology

### I. Appropriation Overview

#### A. Mission Statement:

This appropriation provides continued funding for the SBI Program offices and the Program Executive Office (PEO), the component of the Secure Border Initiative (SBI) tasked with developing and installing a technology and tactical infrastructure solution enabling a more effective and efficient method for controlling border security. The initial focus of *SBI*net technology and tactical infrastructure has been on the southwest land border sectors and between the official ports of entry where there are serious vulnerabilities to border security. This request continues securing the southwest border. Further, *SBI*net is continuing efforts to build a common operating picture (COP) of the border environment within a command center environment, which will provide uniform data to all Department of Homeland Security (DHS) agencies and be interoperable with stakeholders external to DHS. Customs and Border Protection (CBP) is the lead agency within DHS for the development and deployment of *SBI*net technology and tactical infrastructure to secure America's borders.

Secretary Chertoff created SBI to bring clarity of mission, effective coordination of DHS assets, and greater accountability to the work of DHS in securing the Nation's borders. It also has galvanized DHS action in support one of the President's core objectives, immigration reform. This plan focuses on DHS's efforts to gain effective control of the borders, initially at the southwest land border.

Pursuit of the Presidential objectives will allow us to build upon progress to date in gaining control of the border. This work will include: strong border security enhancements that incorporate new technology, security infrastructure, and additional personnel to identify and interdict illegal entries.

The challenge of securing America's land, air, and sea borders involves numerous interrelated objectives and the ongoing work of multiple DHS components. It also entails close coordination with other Federal Departments, foreign governments, and State, local, tribal, and private sector partners. Four operating components at DHS have especially central roles regarding border security: CBP, Immigration and Customs Enforcement (ICE), U.S. Citizenship and Immigration Services (USCIS), and the United States Coast Guard (USCG). Other policy, intelligence, and support organizations within DHS also assist with this broader mission.

SBI has made DHS a more effective, matrix-managed organization and less of a bureaucracy defined by rigid stove pipes. This program coordinates and strengthens performance at DHS in meeting our border security obligations. It also reinforces a sense of urgency about the mission of border security, imposes a greater degree of accountability, and will promote innovation.

The SBI Program Executive Office (PEO) and programs (*SBI*net Systems Program Office (SPO) and Tactical Infrastructure Program Manager) have been working as a focal point for coordination within the Department on border enforcement efforts. The SBI PEO office manages comprehensive new investments regarding technology, response capabilities, and infrastructure at the border through the

SBI*net* procurement. The program offices are staffed with Government professionals in all program areas, supported by contracted staff necessary to accomplish the mission.

## **B. Budget Activities**

- **Development and Deployment:** The SBI*net* and SBI Tactical Infrastructure programs, working in conjunction with Border Patrol, Field Operations, Intelligence, and Information Technology offices, is tasked to identify and provide information on developing and installing a technology and tactical infrastructure solution for border control to DHS stakeholders. During FY 2007 and FY 2008, the SBI program has made significant advances towards providing a solution towards the goal of border security. The program has developed and implemented projects; Project 28 (Tucson sector near Sasabe); FenceLab (working with Sandia National Lab); Texas Mobile System (eastern area of El Paso sector); and the Barry M. Goldwater Range (BMGR) (in the Yuma Sector), PF 225 and VF 300, the fence and vehicle barrier projects scheduled for completion by the end of calendar year 2008. These projects have provided valuable lessons which will be applied to other SBI*net* plans, allowing for sound managerial decisions which resulted in highly efficient, lower cost solutions for the government.

Within SBI*net*, the initial development and deployment of the common operating picture (COP) is ongoing. The COP will provide uniform data to all DHS agencies and be interoperable with stakeholders external to DHS. COP will enable users to: make sound tactical, operational and strategic decisions; quickly inform CBP and other DHS components of strategic implications of mission success; rapidly exchange strategic, operational, and tactical information with supporting commands and interagency organizations; effectively plan, execute, and evaluate multiple mission events; and effectively interface with DHS partners to satisfy mission requirements.

SBI*net* Tactical Infrastructure program, working with CBP Asset Management, Border Patrol, and the Army Corps of Engineers and contractors, is completing 370 miles of fence and 300 miles of vehicle barriers along the southwest border sectors by the end of calendar year 2008. This task provided physical infrastructure to mostly urban areas along the southwest border, giving Border Patrol flexibility to adjust their focus to other areas of need. Along with the building of the infrastructure, SBI*net* is implementing technological and surveillance solutions in portions of Tucson, Yuma, and El Paso sectors on the southwest border. This involves the designing, systems engineering, and various testing of the solution prior to installation in the sectors.

- **Operations and Maintenance:** Included in the funding is the operational support required by the SBI*net* technology and tactical infrastructure projects, inclusive of Integrated Logistics Support and legacy systems integration and support. This support includes the wireless, and satellite communication usage charges, the COP operations center, manning of a SBI*net* technology systems Customer Support Help Desk, and SBI*net* IT Systems Support,. Operations and Maintenance funding is requested to begin supporting the constructed infrastructure and implemented technological solutions which were funded in FY 2007 and in FY 2008.
- **Program Management:** Covers the personnel and work related to the planning, organizing, coordinating, authorizing, and controlling of the program to meet technical, quality, cost, and

schedule requirements over the period of the contract. Program Management includes the areas of business management, supplier management and procurement, relocation expenses, security, regulatory management (environmental, real estate, and communications spectrum), and quality and mission assurance.

**C. Budget Request Summary:**

CBP requests 200 (FTP) full time positions, 185 FTE and \$775,000,000 for FY 2009. Excluding emergency funding provided in P.L. 110-161, the total adjustments-to-base is an increase of \$325,390,000. Program increases include 30 positions and \$277,610,000 to:

Continue efforts to develop and deploy a technology and tactical infrastructure border security system solution. Additional useful segments of technology and tactical infrastructure are required along the border. FY 2007 and FY 2008 funding provided fencing, barriers, and technological solutions in some of the southwestern border sectors. FY 2009 funding will enable SBInet to continue the technological, surveillance and tactical infrastructure projects. Along with the SBInet solution, the SBInet team will focus on providing the COP to southwest border sectors, enabling the Border Patrol (BP) agents to have a more complete operational picture across the southern border. Some additional tactical infrastructure (fence, barriers, lights, roads) will be completed along the border further assisting the BP agents in operation. Funding will be used to administer the SBI PEO, SBInet Tactical Infrastructure PM and the SBInet SPO which is responsible for the work related to the planning, organizing, coordinating, authorizing, and controlling of the SBInet solutions to meet technical, quality, cost, and schedule requirements over the period of the contract.

**Ia. Summary of FY 2009 Estimates by Appropriation and Program**

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Border Security, Fencing, Infrastructure, and Technology**  
 Summary of FY 2009 Estimates by Appropriation and Program - Includes FY 2008 Emergency Funding  
 (Dollars in thousands)

| Program/Project Activity                         | FY 2007<br>Actual |           | FY 2008<br>Enacted |             | FY 2009<br>Request |           | Increase (+) or Decrease (-) For FY 2009 |             |                 |           |                     |               |
|--|-------------------|-----------|--------------------|-------------|--------------------|-----------|--|-------------|-----------------|-----------|---------------------|---------------|
|  | FTE               | Amount    | FTE                | AMOUNT      | FTE                | AMOUNT    | Total Changes                            |             | Program Changes |           | Adjustments-to-Base |               |
|  |                   |           |                    |             |                    |           | FTE                                      | AMOUNT      | FTE             | AMOUNT    | FTE                 | AMOUNT        |
| SBInet Development and Deployment                | -                 | \$422,975 | -                  | \$1,088,000 | -                  | \$275,000 | -  | (\$813,000) | -               | \$275,000 | -                   | (\$1,088,000) |
| Operations and Maintenance (see Note)            | -                 |           | -                  | 73,000      | -                  | 410,000   | -  | 337,000     |                 | 0         |                     | 337,000       |
| Program Management                               | 39                | 38,193    | 160                | 64,000      | 185                | 90,000    | 25                                       | 26,000      | 15              | 2,610     | 10                  | 23,390        |
| Net, Enacted Appropriations and Budget Estimates | 39                | \$461,168 | 160                | \$1,225,000 | 185                | \$775,000 | 25                                       | (\$450,000) | 15              | \$277,610 | 10                  | (\$727,610)   |

Note: FY 2007 appropriation combined the O&M and Development & Deployment

**IIb. Summary of FY 2009 Estimates by Appropriation and Program**

**Department of Homeland Security**

**U. S. Customs and Border Protection**

**Border Security, Fencing, Infrastructure, and Technology**

Summary of FY 2009 Estimates by Appropriation and Program - Excludes FY 2008 Emergency Funding

(Dollars in thousands)

| Program/Project Activity                         | FY 2007 |           | FY 2008 |           | FY 2009 |           | Increase (+) or Decrease (-) For FY 2009 |           |                 |           |                     |            |
|--|---------|-----------|---------|-----------|---------|-----------|--|-----------|-----------------|-----------|---------------------|------------|
|  | Actual  |           | Enacted |           | Request |           | Total Changes                            |           | Program Changes |           | Adjustments-to-Base |            |
|  | FTE     | Amount    | FTE     | AMOUNT    | FTE     | AMOUNT    | FTE                                      | AMOUNT    | FTE             | AMOUNT    | FTE                 | AMOUNT     |
| SBInet Development and Deployment                | -       | \$422,975 | -       | \$35,000  | -       | \$275,000 | -  | \$240,000 | -               | \$275,000 | -                   | (\$35,000) |
| Operations and Maintenance (see Note)            | -       |           | -       | 73,000    | -       | 410,000   | -  | 337,000   |                 | 0         |                     | 337,000    |
| Program Management                               | 39      | 38,193    | 160     | 64,000    | 185     | 90,000    | 25                                       | 26,000    | 15              | 2,610     | 10                  | 23,390     |
| Net, Enacted Appropriations and Budget Estimates | 39      | \$461,168 | 160     | \$172,000 | 185     | \$775,000 | 25                                       | \$603,000 | 15              | \$277,610 | 10                  | \$325,390  |

Note: FY 2007 appropriation combined the O&M and Development & Deployment

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Customs and Border Protection  
Border Security Fencing, Infrastructure, and Technology  
Program Performance Justification  
(Dollars in thousands)**

PPA: *SBI*net DEVELOPMENT AND DEPLOYMENT

|                              | <b>Perm</b> |            |                  |
|------------------------------|-------------|------------|------------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>    |
| <b>2007 Actual</b>           | ...         | ...        | <b>422,975</b>   |
| <b>2008 Enacted</b>          | ...         | ...        | <b>1,088,000</b> |
| 2009 Adjustments-to-Base     | ...         | ...        | - 1,088,000      |
| <b>2009 Current Services</b> | ...         | ...        | <b>0</b>         |
| 2009 Program Change          | ...         | ...        | 275,000          |
| <b>2009 Request</b>          | ...         | ...        | <b>275,000</b>   |
| Total Change 2008-2009       | ...         | ...        | - 813,000        |

\*The above table includes emergency funding of \$1,053 million provided in P.L. 110-161. CBP requests \$275 million for development and deployment. Excluding emergency funds provided, the increase of \$240.0 million over FY 2008 is to continue providing tactical infrastructure, technological and surveillance packages to additional southwest border sectors.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

##### **Development and Deployment**

*SBI*net (technology and tactical infrastructure) is the component of the Secure Border initiative (SBI) that is developing and installing the technology and tactical infrastructure solution that will result in effective control of the U.S. borders with Mexico and Canada. *SBI*net will implement the optimal mix of proven current and next generation technologies and processes that will detect entries when they occur; identify what the entries are; and classify their levels of threat. When fully implemented, this system of systems will improve agent ability to rapidly and effectively respond to illegal activities and help DHS manage, control, and secure the border. *SBI*net will serve as a force multiplier, and augment interconnectivity with other agencies responsible for public safety and counter-terrorism. *SBI*net will initially focus on securing the southwest border where the most serious vulnerabilities exist.

In FY 2007, *SBI*net initiated various projects attempting to provide a lower cost, higher deterrence physical barrier system to meet the goals of the DHS. In this effort *SBI*net worked on a number of projects: Project 28, a Proof of Concept technical solution covering 28 miles of the Tucson Sector border (Sasabe area); Texas Mobile System, a 30 mile section of El Paso Sector (Texas side); Fence Lab, a development project working in conjunction with Sandia National Laboratory looking at various types of physical barriers/fences; and the Barry M. Goldwater Range (BMGR) in the Yuma Sector, a 34 mile initial project securing the range using a bollard and fence combination for effectiveness. *SBI*net initiated the first increment of the CBP common operating picture (COP) of the border environment, within a command center environment, that provided integrated situational awareness information to enforcement personnel, to all DHS agencies, and interoperability with stakeholders

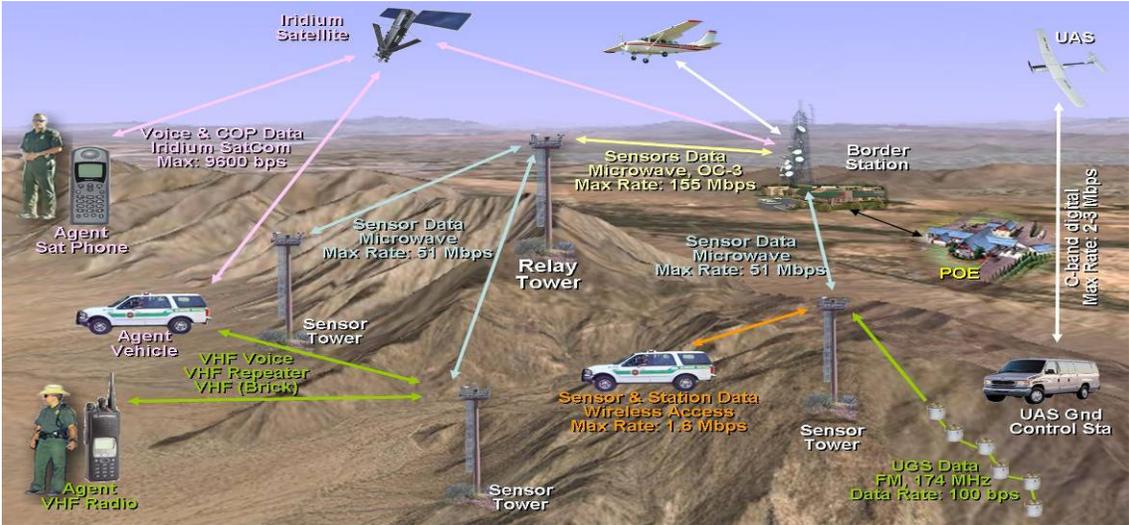
external to DHS. Also, with the balance available from FY 2007 funds and funding received in FY 2008, a team comprised of SBI Tactical Infrastructure PM, CBP Asset Management, Army Corps of Engineers, Border Patrol and commercial contractors worked on fencing projects, with the goal of completing 370 miles of fence built by the end of December, 2008.

FY 2008 funding will be used to continue efforts towards completing the 370 miles of fencing and 300 miles of vehicle fence (barriers) and technology towers and ground sensors. Funding was used to provide required regulatory, communications and operations work on potential future environmental issues, such as environmental assessments, real estate issues, permits, etc., laying the groundwork for the upcoming projects. The Common Operating Picture is being developed and deployed in southwest border sectors. Once completed on the southwest border, CBP agents in these sectors will have access to vital tactical information occurring on the Southern border. Real-time situational awareness is a key factor of the overall solution for deterring, identifying and apprehending illegal traffic, as well as greatly enhancing agent safety. A major part of this COP technology will be the introduction of satellite telephones, as well as computer technology installed in the agent's vehicles.

For FY 2009, the focus will be on providing tactical infrastructure, technological and surveillance packages to additional southwest border sectors. Also, some funding will allow for systems engineering and designing for additional southwest border sectors. Funding will allow modest continued expansion of the Common Operating Picture for the southwest border sectors. Requested funding will also initiate actions to begin to replace existing Border Patrol agent hand-held tactical communication with upgraded digital versions. This technology infusion will facilitate enhanced horizontal integration of information among agents as well as a vertical flow of information up and down the chain of command. With FY 2009 funds, some additional infrastructure will be built in southwest border sectors based on Border Patrol operational requirements for fence, barriers, roads and lighting.

Figure 1 presents a conceptual view of the types of technologies that may be deployed in areas where the vanishing point provides Agents with more time to respond to detected illegal entries than in heavily populated areas or those in proximity to major roadways. Figure 2 presents views of bollard and pedestrian fence along the border.

**Figure 1**  
**Conceptual View of SBInet Technologies to be Deployed**



**Figure 2**



**Bollard Pedestrian Fence**



**Bollard Pedestrian Fence with Extension**

PPA: SBInet OPERATIONS AND MAINTENANCE

|                              | <b>Perm</b> |            |                |
|------------------------------|-------------|------------|----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>  |
| <b>2007 Actual</b>           | ...         | ...        | ...            |
| <b>2008 Enacted</b>          | ...         | ...        | <b>73,000</b>  |
| 2009 Adjustments-to-Base     | ...         | ...        | 337,000        |
| <b>2009 Current Services</b> | ...         | ...        | <b>410,000</b> |
| 2009 Program Change          | ...         | ...        | 0              |
| <b>2009 Request</b>          | ...         | ...        | <b>410,000</b> |
| Total Change 2008-2009       | ...         | ...        | 337,000        |

CBP requests \$410 million for Operations and Maintenance.

- Increase of \$337 million above the FY 2008 enacted appropriation for items purchased in FY 2007 and FY 2008 as well as satellite communications usage fees.

**Operations and Maintenance**

SBInet operations and maintenance funds are required to support sensors, cameras and tactical infrastructure purchased in the prior year(s), wireless communications, operations and maintenance of new SBInet technology, and operations and maintenance for 370 miles of fence and 300 miles of vehicle fence (barriers) tactical infrastructure required for border control. This includes tactical infrastructure (vehicle barriers, fences, port of entry barriers, lights, and roads), power and data infrastructure, equipment supporting checkpoints, and necessary COP-related structures, a Network Operations Center and Security Operations Center, internal customer support for the systems, and IT systems support. All activities and processes require funding to support and maintain the SBI solution, including maintenance management, system support analysis, call center operations, asset management, critical property, spare parts storage, management and inventory records, field services, maintenance, overhaul, and training.

Recurring funding is required for operations and maintenance of the prime mission products acquired with previous acquisition funding and legacy equipment incorporated into the SBI program:

- Operations and maintenance for field agent systems which involve the communication and COP-related components deployed to the field with the agent or in the agent’s vehicle.
- Operation and maintenance of physical infrastructure that has been built through FY 2007 and FY 2008. The completion of the 370 miles of fence, 300 miles of vehicle barriers and 70 towers of technology and surveillance requires regular maintenance intervals and maintenance and repairs.
- Operations and maintenance for surveillance and detection systems for improved identification capabilities across all border environments including, new cameras, sensors, and agent surveillance tools.
- Operations and maintenance for command, control, and communications systems which will include all work associated with providing the COP, case processing, intelligence systems and applications, wireless communications, and IT.
- Operation and maintenance of mobile response platforms including sensor and wireless communications upgrades for manned aircraft, unmanned surveillance aircraft, water vehicles, and rapid response vehicles and mobile radar units.

PPA: PROGRAM MANAGEMENT

|                              | <b>Perm</b> |            |               |
|------------------------------|-------------|------------|---------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>           | <b>113</b>  | <b>39</b>  | <b>38,193</b> |
| <b>2008 Enacted</b>          | <b>170</b>  | <b>160</b> | <b>64,000</b> |
| 2009 Adjustments-to-Base     | 0           | 10         | 23,390        |
| <b>2009 Current Services</b> | <b>170</b>  | <b>170</b> | <b>87,390</b> |
| 2009 Program Change          | 30          | 15         | 2,610         |
| <b>2009 Request</b>          | <b>200</b>  | <b>185</b> | <b>90,000</b> |
| Total Change 2008-2009       | 30          | 15         | 26,000        |

CBP requests \$90 million for Program Management. This request is an increase of \$26 million above FY 2008.

- Annualization of \$23.39 million to be properly staffed to provide government management and oversight of the program, field offices, and manage contracts.
- Program enhancement of \$2.610 million to fund 30 additional program management positions.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The SBI Programs are managed by the *SBI*net Systems Program Office (SPO) and the Tactical Infrastructure Program Manager, who report to the CBP SBI PEO. The programs are organized in a line/matrix fashion with six line and four staff directorates reporting to the Program Managers. This organizational structure allows for the concentration of subject matter expertise into appropriate directorates, creating a resource pool immediately available to staff Integrated Project Teams and execute projects under the SBI Programs.

SBI efforts will be and are executed through a series of task orders. Each task order will be managed by a qualified Project Manager and a Contracting Officer Technical Representative (COTR). The Program and Project Managers have cost, schedule and performance accountability for their tasks and report directly to the Director, Projects. The project control division maintains earned value monitoring and oversight of the task orders. Contracted support has been procured from various companies building a knowledgeable team with experience in required fields.

For FY 2009, the PEO, TI PM and *SBI*net SPO require staffing with 200 Government employees (30 additional over 2008) and some additional contracted non-supervisory contractors. In FY 2009, with the emphasis on progress in the southwest border and planning in the northern sectors, teams of people will be working on the various mix of technology and tactical infrastructure to best secure the border.

#### IV. Program Justification of Changes

**Department of Homeland Security  
U.S. Customs and Border Protection  
Border Security Fencing, Infrastructure, and Technology  
Program Performance Justification  
(Dollars in thousands)**

**Program Increase 1:** **BSFIT – SBI<sub>net</sub> Development and Deployment**  
 Strategic Goal(s) & Objective(s): 2.1 – Secure our borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws.  
 PPA: BSFIT

Program Increase: Positions 0 FTE 0 Dollars \$275,000

#### Funding Profile

|                        | <i>FY 2007 Actual</i> |          |                  | <i>FY 2008 Enacted</i> |          |                    | <i>FY 2009 Request</i> |          |                  |
|------------------------|-----------------------|----------|------------------|------------------------|----------|--------------------|------------------------|----------|------------------|
|                        | Pos                   | FTE      | Dollars (\$000)  | Pos                    | FTE      | Dollars (\$000)    | Pos                    | FTE      | Dollars (\$000)  |
| Current Services Level |                       |          |                  |                        |          |                    | 0                      | 0        | 0                |
| Program Increase       |                       |          |                  |                        |          |                    | 0                      | 0        | 275,000          |
| <b>Total Request</b>   | <b>0</b>              | <b>0</b> | <b>\$422,975</b> | <b>0</b>               | <b>0</b> | <b>\$1,088,000</b> | <b>0</b>               | <b>0</b> | <b>\$275,000</b> |

#### 1. Change/ Initiative 1: SBI<sub>net</sub> Development and Deployment

**1.a. Description:** Additional funding in the amount of \$275 million is requested to develop and deploy the Secure Border Initiative program technology and tactical infrastructure. Additional resources are required for the design, deployment, and integration of surveillance and sensing platforms and detection technologies and to fund tactical infrastructure requirements.

**1.b. Justification:** Achieving effective control of the border requires the optimum mix of technology and infrastructure, as well as response assets and personnel, which will provide maximum tactical advantage in each unique border sector environment. Prioritized development and deployment of the appropriate mix of technology and infrastructure (ie: roads, fence, lighting, barriers, sensors, and mobile and fixed towers etc.) will ensure resources are used optimally to secure the border. Because the SBI<sub>net</sub> components are inter-dependent, every component is vital to the overall system's success. A system with the technological ability to predict, detect, identify, and survey illegal entries and criminal activity, but without the human capability for a rapid response or interdiction cannot complete the law enforcement mission. Conversely, law enforcement personnel with inadequate intelligence, inadequate physical and technological infrastructure to provide situational awareness, or equipment necessary to conduct enforcement activities are much less likely to be effective in today's dynamic border enforcement environment. SBI<sub>net</sub> will integrate multiple state of the art systems and traditional security infrastructure into a single comprehensive border security suite. When deployed, SBI<sub>net</sub> will provide an increased enforcement response capability for BP agents, and augment interconnectivity with other agencies responsible for public safety and security.

Further, achieving effective control of the border requires the capability to detect entries when they occur, identify and classify the entry, and provide situational awareness and a common operating picture to multiple law enforcement agencies. Existing border monitoring technologies are limited and are not integrated with other law enforcement systems, do not maximize capability and range of detection (air, land, river/lake), and provide limited capabilities to agents in the field. Although various technologies have been fielded to address mission needs, until now, there has been no comprehensive approach to address the entire range of threats posed. *SBI*net addresses these deficiencies by developing and deploying the proposed solutions that best support the full range of mission requirements. The *SBI*net solution will integrate multiple state-of-the-art systems and traditional security infrastructure into one comprehensive border security suite for DHS and CBP.

*SBI*net technology will implement the optimal mix of technologies and processes that will detect entries when they occur; identify what the entries are; and classify their levels of threat (who they are, what they are doing, how many, etc.). When implemented, this strategy will improve agent and officer ability to rapidly respond to illegal activities and help DHS manage, control, and secure the border. *SBI*net technology will provide increased enforcement capability for CBP agents, officers, and officials, and augment interconnectivity with other agencies responsible for public safety and counter-terrorism.

The initial focus of *SBI*net is on the southwest land border and between the ports of entry where there are serious vulnerabilities to border security. Further, *SBI*net has begun building the common operating picture (COP) of the border environment within a command center environment, which will provide uniform data to all DHS agencies and be interoperable with stakeholders external to DHS.

FY 2007 and 2008 funds will be used to complete 370 cumulative miles of fence, 300 miles of vehicle barrier systems, and 70 towers that will improve deterrence, detection, and apprehension of illegal entrants into the United States. The funds support procurement of the surveillance technology which includes mobile and fixed towers, and unattended ground sensors (UGS). Additionally, funds will be used to support the ongoing Command and Control Upgrades in the form of fixed and mobile command and control systems which contribute to the border COP. These resources are required to deliver communications capabilities for data networks, law enforcement (tactical) voice communications via radio, and high-bandwidth wireless capacity to deliver integrated data/video/sensor information to Agents in remote field locations. Ultimately when completed, this enhanced communications capability will also provide the "back-haul" for remote sensor units to local and national command centers, and to the nation-wide Internet Protocol (IP) network for distribution to DHS, other agencies, and state and local users.

The requested FY 2009 funds will be used to continue efforts on the southwest land border sectors. The \$275 million will be used to partially:

- Expand the COP into additional sectors;
- Deploy the *SBI*net solution to some of the Rio Grande Valley sector;
- Begin to design and engineer plans for the remaining southwest border sectors
- Continue to upgrade Border Patrol hand-held tactical communication radios
- Continue to install additional fencing in the Tucson, Yuma, El Centro and San Diego sectors;
- Plan and work environmental and real estate issues for future *SBI*net deployments on the Southern border;
- Continue Mission Engineering and Testing and Evaluation tasks,

- And provide logistics support of increased installed surveillance and detection systems and tactical infrastructure.

**1.c. Performance Impact:** *SBI*net will provide CBP and other DHS enforcement agencies with unprecedented capabilities for planning, directing and conducting border enforcement operations. The means for objectively evaluating the performance and effectiveness of security and enforcement actions will also be addressed.

In conjunction with the DHS infrastructure, communications systems will disseminate operational orders in real-time. Managers will have the ability to redeploy resources rapidly as DHS priorities or national crises evolve. At the command and control (C2) level, *SBI*net will work with other systems to provide managers with continuous situational awareness, integrating new levels of collaboration and cooperation with other professionals and enforcement agencies. As Agents report on activities, submit enforcement intelligence, and collaborate electronically from field locations, the command and control level will receive a comprehensive view of the border enforcement environment.

*SBI*net contributes to the goal of gaining effective control of the border. In order to accomplish this goal, CBP must be able to consistently:

- Detect - Detect entries when they occur;
- Identify/Classify - Identify what the entry is and classify its level of threat (who they are, what they are doing, how many, etc);
- Respond - Effectively and efficiently respond to the entry; and
- Resolve - Bring the situation to the appropriate law enforcement resolution.

*SBI*net will contribute to the following CBP Strategic Goals/Objectives:

2.1: Enhance the intelligence program and improve intelligence-driven operations.

2.2: Maximize border security, along the southern border, through an appropriate balance of personnel, equipment, technology, communications capabilities and tactical infrastructure.

2.3: Expand specialized teams and rapid-response capabilities to enhance control of the borders, with expansion to problematic areas as identified through continuing threat assessments.

6.3: Develop and deploy innovative and secure systems and advanced technologies including Automated Commercial Environment (ACE), Advanced Passenger Information System (APIS), U.S. Visitor Immigrant Status and Information Technology (US-VISIT), Automated Targeting System (ATS), radiation portal monitors, Non-Intrusive Inspection (NII) systems and Secure Border Initiative to improve targeting and screening of goods, people and conveyances entering the United States.

**Program Increase 2:****BSFIT – SBI<sup>net</sup> Program Management Office**Strategic Goal(s) & Objective(s): 2.1 – Secure our borders against terrorists, means of terrorism, illegal drugs and violations of trade and immigration laws.

PPA: BSFIT

Program Increase: Positions 30 FTE 15 Dollars \$2,610Funding Profile

|                        | <i>FY 2007 Actual</i> |           |                 | <i>FY 2008 Enacted</i> |            |                 | <i>FY 2009 Request</i> |            |                 |
|------------------------|-----------------------|-----------|-----------------|------------------------|------------|-----------------|------------------------|------------|-----------------|
|                        | Pos                   | FTE       | Dollars (\$000) | Pos                    | FTE        | Dollars (\$000) | Pos                    | FTE        | Dollars (\$000) |
| Current Services Level |                       |           |                 |                        |            |                 | 170                    | 170        | \$87,390        |
| Program Increase       |                       |           |                 |                        |            |                 | 30                     | 15         | 2,610           |
| <b>Total Request</b>   | <b>113</b>            | <b>39</b> | <b>38,193</b>   | <b>170</b>             | <b>160</b> | <b>\$64,000</b> | <b>200</b>             | <b>185</b> | <b>\$90,000</b> |

**2. Change/Initiative 2:** SBI Program Offices (PEO, SBI<sup>net</sup> SPO, Tactical Infrastructure PM, Acquisition Office)

**2.a. Description:** Additional funding in the amount of \$2.6 million is requested to manage the Secure Border Initiative program, in order to continue meeting the President’s plan for effective control of the border.

**2.b. Justification:** The SBI<sup>net</sup> Programs are managed by the SBI Program Executive Office (PEO) the System Program Office (SPO), and the Tactical Infrastructure PM which report to the CBP SBI Executive Director. The PEO has oversight of all SBI programs, including SBI<sup>net</sup>, Tactical Infrastructure, and the Transportation Program as well as coordinating CBP’s SBI strategic focus, plans and execution. The PMs are responsible for the work related to the oversight, planning, organizing, coordinating, authorizing, and controlling of the program to meet technical, quality, cost, and schedule requirements. This includes business management, supplier management and procurement, security, regulatory management (environmental clearance requirements, real estate legal matters, and communications spectrum), and quality and mission assurance.

The SBI PMs are organized in a line/matrix fashion with six line and four staff directorates reporting to the Program Managers. This organizational structure allows for the concentration of subject matter expertise into appropriate directorates, creating a resource pool immediately available to staff Integrated Project Teams and execute projects under the SBI<sup>net</sup> Programs. The funding increase over 2008 supports the PEO, SBI TI PM, and SBI<sup>net</sup> SPO and will provide for technical expertise in areas such as ground and electro-optical sensors, radars, sensor fusion and processing, wireless and microwave engineering, field equipment installation technical support, tactical infrastructure materials supply and supply chain management, and contracting officers and contracts managers.

The critical nature of funding and staffing program management has been emphasized by DHS Investment Review Board, the DHS OIG and the GAO. In the December, 2006 DHS OIG report of the Major Management Challenges Facing DHS, acquisition and contract management is prominent. Specific reference by the OIG is for the SBI<sup>net</sup> Program to have a sound foundation to “effectively oversee and assess contractor performance and effectively control cost and schedule.” Further, in July,

2006, the GAO cited numerous challenges in the “Challenges in Creating and Effective Acquisition Organization” highlights “the need for improved oversight of contractors and management reviews that provides decision makers with critical information at the right time.”

SBI efforts are executed through a series of task orders. Each task order is managed by a qualified Project Manager. The Project Managers have cost, schedule, and performance accountability for their tasks and report directly to the Projects Director. The project control division maintains earned value monitoring and oversight of the task orders. Contracted support from various companies completes a well rounded and skilled team with experience in required fields. The PEO, SBI TI PM and SPO are dedicated to the best practice principles for program management and contract administration used within the government and is taking the necessary steps to ensure these principles are maintained and followed throughout the contract's lifecycle.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

#### Department of Homeland Security U.S. Customs and Border Protection

#### Justification of Proposed Changes in Border Security Fencing, Infrastructure, and Technology Appropriation Language

For acquisition and recurring expenses to develop, deploy, operate, maintain and provide program management [expenses] **for customs and border protection fencing, infrastructure, and technology; purchase and lease of up to 118 passenger motor vehicles capable of off-road use, without regard to the purchase price limitation specified in 13 U.S.C. section 1343; [\$1,225,000,000,] \$775,000,000** to remain available until expended [: Provided, That of the amount provided under this heading, \$1,053,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): Provided further, That of the amount provided under this heading, \$650,000,000 shall not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure, prepared by the Secretary of Homeland Security and submitted within 90 days after the date of enactment of this Act, for a program to establish a security barrier along the borders of the United States of fencing and vehicle barriers, where practicable, and other forms of tactical infrastructure and technology, that includes:]

[(1) a detailed accounting of the program's progress to date relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, program management capabilities, identification of the maximum investment (including lifecycle costs) required by the Secure Border Initiative network or any successor contract, and description of the methodology used to obtain these cost figures;]

[(2) a description of how activities will further the objectives of the Secure Border Initiative, as defined in the Secure Border Initiative multi-year strategic plan, and how the plan allocates funding to the highest priority border security needs;]

[(3) an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities;]

[(4) an identification of staffing (including full-time equivalents, contractors, and detailees) requirements by activity;]

[(5) a description of how the plan addresses security needs at the Northern Border and the ports of entry, including infrastructure, technology, design and operations requirements;]

[(6) a report on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States;]

[(7) a listing of all open Government Accountability Office and Office of Inspector General recommendations related to the program and the status of Department of Homeland Security actions to

address the recommendations, including milestones to fully address them;]

[(8) a certification by the Chief Procurement Officer of the Department that the program has been reviewed and approved in accordance with the investment management process of the Department, and that the process fulfills all capital planning and investment control requirements and reviews established by the Office of Management and Budget, including Circular A-11, part 7;]

[(9) a certification by the Chief Information Officer of the Department that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the Department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination, and any known areas of misalignment along with the associated risks and corrective actions to address any such areas;]

[(10) a certification by the Chief Procurement Officer of the Department that the plans for the program comply with the Federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with any plans for addressing these risks, and the status of their implementation;]

[(11) a certification by the Chief Information Officer of the Department that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system life cycle and communicates high-risk conditions to U.S. Customs and Border Protection and Department of Homeland Security investment decision makers, as well as a listing of all the program's high risks and the status of efforts to address them;]

[(12) a certification by the Chief Human Capital Officer of the Department that the human capital needs of the program are being strategically and proactively managed, and that current human capital capabilities are sufficient to execute the plans discussed in the report;]

[(13) an analysis by the Secretary for each segment, defined as no more than 15 miles, of fencing or tactical infrastructure, of the selected approach compared to other, alternative means of achieving operational control; such analysis should include cost, level of operational control, possible unintended effects on communities, and other factors critical to the decision making process;]

[(14) a certification by the Chief Procurement Officer of the Department of Homeland Security that procedures to prevent conflicts of interest between the prime integrator and major subcontractors are established and that the Secure Border Initiative Program Office has adequate staff and resources to effectively manage the Secure Border Initiative program, Secure Border Initiative network contract, and any related contracts, including the exercise of technical oversight, and a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the projects funded under this heading; and]

[(15) is reviewed by the Government Accountability Office:]

[Provided further, That the Secretary shall report to the Committees on Appropriations of the Senate and the House of Representatives on program progress to date and specific objectives to be achieved through the award of current and remaining task orders planned for the balance of available appropriations: (1) at least 30 days prior to the award of any task order requiring an obligation of funds in excess of \$100,000,000; and (2) prior to the award of a task order that would cause cumulative

obligations of funds to exceed 50 percent of the total amount appropriated: Provided further, That of the funds provided under this heading, not more than \$2,000,000 shall be used to reimburse the Defense Acquisition University for the costs of conducting a review of the Secure Border Initiative network contract and determining how and whether the Department is employing the best procurement practices: Provided further, That none of the funds under this heading may be obligated for any project or activity for which the Secretary has exercised waiver authority pursuant to section 102(c) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note) until 15 days have elapsed from the date of the publication of the decision in the Federal Register]. (Department of Homeland Security Appropriations Act, 2008)

### **Explanation of Changes:**

Proposed changes in language deletes references made in the FY 2008 appropriation for an emergency designation and the limitation of funding tied to the requirement for a Congressional report within 60 days of the FY 2008 enacted appropriation.

The BSFIT appropriation account requires authority to lease or purchase vehicles capable of off-road use to ensure that System Program Office (SPO) staff can execute their responsibilities safely, efficiently and effectively. The SBI SPO staff frequently attend meetings with communities and Native American Nations, conduct site surveys and monitors contractor performance in deploying the *SBI<sub>net</sub>* solution. These responsibilities require frequent travel on dirt roads or sand in all weather conditions to locations that are not accessible in standard automobiles. The SBI-SPO staff is funded through the BSFIT appropriation; therefore, it is a requirement for vehicle purchases and leases to be funded from this appropriation account.

- 10 vehicles are required for the southwest Field office to be used by employees in executing their official duties associated with deploying the *SBI<sub>net</sub>* solution including: transportation to and from meetings with border communities and Native American Nations, conducting site surveys and review of progress in deploying the *SBI<sub>net</sub>* solution.
- 108 Rapid Response Transport (RRT) vehicles are required for the Tucson (30); Yuma (12); El Paso (30); and Rio Grande (36) sectors. The RRT's are used to transport people from the point of apprehension to the booking/detention facility and will be procured by the *SBI<sub>net</sub>* prime contractor, Boeing, and will be equipped with law enforcement technology that is integrated into the *SBI<sub>net</sub>* solution. The basic methodology used to calculate the requirements for these vehicles is 10 per corridor in a sector. Additional vehicles are proposed in sectors where there are highway checkpoints outside of the corridor. The Ground Transportation contract (\$50 million) requires that those apprehended are picked up at the border patrol offices.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Border Security, Fencing, Infrastructure, and Technology  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>      |
|--|-------------|------------|--------------------|
| <b>2007 Actual</b> .....                                     | <b>113</b>  | <b>39</b>  | <b>461,168</b>     |
| <b>2008 as Enacted</b> .....                                 | <b>170</b>  | <b>160</b> | <b>\$1,225,000</b> |
| <b>Adjustments-to-Base</b>                                   |             |            |                    |
| Increases .....  |             |            |                    |
| Annualization for O&M .....                                  | -           | -          | \$337,000          |
| Annualization FTE/other .....                                | -           | 10         | 23,390             |
| Total Increase .....   | -           | 10         | \$360,390          |
| Decreases.....   |             |            |                    |
| Non-recurring costs associated with FY 2008 Initiatives..... | -           | -          | (1,088,000)        |
| Total Decrease.....  | -           | -          | (\$1,088,000)      |
| <b>Total Adjustments-to-Base</b> .....                       | <b>-</b>    | <b>10</b>  | <b>(727,610)</b>   |
| <b>2009 Current Services*</b> .....                          | <b>170</b>  | <b>170</b> | <b>\$497,390</b>   |
| <b>Program Changes</b>                                       |             |            |                    |
| SBI net Development and Deployment .....                     | -           | -          | \$275,000          |
| SBI net Program Management Office .....                      | 30          | 15         | 2,610              |
| <b>Total Program Changes</b> .....                           | <b>30</b>   | <b>15</b>  | <b>\$277,610</b>   |
| <b>2009 Request</b> .....                                    | <b>200</b>  | <b>185</b> | <b>\$775,000</b>   |
| <b>2008 to 2009 Total Change</b> .....                       | <b>30</b>   | <b>25</b>  | <b>(\$450,000)</b> |

The FY 2008 enacted level includes \$1.053 billion in emergency funding provided in P.L. 110-161.

## C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Border Security, Fencing, Infrastructure and Technology**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |            |                    |
|--|--------------|------------|--------------------|
|  | Perm. Pos.   | FTE        | Amount             |
| <b>2007 Actual</b>   | <b>113</b>   | <b>39</b>  | <b>\$1,187,565</b> |
| <b>FY 2008 Enacted</b>   | <b>170</b>   | <b>160</b> | <b>\$1,225,000</b> |
| Adjustment-to-Base   |              |            |                    |
| Decreases  | -            | -          | (1,088,000)        |
| Increases  | -            | 10         | 360,390            |
| Total Adjustments-to-Base  | -            | 10         | (727,610)          |
| <b>2009 Current Services*</b>  | <b>170</b>   | <b>170</b> | <b>\$497,390</b>   |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details) | 30           | 15         | 277,610            |
| <b>2009 Request</b>  | <b>200</b>   | <b>185</b> | <b>\$775,000</b>   |
| 2008 to 2009 Total Change  | 30           | 25         | -\$450,000         |

| Estimates by Program/Project Activity | 2008 Enacted |            |                    | 2009 Adjustments-To-Base |           |                   | 2009 Program Change |           |                  | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                   |
|---------------------------------------|--------------|------------|--------------------|--------------------------|-----------|-------------------|---------------------|-----------|------------------|--------------|------------|------------------|---------------------------|-----------|-------------------|
|                                       | Pos.         | FTE        | Amount             | Pos.                     | FTE       | Amount            | Pos.                | FTE       | Amount           | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount            |
| SBlnet Development and Deployment     | -            | -          | \$1,088,000        | -                        | -         | -\$1,088,000      | -                   | -         | \$275,000        | -            | -          | \$275,000        | -                         | -         | -\$813,000        |
| Operations and Maintenance            | -            | -          | 73,000             |                          |           | 337,000           |                     |           | 0                |              |            | 410,000          |                           |           | 337,000           |
| Program Management                    | 170          | 160        | 64,000             | 0                        | 10        | 23,390            | 30                  | 15        | 2,610            | 200          | 185        | 90,000           | 30                        | 25        | 26,000            |
| <b>Total</b>                          | <b>170</b>   | <b>160</b> | <b>\$1,225,000</b> | <b>-</b>                 | <b>10</b> | <b>-\$727,610</b> | <b>30</b>           | <b>15</b> | <b>\$277,610</b> | <b>200</b>   | <b>185</b> | <b>\$775,000</b> | <b>30</b>                 | <b>25</b> | <b>-\$450,000</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Border Security, Fencing, Infrastructure and Technology**  
 Summary of Requirements by Object Class

(Dollars in Thousands)

| Object Classes  | 2007 Actual        | 2008 Enacted       | 2009 Request     | 2007 - 2008<br>Change |
|---|--------------------|--------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$5,000            | \$15,127           | \$20,500         | \$5,373               |
| 12.1 Benefits   | 1,842              | 4,000              | 5,500            | 1,500                 |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$6,842</b>     | <b>\$19,127</b>    | <b>\$26,000</b>  | <b>\$6,873</b>        |
| 21.0 Travel   | 2,000              | 6,450              | 3,000            | (3,450)               |
| 23.3 Communications, utilities, & other misc. charges | 5,300              | 16,234             | 36,000           | 19,766                |
| 24.0 Printing and reproduction                        | -                  | 40                 | 40               | ---                   |
| 25.2 Other services                                   | 178,096            | 1,394,070          | 553,960          | (840,110)             |
| 26.0 Supplies and materials                           | 9,200              | 19,069             | 86,500           | 67,431                |
| 31.0 Equipment  | 54,730             | 211,900            | 69,500           | (142,400)             |
| 32.0 Land & structures                                | 205,000            | 295,000            | -                | (295,000)             |
| <b>Total, Other Object Classes</b>                    | <b>\$454,326</b>   | <b>\$1,942,763</b> | <b>749,000</b>   | <b>(\$1,193,763)</b>  |
| <b>Total, Direct Obligations</b>                      | <b>\$461,168</b>   | <b>\$1,961,890</b> | <b>\$775,000</b> | <b>(\$1,186,890)</b>  |
| Unobligated balance, start of year                    |                    | (736,890)          |                  |                       |
| Unobligated balance transferred from another account  | (10,492)           |                    |                  |                       |
| Unobligated balance, end of year                      | 736,890            |                    |                  |                       |
| <b>Total requirements</b>                             | <b>\$1,187,566</b> | <b>\$1,225,000</b> | <b>\$775,000</b> | <b>(\$1,186,890)</b>  |

## F. Permanent Positions by Grade

**Department of Homeland Security  
U.S. Customs and Border Protection  
Border Security, Fencing, Infrastructure and Technology  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007            | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                  | Enacted<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | 5               | 4               | 4               | ---             |
| Total, EX                        |                 |                 |                 | ---             |
| GS-15                            | 31              | 34              | 34              | ---             |
| GS-14                            | 59              | 81              | 96              | 15              |
| GS-13                            | 12              | 34              | 49              | 15              |
| GS-12                            | 2               | 8               | 8               | ---             |
| GS-11                            | 1               | 3               | 3               | ---             |
| GS-10                            |                 |                 |                 | ---             |
| GS-9                             | 2               | 3               | 3               | ---             |
| GS-8                             |                 |                 |                 | ---             |
| GS-7                             |                 | 3               | 3               | ---             |
| GS-6                             |                 |                 |                 | ---             |
| GS-5                             |                 |                 |                 | ---             |
| GS-4                             | 1               | 0               | 0               | ---             |
| GS-3                             |                 |                 |                 | ---             |
| GS-2                             |                 |                 |                 | ---             |
| Other Graded Positions           |                 |                 |                 | ---             |
| Ungraded Positions               |                 |                 |                 | ---             |
| <b>Total Permanent Positions</b> | <b>113</b>      | <b>170</b>      | <b>200</b>      | <b>30</b>       |
| Unfilled Positions EOY           | ---             | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 113             | 170             | 200             | 30              |
| <b>FTE</b>                       | <b>80</b>       | <b>160</b>      | <b>185</b>      | <b>25</b>       |
| Headquarters                     | 100             | 144             | 159             | 15              |
| U.S. Field                       | 13              | 26              | 41              | 15              |
| Foreign Field                    | ---             |                 |                 | ---             |
| <b>Total Permanent Positions</b> | <b>113</b>      | <b>170</b>      | <b>200</b>      | <b>30</b>       |
| <b>Average ES Salary</b>         | \$ 150,000      | \$ 154,650      | \$ 157,743      | \$ 3,093        |
| <b>Average GS Salary</b>         | \$ 104,465      | \$ 107,703      | \$ 109,857      | \$ 2,154        |
| <b>Average GS Grade</b>          | 14.00           | 14.00           | 14.00           | ---             |

## **G. Capital Investment and Construction Initiative Listing**

On October 4, 2006, the Department of Homeland Security Appropriations Act, (P.L. 109-295) provided CBP with a new appropriation for Border Security, Fencing, Infrastructure and Technology.

CBP will deliver the SBI net capital investment plan, including a timetable, which will become the basis of the Capital Investment and Construction Initiative Listing after completion of a DHS Investment Review Board (IRB) in FY 2008. CBP will provide the details of this plan as soon as they become available.

In FY 2007 and 2008, SBI initiated various projects attempting to provide a lower cost, higher deterrence physical barrier system to meet the goals of the DHS. In this effort *SBI*net worked on a number of projects: Project 28, a technical solution covering 28 miles of the Tucson Sector border (Sasabe area); Texas Mobile System, a 29 mile section of El Paso Sector (Texas side) that provided the impetus for future fencing solutions for other sectors; Fence Lab, a development project working in conjunction with Sandia National Laboratory looking at various types of physical barriers/fences; and the Barry M. Goldwater Range (BMGR) in the Yuma Sector, a 34 mile initial project securing the range using a bollard and fence combination for effectiveness. In 2008, SBI will complete additional fence and vehicle fence projects.

For FY 2009, SBI will provide tactical infrastructure such as fence, barriers, roads and lighting as well as technological and surveillance packages to additional southwest border sectors.

**H. PPA Budget Justifications**

**Department of Homeland Security  
U. S. Customs and Border Protection  
Border Security, Fencing, Infrastructure and Technology  
Funding Schedule  
(Dollars in Thousands)**

| PPA: SBInet Development and Deployment          |  | 2007             | 2008               | 2009             | 2008 to 2009         |
|---|--|------------------|--------------------|------------------|----------------------|
| Object Classes:                                 |  | Actual           | Enacted            | Request          | Change               |
| 21.0  | Travel                                     | 1,500            | 4,150              | 500              | (3,650)              |
| 23.3  | Communication, Utilities, and misc charges | 5,300            | 8,200              | ---              | (8,200)              |
| 25.2  | Other Services                             | 148,645          | 1,280,713          | 274,500          | (1,006,213)          |
| 26.0  | Supplies & materials                       | 9,000            | ---                | ---              | ---                  |
| 31.0  | Equipment                                  | 53,530           | 198,400            | ---              | (198,400)            |
| 32.0  | Land & Structures                          | 205,000          | 295,000            | ---              | (295,000)            |
| <b>Total, SBInet Development and Deployment</b> |  | <b>\$422,975</b> | <b>\$1,786,463</b> | <b>\$275,000</b> | <b>(\$1,511,463)</b> |
| Full Time Equivalents                           |  |                  | ---                | ---              | ---                  |

**Mission Statement**

The SBInet Program Management Office (PMO) will identify and provide relevant information to DHS stakeholders in a timely manner, using open information architecture. To achieve this strategic goal CBP will lead the effort to develop a Common Operating Picture (COP) that provides situational awareness necessary to improve mobility, rapid response, officer safety, and intelligence.

**Summary Justification and Explanation of Changes**

|               | 2007           | 2008           | 2009         | 2008 to 2009     |
|---------------|----------------|----------------|--------------|------------------|
|               | Actual         | Enacted        | Request      | Change           |
| <b>Travel</b> | <b>\$1,500</b> | <b>\$4,150</b> | <b>\$500</b> | <b>(\$3,650)</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations.

|  | 2007         | 2008         | 2009       | 2008 to 2009   |
|--|--------------|--------------|------------|----------------|
|  | Actual       | Enacted      | Request    | Change         |
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>5,300</b> | <b>8,200</b> | <b>---</b> | <b>(8,200)</b> |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                       | 2007           | 2008             | 2009           | 2008 to 2009       |
|-----------------------|----------------|------------------|----------------|--------------------|
|                       | Actual         | Enacted          | Request        | Change             |
| <b>Other Services</b> | <b>148,645</b> | <b>1,280,713</b> | <b>274,500</b> | <b>(1,006,213)</b> |

Other Contractual Services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. FY 2009 request reflects a decrease of \$1,006,213,000 for non-recurring costs.

|                  | 2007          | 2008           | 2009       | 2008 to 2009     |
|------------------|---------------|----------------|------------|------------------|
|                  | Actual        | Enacted        | Request    | Change           |
| <b>Equipment</b> | <b>53,530</b> | <b>198,400</b> | <b>---</b> | <b>(198,400)</b> |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. FY 2009 reflects a decrease of \$198,000,000 for one-time equipment purchases.

|                              | 2007           | 2008           | 2009       | 2008 to 2009     |
|------------------------------|----------------|----------------|------------|------------------|
|                              | Actual         | Enacted        | Request    | Change           |
| <b>Land &amp; Structures</b> | <b>205,000</b> | <b>295,000</b> | <b>---</b> | <b>(295,000)</b> |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. FY 2009 decrease of \$295,000,000 reflects one-time costs.

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Border Security, Fencing, Infrastructure and Technology**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA: SBInet Operations and Maintenance          |  | 2007       | 2008            | 2009             | 2008 to 2009     |
|---|--|------------|-----------------|------------------|------------------|
| Object Classes:                                 |  | Actual     | Enacted         | Request          | Change           |
| 23.3  | Communication, Utilities, and misc charges | ---        | 6,000           | 34,000           | 28,000           |
| 25.2  | Other Services                             | ---        | 58,120          | 225,000          | 166,880          |
| 26.0  | Supplies & materials                       | ---        | 18,500          | 84,000           | 65,500           |
| 31.0  | Equipment                                  | ---        | 12,000          | 67,000           | 55,000           |
| <b>Total, SBInet Operations and Maintenance</b> |  | <b>\$0</b> | <b>\$94,620</b> | <b>\$410,000</b> | <b>\$315,380</b> |
| Full Time Equivalents                           |  |            | ---             | ---              | ---              |

**Mission Statement**

SBInet Operations and Maintenance includes the operational support required by the SBInet solution, exclusive of Integrated Logistics Support. This type of support includes the operation of a Network Operations Center and Security Operations Center, manning of a Customer Support (Help Desk), and IT Systems Support.

**Summary Justification and Explanation of Changes**

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | ---    | 6,000   | 34,000  | 28,000       |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. FY2009 reflects an increase of \$28,000,000 for communications.

|                       | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------------|--------|---------|---------|--------------|
|                       | Actual | Enacted | Request | Change       |
| <b>Other Services</b> | ---    | 58,120  | 225,000 | 166,880      |

Other Contractual Services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. FY2009 reflects an increase of \$166,880,000 for O&M for ongoing services.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | ---    | 18,500  | 84,000  | 65,500       |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. FY2009 reflects an increase of \$65,500,000 for new initiatives.

|                  | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------|--------|---------|---------|--------------|
|                  | Actual | Enacted | Request | Change       |
| <b>Equipment</b> | ---    | 12,000  | 67,000  | 55,000       |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. FY 2009 reflects an increase of \$55,000,000 O&M for equipment purchases.

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Border Security, Fencing, Infrastructure and Technology**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Program Management</b>   |  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|----------------------------------|--|-----------------|-----------------|-----------------|---------------------|
| <b>Object Classes:</b>           |  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| 11.1                             | Perm Positions                             | 5,000           | 15,127          | 20,500          | \$5,373             |
| 12.1                             | Benefits                                   | 1,842           | 4,000           | 5,500           | 1,500               |
| 21.0                             | Travel                                     | 500             | 2,300           | 2,500           | 200                 |
| 23.3                             | Communication, Utilities, and misc charges | ---             | 2,034           | 2,000           | (34)                |
| 24.0                             | Printing                                   | ---             | 40              | 40              | ---                 |
| 25.2                             | Other Services                             | 29,451          | 55,237          | 54,460          | (777)               |
| 26.0                             | Supplies & materials                       | 200             | 569             | 2,500           | 1,931               |
| 31.0                             | Equipment                                  | 1,200           | 1,500           | 2,500           | 1,000               |
| <b>Total, Program Management</b> |  | <b>\$38,193</b> | <b>\$80,807</b> | <b>\$90,000</b> | <b>\$9,193</b>      |
| Full Time Equivalents            |  | 39              | 160             | 185             | 25                  |

**Mission Statement**

Program Management includes work related to the planning, organizing, coordinating, authorizing, and controlling of the program to meet technical, quality, cost, and schedule requirements over the period of the contract. Includes such areas as business management, supplier management and procurement, relocation expenses, security, regulatory management (environmental, real estate, and spectrum), and quality and mission assurance.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>6,842</b>  | <b>19,127</b>  | <b>26,000</b>  | <b>6,873</b>        |

Salaries and Benefits includes costs for 185 FTEs. FY 2009 reflects an increase of \$6,873,000 for the annualization of 170 FTE and a program increase for 15 FTE.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$500</b>  | <b>\$2,300</b> | <b>\$2,500</b> | <b>\$200</b>        |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>---</b>    | <b>2,034</b>   | <b>2,000</b>   | <b>(34)</b>         |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>---</b>    | <b>40</b>      | <b>40</b>      | <b>---</b>          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>29,451</b> | <b>55,237</b>  | <b>54,460</b>  | <b>(777)</b>        |

Other Contractual Services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>200</b>    | <b>569</b>     | <b>2,500</b>   | <b>1,931</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. FY2009 reflects an increase of \$1,931,000 for supplies required for new initiatives.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>1,200</b>  | <b>1,500</b>   | <b>2,500</b>   | <b>1,000</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. FY 2009 reflects an increase of \$1,000,000 for new initiatives

**I. Changes In FTE**

**CHANGES IN FULL-TIME EQUIVALENTS\*  
U.S. Customs and Border Protection  
Border Security, Fencing, Infrastructure and Technology**

|  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request |
|--|-------------------|--------------------|--------------------|
| <b>BASE: Year-end Actual from Prior Year</b>                               | <b>0</b>          | <b>39</b>          | <b>160</b>         |
| <b>INCREASES</b>   |                   |                    |                    |
| <b>Program Management</b>  | <b>39</b>         | <b>40</b>          | <b>15</b>          |
| <b>Program Management Annualization</b>                                    | <b>0</b>          | <b>81</b>          | <b>10</b>          |
| <b>Subtotal, Increases</b>   | <b>39</b>         | <b>121</b>         | <b>25</b>          |
| <b>DECREASES</b>   |                   |                    |                    |
|  | 0                 | 0                  | 0                  |
| <b>Subtotal, Decreases</b>   | <b>0</b>          | <b>0</b>           | <b>0</b>           |
| <b>Year-end Enacted/Estimated FTEs</b>                                     | <b>39</b>         | <b>160</b>         | <b>185</b>         |
| <b>Net change from prior year SOY base to<br/>budget year EOY estimate</b> | 39                | 121                | 25                 |

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not applicable.

# Department of Homeland Security

*U.S. Customs and Border Protection*  
*Automation Modernization*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Customs and Border Protection Automation Modernization

### I. Appropriation Overview

#### **A. Mission Statement for Automation Modernization:**

To further the U.S. Customs and Border Protection (CBP) mission of securing our nation's borders while facilitating legitimate trade, CBP is in the midst of modernizing its information systems. The foremost automation effort is the phased implementation of the Automated Commercial Environment (ACE), which is being developed and deployed in increments and will replace the current trade management system, the Automated Commercial System (ACS). ACE will provide tools and enhance the business processes that are essential to securing U.S. borders from terrorists by providing intelligence required to target illicit goods, while ensuring the efficient processing of legitimate goods. ACE capabilities have been designed to identify potential risks, analyze information prior to arrival of people and cargo, and provide intelligence in easy-to-use formats. As a web-based system, ACE will provide users from government and the trade community with new, more efficient ways of accessing, processing, and sharing trade-related information. Critical Operations Protection and Processing Support (COPPS) provides nearly all the CBP Information Technology (IT) infrastructure to operate and maintain mission-critical IT systems requisite to secure the borders while facilitating legitimate trade and travel. The Traveler Enforcement Communication System (TECS) provides critical border enforcement and Port of Entry (POE) processing capabilities. TECS Modernization is a multi-year project that will enhance CBP's mission capabilities by developing and deploying a modernized TECS.

#### **B. Budget Activities:**

##### Automated Commercial Environment / International Trade Data System (ITDS)

CBP is modernizing its business processes, information technology systems, and infrastructure to provide the functionality needed to support its mission and sustain its global leadership position in the years to come. ACE is CBP's response to the explosive growth in trade volume and will supplement and replace the Automated Export System (AES) and ACS. Within DHS, ACE is a much-needed tool to combat illegal activities and terrorist threats to the United States. In addition, ACE satisfies numerous legislative mandates that could not otherwise be achieved. The International Trade Data System (ITDS) is intended to be a secure, integrated, government-wide vehicle for the electronic collection, use, and dissemination of trade and transportation data. To become a single window to the trade, ITDS will require the participation of approximately 79 Federal entities.

##### Critical Operations Protection & Processing Support (COPPS) /TECS Modernization

COPPS provides nearly all the CBP IT infrastructure. The information technology systems supported by CBP's IT infrastructure allow for implementation of the unified border policy by providing efficient and effective sharing of information and images among the trade community and law enforcement agencies. COPPS supports the operations of CBP Officers and Border Patrol agents at the Ports of

Entry and between the Ports of Entry, and provides for coordinated targeting, command, control, and communications capabilities across CBP. IT systems are vital tools used by CBP and other Federal agencies to defend our borders. They assist CBP Officers and Border Patrol agents in identifying potential catastrophic threats, including terrorists, weapons of mass destruction, and biological agents, as they attempt to enter the country, while simultaneously facilitating legitimate trade and travel. TECS is a key border enforcement system for CBP and DHS that plays an essential role in the screening of travelers entering the U.S. and in supporting the screening requirements of other Federal agencies. The current TECS is over 18 years old and uses technology that cannot be supported into the future. Maintaining TECS functionality is critical to CBP's border enforcement mission. The modernization program will replace the mainframe components of TECS with a sustainable technical architecture including modern databases and graphical user interfaces.

### **C. Budget Request Summary**

For FY 2009, the Automation Modernization request is 63 positions, 63 FTE, and \$511,334,000. The total adjustments-to-base is a decrease of \$275,000. Program increases include \$25,000,000 for TECS Modernization and \$10,000,000 for Terrorism Prevention Systems Enhancements (TPSE):

- Traveler Enforcement Communication System (TECS) - \$25 million is requested to support TECS. TECS is a key system for border enforcement and sharing of information on persons who are inadmissible or may pose a threat to the security of the United States. TECS is the primary subject record "watch list" database for DHS. Immigration and Customs Enforcement (ICE), the Transportation and Security Administration, U.S. Citizenship and Immigration Services (USCIS) and US-VISIT rely on TECS for the biographic vetting of people. TECS Modernization will ensure this capability is available into the future. The continued funding stream of resources received in FY 2008 and requested in FY 2009 will support:
  - complete security management efforts that started in FY08
  - continue improvements to the secondary inspections operations that started in FY08 by modernizing the process systems-wide that currently requires CBP officers to access several systems and re-enter data when a person is not admitted at a POE and moved to a secondary location
  - implement subject record modernization
  - provide vetting services for other systems and agencies
  - implement modernization of databases
- Terrorism Prevention System Enhancements (TPSE) - \$10 million is requested to support TPSE. TPSE provides 24/7 systems availability, network redundancy, and monitoring. The TPSE and COPPS funding will support recurring infrastructure needs (software licensing, hardware maintenance, data storage, data redundancy, network circuits, etc.). The demand for 100 percent systems and network availability (24/7/365) has increased associated infrastructure costs, and this funding will sustain investments made to reduce downtime and increase mission critical systems availability to CBP personnel worldwide.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |              |
|---|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|--------------|
|   |                   |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |              |
|   | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT       |
| ACE/ITDS  | 62                | 335,929          | 62                 | 316,969          | 62                 | 316,851          | ---                                      | (118)           | ---             | ---             | ---                 | (118)        |
| COPPS   | ---               | 137,442          | 1                  | 159,640          | 1                  | 194,483          | ---                                      | 34,843          | ---             | 35,000          | ---                 | (157)        |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>62</b>         | <b>\$473,371</b> | <b>63</b>          | <b>\$476,609</b> | <b>63</b>          | <b>\$511,334</b> | <b>---</b>                               | <b>\$34,725</b> | <b>---</b>      | <b>\$35,000</b> | <b>---</b>          | <b>(275)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
**Program Performance Justification**  
 (Dollars in thousands)

**PPA: ACE/ITDS**

|                                | <b>Perm</b> |            |                  |
|--------------------------------|-------------|------------|------------------|
|                                | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>    |
| <b>2007 Actual</b>             | <b>62</b>   | <b>62</b>  | <b>\$335,929</b> |
| <b>2008 Enacted</b>            | <b>62</b>   | <b>62</b>  | <b>316,969</b>   |
| 2009 Adjustments-to-Base       | ...         | ...        | - 118            |
| <b>2009 Current Services</b>   | <b>62</b>   | <b>62</b>  | 316,851          |
| 2009 Program Changes           | ...         | ...        | 0                |
| <b>2009 Request</b>            | <b>62</b>   | <b>62</b>  | <b>316,851</b>   |
| <b>Total Changes 2008-2009</b> | <b>...</b>  | <b>...</b> | <b>- 118</b>     |

- CBP requests \$316.9 million for this activity; a decrease of \$118,000 from FY 2008:
- Pay annualization - \$72,000
- Pay raise - \$169,000
- Non-pay inflation - \$6.2 million
- Management Efficiency - a decrease of \$6.5 million

**CURRENT SERVICES PROGRAM DESCRIPTION:**

ACE is the U.S. trade processing system designed to consolidate and automate import processing. The ACE project was begun in FY 2001, and completion is scheduled for FY 2011 at an estimated cost of \$3.3 billion.

Automating time-consuming and labor-intensive transactions will allow goods through ports and onto markets faster and at lower cost will simplify dealings between CBP, the trade community, and other government agencies. CBP personnel will have automated tools and better information to decide - before a shipment reaches U.S. borders - what cargo should be targeted because it poses a potential risk, and what cargo can be expedited because it complies with U.S. laws.

ACE benefits include:

- Enhancing border security
- Expediting trade flow
- Increasing access to on-line data
- Simplifying and expediting cargo release
- Replacing transaction and paper based processing with a national account-based processing
- Providing periodic monthly payment ability and account statements

FY 2007 carried ACE beyond its midpoint for funding, schedule, and functionality as \$1.9 billion of the \$3.3 billion lifecycle cost estimate has been appropriated (approximately 60%); 5 of the 9 years of software development have elapsed (approximately 65%); and 7 of the 10 releases of ACE

functionality have been deployed. A description of each release and associated performance date is provided below.

**ACE Foundation (Release 1): COMPLETE**

The ACE Foundation (Release 1) provided the first infrastructure investment for the deployment platform for ACE and established security measures that are consistent across ACE.

**Account Creation (Release 2): COMPLETE**

The ACE Account Creation (Release 2) provided CBP Account Managers and selected importers controlled access to information (such as the account's trade activity), and facilitated collaboration and communication among the various groups. This release laid the initial foundation for an account management structure that will eventually encompass all segments of the trade community and become a principal tool for CBP Officers to assess national compliance and supply chain data. This tool continues to roll out to additional users, and has altered the methodology CBP employs to research and analyze supply chain information and achieve improvements in trade compliance. As of November 2007, a total of 7,867 CBP personnel and 13,588 ACE accounts have access to the ACE Secure Data Portal.

**Periodic Payment (Release 3): COMPLETE**

The ACE Periodic Payment (Release 3) expanded the account management framework to a larger trade audience such as brokers, carriers, and CBP Officers overseeing those areas. Monthly payment and statement capabilities are available within the account-based system. Duties and fees no longer have to be paid on a transaction-per-transaction basis, and companies can more easily track their activities through customized account views and reports. ACE periodic payment users have the ability to wait until the 15<sup>th</sup> working day of the next month to pay for shipments released during the previous calendar month. This provides a potentially significant cash flow benefit. Since the first payment was made in July 2004 through November 9, 2007, nearly \$18 billion in duties and fees have been paid through ACE monthly statements.. Over \$1 billion in payments were collected via October 2007 statements, representing approximately 38% of adjusted total statement collections.

**Screening Foundation (Release S1): COMPLETE**

The ACE Screening Foundation (Drop S1) established the long-term foundation for modernizing screening and targeting. It uses a business rules engine to enhance the screening capabilities for all manifest and entry transactions. The business rules engine provides two significant benefits. First, it allows end users to define and maintain rules and data sources instantaneously without the assistance of a technical expert. Second, end-users are able to develop rules, perform impact assessments, and request approval for rule deployment. New rules can be added without software changes.

Additionally this release established a centralized standard data store for all screening and targeting criteria and results, and facilitated the ability to determine the reasons for an exam. It enhanced existing capability by enabling management of screening and targeting criteria by the business end-user using any combination of data related to manifest and entry processing that can be derived from existing data.

### **Targeting Foundation (Release S2): COMPLETE**

Targeting Foundation (Drop S2) established the targeting platform and foundation for CBP. Just as Screening Foundation (S1) established the foundation for screening, the targeting platform established the merged, service-oriented architectural basis upon which analytical capabilities are deployed.

Targeting Foundation (S2) modernized the core workflow of the National Targeting Center (NTC). Through the targeting platform, the NTC has the ability to initiate activities, foster collaboration among analysts, and access past activity logs for additional intelligence. A core set of analytical capabilities within the targeting platform enables CBP analysts to develop actionable intelligence. Analysts have the ability to conduct searches of disparate data, both structured and unstructured. They also have the ability to research and collaborate on a real-time basis with other analysts. Sophisticated text analytics aid the analysts in finding relevant facts and discovering new relationships in the data. Analysts may annotate, store, and classify their findings for reference by others.

### **e-Manifest: Trucks (Release 4): COMPLETE**

The ACE e-Manifest: Trucks (Release 4) provides an electronic truck manifest, a primary CBP Officer interface, and expedited importation processing. The CBP Officer interface consolidates more than seven separate cargo release systems to provide CBP Officers with a comprehensive view of enforcement and transaction history data to enhance enforcement capabilities and simultaneously expedite the movement of trade. The electronic manifest provides one method to fulfill the mandate from the Trade Act of 2002 to provide advance cargo data for truck shipments.

e-Manifest: Trucks provides for the automated manifest processes to determine the admissibility of cargo, conveyance, and equipment arriving in the United States. The release interfaces with the Automated Targeting System (ATS) to provide screening data to CBP primary officers to target high-risk transactions. This release includes the provisions for the Federal Motor Carrier Safety Administration (the first participating government agency) to manage truck safety issues at U.S. land borders.

In November 2007, CBP completed the deployment of ACE e-Manifest: Trucks (Release 4) functionality. All 99 U.S. land border ports of entry are now equipped to accept and process e-Manifests. In January 2007, CBP began the phased enforcement of the mandatory filing of truck e-Manifests prior to arrival at a U.S. land border port of entry. Currently, the mandatory e-Manifest policy is in effect at 95 of 99 land border ports of entry, including all ports along the southern border. On average, e-Manifests can be processed 33 seconds faster than a traditional paper manifest. As of October 31, 2007, e-Manifests represent 99 percent of all manifests filed.

### **Advanced Targeting Capabilities (Release S3): COMPLETE**

Advanced Targeting Capabilities (Release S3) extend the targeting platform by adding new tools and models that allow more robust analysis of data to support extended targeting. This release provides opportunities for viewing the data in new ways and enhancing the ability to target outlying data, and implements metrics and compliance measures that provide insight into and feedback on the operational and technical targeting effectiveness.

### **Entry Summary, Accounts, and Revenue (ESAR) (Release 5)**

ESAR provides enhanced accounts management functions, a single source for master data, and integrated account-based, financial and entry summary processing. This release builds upon ACE Account Creation (Release 2) through e-Manifest: Trucks (Release 4) by adding functionality to

existing accounts management, periodic payment, ledger, and screening processing. The functionality for Release 5 is divided into two drops.

**ESAR: Master Data and Enhanced Accounts (Drop A1): COMPLETE**

Master Data and Enhanced Accounts (Drop A1) functionality includes enhanced account creation and maintenance using SAP Customer Relationship Management (CRM) and a portal for data management and edit checking. This release expands on prior ACE releases by adding most account types and corresponding system master data. Release 5 expands the current importer, broker, and carrier accounts management activities to treat any entity doing business with CBP as an account.

A key aspect of Master Data and Enhanced Accounts (Drop A1) is the establishment of ACE as the lead system for all specified master data elements required for CBP systems processing. This means that the creation and maintenance of master data elements and related reference files will originate in ACE and be distributed to other CBP systems.

**ESAR: Entry Summary and Revenue (Drop A2): WINTER 2011**

Entry Summary and Revenue (Drop A2) will use SAP's integrated components to deliver the entry summary business process through liquidation: specifically electronic refund processing, debt management, centralized bond processing (including bond sufficiency checks) full accounts receivable sub-ledger processing, and Web-based collection processing via data exchange with pay.gov. Entry Summary and Revenue (Drop A2) will also provide integration between the ACE subsidiary ledger and the CBP general ledger to include financial information for all ACE accounts.

Entry Summary and Revenue (Drop A2) will expand ACE to encompass entry summary; liquidation/closeout processing; reconciliation processing; calculation of duties, taxes and fees; PGA interfaces; prior disclosure; post summary corrections; bond application/storage; bond sufficiency; team review; protest; CBP-issued licenses/permits/certificates and other documentation; accounts receivable; collections and receipts; and refunds.

**E-Manifest: All Modes and Cargo Release (Release 6 – dates are provided in the following drop levels)**

E-Manifest: All modes and Cargo Release (Release 6) establishes the common repository for a multi-modal manifest (MMM) application and automates cargo release processing. This release will bring existing applications into the shared MMM environment and support CBP agreements such as the Container Security Initiative and the Security and Prosperity Partnership with Canada and Mexico.

The MMM environment will bring all modes of transportation (sea, rail, air, truck, and pipeline) into a common processing environment and extend Web portal access on import and export transactions for CBP external trade partners and PGA users. The MMM environment will also enfranchise the custodial community of port authorities, ocean terminal operators, warehouse proprietors, foreign trade zone (FTZ) operators, and others associated with the cargo control, materials handling and 3<sup>rd</sup> party logistics of international transportation and commerce.

In addition to the cargo control transportation manifest, the Automated Broker Interface (ABI) that governs the cargo release process will be modernized to operate in the new MMM environment. Stand-alone applications such as the Vessel Management System (VMS) and the Mail Entry Writing System (MEWS) will be modernized and enfolded into the wider MMM environment creating a coherent cargo control and release application environment.

**E-Manifest: Rail and Sea Manifest (Drop M1): FALL 2008**

E-Manifest: Rail and Sea (Drop M1) will provide a common repository user interface, shared cargo control software, and an account-based trade interface with web portal access for the rail and sea modes of transportation within the new MMM environment.

Ocean and rail manifest will be modernized for the trade community and for the CBP officer. The entry filer will continue to submit data through the ABI gateway into the cargo release system in ACS. After acceptance, the entry data will be processed through ATS for risk assessment and after screening, the results of processing will be sent into the ACE cargo control component of MMM from which status notifications will be sent to the rail and sea carriers.

E-Manifest: Rail and Sea (Drop M1) will also deliver to the CBP Officer the capability to view a rail, sea, or truck shipment at the bill of lading level along with the entry data and associated screening and targeting results via the ACE Secure Data Portal. The ACE Secure Data Portal will provide a consolidated view of manifest, entry and reference file information that will expedite pre-arrival processing and provide to the CBP Officer the capability to place holds, remove holds and electronically complete the cargo processing in advance of actual conveyance arrival.

**E-Manifest: Air Manifest & Cargo Release (Drop M2): SUMMER 2010**

E-Manifest: Air Manifest & Cargo Release (Drop M2) will modernize Air Manifest and cargo release. For the air mode of transportation, this drop of ACE functionality will bring all of the functionality brought to the rail and sea modes as noted above plus enhanced split shipment bill of lading handling and other enhancements. E-Manifest: Air Manifest & Cargo Release (Drop M2) will also result in the truck, rail, ocean, and air modes of transportation sharing a common repository. To the external trade partner, the Web portal will provide access to their carrier accounts and a true MMM environment for the four main categories of transportation providers that interchange cargo as it moves through the international supply chain network en route to, within or as it is being exported from the United States.

E-Manifest: Air Manifest & Cargo Release (Drop M2) will also deliver to the CBP Officer the capability to view a rail, sea, truck and air shipment at the bill of lading level along with the related entry data and the associated results of the screening and targeting results via the ACE Secure Data Portal. The portal will provide a consolidated view of manifest, entry and reference file information that will expedite pre-arrival processing and provide to the CBP Officer the capability to place holds, remove holds and electronically complete the cargo processing for these shipments in advance of actual conveyance arrival.

**E-Manifest: Exports and Mail Entry Writing System (MEWS) (Drop M3): FALL 2011**

E-Manifest: MEWS (Drop M3) will bring export cargo processing into the MMM environment, providing export manifest reporting capabilities for truck, sea, rail, and air. One significant difference from the previous drops is that there is no 'entry' or Cargo Release processing on export shipments since export goods are leaving the United States (no duty or tax is being collected).

E-Manifest: MEWS (Drop M3) will also include the modernization of MEWS. The MEWS data will be made available to screening and targeting for risk assessment and criteria screening to enhance the CBP ability to target, select, and intercept injurious shipments entering the country via international mail.

**Exports and Cargo Control (Release 7 - dates are provided in the following drop levels)**

Exports and Cargo Control (Release 7) completes the Account Management, Revenue, Manifest and Release, and Export Processes. This release will include ESAR: Drawback, Enhanced Protest, and Import Activity Summary Statement (IASS, Drop A3) and e-Manifest: Custodial Entities, Pipelines, and Batch Processes (Drop M4).

**ESAR: Drawback, Protest and Import Activity Summary Statement (Drop A3): FALL 2012**

This drop of ACE functionality will include Drawback, IASS, and Enhanced Protest. The implementation of the IASS will constitute a major change to the current commercial process for CBP, PGAs, and the trade community. There will be an impact to the existing CBP and PGA users who will utilize the expanded capabilities. However, most users will already be using ACE, so familiarity with the form and feel of the system will allow rapid assimilation of new functionality with only limited training.

**E-Manifest: Custodial Entities and Pipelines (Drop M4): FALL 2012**

E-Manifest: Custodial Entities and Pipelines (Drop M4) will bring the custodial cargo control partners (terminal operators, ocean/air port authorities, container stations, warehouses) of the international transportation providers and entry filers into the consolidated MMM environment, along with the final mode of transportation, the international pipeline operators.

The custodial partners are the trusted trade partners that have physical custody of imported merchandise prior to delivery authorization of the imported goods, or have physical possession of goods subject to export control regulations prior to the actual departure of those goods from the United States. These constitute the custodial community within the MMM operational environment.

In addition, this drop of ACE functionality will automate the declaration and cargo control procedures governing import and export cargo movements via pipelines. Data related to pipeline importations will be provided to screening and targeting for risk assessment and the CBP field officer will have the ability to view screening and targeting results for pipeline importations along with rail, sea, truck, air shipments and cargo release (entry) data.

**International Trade Data System (ITDS)** is intended to be a secure, integrated, government-wide vehicle for the electronic collection, use, and dissemination of trade and transportation data. To become a single window to the trade, ITDS will require the participation of approximately 79 Federal entities.

PPA: COPPS

|                               | <b>Perm</b> |            |                  |
|-------------------------------|-------------|------------|------------------|
|                               | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>    |
| <b>2007 Actual</b>            | ...         | ...        | <b>\$137,442</b> |
| <b>2008 Enacted</b>           | <b>1</b>    | <b>1</b>   | <b>159,640</b>   |
| 2009 Adjustments to Base      | ...         | ...        | -157             |
| <b>2009 Current Services</b>  | <b>1</b>    | <b>1</b>   | <b>159,483</b>   |
| Program Changes               | ...         | ...        | 35,000           |
| <b>2009 Request</b>           | <b>1</b>    | <b>1</b>   | <b>194,483</b>   |
| <b>Total Change 2008-2009</b> | ...         | ...        | <b>34,843</b>    |

CBP request \$194.5 million for this activity; an increase of \$34.7 million over FY 2008:

Pay raise - \$3,000

Non-pay inflation - \$3.2 million

Management efficiency – a decrease of \$3.4 million

Program increase - \$25 million for TECS

Program increase - \$10 million for TPSE

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Critical Operations Protection and Processing Support (COPPS) supports the CBP IT infrastructure. The systems supported by CBP's IT infrastructure allow for a unified border presence and provide for more efficient and effective sharing of information and images amongst trade and law enforcement agencies. The IT systems are vital tools that CBP and other Federal agencies use to defend our borders and support our ports of entries. The systems assist CBP in identifying potential catastrophic threats, including terrorists, weapons of mass destruction, and biological agents, as they attempt to enter the country. In FY 2007, these IT systems provided the means for enforcing the U.S. criminal and trade laws and for collecting in excess of \$30 billion in revenue associated with international trade and commerce.

CBP facilitates trade growth, economic development, and the efficient processing of international travelers through the use of comprehensive, integrated surveillance, detection, scientific, forensic, and information systems technology. COPPS is the backbone supporting all of these capabilities. The technology utilized within CBP's infrastructure enables CBP to continually improve the selectivity of low-risk and high-volume cargo, vehicles, and people, while expediting clearance processes. The infrastructure provides the basis for maintaining a sound trade management system that maximizes compliance with the law, moves legitimate cargo efficiently; targets high risk shipments, secures our borders, facilitates movement of international travel, protects the public from contraband, and maintains a strong support structure to achieve desired business results for both CBP and stakeholders.

COPPS provides networks, voice communications, data center, Technical Support Center (help desk), and e-mail. COPPS serves as the backbone for mission critical trade and law enforcement systems. The major mission critical systems, applications, and programs supported include the Automated Commercial System (ACS); The Traveler Enforcement Compliance System (TECS); Automated Export System (AES); Advanced Passenger Information System (APIS) and e-APIS; Free and Secure Trade (FAST); Seized Asset and Case Tracking System (SEACATS); CBP's Financial and Human Resources Management Systems; Fingerprinting and Identification System (IDENT); the Arrival Departure Information System (ADIS); the Port Radiation Identification Detection and Evaluation (PRIDE) system; the Enterprise Data Warehouse system; the Border Patrol Enforcement Tracking

System (BPETS); the Automated Targeting System (ATS); and the Secure Freight Initiative (SFI). These systems directly support CBP's mission:

- ACS is the comprehensive system that is used by CBP to track, control, and process all commercial goods imported into the United States. ACS facilitates merchandise processing, reduces paper work and cuts processing costs for both CBP and the trade community. ACS facilitates overall cargo processing to speed imports to the trade community and into the national economy. ACS applies analytical techniques, such as the Border Release Advanced Selectivity System (BRASS), to enforce border and transportation security while enabling implementation of NAFTA. ACS shares electronic data collection and distribution services with other government agencies.
- TECS is used by CBP and other federal and state agencies to provide screening data for people and vehicles entering the United States. TECS is responsible for providing border and transportation security at border and foreign locations, including those that are part of the Container Security Initiative (CSI) and United States Visitor Immigration Status Indication Technology (US-VISIT) projects.
- AES is the comprehensive system used by CBP, the Foreign Trade Division of the Bureau of Census (Commerce), the Bureau of Export Administration (Commerce), the Office of Defense Trade Controls (State), other Federal agencies, and the export trade community to track, control, and process all goods exported from the U.S. AES is the central point through which export shipment data, required by multiple agencies, is electronically filed and is used to identify exports with potential safety and security risks, such as HAZMAT and munitions type cargo. AES provides improved information sharing, enhanced quality of decision making through shared information, and support for intelligence, border and transportation security.
- APIS permits research on passengers on international flights before their arrival in the United States. APIS collects biographical information (name, date of birth, country of residence, etc.) from international air passengers before their departure for the U.S. Air carriers submit passenger data shortly after takeoff, allowing the data to be checked against TECS and the ATS-P before the passengers arrive. TECS includes lookout data from CBP, the State Department, and over twenty other Federal agencies. Passengers' names also are checked against the wanted person and criminal history files at the FBI's National Crime Information Center (NCIC). eAPIS allows Internet access to authorized users to submit flight data for processing and is used by small carriers.
- SEACATS is the cradle-to-grave system for tracking all activity associated with seized and forfeited property from the initial enforcement interest in the property until its final disposal. SEACATS tracks the flow of any expenses and movement of the property from one site and location to another throughout the forfeiture process. SEACATS also provides the system of administrative adjudication for all CBP Fines and Penalty processing. The system interfaces with other internal CBP systems and with the Internal Revenue Service, the Justice Department and Treasury Forfeiture Funds and supports requirements for seized and forfeited property, fines, penalties, and liquidated damages.

- CBP's Financial and Human Resource (HR) Management Systems manage administrative systems. These systems include SAP financial management, payroll, various inventory systems to track assets from helicopters to badges, as well as HR.
- An interface to Automated Biometric Identification System (IDENT) is deployed with the Enforcement Apprehension Booking Module (EABM). IDENT allows CBP to track individuals that have had previous encounters with CBP, and it provides statistical and intelligence data based on biometrics, which includes picture and ten print. IDENT allows CBP to identify known criminal aliens and individuals with active wants and warrants.
- An interface to Integrated Automated Identification System (IAFIS) currently has a limited deployment with EABM. The IAFIS capability allows CBP to positively identify any individual in the FBI Criminal Master File that has a criminal record. These responses are sent to the user along with the criminal history in approximately 3 minutes.
- ATS is an Intranet-based enforcement and decision support tool that is the cornerstone for all CBP targeting efforts. ATS is used for assessing travelers and cargo shipments to combat or prevent transnational crimes, and for risks that may be related to terrorism.
- BPETS is a tracking system that provides a single, standardized format for reporting Border Patrol data. This system allows Border Patrol to analyze incident report data and maximize deployment of resources. BPETS is the main source solution to provide reporting for the Congressional mandated Government Performance Results Act (GPRA) within OBP.

Other IT systems funded by and described under other accounts could not function without the basic IT infrastructure provided by COPPS. Among these systems are US VISIT, ACE, and the International Trade and Data System (ITDS) in addition, high-priority CBP programs, such as CSI depend on the IT infrastructure for their effectiveness.

Network and communications provided by COPPS include Blackberry servers, voice telephone (landline and cellular), audio/video conferencing, Internet, extranet and help desk and Value Added Network (VAN) connections. Communications also includes network bandwidth and fiber optic capabilities.

Hardware includes back up generators, scanners, hand held computers, a network operations center, LANs, WANs, routers, encryptors, gateways, firewalls, mainframe computers, workstations, file/email/database/application servers, modems, and VAN connections. Software includes application development tools, Operating Systems, Program and Configuration Management tools, Office Automation tools, Section 508 tools, testing tools, LAN/WAN administration tools, and other management tools.

The CBP National Data Center (NDC) houses the centralized infrastructure equipment supporting mission critical systems. Extensive connectivity and support facilities exist at the NDC, ranging from a large computer room and control center to back up power, storage, and generators. The primary technical environments for major applications are mainframe and UNIX environments. The mainframe systems run z/OS, CICS, DATACOM/DB, WebSphere, MQ Series, supporting applications written in Assembler, COBOL, and Java. The UNIX systems run Solaris OS, Oracle, MQ Series, and applications developed in C, C++, and Java. The magnitude of the workload supported by the NDC is

illustrated by the fact that the mainframes support over 100,000 users. In addition, the IT infrastructure currently supports over 47,000 users, full-time and other than full-time CBP staff. Additionally, CBP supports connectivity for more than 100 Federal, State, local, international government agencies, and more than 3,000 commercial organizations. The infrastructure supports over 50,000 desktop workstations/PCs, 25,000 laptops, 11,500 network printers, 5,750 host printers, 700 domain controllers, more than 225 application servers (Microsoft/Intel based), 850 Novell Servers, four mainframes, 3,500 switches, and over 1,300 routers.

By keeping the IT infrastructure stable, available, and reliable, CBP greatly enhances the ability of CBP Officers to make timely decisions and to take appropriate action in protecting our Nation's borders. CBP's infrastructure requirements continue to grow, both in response to greater DHS requirements and in response to the natural and beneficial growth of international trade and immigration. CBP's trade systems receive data from over 12,500 brokers, freight forwarders, and others representing the trade community. It is imperative that the infrastructure is augmented each year to accommodate this growth. Without the updated technology CBP will not be able to keep up with demand and maintain acceptable response times. Software and hardware maintenance costs increase at an average rate of 15% per year. Critical system licenses include VERITAS, IBM, Tivoli, Mainframe support, Oracle, DB2, Fujitsu, and Websphere MQ. Mainframe and UNIX DASD (direct access storage device) growth continues at an average rate of 15% per year.

FY 2007 accomplishments include supporting 59,008 CBP users (including CBP staff and contract staff) and converting over 46,000 users to Active Directory and Exchange. 100% of CBP desktops were refreshed with the 3270 mainframe emulator. 100% of Information Technology Field Technology Officers were trained on Windows XP, MS Exchange, and MS Active Directory. The percentage of mainframe capacity used remains at desirable <80%. The Traveler Enforcement Compliance System (TECS) is available to end users 98.7% of time and the network is available 99.4% of the time.

FY 2008 planned accomplishments include supporting over 60,000 CBP users (including CBP staff and contract staff), converting any additional CBP staff to Active Directory and Exchange, and completing CBP migration to Windows XP. 100% of Certification and Accreditation packages in Risk Management System and FISMA with improved quality are planned. Satellites are planned to be installed at the top 100 CBP Ports of Entry to provide network redundancy. Percentage of mainframe capacity used should remain at desirable <80%. The Traveler Enforcement Compliance System should be available to end users 98.7% of time and the network available 99.4% of the time.

FY 2009 planned accomplishments include supporting 61,000 CBP users (including CBP staff and contract staff). CBP plans to complete enterprise wide CBP Data Reference, Conceptual, Logical, and Physical data models. A baseline image of the latest Microsoft desktop operating system (Vista) is scheduled to be approved. Renewal of certification and accreditation (C&A) for systems with expiring C&A is also planned. The percentage of mainframe capacity used should remain at desirable <80%. The Traveler Enforcement Compliance System is available to end users 98.7% of time and the network is available 99.4% of the time.

**IV. Program Justification of Changes**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Automation  
Justification of Program Changes**

(Dollars in Thousands)

**Program Increase:**                      TECS Modernization

Strategic Goal(s) & Objective(s): 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity; 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities; 6.4 Facilitate the legitimate movement of cargo and people:

PPA: Critical Operations Protection and Processing Support (COPPS)

Program Increase:      Positions 0    FTE 0    Dollars \$25,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 1               | 1        | 25,000          |
| Program Increase       |                |          |                 |                 |          | 25,000          | 0               | 0        | 25,000          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>2,000</b>    | <b>1</b>        | <b>1</b> | <b>25,000</b>   | <b>1</b>        | <b>1</b> | <b>50,000</b>   |

**Description of Item:**

CBP requests \$25 million to support The Traveler Enforcement Communication System (TECS) which is a key system for border enforcement and sharing of information about people who are inadmissible or may pose a threat to the security of the United States. Funding will support:

|                                   |                     |
|-----------------------------------|---------------------|
| Planning Support for future years | \$1,500,000         |
| Contract Development Services     | \$15,500,000        |
| Hardware and Software Licenses    | <u>\$8,000,000</u>  |
| <b>Total</b>                      | <b>\$25,000,000</b> |

TECS plays an essential role in the screening of travelers entering the US and in supporting the screening requirements of other Federal agencies. TECS is the primary lookout record database for all of DHS. TECS currently:

- Provides subject record “watch list” processing for DHS and other agencies. This includes maintenance of lookout records and vetting services against these records.
- Supports primary and secondary inspections at the POEs.
- Receives and processes passenger manifests from carriers.

- Supports over 70,000 users from over 20 Federal agencies responsible for traveler processing, investigations, case management and intelligence.
- Provides entry/exit data to other systems/agencies.
- Provides a real time interface with Federal Bureau of Investigation's National Criminal Information Center (NCIC) and Integrated Automated Fingerprint Information System (IAFIS) for on line-queries of wants/warrants and criminal history records.
- Provides a real time interface to National Law Enforcement Telecommunications System (NLETS) for on-line queries of drivers licenses, vehicle registration and state wants/warrants from all 50 states and Canada.
- Processes over 2,000,000 transactions daily.

**Justification:**

TECS Modernization received \$25 million in FY 2008 as the first year of a multi-year modernization program. Funds requested in FY 2009 will continue modernizing the system to include:

- Improve data integration and search capabilities. Improved data integration will enable information relevant to a border crossing decision readily available to front-line CBP officers.
- Reduce the possibility of subjecting an individual to repeated examinations due to a false watch list hit. The updated systems will include mechanisms to prevent repeated referrals to secondary inspection for the same issue.
- Improve access to person-centric information by government officials for better decision-making. The updated system will provide mechanisms to allow more flexible access by other systems and authorized agencies. These same mechanisms will allow information from other systems to be more easily integrated with information from TECS.
- Improve the effectiveness and efficiency of primary and secondary inspections by simplifying use of the system, such as eliminating the need to reenter information.
- Improve flexibility to incorporate new capabilities and respond to evolving threats. The new system will provide the means to rapidly create or change support for end-to-end business processes. Functionality, such as watch list checks, will be integrated into business processes in a plug-and-play manner.
- Eliminate dated computer programs and technology that cannot be relied upon to support the CBP mission in the long term. The current TECS system was developed two decades ago using mainframe technology and 1980s concepts. The new system will incorporate modern technology and user interface concepts.
- Comply with CBP and DHS Service-Oriented Architecture directions, allowing person-screening functions to be more easily combined with other services to support end-to-end business process.

The continued funding stream of resources received in FY 2008 and requested in FY 2009 will support:

- complete security management efforts that started in FY08
- continue improvements to the secondary inspections operations that started in FY08 by modernizing the process systems-wide that currently requires CBP officers to access several systems and re-enter data when a person is not admitted at a POE and moved to a secondary location

- implement subject record modernization
- provide vetting services for other systems and agencies
- implement modernization of databases

**Performance Impact:**

TECS Modernization will support the following DHS and CBP Strategic Goals:

**DHS:**

- 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal: by denying entrance to the US to individuals that offer a threat to national security.
- 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities: by modernizing and upgrading screening systems already in place as well as implementing new initiatives, capabilities and functionalities.
- 6.4 Facilitate the legitimate movement of cargo and people: by successfully maintaining accurate and up to date information about individuals with negative and dangerous behavioral records and provide vetting servicing for specific names when requested by other national security related authorities.

**CBP:**

- 1.2 Improve identification and targeting of potential terrorists and terrorists weapons, through risk management and automated advanced and enhanced information: improved sensitive search capabilities will advance our ability to correctly identify persons of interest on watch lists.
- 1.4 Push the nation’s zone of security beyond physical U.S. borders through partnerships and extended border initiatives to deter and combat the threat of terrorism: the modernized system will allow information to be more readily exchanged with foreign governments.
- 3.3 Establish a unified primary inspection process for passenger processing at all ports of entry into the United States and fully integrate analysis and targeting units: Inspection of people is a primary mission of TECS. The modernized system will support unified processes, utilizing information from multiple systems, and will be more flexible to support future changes in this process.
- 3.4 Leverage the expertise, capabilities and legal authorities of the CBP Officers to establish antiterrorism secondary inspections: the inspection of people at secondary is supported by TECS. The modernized system will be better able to allow information from multiple systems to be incorporated seamlessly into a single end-to-end secondary inspection process.
- 4.1 Modernize automated import, export and passenger processing systems to improve risk assessment and enforcement decision-making: the program will modernize the core passenger processing system of CBP.
- 4.2 Utilize start-of-the-art technologies and processes to leverage resources and to conduct examinations of all potential high-risk cargo, conveyances and passengers: modernized TECS will improve detection of high-risk passengers through techniques such as linguistically sensitive

searches. Modernized TECS will also support the processing of vehicles in non-commercial lanes at land border POEs.

- 4.5 Facilitate international trade and travel: the modernized system will be better able to exchange information with foreign governments.
- 5.3 Cooperate with other agencies, foreign governments and industry partners to administer and enforce the laws of the United States: the modernized architecture will improve ability to flexibly exchange information with other agencies' systems.
- 6.3 Develop and deploy innovative and secure systems and advanced technologies including Automated Commercial Environment (ACE), Advance Passenger Information System (APIS), US-VISIT, Automated Targeting System (ATS), radiation portal monitors, Non-Intrusive Inspection (NII) systems, and America's Shield Initiative to improve targeting and screening of goods, people and conveyances entering the United States: this project will develop and deploy state-of-the-art capabilities for passenger and vehicle screening.
- 6.4 Maintain a reliable, stable and secure IT infrastructure and an array of technical support services including laboratory and scientific services, tactical radio communication, field equipment maintenance / support and 24/7 customer assistance: this project will eliminate technical components that are approaching end of life and may not be able to effectively serve the mission long term.

CBP Priorities supported by TECS Modernization include:

- 2. Prevent the entry of terrorists at the ports of entry: the project will improve the information available for officers both in primary and secondary to use in making admissibility decisions and determining possible terrorists.
- 6. Increase mechanisms to facilitate legitimate trade and travel: TECS Modernization will provide better support for the "Trusted Traveler" programs to help with both the vetting of applicants and processing of entry transactions.
- 7. Strengthen technology acquisition and deployment: TECS Modernization will use modern project management principles to guide its execution, coordinating with other program offices such as ACE and US-VISIT. TECS Modernization will acquire and deploy state of the art technology.
- 9. Unification as one border agency: TECS Modernization will provide enhanced primary and secondary processing that aligns with current CBP processes, eliminating any system relics from pre DHS operations.

### **Impacts on other DHS Components and outside DHS Components:**

TECS is the primary screening system to process travelers entering the US at Ports of Entry. TECS is used throughout DHS including CBP, ICE, Citizenship and Immigration Services (CIS) and Transportation Security Administration (TSA). Many other applications within DHS rely on TECS processing and data; including but not limited to ACE, US-VISIT, ATS, Arrival Departure Information System (ADIS), Seized Assets and Case Tracking System (SEACATS), and APIS.

TECS is the primary subject record “watch list” database for DHS. ICE, TSA, CIS and US-VISIT all rely on TECS for the biographic vetting of people in the completion of their missions. TECS Modernization will provide enhanced support for this vetting and ensure this capability is available into the future. TECS Modernization will coordinate with other efforts within DHS that require biographic vetting and subject record creation services such as ICE’s Case Management project and CIS’s Transformation project.

The Department of State is dependent on TECS for lookout record exchanges so that both consular officers and DHS officers can access the same lookout records. Many other Government agencies such as the Federal Bureau of Investigation (FBI), Drug Enforcement Agency (DEA), Treasury and Department of Defense (DOD) provide records to TECS for screening people entering the country as well as use TECS on line to run queries that benefit their agencies.

**Program Increase 2: Terrorism Prevention Systems Enhancements (TPSE)**

Strategic Goal(s) & Objective(s): 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal activity; 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities

PPA: Critical Operations Protection and Processing Support (COPPS)

Program Increase: Positions 0 FTE 0 Dollars \$10,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted* |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|------------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos              | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                  |          |                 | 0               | 0        | 0               |
| Program Increase       |                |          |                 |                  |          |                 | 0               | 0        | 10,000          |
| <b>Budget Request</b>  | <b>0</b>       | <b>0</b> | <b>6,500</b>    | <b>0</b>         | <b>0</b> | <b>45,000</b>   | <b>0</b>        | <b>0</b> | <b>10,000</b>   |

\* Funding was provided in the Salaries & Expenses appropriation.

**Description of Item:**

CBP requests \$10 million to support the Terrorism Prevention System Enhancements (TPSE), which enhances CBPs ability to provide 24/7 systems availability, network redundancy, and monitoring. TPSE and COPPS funding will support recurring infrastructure base needs, and infrastructure enhancements made with FY 2008 initiative funding, (software licensing, hardware maintenance, data storage, data redundancy, network circuits, etc.). The demand for 100 percent systems and network availability (24/7/365) has resulted in increased infrastructure costs. Funding will sustain infrastructure investments made to reduce downtime, and increase mission critical systems availability to CBP personnel worldwide.

**Justification:**

To support the worldwide scope and mission that CBP has today, systems are being modernized and networks reengineered to deliver a robust, fault tolerant, high assurance, high availability, and distributed service oriented architecture designed to minimize cost and downtime while providing flexibility and the ability to handle surge requirements, and failover capabilities. Our current infrastructure contains many single points of failure and outdated components that have caused repeated failures at CBP ports of entry. Funding will enable CBP to sustain enhancements made in FY 2008 to improve communications, power distribution, networking and computing capabilities to support our worldwide screening responsibilities. It will provide recurring infrastructure funding to improve CBP's 24/7x365 systems and network operation availability, and to minimize single points of failure. CBPs expanded worldwide operations scope, and demand for 100 percent systems availability, require that mission critical systems be available 100 percent of the time. This is a fundamental change since current systems were designed to be down for routine preventative maintenance on a regular basis.

Without the operations and maintenance funding to sustain FY08 enhancements, CBP will risk the backup of an average of 46,000 people for every hour of downtime, or release people without proper

screening and record keeping. This could result in terrorist, criminal and other undesirables entering the United States unchecked, and possibly compromise the safety of CBP officer's due to a lack of essential communication support.

### **Performance Impact:**

TPSE will support the following DHS and CBP Strategic Goals:

#### **DHS:**

- 2.1 Secure the borders against terrorists, means of terrorism, illegal drugs and other illegal: by expanded worldwide operations scope which encompasses a 7 day/24 hour operational responsibility requiring that all border and port screening systems be available 100% of the time.
- 2.3 Provide end users with technology and capabilities to detect/prevent terrorism and other illegal activities: by meeting future processing, and storage/backup requirements for passenger screening requirement.
- 6.4 Facilitate the efficient movement of legitimate cargo and people: without TPSE, CBP will be forced to backup an average of 46,000 people for every hour of downtime or else release people without proper screening and record keeping. This could result in terrorist, criminal and other undesirables entering the United States unchecked, and it could result in putting CBP officer's safety at first due to a lack of essential communication support.

#### **CBP:**

- 6.3 Develop and deploy innovative and secure systems and advanced technologies including ACE, APIS, US-VISIT, ATS, radiation portal monitors, NII systems, and America's Shield Initiative to improve targeting and screening of goods, people and conveyances entering the United States: the expanded worldwide operations scope which encompasses a 7 day/24 hour operational responsibility requires that all border and port screening systems be available 100% of the time.
- 6.4 Maintain a reliable, stable and secure IT infrastructure and an array of technical support services including laboratory and scientific services, tactical radio communication, field equipment maintenance / support and 24/7 customer assistance: supporting the worldwide scope and mission that CBP has today requires reengineering and deploying a robust, fault tolerant, high assurance, high availability, and distributed service oriented architecture designed to minimize cost and downtime while providing flexibility and the ability to handle surge requirements.

### **Impacts on other DHS Components and outside DHS Components:**

Funding will sustain enhancements made in communications, power distribution, networking and computing capabilities to support our worldwide screening responsibilities.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
U.S. Customs and Border Protection  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

For expenses for U.S. Customs and Border Protection automated systems, [\$476,609,000] **\$511,334,000**, to remain available until expended, of which not less than **\$316,851,000** [\$316,969,000] shall be for the development of the Automated Commercial Environment: *Provided*, That of the total amount made available under this heading, [\$216,969,000] **\$216,851,000** may not be obligated for the Automated Commercial Environment program until 30 days after the Committees on Appropriations of the Senate and the House of Representatives receive **a plan for expenditure prepared by the Secretary of Homeland Security that**

**(1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 7;**

**(2) complies with the Department of Homeland Security information systems enterprise architecture;**

**(3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government;**

**(4) includes a certification by the Chief Information Officer of the Department of Homeland Security that an independent verification and validation agent is currently under contract for the project; and**

**(5) is reviewed and approved by the Department of Homeland Security Investment Review Board, the Secretary of Homeland Security, and the Office of Management and Budget**

[report on the results to date and plans for the program from the Department of Homeland Security that includes:]

[(1) a detailed accounting of the program's progress up to the date of the report in meeting prior commitments made to the Committees relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, and program management capabilities;]

[(2) an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities;]

[(3) a listing of all open Government Accountability Office and Office of Inspector General recommendations related to the program, with the status of the Department's efforts to address the recommendations, including milestones for fully addressing them;]

[(4) a certification by the Chief Procurement Officer of the Department that the program has been reviewed and approved in accordance with the investment management process of the Department, and that the process fulfills all capital planning and investment control requirements and reviews established by the Office of Management and Budget, including Circular A-11, part 7, as well as supporting analyses generated by and used in the Department's process;]

[(5) a certification by the Chief Information Officer of the Department that an independent validation and verification agent has and will continue to actively review the program;]

[(6) a certification by the Chief Information Officer of the Department that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the

Department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination, any known areas of misalignment along with the associated risks and corrective actions to address any such areas;]

[(7) a certification by the Chief Information Officer of the Department that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system life cycle, and communicates high-risk conditions to U.S. Customs and Border Protection and Department of Homeland Security investment decision makers, as well as a listing of the program's high risks and the status of efforts to address them;]

[(8) a certification by the Chief Procurement Officer of the Department that the plans for the program comply with the Federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with any plans for addressing these risks and the status of their implementation; and]

[(9) a certification by the Chief Human Capital Officer of the Department that the human capital needs of the program are being strategically and proactively managed, and that current human capital capabilities are sufficient to execute the plans discussed in the report]. (Department of Homeland Security Appropriations Act, 2008.)

### **Explanation of Changes**

The terms are revised to allow flexibility in making the most effective distribution of resources.

**B. FY 2008 to FY 2009 Summary of Changes**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Automation Modernization  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>     |
|--|-------------|------------|-------------------|
| <b>2007 Actual</b> .....   | <b>62</b>   | <b>62</b>  | <b>\$ 473,371</b> |
| <b>2008 Enacted</b> .....  | <b>63</b>   | <b>63</b>  | <b>\$ 476,609</b> |
| <b>Adjustments-to-Base</b>   |             |            |                   |
| Increases  |             |            |                   |
| Annualization of 2008 pay raise.....                                 | ---         | ---        | \$ 72             |
| 2009 Pay Increase .....  | ---         | ---        | \$ 172            |
| Non-pay inflation .....  | ---         | ---        | \$ 9,374          |
| <b>Total Increases</b> .....   | <b>---</b>  | <b>---</b> | <b>\$ 9,618</b>   |
| Decreases  |             |            |                   |
| Management and Technology Efficiencies .....                         | ---         | ---        | \$ (9,893)        |
| <b>Total Decreases</b> .....   | <b>---</b>  | <b>---</b> | <b>\$ (9,893)</b> |
| <b>Total Adjustments-to-Base</b> .....                               | <b>---</b>  | <b>---</b> | <b>\$ (275)</b>   |
| <b>Total Current Services</b> .....                                  | <b>63</b>   | <b>63</b>  | <b>\$ 476,334</b> |
| <b>Program Changes</b>   |             |            |                   |
| Traveler Enforcement Communication System (TECS) Modernization ..... | ---         | ---        | \$ 25,000         |
| Terrorism Prevention System Enhancements (TPSE) .....                | ---         | ---        | \$ 10,000         |
| <b>Total Program Changes</b> .....                                   | <b>---</b>  | <b>---</b> | <b>\$ 35,000</b>  |
| <b>2009 Request</b> .....  | <b>63</b>   | <b>63</b>  | <b>\$ 511,334</b> |
| <b>2008 to 2009 Total Change</b> .....                               | <b>---</b>  | <b>---</b> | <b>\$ 34,725</b>  |

## C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |           |                  |
|--|--------------|-----------|------------------|
|  | Perm. Pos.   | FTE       | Amount           |
| <b>2007 Actual</b>   | <b>62</b>    | <b>62</b> | <b>\$473,371</b> |
| <b>2008 Enacted</b>  | <b>63</b>    | <b>63</b> | <b>476,609</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                  |
| Increases  | ---          | ---       | 9,618            |
| Decreases  | ---          | ---       | (9,893)          |
| Total Adjustments-to-Base  | ---          | ---       | (275)            |
| <b>2009 Current Services</b>   | <b>63</b>    | <b>63</b> | <b>476,334</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---       | <b>35,000</b>    |
| <b>2009 Total Request</b>  | <b>63</b>    | <b>63</b> | <b>511,334</b>   |
| 2008 to 2009 Total Change  | ---          | ---       | 34,725           |

| Estimates by Program/Project Activity | 2008 Enacted |           |                   | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |            |                  | 2009 Request |           |                  | 2008 to 2009 Total Change |            |                  |
|---------------------------------------|--------------|-----------|-------------------|--------------------------|------------|-----------------|---------------------|------------|------------------|--------------|-----------|------------------|---------------------------|------------|------------------|
|                                       | Pos.         | FTE       | Amount            | Pos.                     | FTE        | Amount          | Pos.                | FTE        | Amount           | Pos.         | FTE       | Amount           | Pos.                      | FTE        | Amount           |
| 1 ACE/ITDS                            | 62           | 62        | \$316,969         | ---                      | ---        | (\$118)         | ---                 | ---        | ---              | 62           | 62        | \$316,851        | ---                       | ---        | (\$118)          |
| 2 COPPS                               | 1            | 1         | 159,640           | ---                      | ---        | (157)           | ---                 | ---        | 35,000           | 1            | 1         | 194,483          | ---                       | ---        | 34,843           |
| <b>Total</b>                          | <b>63</b>    | <b>63</b> | <b>\$ 476,609</b> | <b>---</b>               | <b>---</b> | <b>\$ (275)</b> | <b>---</b>          | <b>---</b> | <b>\$ 35,000</b> | <b>63</b>    | <b>63</b> | <b>\$511,334</b> | <b>---</b>                | <b>---</b> | <b>\$ 34,725</b> |

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Automation Modernization**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|---|------------------|------------------|------------------|------------------------|
| 11.1 Total FTE personnel compensation                 | \$4,481          | \$4,715          | \$4,857          | \$142                  |
| 11.3 Other than full-time permanent                   | \$450            | \$464            | \$477            | 13                     |
| 12.1 Benefits   | 1,497            | 1,565            | 1,612            | 47                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$6,428</b>   | <b>\$6,744</b>   | <b>\$6,946</b>   | <b>\$202</b>           |
| Other Object Classes:                                 |                  |                  |                  |                        |
| 21.0 Travel   | 1,315            | 1,520            | 1,420            | (100)                  |
| 23.3 Communications, utilities, & other misc. charges | 19,050           | 22,012           | 20,578           | (1,434)                |
| 25.1 Advisory and assistance services                 | 16,718           | 19,318           | 18,059           | (1,259)                |
| 25.2 Other services                                   | 309,206          | 357,289          | 334,002          | (23,287)               |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 5,905            | 6,824            | 6,379            | (445)                  |
| 25.7 Operation and maintenance of equipment           | 22,797           | 26,342           | 24,625           | (1,717)                |
| 26.0 Supplies and materials                           | 326              | 376              | 352              | (24)                   |
| 31.0 Equipment  | 91,626           | 105,873          | 98,973           | (6,900)                |
| <b>Total, Other Object Classes</b>                    | <b>466,943</b>   | <b>539,554</b>   | <b>504,388</b>   | <b>(35,166)</b>        |
|   |                  |                  |                  |                        |
| <b>Total, Direct Obligations</b>                      | <b>\$473,371</b> | <b>\$546,298</b> | <b>\$511,334</b> | <b>(\$34,964)</b>      |
| Unobligated balance, start of year                    | (83,130)         | (69,689)         | ---              | 69,689                 |
| Unobligated balance, end of year                      | 69,689           | ---              | ---              | ---                    |
| Recoveries of prior year obligations                  | (8,490)          | ---              | ---              | ---                    |
| <b>Total requirements</b>                             | <b>\$451,440</b> | <b>\$476,609</b> | <b>\$511,334</b> | <b>34,725</b>          |

## F. Permanent Positions by Grade

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
 Permanent Positions by Grade

| Grades and Salary Ranges         | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|
|                                  | Pos.              | Pos.               | Pos.               | Total                  |
| Total, SES                       | 1                 | 1                  | 1                  | ---                    |
|                                  |                   |                    |                    | ---                    |
| GS-15                            | 11                | 11                 | 11                 | ---                    |
| GS-14                            | 26                | 27                 | 27                 | ---                    |
| GS-13                            | 20                | 20                 | 20                 | ---                    |
| GS-12                            | 1                 | 1                  | 1                  | ---                    |
| GS-11                            | 2                 | 2                  | 2                  | ---                    |
| GS-9                             | 1                 | 1                  | 1                  | ---                    |
| GS-7                             | 0                 | 0                  | 0                  | ---                    |
| <b>Total Permanent Positions</b> | <b>62</b>         | <b>63</b>          | <b>63</b>          | <b>---</b>             |
| Unfilled Positions EOY           | ---               | ---                | ---                | ---                    |
| Total Perm. Employment EOY       | 62                | 63                 | 63                 | ---                    |
| <b>FTE</b>                       | <b>62</b>         | <b>63</b>          | <b>63</b>          | <b>---</b>             |
| Headquarters                     | 62                | 63                 | 63                 | ---                    |
| <b>Total Permanent Positions</b> | <b>62</b>         | <b>63</b>          | <b>63</b>          | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ 142,252        | \$ 146,662         | \$ 151,208         | \$ 4,547               |
| <b>Average GS Salary</b>         | \$ 94,847         | \$ 97,787          | \$ 100,819         | \$ 3,031               |
| <b>Average GS Grade</b>          | 13.60             | 13.60              | 13.60              | ---                    |

## **G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justification

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
**ACE/ITDS**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA: ACE/ITDS          |  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|------------------------|--|-------------------|--------------------|--------------------|------------------------|
| <b>Object Classes:</b> |  |                   |                    |                    |                        |
| 11.1                   | Perm Positions                             | \$4,481           | \$4,615            | \$4,754            | \$139                  |
| 11.3                   | Other than perm                            | 450               | 464                | 477                | 13                     |
| 12.1                   | Benefits                                   | 1,497             | 1,541              | 1,587              | 46                     |
| 21.0                   | Travel                                     | 1,287             | 1,361              | 1,210              | (151)                  |
| 23.3                   | Communication, Utilities, and misc charges | 865               | 915                | 814                | (101)                  |
| 25.1                   | Advisory & Assistance Services             | 670               | 709                | 630                | (79)                   |
| 25.2                   | Other Services                             | 236,107           | 249,703            | 222,194            | (27,509)               |
| 25.3                   | Purchase from Govt. Accts.                 | 1,022             | 1,081              | 961                | (120)                  |
| 25.7                   | Operation & maintenance of equipment       | 11,847            | 12,529             | 11,142             | (1,387)                |
| 26.0                   | Supplies & materials                       | 276               | 292                | 260                | (32)                   |
| 31.0                   | Equipment                                  | 77,427            | 81,885             | 72,822             | (9,063)                |
| <b>Total, ACE/ITDS</b> |  | <b>\$335,929</b>  | <b>\$355,095</b>   | <b>\$316,851</b>   | <b>(\$38,244)</b>      |
| Full Time Equivalents  |  | 62                | 62                 | 62                 | ---                    |

### ACE Mission Statement

ACE will provide tools and enhance the business processes that are essential to securing U.S. borders from terrorists by providing intelligence required to target illicit goods, while ensuring the efficient processing of legitimate goods. ACE capabilities have been designed to identify potential risks, analyze information prior to arrival of people and cargo, and provide intelligence in easy-to-use formats. As a web-based system, ACE will provide users from government and the trade community with new, more efficient ways of accessing, processing, and sharing trade-related information.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | <b>\$6,428</b> | <b>\$6,620</b>  | <b>\$6,818</b>  | <b>\$198</b>           |

Salaries and Expenses includes cost for 62 FTE. The FY 2008 request includes an increase for the proposed FY 2008 pay raise.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$1,287</b> | <b>\$1,361</b>  | <b>\$1,210</b>  | <b>(\$151)</b>         |

Provides for travel to and from the many localities where ACE is being deployed to provide support to the IT infrastructure, ACE application, and for training of personnel.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$865  | \$915   | \$814   | (\$101)      |

Provides for telecommunication costs, utility costs, and facility costs at government-leased buildings that house ACE staff.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Advisory and Assistance Services</b> | \$670  | \$709   | \$630   | (\$79)       |

Provides for ACE support contracts and ACE system integrator support for requirements definition and design activities.

|                       | 2007      | 2008      | 2009      | 2008 to 2009 |
|-----------------------|-----------|-----------|-----------|--------------|
|                       | Actual    | Enacted   | Request   | Change       |
| <b>Other Services</b> | \$236,107 | \$249,703 | \$222,194 | (\$27,509)   |

Acquisition of services to provide support related to the use of ACE.

|  | 2007    | 2008    | 2009    | 2008 to 2009 |
|--|---------|---------|---------|--------------|
|  | Actual  | Enacted | Request | Change       |
| <b>Purchase from Government Accounts</b> | \$1,022 | \$1,081 | \$961   | (\$120)      |

|   | 2007     | 2008     | 2009     | 2008 to 2009 |
|---|----------|----------|----------|--------------|
|   | Actual   | Enacted  | Request  | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$11,847 | \$12,529 | \$11,142 | (\$1,387)    |

Provides for all software and hardware maintenance costs associated with ACE.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$276  | \$292   | \$260   | (\$32)       |

Provides for ACE-related general office supplies.

|                  | 2007     | 2008     | 2009     | 2008 to 2009 |
|------------------|----------|----------|----------|--------------|
|                  | Actual   | Enacted  | Request  | Change       |
| <b>Equipment</b> | \$77,427 | \$81,885 | \$72,822 | (\$9,063)    |

Provides for all capitalized and/or accountable software and hardware purchased to support ACE, as well as all system integrator labor to develop the ACE software.

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Automation Modernization**  
**COPPS**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: COPPS</b>      |  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b> |  |                           |                            |                            |                                |
| 11.1                   | Perm Positions                             | -                         | 100                        | 103                        | 3                              |
| 12.1                   | Benefits                                   | -                         | 24                         | 25                         | 1                              |
| 21.0                   | Travel                                     | 28                        | 159                        | 210                        | 51                             |
| 23.3                   | Communication, Utilities, and misc charges | 18,185                    | 21,097                     | 19,764                     | (1,333)                        |
| 25.1                   | Advisory & Assistance Services             | 16,048                    | 18,609                     | 17,429                     | (1,180)                        |
| 25.2                   | Other Services                             | 73,099                    | 107,586                    | 111,808                    | 4,222                          |
| 25.3                   | Purchase from Govt. Accts.                 | 4,883                     | 5,743                      | 5,418                      | (325)                          |
| 25.7                   | Operation & maintenance of equipment       | 10,950                    | 13,813                     | 13,483                     | (330)                          |
| 26.0                   | Supplies & materials                       | 50                        | 84                         | 92                         | 8                              |
| 31.0                   | Equipment                                  | 14,199                    | 23,988                     | 26,151                     | 2,163                          |
| <b>Total, COPPS</b>    |  | <b>137,442</b>            | <b>191,203</b>             | <b>194,483</b>             | <b>3,280</b>                   |
| Full Time Equivalents  |  | -                         | 1                          | 1                          | -                              |

**COPPS Mission Statement**

The Critical Operations Protection & Processing Support (COPPS) mission is to consolidate all U.S. Customs and Border Protection (CBP) Information Technology (IT) infrastructure requirements together.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | -                      | 124                     | 128                     | 4                              |

Salaries and Expenses includes cost for 1 GS-14 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | 28                     | 159                     | 210                     | 51                             |

Provides for travel to and from the many localities (over 1,000) where CBP maintains Information Technology (IT) systems, such as Ports of Entry, to provide support to the IT infrastructure, and for training of personnel.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | 18,185 | 21,097  | 19,764  | (1,333)      |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Advisory and Assistance Services</b> | 16,048 | 18,609  | 17,429  | (1,180)      |

Acquisition of commercial services to support the CBP Information Technology (IT) infrastructure, including systems and LAN engineering, and enterprise-wide IT system security.

|                       | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------------|--------|---------|---------|--------------|
|                       | Actual | Enacted | Request | Change       |
| <b>Other Services</b> | 73,099 | 107,586 | 111,808 | 4,222        |

Acquisition of services to provide support related to the use of proprietary systems (e.g. for configuration management and e-mail) and network systems.

|  | 2,007  | 2,008   | 2,009   | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Purchase from Government Accounts</b> | 4,883  | 5,743   | 5,418   | (325)        |

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | 10,950 | 13,813  | 13,483  | (330)        |

Contractors install, operate and maintain the CBP National Data Center's equipment (including mainframes, servers, printers, extensive communications equipment, and environmental controls) as well as that of the CBP IT networks, including voice communicate

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | 50     | 84      | 92      | 8            |

Enterprise licenses for large-scale database management systems, magnetic tapes for backing up data at the CBP National Data Centers, and general supplies such as printer toner and paper.

|                  | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------|--------|---------|---------|--------------|
|                  | Actual | Enacted | Request | Change       |
| <b>Equipment</b> | 14,199 | 23,988  | 26,151  | 2,163        |

Acquisition of software licenses and IT hardware. Licenses include those for mainframe computer systems (including MIPs, Million Instructions per Second) WAN and LAN operating systems, desktop systems (such as Windows and Microsoft Office).

## I. Changes In FTE

### CHANGES IN FULL-TIME EQUIVALENTS U.S. Customs and Border Protection

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|---|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>                                | <b>35</b>      | <b>62</b>      | <b>63</b>      |
| <b>INCREASES</b>  |                |                |                |
| <b>Adjustments-to-base</b>  | 27             | 0              | 0              |
| <b>TECS Modernization</b>   | 0              | 1              | 0              |
| <b>Subtotal, Increases</b>  | <b>27</b>      | <b>1</b>       | <b>0</b>       |
| <b>Year-end Enacted / Estimated FTEs</b>                                    | <b>62</b>      | <b>63</b>      | <b>63</b>      |
| <b>Net Change from prior year SOY base<br/>to budget year EOY estimate:</b> | <b>27</b>      | <b>1</b>       | <b>0</b>       |

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U. S. Customs and Border Protection*

*Construction*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U. S. Customs and Border Protection (CBP) Construction

### I. Appropriation Overview

#### A. Mission Statement for CBP Construction

The CBP Construction program provides the facilities and associated infrastructure required to effectively meet CBP's dual mission of securing the nation's border while facilitating legitimate travel and trade. A key mission of the Border Patrol is to obtain and maintain operational control of the border, defined as the ability to detect, respond to, and interdict illegal border penetrations. The CBP Construction Program addresses requirements on the northern and southern borders for new and enhanced facilities to fulfill immediate operational needs, to accommodate increasing capacity demands associated with new Agent, Officer, Pilot, and Asset deployments, to modify/correct deficiencies within existing structures, and to replace temporary structures with permanent solutions.

Stations and sector facilities are critical to Border Patrol operations, in that they provide logistical support to the field Agents, supplying strategically-located bases to improve mobility and promote maximum time on patrol. Air and Marine facilities are critical to the protection of the aviation/marine fleets, which allow for swift and integrated detection/interdiction efforts where land units cannot adequately respond. Functioning land ports of entry (LPOE) are integral for the daily operations and the capabilities of assets at the border to detect, deter and disrupt terrorist activities. Appropriate government-furnished housing is critical for those CBP Officers and Agents deployed to areas where the local housing markets are unable to fulfill their housing and associated infrastructure requirements.

The CBP Construction program directly supports the National Border Patrol Strategy, which was developed to facilitate the concentration of the Border Patrol's resources in the highest risk areas to establish and maintain a foundation for operational control over our Nation's border. The Construction program also supports the Air and Marine National Strategic Plan, as well as modernization of the facility requirements for Officers at CBP-owned LPOEs.

#### **B. Budget Activities:**

**Major Construction:** Addresses strategic requirements for planning, design, and construction of new and modernized/enhanced facilities and associated infrastructure. Includes Border Patrol sector headquarters, stations, and checkpoints.

**Minor Construction and Alterations:** Provides for planning, design, and construction of small structures and buildings, to include checkpoints and forward deployed tactical operations

and alien processing facilities. Also includes alterations, expansions, and enhancements to existing facilities.

**Operations, Maintenance, and Repairs:** Provides for the sustainment of facilities through replacement of consumables and adjustment or minor repair of mechanical support systems and structures. Funds service contracts and the purchase of materials needed to maintain and repair facilities. Includes the correction of functional and physical inadequacies within existing facilities, and restoration of damaged systems.

**Lease Acquisition Base:** Provides for the planning, design, and build-out of leased Border Patrol facilities. Includes new leasing actions and leasehold improvements.

**Planning:** Provides for special studies related to resource condition assessments, strategic resource allocations, valuation and depreciation methodologies, and reconciliation of assets and other management initiatives. The studies ensure facility investments are consistent with CBP's operational strategies.

**Housing:** The CBP Housing Initiative will expedite the development of a CBP employee housing plan to support a significant increase in the number of Border Patrol Agents and CBP Officers planned for hire and deployment throughout the United States. The CBP Housing Initiative shall minimize the gap between existing housing capacity and projected requirements by developing an optimized mix of housing solutions.

**CBP Air and Marine Facilities:** Addresses strategic requirements for new or modernized facilities required for the expansion, improvements, additions or replacements to adequately protect the aviation and marine fleets.

**LPOE Modernization:** Addresses deficiencies at the CBP-owned land ports of entry (LPOEs), which include the need for enhanced security, upgraded commercial inspection facilities, and significant age and facility distress.

**Advanced Training Center:** Addresses requirements for the planning, design, and construction of the Advanced Training Center in Harpers Ferry, West Virginia.

### **C. Budget Request Summary:**

CBP requests \$363,501,000 for FY 2009. Excluding emergency funding of \$61,000,000 provided in P.L.110-161, total adjustments-to-base is a decrease of (\$83,375,000). Program increases include \$149,513,000 to construct new and expanded facilities to accommodate current and additional Border Patrol staff and \$10,000,000 for modernization of the LPOE inventory.

**II. i-A Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction**

Summary of FY 2009 Budget Estimates by Program/Project Activity - excludes FY 2008 Emergency funding  
(Dollars in Thousands)

| Program/Project Activity                                | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                  |                     |                   |
|---|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|------------------|---------------------|-------------------|
|   |                   |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                  | Adjustments-to-Base |                   |
|   | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT           | FTE                 | AMOUNT            |
| Construction  | ---               | 391,706          | ---                | 287,363          | ---                | 363,501          | ---                                      | 76,138          | ---             | 159,513          | ---                 | (83,375)          |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$391,706</b> | ---                | <b>\$287,363</b> | ---                | <b>\$363,501</b> | ---                                      | <b>\$76,138</b> | ---             | <b>\$159,513</b> | ---                 | <b>(\$83,375)</b> |

**II. i-B Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction**

Summary of FY 2009 Budget Estimates by Program/Project Activity - includes FY 2008 Emergency funding  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                  |                     |                    |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|------------------|---------------------|--------------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                  | Adjustments-to-Base |                    |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT           | FTE                 | AMOUNT             |
| Construction   | ---               | 391,706          | ---                | 348,363          | ---                | 363,501          | ---                                      | 15,138          | ---             | 159,513          | ---                 | (144,375)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$391,706</b> | ---                | <b>\$348,363</b> | ---                | <b>\$363,501</b> | ---                                      | <b>\$15,138</b> | ---             | <b>\$159,513</b> | ---                 | <b>(\$144,375)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction  
Program Performance Justification  
(Dollars in thousands)**

PPA: CONSTRUCTION

|                                 | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|---------------------------------|---------------------|------------|------------------|
| <b>FY 2007 Actual</b>           | ...                 | ...        | <b>\$391,706</b> |
| <b>FY 2008 Enacted</b>          | ...                 | ...        | <b>348,363</b>   |
| FY 2009 Adjustments-to-Base     | ...                 | ...        | (144,375)        |
| <b>FY 2009 Current Services</b> | ...                 | ...        | <b>203,988</b>   |
| FY 2009 Program Change          | ...                 | ...        | 159,513          |
| <b>FY 2009 Request</b>          | ...                 | ...        | <b>363,501</b>   |
| Total Change FY 2008-2009       | ...                 | ...        | 15,138           |

\*The above table includes emergency funding of \$61.0 million provided in P.L. 110-161. CBP requests \$363.5 million for this activity. Excluding emergency funds provided, the increase of \$76.1 million over FY 2008 is for non-pay inflation as well as program increases for Border Patrol facilities and land ports of entry (LPOEs).

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The CBP Construction program provides the facilities that CBP Border Patrol, Field Operations, and Air and Marine need to perform their enforcement missions. The current services program provides environmental planning, site planning, site acquisition, design services, and construction of new buildings. It builds out leased space, and repairs, renovates, and alters government owned and leased space. The program also funds routine facility operations and maintenance. The FY 2009 current services program of \$203.9M includes costs for the following:

- Border Patrol major construction - \$105.7M
- Minor construction and alterations - \$25.4M
- Lease acquisition - \$21.6M
- Planning - \$2M
- Operations, maintenance and repairs - \$17.6M
- Housing - \$15M
- Air and Marine facilities - \$16.6M

The Office of Border Patrol has experienced significant growth during the last several years, with considerable impact to an already aging and deficient facility portfolio.

Adequate stations and sector facilities are critical to Border Patrol operations. They provide logistical support to the field Agents, supplying strategically located bases to improve mobility and promote maximum time on patrol.

Border Patrol sector headquarters provide operational command, control and communications in the sector's area of responsibility. Missions and capabilities supported by these buildings include remote video surveillance of the border, intelligence analysis and planning, vehicle maintenance and storage, operational planning, training, and personnel support. Sector headquarters also plan the strategic deployment of agents to Border Patrol stations and camp details within the sector.

Strategically located Border Patrol stations facilitate Border Patrol agent mobility and deployment to areas of illegal activity. Border Patrol station activities include command, control and communications, illegal alien detention and processing, air and marine operations, search and rescue, tactical team staging, intelligence unit support, canine and horse operations, interior repatriation, SBInet technology, vehicle maintenance and storage, administration, training, and law enforcement coordination.

Temporary and self-sustaining Border Patrol forward operating bases placed in remote locations facilitate rapid responses to shifting patterns of criminal activity. Forward operating bases provide habitability for Border Patrol Agents in addition to providing communications support.

Additional resources are also required for the expansion of the CBP Air and Marine (A&M) facility infrastructure. Aging facilities require improvements, additions or replacements to adequately protect the aviation fleet. Because land units and agents alone are not always appropriate or cannot reach specified areas in the time necessary to properly respond to a threat, an integrated and coordinated air (and marine) effort must be able to detect, interdict, and prevent unlawful movement of people, acts of terrorism, illegal drugs and other contraband moving toward or crossing the borders of the United States.

Further resources are also required to modernize land ports of entry (LPOEs) to improve operations and the capabilities of assets at the border to detect, deter and disrupt terrorist activities while facilitating legitimate travel and trade. Critical deficiencies exist at the LPOEs, which include the need for enhanced security, upgraded and expanded inspection facilities, and significant age and facility distress. Funding will be used to supplement appropriations from the U.S. General Services Administration's Federal Buildings Fund, and will allow for the expedited design and delivery of key LPOE modernization efforts.

The CBP Housing Initiative will expedite the development of a CBP employee housing plan to support a significant increase in the number of Border Patrol agents and officers planned for hire and deployment throughout FY 2009. The CBP Housing Initiative shall minimize the gap between existing housing capacity and projected requirements by developing an optimized mix of housing solutions.

## Major Construction Accomplishments

In FY 2007, contracts were initiated for multiple “rapid response” initiatives. With the 6,000 additional agents to be deployed, CBP has adopted an aggressive rapid response strategy, prioritizing those sites most affected by the agent increase by operational need, current station conditions, lead-time requirements, cost effectiveness, and strategic impact. The resulting plan includes a mix of permanent and temporary solutions, with temporary transitional projects closely aligned to the schedule for permanent facility construction.

In FY 2007, CBP completed construction of the following Border Patrol projects: Border Patrol Station in Yuma, AZ, to include detention and enforcement operations; Border Patrol Station in Sanderson, TX; Border Patrol Station in Jackman, ME; Border Patrol Station in Calais, ME; and a Border Patrol Station in Massena, NY. New stations were also completed via the leasing program in the following locations: Eagle Pass, TX; Van Horn, TX; Scobey, MT; Marathon, FL; and Port Huron, MI. Additionally, the Buffalo Border Patrol Station relocated to a new leased facility in Tonawanda, NY.

In FY 2007, funds were applied to Phase III of the Advanced Training Center in Harper’s Ferry, West Virginia. Phase III includes planning, design, and implementation/construction of the following: infrastructure expansion, warehouse construction, and the leadership academy.

In FY 2008, the following major construction projects will be initiated for Border Patrol: New Border Patrol Stations for Boulevard, CA; Fabens, TX; Las Cruces, NM; Freer, TX; a vehicle maintenance facility for El Paso, TX. Proposed leasing projects in FY 2008 include Border Patrol Stations in Niagara Falls, NY; Marfa, TX; Lake Charles, LA; Port Angeles, WA; Houlton, ME; El Centro, CA; Whitefish, MT; Sector Headquarters additions in Detroit, MI and Blaine, WA; Training facilities for El Paso, TX and parking for Tucson, AZ.

In FY 2008, the following will be initiated for Air and Marine: enhanced hangar, maintenance and administrative facilities for Yuma, AZ, Uvalde, TX, Laredo, TX, and Marfa, TX; and a new Unmanned Aircraft System Hangar and Flight Center for Sierra Vista, AZ.

In FY 2008, the following Border Patrol projects are scheduled for delivery: El Centro Border Patrol Sector Headquarters in Imperial, CA; Border Patrol Station in Willcox, AZ, to include administrative and detention facilities; Border Patrol Station in Campo, CA; Border Patrol Station in Brownsville, TX; Border Patrol Station in El Paso, TX; Border Patrol Station in Sumas, WA; Border Patrol Station in Fort Hancock, TX; and a Border Patrol Station in Van Buren, ME. Funds will also be used to fulfill remaining rapid response requirements on the Northern and Southern Borders.

In FY 2008, CBP Construction funds will be used for Phase IV of the Advanced Training Center in Harper’s Ferry, West Virginia. Phase IV includes the following: dormitory, utility yard, infrastructure extension, maintenance contractor facility, and vehicle maintenance

storage facility. Completion of the Advanced Training Center will likely entail two additional phases.

In FY 2009, the following major construction projects will be initiated for Border Patrol: Presidio, TX, Border Patrol Station; Indio, CA, Border Patrol Station; Comstock, TX, Border Patrol Station; a Vehicle Maintenance Facility for El Centro; and checkpoints for Swanton, VT. Funds will also be used to fulfill remaining construction requirements for ongoing projects.

In FY 2009, the following Border Patrol locations are scheduled for delivery: Lordsburg Border Patrol Station in Lordsburg, NM; and the Casa Grande Border Patrol Station in Casa Grande, AZ.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Customs and Border Protection  
 Construction  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1: CBP Facilities Construction Program – BP Facilities Major Construction Component**

Strategic Goal(s) & Objective(s): Goal #2: Prevention,  
Objective 2.1: Secure the borders against terrorists,  
means of terrorism, illegal drugs, and violations of  
trade and immigration laws

PPA: Construction

Program Increase: Positions 0 FTE 0 Dollars \$149,513

|                        | FY 2007 Actual |          |                  | FY 2008 Enacted |          |                  | FY 2009 Request |          |                  |
|------------------------|----------------|----------|------------------|-----------------|----------|------------------|-----------------|----------|------------------|
|                        | Pos            | FTE      | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000)  |
| Current Services Level |                |          |                  |                 |          |                  |                 |          | \$105,773        |
| Program Increase       |                |          |                  |                 |          |                  |                 |          | \$149,513        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$155,719</b> | <b>0</b>        | <b>0</b> | <b>\$170,026</b> | <b>0</b>        | <b>0</b> | <b>\$255,286</b> |

**Border Patrol Facilities: \$149,513**

Description of Item

The CBP Construction program provides the facilities that Border Patrol needs to perform its enforcement mission. Funding is needed for facilities to accommodate increased presence on both the northern and southern borders and to enhance the mission and operational capabilities of CBP.

This initiative will address requirements on the northern and southern borders for new and enhanced facilities to fulfill immediate operational needs, to accommodate increasing capacity demands associated with new Agent deployments, to modify/correct deficiencies within existing structures, and to replace temporary structures with permanent solutions.

The planned facilities for FY 2009 include Border Patrol stations, Sector Headquarters, and checkpoints strategically located to allow agents and special teams to respond

quickly and maintain maximum time on patrol. Current facilities are at or exceeding capacity. This investment will enable CBP to adequately sustain BP personnel and/or operations.

Please note that the current services level includes only the major construction base for Border Patrol Facilities. Other budget segments—minor construction and alterations, lease acquisition, repairs, operations, and maintenance, housing, planning, and Air and Marine facilities are reflected in the current services level for the CBP-wide Construction Program. The program increase for Border Patrol includes major construction projects to accommodate newly deployed agents and to replace temporary structures with permanent solutions.

FY 2009 funds are currently planned for allocation to the following major construction projects:

| <b>FY2009 Border Patrol Major Construction<br/>(Current Services in Thousands)</b> |                |
|--|----------------|
| Boulevard Border Patrol Station  | 31,000         |
| Tucson Checkpoints   | 17,873         |
| Blythe Border Patrol Station   | 28,900         |
| Calexico Border Patrol Station   | 28,000         |
| <b>Total</b>   | <b>105,773</b> |

| <b>FY2009 Major Construction (Program Increase in Thousands)</b> |                |
|--|----------------|
| Calexico Border Patrol Station                                   | 6,000          |
| Comstock Border Patrol Station                                   | 25,000         |
| El Centro Vehicle Maintenance                                    | 18,000         |
| Indio Border Patrol Station                                      | 18,000         |
| Naco Border Patrol Station                                       | 47,000         |
| Presidio Border Patrol Station Planning                          | 3,000          |
| Sonoita Border Patrol Station                                    | 27,000         |
| El Paso Checkpoint   | 1,513          |
| Swanton Checkpoints Planning                                     | 4,000          |
| <b>Total</b>   | <b>149,513</b> |

The Office of Border Patrol uses a standardized national planning process, known as the Operational Requirements Based Budgeting Program (ORBBP). This process provides for allocation-based spending plans, tied directly to operational orders and measurable goals, at all levels within the organization. This process takes into account the incremental nature of the Office of Border Patrol’s strategy, reflected as levels one through five. Each Sector and Station establishes operational levels in their operational plans (ORBBP). These levels list goals and steps within each operational level that can be accomplished when supported with the requisite resources identified in the plan. Each level improves operations and builds on the successes of the previous levels to establish,

expand, and maintain border control throughout the area of responsibility. The ultimate goal in Level 5 of each of plan is to establish operational control of the border.

A facilities module to the ORBBP was introduced at the 2008 planning conference. In part, the goal was to standardize information from the field used to prioritize projects for new construction and leasing and to directly correlate field facility needs with operational requirements at several levels.

Projects were selected to receive funds in FY 2009 based on the following:

- Target ORBBP level
- Focus Sectors cited in CBP's National Strategy – stations in these areas are given highest priority
- Location and the number of agents to be deployed
- Condition Site Assessments – Physical condition and age of the inventory
- Earmarks in appropriations language

Each station will be scalable to support future growth, and land acquisition will be based on level 5 projections to permit expansion over time, as needed.

#### Justification

The Office of Border Patrol has experienced significant growth during the last several years, with considerable impact to an already aging and deficient facility portfolio. Adequate stations, checkpoints, and sector facilities are critical to BP operations, in that they provide logistical support to the field Agents, supplying strategically-located bases to improve mobility and promote maximum time on patrol.

Failure to provide proper facilities for Border Patrol agents will result in diminishing returns from the investment in additional Agents. Additionally, inadequate and over crowded facilities present increased life and safety risks.

FY 2009 funds will contribute to the transition to permanent facilities for some of the “bridge” facility solutions that were put in place to accommodate the 6,000 Border Patrol agent increase. Bridge solutions were defined to fulfill immediate Agent needs, assuming that longer-term requirements would be met via new construction and leasing projects. While these interim solutions provide much-needed administrative workspace, detention/processing areas, muster space, and parking for the Agents, they are intended to address operational needs on a short-term basis. Use of interim facilities beyond their projected life span will result in increasing repair, operations, and maintenance costs and operational budget drain. CBP requires new initiative funds to replace or enhance these transitional measures and to address the aging facility portfolio and administrative support needs.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

The addition of new and expanded Border Patrol Stations will provide strategically located bases to facilitate agent mobility and rapid deployment to areas of heaviest illegal

activity. Missions and capabilities enabled by these facilities include staging and deployment of Border Patrol Agents, tactical and search and rescue teams; command, control and communications; detention and processing, intelligence unit support, canine and equestrian operations, interior repatriation, SBInet technology, fleet maintenance and storage, administrative, training, and law enforcement coordination.

**Program Increase 2: CBP Facilities Construction Program – LPOE Modernization**

Strategic Goal(s) & Objective(s): Goal #2: Prevention,  
Objective 2.1: Secure the borders against terrorists,  
means of terrorism, illegal drugs, and violations of  
trade and immigration laws

PPA: Construction

Program Increase: Positions 0 FTE 0 Dollars \$10,000

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 |                 |          | 0               |
| Program Increase       |                |          |                 |                 |          |                 |                 |          | 10,000          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$10,000</b> |

**LPOE Modernization \$10M**

Description of Item

To effectively meet CBP’s dual mission of securing the nation’s border while facilitating legitimate travel and trade, the LPOE Modernization initiative requires funding to address outstanding deficiencies at existing CBP-owned inspection facilities. Specifically, FY 2009 funds are currently planned for allocation to the following:

| <b><i>FY 2009 Program (Program Increase)</i></b>             |       |
|--|-------|
| Renovation and Alteration of CBP-owned Inspection Facilities | \$10M |

The LPOE Modernization initiative will allow CBP to expedite design and delivery of facility solutions to address deficiencies and shortfalls, such as the following, which were identified through CBP’s Strategic Resource Assessment process:

- 70% of CBP-owned LPOEs have no enclosed operational secondary inspection garage, but operate in locations in which outdoor secondary inspections become infeasible to perform due to weather.
- 30% of CBP-owned LPOEs have no commercial inspection facilities but are required to inspect commercial traffic. At these ports, officers conduct inspections on the roadway, causing safety concerns.
- Most CBP-owned ports have extremely limited perimeter security measures (i.e., fencing, lighting, camera surveillance, etc.)
- 40% of CBP-owned ports’ useful life has expired, being built before 1975 with no significant repair or upgrade.

- 38% of CBP-owned ports have no primary inspection booths.
- 32% of CBP-owned ports have less than 1,000 usable square footage (SF); some ports are only 300 usable SF whereas the design guide smallest prototype calls for 2,700 usable SF. Only 7 CBP-owned ports conform to current space standards.
- Several sites are severely constrained to the point of necessitating the evaluation of introducing a new port along the border to mitigate traffic congestion by providing an alternative outlet for cross-border traffic.

### Justification

The LPOE Modernization initiative will facilitate the execution of much needed improvements to locations along the northern and southern border. These locations are in desperate need of refurbishment to accommodate the traffic volume and inspection technology of the twenty-first century as well as the staffing and security requirements in a post-9/11 environment. Without these funds, CBP will continue to operate with port environments unfit to optimally accommodate the officers executing their inspection duties and the traffic volume entering and exiting the United States. By not actively addressing deficiencies now, the cost of doing so in the future will significantly increase.

### Impact on Performance (Relationship of Increase to Strategic Goals)

The LPOE Modernization initiative serves this priority by improving operations and the capabilities of assets at the border to detect, deter and disrupt terrorist activities. The project relates to CBP Strategic Goal #1, "Preventing Terrorism at Ports of Entry," directly enhancing Objective 1.3, "strengthen CBP's defense-in-depth approach through the use of state-of-the-art detection and sensor technology, resources, and training" since the technology in question generally requires the expanded footprint provided in the upgrade designs for the land ports.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Justification of Proposed Changes in Construction  
Appropriation Language**

For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, **\$363,501,000** [\$348,363,000,] to remain available until expended [; of which \$39,700,000 shall be for the Advanced Training Center: Provided, That of the amount provided under this heading, \$61,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act)]. (Department of Homeland Security Appropriations Act, 2008.)

#### **Explanation of Changes:**

None.

**B: FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|--|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....  |             |            | <b>\$232,978</b> |
| <b>FY 2008 Enacted</b> .....   |             |            | <b>348,363</b>   |
| <b>Adjustments-to-Base</b>   |             |            |                  |
| Increases  |             |            |                  |
| Non-pay inflation excluding GSA Rent.....                              | ---         | ---        | 6,967            |
| Total Increases.....   | ---         | ---        | 6,967            |
| Decreases  |             |            |                  |
| FY 2008 Program Change - Non-recur (BP & Air & Marine Facilities)..... | ---         | ---        | (110,749)        |
| FY2008 Initiatives - Harpers Ferry ATC.....                            | ---         | ---        | (33,626)         |
| Management Efficiency.....   | ---         | ---        | (6,967)          |
| Total Decreases.....   | ---         | ---        | (151,342)        |
| <b>Total Adjustments-to-Base</b> .....                                 |             | ---        | <b>(144,375)</b> |
| <b>2009 Current Services</b> .....                                     |             | ---        | <b>203,988</b>   |
| <b>Program Changes</b>   |             |            |                  |
| Program Increases/(Decreases)  |             |            |                  |
| Border Patrol Facilities.....  |             |            | 149,513          |
| Land Ports of Entry.....   |             |            | 10,000           |
| <b>Total Program Changes</b> .....                                     |             | ---        | <b>159,513</b>   |
| <b>FY 2009 Request</b> .....   |             | ---        | <b>363,501</b>   |
| <b>FY 2008 to FY 2009 Total Change</b> .....                           |             | ---        | <b>15,138</b>    |

Note: The FY 2008 Enacted level includes \$61 million in emergency funding provided in P.L. 110-161.

### C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Construction**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | FY 2009 Request |     |                  |
|--|-----------------|-----|------------------|
|  | Perm. Pos.      | FTE | Amount           |
| <b>FY 2007 Actual</b>  |                 |     | <b>\$391,706</b> |
| <b>FY 2008 Enacted</b>   |                 | --- | <b>348,363</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |                 |     |                  |
| Increases  | ---             | --- | 6,967            |
| Decreases  | ---             | --- | (151,342)        |
| Total Adjustments-to-Base  |                 | --- | (144,375)        |
| <b>FY 2009 Current Services</b>  |                 | --- | <b>203,988</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |                 | --- | 159,513          |
| <b>FY 2009 Total Request</b>   |                 | --- | <b>363,501</b>   |
| 2008 to 2009 Total Change  |                 | --- | 15,138           |

| Estimates by Program/Project Activity | FY 2008 Enacted |     |                  | FY 2009 Adjustments-to-Base |     |                    | FY 2009 Program Change |     |                  | FY 2009 Request |     |                  | FY 2008 to 2009 Total Change |     |                 |
|---------------------------------------|-----------------|-----|------------------|-----------------------------|-----|--------------------|------------------------|-----|------------------|-----------------|-----|------------------|------------------------------|-----|-----------------|
|                                       | Pos.            | FTE | Amount           | Pos.                        | FTE | Amount             | Pos.                   | FTE | Amount           | Pos.            | FTE | Amount           | Pos.                         | FTE | Amount          |
| 1 Construction                        | ---             | --- | \$348,363        | ---                         | --- | (\$144,375)        | ---                    | --- | \$ 159,513       | ---             | --- | \$363,501        | ---                          | --- | \$15,138        |
| <b>Total</b>                          | ---             | --- | <b>\$348,363</b> | ---                         | --- | <b>(\$144,375)</b> | ---                    | --- | <b>\$159,513</b> | ---             | --- | <b>\$363,501</b> | ---                          | --- | <b>\$15,138</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

**E: Summary of Requirements by Object Class**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| Other Object Classes:                                 |                   |                    |                    |                       |
| 22.0 Transportation of things                         | 563               | ---                | ---                | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 7                 | ---                | ---                | ---                   |
| 25.1 Advisory and assistance services                 | 67                | ---                | ---                | ---                   |
| 25.2 Other services                                   | 30,828            | 123,372            | 123,017            | (355)                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 77                | ---                | ---                | ---                   |
| 25.4 Operation & maintenance of facilities            | 67,588            | 15,800             | 17,600             | 1,800                 |
| 25.7 Operation and maintenance of equipment           | 174               | ---                | ---                | ---                   |
| 26.0 Supplies and materials                           | 1,149             | ---                | ---                | ---                   |
| 31.0 Equipment  | 63,907            | ---                | ---                | ---                   |
| 32.0 Land & structures                                | 227,346           | 287,868            | 222,884            | (64,984)              |
| <b>Total, Other Object Classes</b>                    | <b>\$391,706</b>  | <b>427,040</b>     | <b>\$363,501</b>   | <b>(\$63,539)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$391,706</b>  | <b>\$427,040</b>   | <b>\$363,501</b>   | <b>(\$63,539)</b>     |
| Unobligated balance, start of year                    | ---               | (78,677)           | ---                | 78,677                |
| Unobligated balance, end of year                      | 78,677            | ---                | ---                | ---                   |
| Recoveries of prior year obligations                  | ---               | ---                | ---                | ---                   |
| <b>Total requirements</b>                             | <b>\$470,383</b>  | <b>\$348,363</b>   | <b>\$363,501</b>   | <b>\$15,138</b>       |

**F. Permanent Positions by Grade**

Not Applicable.

**G. Capital Investment and Construction Initiative Listing**  
**U.S. Customs and Border Protection**

Construction Program

- \$363,501,000
- U. S. Customs and Border Protection Facilities:
  - Border Patrol Major Construction
  - Minor Construction and Alterations
  - Planning
  - Operations, Maintenance, and Repairs
  - Lease Acquisition Base
  - Air and Marine Facilities
  - Housing
  - LPOE Modernization

| INITIATIVE<br>NAME                                  | FY 2009 FUNDING REQUEST<br>(\$000) |                   |           | FUNDING FROM:                              |                             |
|---|------------------------------------|-------------------|-----------|--|-----------------------------|
|   | Current<br>Services<br>Level       | New<br>Initiative | Total     | Budget Activity                            | Program's Name              |
| Border Patrol<br>Major<br>Construction              | \$105,773                          | \$149,513         | \$255,286 | Border Patrol<br>Major<br>Construction     | CBP Construction<br>Program |
| Minor<br>Construction<br>and Alterations            | \$25,400                           | \$0               | \$25,400  | Minor<br>Construction<br>and Alterations   | CBP Construction<br>Program |
| Lease<br>Acquisition<br>Base                        | \$21,600                           | \$0               | \$21,600  | Lease<br>Acquisition<br>Base               | CBP Construction<br>Program |
| Operations,<br>Maintenance<br>and Repairs           | \$17,600                           | \$0               | \$17,600  | Operations,<br>Maintenance,<br>and Repairs | CBP Construction<br>Program |
| Air and Marine<br>Facilities                        | \$16,600                           | \$0               | \$16,600  | Air and Marine<br>Facilities               | CBP Construction<br>Program |
| LPOE<br>Modernization                               | \$0                                | \$10,000          | \$10,000  | LPOE<br>Modernization                      | CBP Construction<br>Program |
| CBP Housing   | \$15,000                           | 0                 | \$15,000  | CBP Housing                                | CBP Construction<br>Program |
| Total Non-IT<br>Investments \$ 5<br>Million or more | \$201,973                          | \$159,513         | \$361,486 |  |                             |
| Planning  | \$2,015                            | 0                 | \$2,015   | Planning                                   | CBP Construction<br>Program |
| Total Non-IT<br>initiatives under<br>\$5 million    | \$2,015                            | 0                 | \$2,015   |  |                             |
| Total Non-IT<br>Investments                         | \$203,988                          | \$159,513         | \$363,501 |  |                             |
| Total of IT<br>Investments                          | \$ 0                               | \$ 0              | \$ 0      |  |                             |
| Total all IT and<br>Non-IT<br>Investments           | \$203,988                          | \$159,513         | \$363,501 |  |                             |

**NAME OF CONSTRUCTION INITIATIVE**  
**U.S. Customs and Border Protection Construction Program**

**1. Project Description, Justification and Scope**

The CBP Construction program provides the facilities and associated infrastructure required to obtain and maintain operational control of the border, defined as the ability to detect, respond to, and interdict illegal border penetrations. Achieving control of the border is an essential component of the CBP mission to prevent terrorists and terrorist weapons from entering the United States. The Construction Program addresses requirements on the northern and southern borders for new and enhanced facilities to fulfill immediate operational needs, to accommodate increasing capacity demands associated with new Agent, Officer, Pilot, and asset deployments, to modify/correct deficiencies within existing structures, and to replace temporary structures with permanent solutions.

The CBP Construction program provides the facilities that the Offices of Border Patrol and Air and Marine need to perform their enforcement missions. The Construction Program also supports the modernization of the Office of Field Operations' LPOEs.

The proposed construction budget addresses facility requirements at Border Patrol sector headquarters, stations, checkpoints and forward operating bases, CBP-owned land ports of entry, Air and Marine hangar facilities, and housing to accommodate Agent and Officer increases.

At the start of FY 2007, the existing Border Patrol facilities were designed to accommodate approximately 9,100 agents. At the time, there were approximately 12,500 agents using these facilities, leaving a "facility gap" of roughly 3,400 overcrowded agents. In addition, the 6,000 agent increase in deployment scheduled to be completed in December 2008 further contributed to this "facility gap." The "facility gap" will grow even further with the anticipated increase of 2,200 additional agents during FY 2009. In addition, 40% of existing facilities are over 30 years old, which increases the cost of their operations and maintenance. FY 2009 funds are required to continue the transition of CBP's newly deployed Agents from "bridge" facility solutions to permanent facilities. Bridge solutions were defined to fulfill immediate Agent needs, assuming that longer-term requirements would be met via new construction and leasing projects.

A rapid response component has not been specifically included for FY 2009, pending communication and analysis of the deployment strategy for additional Agents in FY 2009. The plan may be amended in the future as need and deployment strategy dictate.

Additional funding for the Air and Marine Operations Center will enable central command and control of Unmanned Aircraft Systems (UAS) across the entire border and promote full intelligent fusion capability for DHS and national assets.

FY 2009 funds are needed to address critical deficiencies at the land ports of entry, which include the need for enhanced security, upgraded commercial inspection facilities, and

significant age and facility distress. Most CBP owned facilities on the northern border are 30-40 years old and have expired useful life-cycles. Examples of urgent/critical needs include roof replacement and repair, appropriate weather conditioning, and flooding mitigation.

## 2. Significant Changes

The FY 2009 budget request includes special initiative funding for Border Patrol, Air and Marine, housing, and land port of entry facilities. Funding is needed for facilities to accommodate increased presence on both the northern and southern borders and to enhance the mission and operational capabilities of CBP. Funding is also needed to address critical deficiencies at existing facilities.

In FY 2007, funding for Tactical Infrastructure was moved to the Border Security Fencing, Infrastructure, and Technology Appropriation.

## 3. Project Schedule

| Project Locations      | Description                     | Fiscal Year    |                       |
|------------------------|---------------------------------|----------------|-----------------------|
|                        |                                 | Planning Begin | Construction Complete |
| Ajo, Arizona           | 350 Agent Border Patrol Station | April-05       | September-10          |
| Sonoita, Arizona       | 250 Agent Border Patrol Station | April-05       | September-11          |
| Lordsburg, New Mexico  | 350 Agent Border Patrol Station | August-05      | December-09           |
| Welton, Arizona        | 375 Agent Border Patrol Station | December-05    | October-10            |
| Calexico, CA           | 450 Agent Border Patrol Station | January-06     | January-12            |
| Casa Grande, Arizona   | 450 Agent Border Patrol Station | January-06     | December-10           |
| Blythe, CA             | 250 Agent Border Patrol Station | March-07       | December-12           |
| Tucson, Arizona        | Checkpoints SR 85, SR90, & I-19 | June-07        | February-13           |
| Boulevard, California  | 250 Agent Border Patrol Station | January-09     | March-13              |
| Fabens, TX             | 375 Agent Border Patrol Station | January-10     | April-15              |
| Las Cruces, New Mexico | 250 Agent Border Patrol Station | January-10     | March-15              |
| Presidio, TX           | 100 Agent Border Patrol Station | March-10       | February-15           |
| Comstock, TX           | 225 Agent Border Patrol Station | November-08    | October-12            |

|                                  |                                  |            |              |
|----------------------------------|----------------------------------|------------|--------------|
| Swanton, Vermont                 | Checkpoints                      | March-09   | August-14    |
| El Paso, TX                      | Vehicle Maintenance Facility     | October-09 | July-11      |
| Freer, TX                        | 150 Agent Border Patrol Station  | January-08 | September-15 |
| Naco, AZ                         | 450 Agent Border Patrol Station  | January-10 | September-15 |
| El Centro, CA                    | Vehicle Maintenance Facility     | March-09   | September-11 |
| El Paso, TX                      | Checkpoints                      | Jan 09     | September-15 |
| Air and Marine Operations Center | Unmanned Aircraft System Command | Nov-08     | Nov-11       |
| Yuma, AZ                         | Hangar                           | Nov-07     | Sep-10       |
| Laredo, TX                       | Hangar                           | Nov-07     | Sep-11       |
| Marfa, TX                        | Hangar                           | Nov-07     | Sep-10       |
| Uvalde, TX                       | Hangar                           | Nov-07     | Sep-11       |
| El Paso , TX                     | Facility Consolidation           | Nov-08     | Sep-12       |
| Southeast UAS                    | Unmanned Aircraft System Center  | Nov-08     | Sep-11       |
| El Centro, CA                    | Hangar                           | Nov-08     | Nov-11       |

Please note that the project schedule provided is subject to change, as operational priority dictates. The schedule is also based on assumptions of funding availability in future years for the listed projects. The schedule does not include a rapid response component at this time, pending identification and analysis of the FY 2009 deployment strategy; however the project listing and associated schedules will likely change if a rapid response requirement is introduced.

#### 4. Schedule of Project Funding

(Dollars in Thousands)

| BP Major Construction – Multiple Projects   |       |           |           |           |           |
|---|-------|-----------|-----------|-----------|-----------|
|   | Prior | FY 2007   | FY 2008   | FY 2009   | Total     |
| Appropriation                               |       | \$187,819 | \$170,026 | \$255,286 | \$613,131 |
| Obligation (planned)                        |       | \$187,819 | \$170,026 | \$255,286 | \$613,131 |
| Expenditure (planned)                       |       | \$187,819 | \$170,026 | \$255,286 | \$613,131 |
| Break down of project related expenditures: |       |           |           |           |           |
| Facility cost:                              |       |           |           |           |           |
| Construction 83%                            |       | \$155,890 | \$141,122 | \$211,887 | \$508,899 |
| Planning and Site 6%                        |       | \$11,269  | \$10,202  | \$15,317  | \$36,788  |
| Design and Engineering 6%                   |       | \$11,269  | \$10,202  | \$15,317  | \$36,788  |
| Other Costs: Auxiliary Costs 5%             |       | \$9,391   | \$8,501   | \$12,764  | \$30,657  |
|   |       |           |           |           |           |
| Total Project Expenditures                  |       | \$187,819 | \$170,026 | \$255,286 | \$613,131 |

| Air and Marine Facilities - Multiple Projects |       |         |          |          |          |
|---|-------|---------|----------|----------|----------|
|   | Prior | FY 2007 | FY 2008  | FY 2009  | Total    |
| Appropriation                                 |       |         | \$30,000 | \$16,600 | \$46,600 |
| Obligation (planned)                          |       |         | \$30,000 | \$16,600 | \$46,600 |
| Expenditure (planned)                         |       |         | \$30,000 | \$16,600 | \$46,600 |
| Break down of project related expenditures:   |       |         |          |          |          |
| Facility cost:                                |       |         |          |          |          |
| Construction 83%                              |       |         | \$24,900 | \$13,778 | \$38,678 |
| Planning and Site 6%                          |       |         | \$1,800  | \$996    | \$2,796  |
| Design and Engineering 6%                     |       |         | \$1,800  | \$996    | \$2,796  |
| Other Costs: Auxiliary Costs 5%               |       |         | \$1,500  | \$830    | \$2,330  |
|   |       |         |          |          |          |
| Total Project Expenditures                    |       |         | \$30,000 | \$16,600 | \$46,600 |

Note: Totals may not add due to rounding.

| LPOE Modernization - Multiple Projects      |       |         |         |          |          |
|---|-------|---------|---------|----------|----------|
|   | Prior | FY 2007 | FY 2008 | FY 2009  | Total    |
| Appropriation                               |       |         |         | \$10,000 | \$10,000 |
| Obligation (planned)                        |       |         |         | \$10,000 | \$10,000 |
| Expenditure (planned)                       |       |         |         | \$10,000 | \$10,000 |
| Break down of project related expenditures: |       |         |         |          |          |
| Facility cost:                              |       |         |         |          |          |
| Construction 83%                            |       |         |         | \$8,300  | \$8,300  |
| Planning and Site 6%                        |       |         |         | \$600    | \$600    |
| Design and Engineering 6%                   |       |         |         | \$600    | \$600    |
| Other Costs: Auxiliary Costs 5%             |       |         |         | \$500    | \$500    |
|   |       |         |         |          |          |
| Total Project Expenditures                  |       |         |         | \$10,000 | \$10,000 |

| Advanced Training Center                    |       |          |          |         |          |
|---|-------|----------|----------|---------|----------|
|   | Prior | FY 2007  | FY 2008  | FY 2009 | Total    |
| Appropriation                               |       | \$32,100 | \$39,700 | \$0     | \$71,800 |
| Obligation (planned)                        |       | \$32,100 | \$39,700 | \$0     | \$71,800 |
| Expenditure (planned)                       |       | \$32,100 | \$39,700 | \$0     | \$71,800 |
| Break down of project related expenditures: |       |          |          |         |          |
| Facility cost:                              |       |          |          |         |          |
| Construction 83%                            |       | \$26,643 | \$32,951 | \$0     | \$59,594 |
| Planning and Site 6%                        |       | \$1,926  | \$2,382  | \$0     | \$4,308  |
| Design and Engineering 6%                   |       | \$1,926  | \$2,382  | \$0     | \$4,308  |
| Other Costs: Auxiliary Costs 5%             |       | \$1,605  | \$1,985  | \$0     | \$3,590  |
|   |       |          |          |         |          |
| Total Project Expenditures                  |       | \$32,100 | \$39,700 | \$0     | \$71,800 |

| Minor Construction and Alterations          |       |          |          |          |          |
|---|-------|----------|----------|----------|----------|
|   | Prior | FY 2007  | FY 2008  | FY 2009  | Total    |
| Appropriation                               |       | \$30,818 | \$34,633 | \$25,400 | \$90,851 |
| Obligation (planned)                        |       | \$30,818 | \$34,633 | \$25,400 | \$90,851 |
| Expenditure (planned)                       |       | \$30,818 | \$34,633 | \$25,400 | \$90,851 |
| Break down of project related expenditures: |       |          |          |          |          |
| Facility cost:                              |       |          |          |          |          |
| Construction 83%                            |       | \$25,579 | \$28,745 | \$21,082 | \$75,406 |
| Planning and Site 6%                        |       | \$1,849  | \$2,078  | \$1,524  | \$5,451  |
| Design and Engineering 6%                   |       | \$1,849  | \$2,078  | \$1,524  | \$5,451  |
| Other Costs: Auxiliary Costs 5%             |       | \$1,541  | \$1,732  | \$1,270  | \$4,543  |
|   |       |          |          |          |          |
| Total Project Expenditures                  |       | \$30,818 | \$34,633 | \$25,400 | \$90,851 |

| Lease Acquisition Base                      |       |         |          |          |          |
|---|-------|---------|----------|----------|----------|
|   | Prior | FY 2007 | FY 2008  | FY 2009  | Total    |
| Appropriation                               |       | \$9,204 | \$21,204 | \$21,600 | \$52,008 |
| Obligation (planned)                        |       | \$9,204 | \$21,204 | \$21,600 | \$52,008 |
| Expenditure (planned)                       |       | \$9,204 | \$21,204 | \$21,600 | \$52,008 |
| Break down of project related expenditures: |       |         |          |          |          |
| Facility cost:                              |       |         |          |          |          |
| Construction 83%                            |       | \$7,639 | \$17,599 | \$17,928 | \$43,167 |
| Planning and Site 6%                        |       | \$552   | \$1,272  | \$1,296  | \$3,120  |
| Design and Engineering 6%                   |       | \$552   | \$1,272  | \$1,296  | \$3,120  |
| Other Costs: Auxiliary Costs 5%             |       | \$460   | \$1,060  | \$1,080  | \$2,600  |
|   |       |         |          |          |          |
| Total Project Expenditures                  |       | \$9,204 | \$21,204 | \$21,600 | \$52,008 |

| Operations, Maintenance and Repairs |       |         |          |          |          |
|-------------------------------------|-------|---------|----------|----------|----------|
|                                     | Prior | FY 2007 | FY 2008  | FY 2009  | Total    |
| Appropriation                       |       | \$3,200 | \$15,800 | \$17,600 | \$36,600 |
| Obligation (planned)                |       | \$3,200 | \$15,800 | \$17,600 | \$36,600 |
| Expenditure (planned)               |       | \$3,200 | \$15,800 | \$17,600 | \$36,600 |
| Total Project Expenditures          |       | \$3,200 | \$15,800 | \$17,600 | \$36,600 |

| Planning                   |       |         |          |         |          |
|----------------------------|-------|---------|----------|---------|----------|
|                            | Prior | FY 2007 | FY 2008  | FY 2009 | Total    |
| Appropriation              |       | \$0     | \$12,000 | \$2,015 | \$14,015 |
| Obligation (planned)       |       | \$0     | \$12,000 | \$2,015 | \$14,015 |
| Expenditure (planned)      |       | \$0     | \$12,000 | \$2,015 | \$14,015 |
| Total Project Expenditures |       | \$0     | \$12,000 | \$2,015 | \$14,015 |

| Housing                    |       |         |          |          |          |
|----------------------------|-------|---------|----------|----------|----------|
|                            | Prior | FY 2007 | FY 2008  | FY 2009  | Total    |
| Appropriation              |       | \$0     | \$25,000 | \$15,000 | \$40,000 |
| Obligation (planned)       |       | \$0     | \$25,000 | \$15,000 | \$40,000 |
| Expenditure (planned)      |       | \$0     | \$25,000 | \$15,000 | \$40,000 |
| Total Project Expenditures |       | \$0     | \$25,000 | \$15,000 | \$40,000 |

**5. Cost Estimate Detail and Changes  
(Dollars in Thousands)**

Detailed cost estimates for Minor Construction/Repairs and Lease Acquisition Base are developed once funding has been obtained and projects have been prioritized. For Major Construction (Border Patrol, Air and Marine, Housing, and LPOE), a typical breakout by phase is below:

| Major Construction – BP, Air and Marine, Housing, and LPOE Modernization | Estimate         |
|--|------------------|
| <i>Detailed Breakdown of Project phases:</i>                             |                  |
|  |                  |
| Planning, Environmental, Site Acquisition (6%)                           | \$17,812         |
| Design (6%)  | \$17,812         |
| Site Improvement/Utilities (10%)   | \$29,687         |
| Buildings (35%)  | \$103,903        |
| Auxiliary Costs - cabling, furniture, equipment, security (5%)           | \$14,843         |
| Construction Management (4%)   | \$11,875         |
| Project Management (2%)  | \$5,937          |
| Contractors General Conditions and Profit (23%)                          | \$68,279         |
| Escalation to mid point of construction (4%)                             | \$11,875         |
| Contingencies: Construction Phase (5%)                                   | \$14,843         |
|  |                  |
| <b>Project Total:</b>  | <b>\$296,866</b> |

**6. Method of Performance**

Facility construction requirements are executed through the US Army Corps of Engineers. Through a Memorandum of Agreement, the USACE provides CBP with consolidated program management services for real estate planning and acquisition, planning and programming, environmental protection, design and cost engineering, construction and warranty enforcement and integrated occupancy services.

For facilities and construction projects, the schedule and funding are tracked within the current CBP SAP ERP system. The SAP system includes modules that store specific information on each asset. That information is automatically linked to key information systems and includes modules that cover all aspects of the assets. The real property profile performance data can be used to produce financial, procurement, and real property indices for measuring the performance of the assets. Projects in Progress are tracked and reported on a monthly basis by Project Managers in the field. The tracking consists of monitoring the project delivery for construction and leasing through industry standards, including tracking each specific project’s schedule, scope, and budget.

The major performance indices include:

1. Facility Condition - Condition surveys are performed on a periodic basis to ascertain the true condition of the asset. A Strategic Resource Assessment will be the primary means by which this information will be generated in the future.
2. Facility Utilization - These indices track the square footage of space and the number of FTE's assigned.
3. Operating Costs - These indices track the cleaning / janitorial, maintenance and utility costs at the asset level.
4. Mission Dependency - The primary categories include: Mission Critical, Mission Dependent Not Critical, and Non Mission Dependent.
5. Energy Consumption - As part of the Operating Costs Indices, energy consumption and conservation measures are tracked separately.
6. National Historical Preservation Assets - Real Property Assets that could be eligible for the National Historical Preservation List are tracked.

**7. Related Annual Funding Requirements  
(Dollars in Thousands)**

|   | (FY 2009)        |              |
|---|------------------|--------------|
|   | Current Estimate | FY08 Enacted |
| Major Construction – Border Patrol      | \$255,286        | \$170,026    |
| Major Construction – Air and Marine     | \$16,600         | \$30,000     |
| Major Construction – LPOE Modernization | \$10,000         | 0            |
| Minor Construction and Alterations      | \$25,400         | \$34,633     |
| Lease Acquisition                       | \$21,600         | \$21,204     |
| Operations, Maintenance and Repairs     | \$17,600         | \$15,800     |
| Planning                                | \$2,015          | \$12,000     |
| Harpers Ferry                           | 0                | \$39,700     |
| Housing                                 | \$15,000         | \$25,000     |
| Total                                   | \$363,501        | \$348,363    |

**8. Budget Allocation to Programs**

| Program              | Allocated Budget (\$ thousands) |                 |
|----------------------|---------------------------------|-----------------|
|                      | FY 2008 Enacted                 | FY 2009 Request |
| Construction Program | \$348,363                       | \$363,501       |
| Total                | \$348,363                       | \$363,501       |

**9. Compliance with applicable Public Laws, Regulations, Standards and Executive Orders**

The construction program complies with the IMMIGRATION AND NATIONALITY ACT (INA), Section 235 Inspection by Immigration Officers; Expedited Removal of Inadmissible Arriving Aliens; Referral For Hearing; Section 287 Powers of Immigration Officers and Employees and in the ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996 (IIRIRA) - Section 102 Improvement of Barriers at Border, and the Homeland Security Act of 2002.

**H: PPA Budget Justifications**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Construction  
PPA  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: PPA Name</b>                      |  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>FY 2008 to 2009<br/>Change</b> |
|---|--|---------------------------|----------------------------|----------------------------|-----------------------------------|
| <b>Object Classes:</b>                    |  |                           |                            |                            |                                   |
| 22.0                                      | Transportation of things                   | 563                       | ---                        | ---                        | ---                               |
| 23.3                                      | Communication, Utilities, and misc charges | 7                         | ---                        | ---                        | ---                               |
| 25.1                                      | Advisory & Assistance Services             | 67                        | ---                        | ---                        | ---                               |
| 25.2                                      | Other Services                             | 30,828                    | 123,372                    | 123,017                    | (355)                             |
| 25.3                                      | Purchase from Govt. Accts.                 | 77                        | ---                        | ---                        | ---                               |
| 25.4                                      | Operation & maintenance of facilities      | 67,588                    | 15,800                     | 17,600                     | 1,800                             |
| 25.7                                      | Operation & maintenance of equipment       | 174                       | ---                        | ---                        | ---                               |
| 26.0                                      | Supplies & materials                       | 1,149                     | ---                        | ---                        | ---                               |
| 31.0                                      | Equipment                                  | 63,907                    | ---                        | ---                        | ---                               |
| 32.0                                      | Land & Structures                          | 227,346                   | 287,868                    | 222,884                    | (64,984)                          |
| <b>Total, Investigations - Operations</b> |  | <b>\$391,706</b>          | <b>\$427,040</b>           | <b>\$363,501</b>           | <b>(\$63,539)</b>                 |

**PPA Mission Statement**

Provide the facilities that the US Customs and Border Protection needs to perform its enforcement and trade facilitation mission.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | <b>\$563</b>           | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. No funding is requested for FY09.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$67</b>            | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. No funding is requested for FY09.

|                       | <b>FY 2007</b>  | <b>FY 2008</b>   | <b>FY 2009</b>   | <b>FY 2008 to 2009</b> |
|-----------------------|-----------------|------------------|------------------|------------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>          |
| <b>Other Services</b> | <b>\$30,828</b> | <b>\$123,372</b> | <b>\$123,017</b> | <b>(\$355)</b>         |

Other services include report contractual services with non-Federal sources that are not otherwise classified under this object class. FY09 Funding request reflects increase in Border Patrol Agent deployment.

|  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2008 to 2009</b> |
|--|----------------|----------------|----------------|------------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>          |
| <b>Purchase from Government Accounts</b> | <b>\$77</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>             |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. No funding is requested for FY09.

|  | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>FY 2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|------------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>          |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$67,588</b> | <b>\$15,800</b> | <b>\$17,600</b> | <b>\$1,800</b>         |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. FY09 Funding request reflects increase in Border Patrol agent deployment.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2008 to 2009</b> |
|---|----------------|----------------|----------------|------------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>          |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$174</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>             |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. No funding is requested for FY09.

|                                 | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|------------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>          |
| <b>Supplies &amp; materials</b> | <b>\$1,149</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>             |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. No funding is requested for FY09.

|                  | <b>FY 2007</b>  | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2008 to 2009</b> |
|------------------|-----------------|----------------|----------------|------------------------|
|                  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>          |
| <b>Equipment</b> | <b>\$63,907</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>             |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. No funding is requested in FY09.

|                              | <b>FY 2007</b>   | <b>FY 2008</b>   | <b>FY 2009</b>   | <b>FY 2008 to 2009</b> |
|------------------------------|------------------|------------------|------------------|------------------------|
|                              | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>          |
| <b>Land &amp; Structures</b> | <b>\$227,346</b> | <b>\$287,868</b> | <b>\$222,884</b> | <b>(\$64,984)</b>      |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. FY09 funding request reflects a decrease for termination of one-time Border Patrol Agent facilities.

**I. Changes in FTE**

Not applicable.

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not applicable.

# Department of Homeland Security

## *U. S. Customs and Border Protection*

*Air and Marine Interdiction, Operations, Maintenance, and Procurement*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Customs and Border Protection Air and Marine Interdiction, Operation, Maintenance, and Procurement

### **I. Appropriation Overview**

#### **A. Mission Statement:**

We protect the American people and Nation's critical infrastructure through the coordinated use of integrated air and marine forces to detect, interdict and prevent acts of terrorism and the unlawful movement of people, illegal drugs and other contraband toward or across the borders of the United States. CBP Air and Marine's (A&M) core competencies include: air and marine interdiction, air and marine law enforcement, and air and national border domain security. A&M has a staff of over 1,300 personnel, including pilots and aircrew, air and marine law enforcement officers, operations specialists, logistics and maintenance support personnel, and administrative personnel. By the end of FY 2008, mission critical assets will consist of over 286 aircraft (including fixed wing, rotary helicopters, and unmanned aircraft systems), 195 marine vessels, a national air and marine operations center, fixed and mobile surveillance equipment, ground vehicles, training facilities, maintenance facilities, aircraft hangers, and marine facilities located along all of the nation's borders and at key interior support locations.

#### **B. Budget Activities:**

In the summer of 2006, CBP A&M developed and submitted to Congress an Air Strategic Plan that defines the end state for the air force based on ongoing threat assessments, mission requirements determined by higher authority, and the evolving requirements of the Secure Border Initiative (SBI). The plan was updated in FY 2007 to include marine strategic plans, an expanded plan for Unmanned Aircraft Systems (UASs), revised staffing projections, a facilities enhancement approach, and updates to the ten-year investments model provided in the baseline plan submission to Congress. A&M's approach to executing the plan can be divided along the three major border security areas of responsibility (AOR). Five primary air branches and supporting units will be established along the northern border by the second quarter of FY 2008. Consideration will be given to establishing secondary or satellite sites to support the concentration of assets needed to meet specific threats as they are identified. Use of A&M's UAS capabilities to obtain increased intelligence and gain better situational awareness in support of SBI will be expanded based on the results of operational demonstrations conducted from the joint CBP/Air National Guard (ANG) base in North Dakota during early FY 2008. Both air and marine operations will expand along the Great Lakes and the northwestern and northeastern maritime approaches to our borders as additional aircraft, marine vessels, and personnel are deployed. The delivery of new aircraft and additional pilots/air crew will enable increased tactical support to the Border Patrol along the southwest border as the number of agents on the ground increases. The UAS branch, first established in Sierra Vista in FY 2006, will expand its operations as additional systems are delivered and deployed. Within the southeast coastal area of

responsibility (AOR), P-3 aircraft wing operations will increase as assets are delivered from extensive depot-level rework. Use of the UAS in a maritime role will expand based on the results of operational demonstration conducted from Florida in late FY 2008. Maritime demonstrations of UAS capabilities in the Southwest approaches to the U.S. are also planned. Marine operations in the Gulf of Mexico will be enhanced as new interceptor vessels replace the aging Black Night Interceptors and additional sea-borne radar platforms are acquired. The investments needed to achieve A&M's end state and to support the operational objectives discussed above can be described in five broad categories discussed below.

Aircraft Safety and Service Life Extension. The average age of CBP A&M aircraft is over 22 years old, and the aircraft in the P-3 fleet are over 40 years old. In order to extend the useful life of these essential assets, CBP A&M established a Service Life Extension Program (SLEP). Using funds provided in FY 2006 through FY 2008, CBP A&M defined SLEP requirements, purchased new replacement wing/tail assemblies along with long lead critical stress components, and undertook a series of special structural inspections incorporated into planned depot maintenance (PDM) to ensure P-3 aircraft can safely fly for up to 20 additional years. CBP entered into a partnership with the U.S. Navy to share technical information and expertise, share common production capabilities, and to provide mutual parts support. The FY 2009 budget request contains funds within its base to continue sustainment and SLEP efforts.

In cooperation with the U.S. Army, A&M entered into a joint effort to convert up to 16 of its 25-year-old UH-60A Medium Lift Helicopters (MLHs) to UH-60L versions. Based on early projections, the conversions could increase individual aircraft service lives by 10-15 years, and reduce annual maintenance costs by 30-37%. The U.S. Army began its prototype efforts in late FY 2007 and established a fully functional production line in late FY 2008. A&M plans to induct 1-2 helicopters each year depending on operational commitments.

Establishment of a Strategic Intelligence, Surveillance, and Interdiction Capability. In FY 2006, CBP established an Unmanned Aircraft System (UAS) Program that will be the key element of the agency's strategic intelligence, surveillance, and interdiction capability. The total capability will include the P-3 Maritime Patrol Aircraft and the DHC-8 Multi-role Patrol Aircraft (MPA), and will be coordinated by an expanded national Air and Marine Operations Center (AMOC) in Riverside, California that will enable the most efficient use of resources and the timely dissemination of tactical information and new intelligence. The strategic plan currently calls for up to three squadrons of UASs to be deployed along the southwest border, northern border, and southeast maritime operating area. The end-state objectives for the MPA changed in FY 2007. The DHC-8 manufacturer decided to close the DHC-8/Q300 production line in favor of a larger, more commercially viable DHC-8/Q400. CBP A&M has concluded that the larger Q400 is not suitable for its missions and, instead, will pursue the acquisition of a smaller, twin-engine, Multi-Role Enforcement aircraft (MEA) capable of operating effectively over land and water. Requirements will be defined in FY 2008 for an initial acquisition in early FY 2009.

Air Recapitalization and Modernization. The present air fleet consists of 19 different aircraft types. Currently, seven of ten aircraft types have exceeded their normal service life expectancy, some by as much as almost two times the industry average. The impact has been an unavoidable loss of operational sorties because of additional maintenance down time due to increased

inspections and a shrinking pool of spare parts. To accomplish its border security, anti-drug, and customs and immigration enforcement support missions, a more flexible and supportable air fleet is needed. To this end, the air fleet will be standardized, emphasizing the use of multi-mission assets that can be deployed to multiple locations as the threat changes over time. The strategic objective is to reduce the types of aircraft to eight or nine, and to increase the total number of aircraft to a level consistent with operational demands. The total will likely change over time as the nature of the threat changes, therefore the A&M strategic plan and end-state model will be updated accordingly.

Marine Recapitalization and Modernization. A&M will begin to replace its aging fleet of Black Night Interceptor vessels in FY 2008, and plans to continue acquiring replacement vessels in FY 2009. A&M will continue the outfitting of seized boats with radars, sensors, data and communications systems, and at-sea refueling capabilities, to be used as radar platforms. The objective is to have up to 10 platforms deployed across all of the maritime operating areas. Over the past year, A&M has worked with the Border Patrol to standardize the types of riverine vessels providing direct interdiction support to its agents. With the decision made on a new class of riverine vessels, A&M will begin/continue purchasing sufficient assets in FY 2009 to replace the existing craft and to increase the overall size of the riverine force. In addition, A&M will expand marine maintenance and training operations in St. Augustine, FL, and McAllen, TX, with improvements to shops, equipment, and stowage facilities.

### **C. Budget Request Summary**

CBP requests \$528,000,000 for this activity in FY 2009. Excluding emergency funds provided in P.L.110-161, total adjustments-to-base is an increase of \$31,584,000 over FY 2008. Program increases include \$20,369,000 to:

- Provide \$7.0 million to base funding for the acquisition of two Multi-Role Enforcement aircraft and spares, \$6.0 million to base funding for the acquisition of one complete UAS system, ground control and spares, and \$7.4 million to acquire marine interceptor vessels.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA) including Emergency Funding

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Air and Marine Interdiction, Operations, Maintenance, and Procurement**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | FY 2007 |                  | FY 2008 |                  | FY 2009 |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                  |                    |                    |
|---|---------|------------------|---------|------------------|---------|------------------|--|-----------------|-----------------|------------------|--------------------|--------------------|
|   | Actual  |                  | Enacted |                  | Request |                  | Total Changes                            |                 | Program Changes |                  | Adjustment-to-Base |                    |
|   | FTE     | AMOUNT           | FTE     | AMOUNT           | FTE     | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT           | FTE                | AMOUNT             |
| Operations and Maintenance                              | -       | \$ 279,709       | -       | \$ 353,614       | -       | \$ 380,022       | -  | 26,408          | -               | -                | -                  | 26,408             |
| Procurement   | -       | 217,722          | -       | 216,433          | -       | 147,978          | -  | (68,455)        | -               | 20,369           | -                  | (88,824)           |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | -       | <b>\$497,431</b> | -       | <b>\$570,047</b> | -       | <b>\$528,000</b> | -  | <b>(42,047)</b> | -               | <b>\$ 20,369</b> | -                  | <b>\$ (62,416)</b> |

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Air and Marine Interdiction, Operations, Maintenance, and Procurement**  
Summary of FY 2009 Budget Estimates by Program/Project Activity - Excludes FY 2008 Emergency Funding  
(Dollars in Thousands)

| Budget Activity   | FY 2007                    |                  | FY 2008    |                  | FY 2009    |                  | Increase (+) or Decrease (-) For FY 2009 |               |                 |                  |                    |                  |
|---|----------------------------|------------------|------------|------------------|------------|------------------|--|---------------|-----------------|------------------|--------------------|------------------|
|   | Actual                     |                  | Enacted    |                  | Request    |                  | Total Changes                            |               | Program Changes |                  | Adjustment-to-Base |                  |
|   | FTE                        | AMOUNT           | FTE        | AMOUNT           | FTE        | AMOUNT           | FTE                                      | AMOUNT        | FTE             | AMOUNT           | FTE                | AMOUNT           |
|   | Operations and Maintenance | -                | \$ 279,709 | -                | \$ 353,614 | -                | \$ 380,022                               | -             | 26,408          | -                | -                  | -                |
| Procurement   | -                          | 217,722          | -          | 122,433          | -          | 147,978          | -  | 25,545        | -               | 20,369           | -                  | 5,176            |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | -                          | <b>\$497,431</b> | -          | <b>\$476,047</b> | -          | <b>\$528,000</b> | -  | <b>51,953</b> | -               | <b>\$ 20,369</b> | -                  | <b>\$ 31,584</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Air and Marine Interdiction, Operations, Maintenance, and Procurement**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: OPERATIONS AND MAINTENANCE

|                              | <b>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|------------|------------|------------------|
| <b>2007 Actual</b>           | ...        | ...        | <b>\$279,709</b> |
| <b>2008 Enacted</b>          | ...        | ...        | <b>353,614</b>   |
| 2009 Adjustment to Base      | ...        | ...        | 26,408           |
| <b>2009 Current Services</b> | ...        | ...        | <b>380,022</b>   |
| 2009 Program Changes         | ...        | ...        | 0                |
| <b>2009 Request</b>          | ...        | ...        | <b>380,022</b>   |
| Total Change 2008-2009       | ...        | ...        | 26,408           |

CBP requests \$380.0 million for this activity. The request is \$26.4 million over FY 2008. This request includes:

- A decrease of \$0.3 million for non-recurrals.
- An increase of \$14.8 million for maintenance for FY 2008 asset increases.
- An increase of \$11.9 million for the FY 07 supplemental tail.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

CBP A&M secures the borders against terrorists, acts of terrorism, drug smuggling and other illegal activity by operating air and marine branches at strategic locations along the borders. Multi-mission aircraft with advanced sensors and communications equipment provide powerful interdiction and mobility capabilities directly in support of detecting, identifying and interdicting suspect conveyances, and apprehending suspect terrorists and smugglers. CBP A&M maximizes the capabilities of air and marine assets through a cohesive joint air operations model for centralized command and control and a responsive and integrated control system for decentralized execution.

CBP A&M partners with numerous stakeholders in performing its missions throughout the continental United States and the western hemisphere. This includes domestic operations at the borders; source, transit and arrival zone operations; interior law enforcement support; and support to other agencies. Truly crosscutting within the Department and the Federal government as a whole, the unique capabilities of CBP A&M serve as both a stand-alone entity and as a force multiplier. In fulfilling the priority mission of CBP to protect the borders, our geographical disposition has shifted from a concentration on the southern border to include all of our Nation's borders. CBP A&M's priority mission is to continue protecting the American

people and critical infrastructure by using an integrated and coordinated air and marine force of over 1,300, to include pilots and air crew, fixed wing aircraft, rotary helicopters, unmanned aircraft systems, marine vessels, a national air and marine operations center, and surveillance equipment, to detect, interdict and prevent acts of terrorism arising from unlawful movement of people and goods across the borders of the United States.

#### FY 2007 Significant Accomplishments

In 2007 CBP A&M air wings flew over 98,000 mission hours in support of national border security operations, and established its fourth primary northern border air branch in North Dakota. The FY 2007 supplemental Appropriation (P.L. 110-28) provided funding to accelerate the establishment of the fifth and last primary air branch in Detroit, MI. In addition to acting as a deterrent to illegal entry into the U.S. by air, land, and sea, CBP A&M air assets were directly involved in the apprehension of 204,665 undocumented aliens; 925 criminal arrests; and the seizure of approximately 200,000 pounds of narcotics, 4 aircraft, 26 marine vessels, 140 vehicles, and over \$105 million in currency.

#### FY 2008 Planned Accomplishments

Establish the fifth and last primary northern border air branch in Detroit, MI. Assess the need for secondary and satellite sites based on the results of operations across the northern border. Expand UAS operations as additional systems are delivered to the southwest border, deployed for test and evaluation to the northern border, and re-outfitted with maritime search radars for test and evaluation in the southeast coastal area of responsibility. Accomplish delivery of new aircraft and the hiring of new pilots and aircrew to enable A&M to respond to the planned increase in Border Patrol agents along the southwest and northern borders. Outfit and deploy to the Great Lakes additional marine interceptors purchased in FY 2007 and FY 2008, and test and evaluate the first new prototype riverine vessels against Border Patrol mission requirements. Incorporate all legacy assets into a single, more effective logistics and maintenance support arrangement as a result of the new nationwide aviation maintenance contracts.

#### FY 2009 Planned Accomplishments

The FY 2009 request supports the continuation of logistics and maintenance integration efforts, expanded flight hours in response to increasing mission demands from the Border Patrol and Immigration and Customs Enforcement. The \$36.7 million provided for improved aviation maintenance in FY 2008 recurs in FY 2009, along with funds for follow-on operational support of the assets shown above. Flight hours across A&M have increased in direct correlation to the growth of ground agents within office of Border Patrol since FY 2006.

## PPA: PROCUREMENT

|                              | <u>Pos</u> | <u>FTE</u> | <u>Amount</u>    |
|------------------------------|------------|------------|------------------|
| <b>2007 Actual</b>           | ...        | ...        | <b>\$217,722</b> |
| <b>2008 Enacted</b>          | ...        | ...        | <b>216,433</b>   |
| 2009 Adjustment to Base      | ...        | ...        | -88,824          |
| <b>2009 Current Services</b> | ...        | ...        | <b>127,609</b>   |
| 2009 Program Changes         | ...        | ...        | 20,369           |
| <b>2009 Request</b>          | ...        | ...        | <b>147,978</b>   |
| Total Change 2008-2009       | ...        | ...        | - 68,455         |

\*The above table includes emergency funding of \$94.0 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$148.0 million. Excluding emergency funds provided, the increase of \$25.5 million over FY 2008 is for non-pay inflation as well as a program increase for aircraft and vessels acquisitions.

### Current Services Program Description:

The CBP A&M Procurement PPA recurs each fiscal year and is used to acquire new aircraft and marine vessels, retire unserviceable assets, upgrade sensors and surveillance capabilities, and support the expansion of mission capabilities along the borders in response to ongoing threat assessments and mission assignments directed by higher authority.

In FY 2007, the Congress provided \$70 million for the P-3 Service Life Extension Program (SLEP), which is expected to take 8-10 fiscal years to complete for all 16 CBP assets. In FY 2008, the P-3 SLEP funding recurs within this PPA, adjusted as safety and depot repair and material requirements change.

The Unmanned Aircraft Systems PPA was consolidated into this PPA in the FY 2007 enacted budget. Unmanned Aircraft Systems (UASs) will continue to be used in securing the border of the United States by providing strategic intelligence, surveillance, and interdiction support. CBP was the first Federal law enforcement agency to fly UASs on a sustained basis, outside of controlled airspace, within the United States.

Since the start of operations in 2004, UASs have been instrumental in the apprehension of undocumented aliens, the seizure of drugs, and the recovery of stolen vehicles. UASs have proven effective in locating subjects during the hours of darkness and providing a situational awareness and officer safety capability that is unparalleled.

### 2007 Significant Accomplishments

FY 2007 saw the delivery and deployment of the last of 15 new EC-120 Light Observation Helicopters to A&M air branches across the southwest and northern borders, along with the delivery of two new AW-139 Medium Lift Helicopters, and the delivery of the first 2 of 20 new AS-350 Light Enforcement Helicopters. A&M completed the integration and test of its

third DHC-8 Multi-role Patrol Aircraft and accepted the delivery of its fourth asset. In a joint acquisition with the U.S Army, an order was placed for three to four UH-60M Medium Lift Helicopters for delivery starting in FY 2009, and key decisions were made on the final configuration of the Manned Covert Surveillance Aircraft (MCSA) mission package being acquired under a joint CBP/U.S. Coast Guard acquisition. In addition, five new interceptor class marine vessels were purchased and began their deployment to the Great Lakes.

In FY 2007, Congress provided \$70 million of which about \$30 million was used to purchase the new wing/tail assemblies for the SLEP. The remainder was used to continue conducting special structural inspections (SSIs) and extended special structural inspections (ESSIs), acquire other long-lead components, repay the loan of Navy materials needed to place the aircraft back in service as soon as possible, and for emergent requirements coming out of the service life assessment. The FY 2008 budget contains \$47 million in the recurring procurements base to continue new wing/tail procurements, continue the SSIs/ESSIs, and to continue long-lead material purchases.

The results of the P-3 service life assessment were delivered to the government in May 2007, allowing for the definition of SLEP requirements and the development of a new cost estimate through planned completion over the next 8-10 years. Work continued on a competitive contract for the SLEP with a projected award in late FY 2008 or early FY 2009. A&M continued to conduct a series of SSIs and ESSIs according to Navy standards, which has allowed the P-3 aircraft to operate safely until they undergo complete over haul and their service lives can be extended by about 20 years. A&M awarded a contract for 2-3 new wing and tail assemblies for the SLEP, which should be delivered in FY 2009, along with numerous long-lead components needed for both the SSIs/ESSIs and the SLEP.

FY 2007 funding for the UAS Program totaled of \$30.4 million. These funds allowed A&M to complete the purchase of the last two of six systems placed on order in FY 2006 and FY 2007. UAS number two, delivered in the summer of 2007, was used to conduct an operational test along the northern border. Work began on the capability to command all of CBP's UASs from the Air and Marine Operations Center (AMOC) in Riverside, CA, and some control room components were acquired along with the last two systems.

In addition of all of the above, the fourth of five primary air branch sites along the northern border was established at Grand Forks, North Dakota. The FY 2007 supplemental appropriation (P.L. 110-28) provided funding to accelerate the establishment of the fifth and last primary air branch in Detroit, MI.

#### 2008 Planned Accomplishments

The fifth and final primary air branch along the northern border will open in the second quarter of FY 2008. A&M will continue several acquisition efforts started in FY 2007 including: five additional Light Observation Helicopters (LOH), bringing the total EC120 to 20; the purchase of new UH-60M MLHs; the purchase of up to three Multi-Role Enforcement Aircraft as the follow on platform for the DHC-8 MPAs which were taken out of production by the manufacturer in FY 2007, and the purchase and delivery of up to 18 new AS-350 LEHs. A contract will be awarded for up to three new sensor packages for the C-550 Interceptor aircraft,

with the first deliveries to start before the end of the fiscal year. The conversion of UH-60A MLHs to UH-60Ls will start with the first aircraft to be inducted into the Army production line in 2008. In addition, \$1.1 million in the recurring procurement base will be used to purchase marine interceptors to replace the Black Night Interceptors. \$12 million was provided to establish 11 new marine enforcement units.

The FY 2008 enacted budget included \$47.0 million to continue the P-3 SLEP and extend the service life of CBPs existing aircraft by about 20 years. The FY 2009 budget request includes \$9.0 million above that level, for a total funding level of \$56 million for P-3 SLEP in keeping with the A&M Strategic Plan. The funds will be used to continue new wing/tail assembly procurements, purchase wing/tail refurbishment kits for aircraft that do not need new wings/tails, continue the special structural inspections (SSI) and extended special structural inspections (ESSI), and begin the SLEP of the first of the 16 P-3 aircraft in the CBP inventory.

The \$18 million in recurring procurement funds for the UAS Program will enable A&M to purchase synthetic aperture radars (SARs) for its Predator-B aircraft, ground control units for deployment of the systems to multiple locations, and spare parts to improve operational readiness. It should also cover the costs for a test of UAS maritime surveillance capabilities.

#### 2009 Planned Accomplishments

The FY 2009 budget request will enable A&M to continue acquisitions started in FY 2008 and to purchase additional assets including one complete UAS with ground control and spares, two Multi-Role Enforcement Aircraft which replace the Multi-Role Patrol Aircraft taken out of production in FY 2007, conversion of two UH-60A to L model MLHs, 1 C-550 interceptor upgrade, maritime interceptors, radar platforms, riverine craft and additional spare parts for improved readiness.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Customs and Border Protection  
 Air and Marine Operations, Maintenance and Procurement  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1:                      Aircraft/Vessels Acquisitions**

Strategic Goal(s) & Objective(s): Strategic Priority #1 – Enhance Border Security

PPA: Procurement

Program Increase:    Positions     FTE     Dollars \$20,369

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                  |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000)  |
| Current Services Level |                |     |                 |                 |     |                 |                 |     | \$127,609        |
| Program Increase       |                |     |                 |                 |     |                 |                 |     | 20,369           |
| <b>Total Request</b>   |                |     | <b>217,722</b>  |                 |     | <b>216,433</b>  |                 |     | <b>\$147,978</b> |

Description of Item

This initiative will increase CBP’s ability to detect and respond to land and maritime incursions along our Nation’s borders preventing drug trafficking, alien smuggling and other criminal activities, including terrorist networks. The following draft spend plan depicts approximately how resources would be distributed:

- \$7.0M, added to current base funding for the acquisition of two Multi-Role Enforcement aircraft and spares
- \$6.0M, added to current base funding for the acquisition of one complete UAS system, ground controls, and spares
- \$7.4M to acquire 49 marine interceptor vessels

Justification

Current intelligence suggests the threat to national security manifests itself primarily in the potential for regular and repeated encounters with foreign terrorists and their conveyances both between and at the ports of entry (POEs). This enhancement will improve surveillance and response. This request is consistent with CBP’s overall recapitalization strategy.

FY 2009 additional funding to the procurement base will enable the acquisition of two additional aircraft and spares, the acquisition of one complete Unmanned Aircraft System and the acquisition of marine vessels to be deployed to various sites and for the operating tempo to be increased across the border. With the first UAS demonstrations completed in FY 2007 and FY 2008, a flexible basing and deployment scheme will be in place, allowing CBP to gain vital intelligence and situational awareness. An additional UAS will be added to its fleet to execute upon this basing and deployment scheme.

Within the total enhanced border security approach, emphasis on gaining control along the Great Lakes and St. Lawrence Seaway will be supported by the new marine vessels acquisition started in FY 2007. Five new interceptor class vessels will have been deployed for nearly a year with more new vessels being delivered by the start of FY 2009. The introduction of additional riverine craft will give the Border Patrol expanded shallow water interdiction capabilities. As FY 2009 progresses, periodic surge operation into suspect transit corridors will help determine if additional marine operating sites will be required along the lakes to reduce transit times to areas of high threat traffic.

Working with UASs launched from multiple sites and MPA's deployed from Detroit, marine units from Detroit, Buffalo and Swanton will enforce border security and gain operational intelligence. In addition to supporting ground and marine interdiction operation, fixed wing, short-range reconnaissance and interceptor aircraft will engage in air interdiction and suspect tracking.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

This enhancement directly supports DHS Strategic Goal #1: Effectively Control our Borders. Air and Marine provides direct marine and aerial support to CBP, DHS, as well as, other Federal, State and local law enforcement. The impact of not receiving funding jeopardizes Air and Marine's capacity and capability to sustain traditional and emergent operations, including the Secure Border Initiative.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
U.S. Customs and Border Protection  
Justification of Proposed Changes  
Air and Marine Interdiction, Operations, Maintenance, and Procurement  
Appropriation Language**

For necessary expenses for the operations, maintenance, and procurement of marine vessels, aircraft, unmanned aircraft systems, and other related equipment of the air and marine program, including, operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Federal, State, and local agencies in the enforcement or administration of laws enforced by the Department of Homeland Security; and at the discretion of the Secretary of Homeland Security, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, **\$528,000,000** [\$570,047,000], to remain available until expended: [Provided, That of the amount provided under this heading, \$94,000,000 is designated as describe in section 5 (in the matter preceding division A of this consolidate Act):] *Provided [further],* That no aircraft or other related equipment, with exception of aircraft that are one of a kind and have been identified as excess to United States Customs and Border Protection requirements and aircraft that have been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of Homeland Security during fiscal year [2008] **2009** without the prior notification to the Committees on Appropriations of the Senate and the House of Representatives. (*Department of Homeland Security Appropriations Act, 2008.*)

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Air and Marine Interdiction, Operations, Maintenance, and Procurement  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|--|-------------|------------|----------------|
| <b>2007 Actual</b> .....                           | -           | -          | <b>497,431</b> |
| <b>2008 Enacted</b> .....                          | -           | -          | <b>570,047</b> |
| <br><b>Adjustments-to-Base</b>                     |             |            |                |
| Increase   |             |            |                |
| Annualization of prior year initiatives            | -           | -          | 36,562         |
| Non-Pay Inflation                                  |             |            | <u>11,401</u>  |
| Total Increase                                     |             |            | 47,963         |
| Decrease   |             |            |                |
| Termination of one-time costs                      |             |            | -98,600        |
| Management Efficiency                              |             |            | <u>-11,779</u> |
| Total Decrease                                     |             |            | -110,379       |
| <b>Total Adjustment-to-Base</b> .....              | -           | -          | <b>-62,416</b> |
| <b>2009 Current Services</b> .....                 | -           | -          | <b>507,631</b> |
| <br><b>Program Changes</b>                         |             |            |                |
| Increase   |             |            |                |
| Base funding for 2 Multi-Role Aircraft and spares  |             |            | 7,000          |
| Base funding for 1 UAS, ground controls and spares |             |            | 6,000          |
| 49 Marine interceptor vessels                      |             |            | <u>7,369</u>   |
| Total Increase                                     |             |            | 20,369         |
| <b>2009 Request</b> .....                          | -           | -          | <b>528,000</b> |
| <b>2008 to 2009 Total Change</b> .....             | -           | -          | <b>-42,047</b> |

The FY 2008 enacted level includes \$94 million in emergency funding provided in P.L. 110-161.

C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
 Air and Marine Interdiction, Operations, Maintenance, and Procurement  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request  |     |           |
|--|---------------|-----|-----------|
|  | Perm.<br>Pos. | FTE | Amount    |
| <b>2007 Actual</b>   | -             | -   | 497,431   |
| <b>2008 Enacted</b>  | -             | -   | 570,047   |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |               |     |           |
| Increases  | -             | -   | 47,963    |
| Decrease   | -             | -   | (110,379) |
| Total Adjustment-to-Base   |               |     | (62,416)  |
| <b>2009 Current Services</b>   | -             | -   | 507,631   |
| Program Changes (See "FY 2008 to FY 2009 Budget Changes" for details)    |               |     |           |
| Increase   |               |     | 20,369    |
| <b>2009 Total Request</b>  | -             | -   | 528,000   |
| 2008 to 2009 Total Change  |               |     | (42,047)  |

| Estimates by Program/Project Activity | 2008 Enacted |     |                    | 2009 Adjustments-To-Base |     | 2009 Program Change |      | 2009 Request |                    | 2008 to 2009 Total Change |     |                   |
|---------------------------------------|--------------|-----|--------------------|--------------------------|-----|---------------------|------|--------------|--------------------|---------------------------|-----|-------------------|
|                                       | Pos.         | FTE | Amount             | Pos.                     | FTE | Amount              | Pos. | FTE          | Amount             | Pos.                      | FTE | Amount            |
| Operations and Maintenance            | -            | -   | \$ 353,614         | -                        | -   | \$ 26,408           | -    | -            | \$ -               | -                         | -   | \$ 26,408         |
| Procurement                           | -            | -   | 216,433            | -                        | -   | (88,824)            | -    | -            | 20,369             | -                         | -   | 147,978           |
| <b>Total</b>                          | -            | -   | <b>\$ 570,047</b>  | -                        | -   | <b>\$ (62,416)</b>  | -    | -            | <b>\$ 20,369</b>   | -                         | -   | <b>\$ 528,000</b> |
|                                       | -            | -   | <b>\$ (42,047)</b> |                          |     |                     | -    | -            | <b>\$ (42,047)</b> |                           |     |                   |

**D: Summary of Reimbursable Resources**

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**CBP Air and Marine Operations and Maintenance**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |     |        | 2008 Enacted |     |               | 2009 Estimate |     |               | Increase/Decrease |     |        |
|----------------------------------|----------------|-----|--------|--------------|-----|---------------|---------------|-----|---------------|-------------------|-----|--------|
|                                  | Pos.           | FTE | Amount | Pos.         | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount |
| DOE                              |                |     | \$0    |              |     | \$560         |               |     | \$560         |                   |     | ---    |
| DHS                              |                |     | \$0    |              |     | \$250         |               |     | \$250         |                   |     | ---    |
| DHS-FEMA                         |                |     | \$0    |              |     | \$9,690       |               |     | \$9,690       |                   |     | ---    |
| GSA                              |                |     | \$0    |              |     | \$2,500       |               |     | \$2,500       |                   |     | ---    |
| <b>Total Budgetary Resources</b> | ---            | --- | ---    | ---          | --- | <b>13,000</b> | ---           | --- | <b>13,000</b> | ---               | --- | ---    |

| Obligations by Program/Project Activity | FY 2007 Actual |     |        | 2008 Enacted |     |               | 2009 Estimate |     |               | Increase/Decrease |     |        |
|---|----------------|-----|--------|--------------|-----|---------------|---------------|-----|---------------|-------------------|-----|--------|
|   | Pos.           | FTE | Amount | Pos.         | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount |
| CBP Air & Marine O&M                    |                |     | \$0    |              |     | \$13,000      |               |     | \$13,000      |                   |     | ---    |
| <b>Total Obligations</b>                | ---            | --- | ---    | ---          | --- | <b>13,000</b> | ---           | --- | <b>13,000</b> | ---               | --- | ---    |

E. Summary of Requirements by Object Class

| <b>Department of Homeland Security</b><br><b>U.S. CUSTOMS AND BORDER PROTECTION</b><br>Air and Marine Interdiction, Operations, Maintenance, and Procurement<br>Classification by Objects<br>(Dollars in Thousands) |                          |                  |                   |                   |                     |
|---|--------------------------|------------------|-------------------|-------------------|---------------------|
| Object Classification   |                          | FY2007<br>Actual | FY2008<br>Enacted | FY2009<br>Request | 2008-2009<br>Change |
| Other Objects:  |                          |                  |                   |                   |                     |
| 21.0  | Travel                   | \$ 9,898         | \$ 18,089         | \$ 15,366         | \$ (2,723)          |
| 22.0  | Transportation of things | \$ 877           | \$ 1,565          | \$ 942            | \$ (623)            |
| 23.2  | Other Rent               | \$ 13,393        | \$ 19,348         | \$ 14,741         | \$ (4,607)          |
| 25.2  | Other Services           | \$ 226,717       | \$ 302,370        | \$ 260,143        | \$ (42,227)         |
| 26.0  | Supplies & materials     | \$ 73,784        | \$ 109,960        | \$ 113,925        | \$ 3,965            |
| 31.0  | Equipment                | \$ 172,762       | \$ 408,715        | \$ 122,883        | \$ (285,832)        |
| Total, other object class   |                          | \$ 497,431       | \$ 860,047        | \$ 528,000        | \$ (332,047)        |
|   |                          | \$ 497,431       | \$ 860,047        | \$ 528,000        | \$ (332,047)        |
| Recoveries  |                          | 8,072            | -                 | -                 |                     |
| Unobligated balance, start of year  |                          | \$ (107,561)     | \$ (290,000)      | \$ -              | \$ -                |
| Unobligated balance, end of year  |                          | \$ 290,000       | \$ -              |                   |                     |
| Total Requirements  |                          | \$ 687,942       | \$ 570,047        | \$ 528,000        | \$ (42,047)         |

\*FY 2007 Actual does not reflect what is in MAX by OCC.

## **F. Permanent Positions by Grade**

Not Applicable

## G. Capital Investment and Construction Initiative Listing

### U. S. CUSTOMS AND BORDER PROTECTION Air and Marine Interdiction, Operation, Maintenance, and Procurement

| INITIATIVE NAME                               | FY 2009 FUNDING REQUEST (\$000) |           |                | FUNDING FROM:   |                          |
|---|---------------------------------|-----------|----------------|-----------------|--------------------------|
|   | Total                           | In MCL    | New Initiative | Budget Activity | Program/s Name           |
| Strategic Air Plan                            | \$147,978                       | \$147,978 | \$0            | CBP0002.03      | CBP – Strategic Air Plan |
|   | \$0                             | \$0       | \$0            |                 |                          |
| Total Non- IT investments \$5 million or more | \$147,978                       | \$147,978 | \$             |                 |                          |
| Total Non-IT initiatives under \$5 million    | \$0                             | \$0       | \$0            |                 |                          |
| Total Non-IT Investments                      | \$147,978                       | \$147,978 | \$0            |                 |                          |
|   |                                 |           |                |                 |                          |
| Total of IT Investments                       | \$0                             | \$0       | \$0            |                 |                          |
|   |                                 |           |                |                 |                          |
| Total all IT and Non-IT                       | \$147,978                       | \$147,978 | \$0            |                 |                          |

### 1. Project Description, Justification and Scope

#### Project Description

In the summer of 2006, CBP A&M developed and submitted to Congress a Strategic Air Plan that defines the end state for the air force based on ongoing threat assessments, mission requirements determined by higher authority, and the evolving requirements of the Secure Border Initiative (SBI). In 2007, this Plan was updated to incorporate Marine vessels and Unmanned Aircraft Systems (UAS). The UAS PPA was formally merged into CBP A&M Procurement PPA in FY 2007.

The Air Plan calls for the air and marine fleets to be standardized, emphasizing the use of multi-mission assets that can be deployed to multiple locations as the threat changes over time. The O&M Procurement PPA recurs each fiscal year and is used to acquire new aircraft and marine vessels, UAS, retire unserviceable assets, upgrade sensors and

surveillance capabilities, and support the expansion of mission capabilities along the borders in response to ongoing threat assessments and mission assignments directed by higher authority.

**Program Justification**

*Gain operational control of the borders*

Through the coordinated use of integrated air and marine force to detect, interdict and prevent acts of terrorism and the unlawful movement of people, illegal drugs and other contraband toward or across the borders of the United States. Terrain, weather, and distance are significant obstacles along much of the southern, northern, and coastal borders. Air & Marine support acts as a force multiplier, allowing personnel and equipment to be transported efficiently and effectively. This support also provides rapid-response relocation of personnel and equipment, to safeguard people and critical infrastructure from acts of terrorism, natural disasters and other emergencies. The Air Safety and Life Extension Contract supports the aircraft that makes it possible for CBP Air & Marine to perform this mission.

**2. Significant Changes**

The funds requested will enable continued support for program operations through FY 2009 and include an increase to maintain current levels.

**3. Project Schedule**

|                   | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|-------------------|---------|---------|---------|---------|
| Aircraft Acquired | 16      | 14      | 30      | 2       |
| UAS Acquired      | 3       | 1       | 1       | 1       |
| Vessels Acquired  | 0       | 5       | 21      | 49      |

**4. Schedule of Project Funding  
(Dollars in Thousands)**

|                       | FY 2007 | FY 2008 | FY 2009   | Total   |
|-----------------------|---------|---------|-----------|---------|
| Appropriation         | 440,733 | 216,433 | \$147,978 | 805,144 |
| Obligation (planned)  | 440,733 | 216,433 | \$147,978 | 805,144 |
| Expenditure (planned) | 440,733 | 216,433 | \$147,978 | 805,144 |

**5. Cost Estimate Detail and Changes  
(Dollars in Thousands)**

Not Applicable

**6. Method of Performance**

1. Is there a project (investment) manager assigned to the investment?

Yes

If so, what is his/her name?

Charles Bourquardez

2. Is there a contracting officer assigned to the investment?

Yes

If so, what is his/her name?

Sharon Lim

3. Is there an Integrated Project Team?

Yes

If so, list the skill set represented.

The IPT is comprised of individuals from the Office of CBP Air, Office of Finance, Office of Information and Technology, Technology Systems Program Office (TSPO), Office of Chief Counsel, SBI-PMO, and Office of Border Patrol representing systems acquisition, project management, systems engineering, legal review and test and acceptance.

4. Is there a sponsor/owner for this investment?

Yes

If so, identify the sponsor/process owner by name and title and provide contact information.

Michael C. Kostelnik, Assistant Commissioner, Office of CBP Air & Marine, (202) 344-3950.

| Fiscal Year | Strategic Goal(s) Supported  | Performance Measure / Type                                  | Explanation or Description  | Target or Goal  | Actual Performance Results  | Performance Metric Improvement   |
|-------------|--|---|---|---|---|--|
| 2009        | DHS Prevention Goal 2 and Objective 2.1 Secure our Borders Against Terrorists, Means of Terrorism, Illegal Drugs, and other Illegal Activity | Provide Strategic Air Coverage<br><br>Long Term/<br>Outcome | This measure shows the progress made toward expanding strategic air surveillance coverage along the borders and approaches to the borders of the U.S. by the end of the decade. The measure is the percent of border miles at risk that is under surveillance by CBP patrol-type aircraft (including unmanned aircraft systems). Measuring surveillance is an evolving metric. In FY 2003 and FY 2004 metrics were based on the measurement of 7200 P-3 flight hours provided in support of drug enforcement. In FY 2005, the UAV was | 2003 – 2400<br><br>2004 – 2400<br><br>2005 – 7200<br><br>*2006 – 7200<br><br>2007 – 60% (of border at risk)<br><br>2008 – 70%<br><br>2009 – 80%<br><br>2010 – 90% | 2003 – 4700<br><br>2004 – 6700<br><br>2005 – 7500<br><br>2006 – 55% | Effective FY07 the measure will be represented by the miles of at risk borders under strategic air surveillance in response to the anti-terrorism mission. |

|      |  |   |  |  |  |     |
|------|--|---|--|--|--|-----|
|      |  |   | introduced and added to these total hours.   |  |  |     |
| 2009 | DHS Prevention Goal 2 and Objective 2.1 Secure our Borders Against Terrorists, Means of Terrorism, Illegal Drugs, and other Illegal Activity | Extend the Zone of Security Beyond the Nation's Physical Boundaries<br><br>Long Term/ Outcome | This measure monitors A&M efforts in reducing, with the intent of ultimately denying, the use of border air space for acts of terrorism or smuggling using intelligence and threat assessments. The number of Targets of Interest (TOI) has been reduced over time as strategic surveillance and tactical responses by CBP interceptors and patrols, work with the Border Patrol on the ground, to deter the use of air routes into the U.S. A&M continues to gather and analyze intelligence on past and current threat | 2003 – 20<br>2004 – 11<br>2005 – 10<br>2006 – 10<br>2007 – 10<br>2008 – 10 | 2003 – 20<br>2004 – 11<br>2005 – 10<br>2006 – 13 | N/A |

|  |  |  |   |  |  |  |
|--|--|--|---|--|--|--|
|  |  |  | <p>patterns to forecast and disseminate information about potential and emerging threats. To highlight the effectiveness of these practices, commencing in the 1970's, there were over 7,000 known Targets Of Interests (TOI) violating the southwestern border airspace. This number was reduced to approximately 150 in the mid-1980's and further reduced to 10 in 2005. The targeted goal for this measure is to maintain this low level of border incursions at a minimum and reduce it if possible, until there are no border incursions.</p> |  |  |  |
|--|--|--|---|--|--|--|

\*In FY 2006 Target/Goal methodology changed.

**7. Related Annual Funding Requirements  
(Dollars in Thousands)**

|             | FY 2009          |                   |
|-------------|------------------|-------------------|
|             | Current Estimate | Previous Estimate |
| Procurement | \$147,978        | \$80,400          |

**8. Budget Allocation to Programs**

| Program     | Allocated Budget (\$ thousands) |           |
|-------------|---------------------------------|-----------|
|             | FY 2008                         | FY 2009   |
| Procurement | \$216,433                       | \$147,978 |

**9. Compliance with applicable Public Laws, Regulations, Standards and Executive Orders**

- 40 CFR (all parts) – Code of Federal Regulations, Protection of the Environment (latest version)
- Executive Order 12144 – Environmental Effects Abroad of Major Federal Actions
- Executive Order 13148 – Greening of the Government Through Leadership in Environmental Management
- Executive Order 13101 – Greening of the Government Through Waste Prevention, Recycling, and Federal Acquisition
- Council on Environmental Quality (CEQ) regulations
- National Environmental Policy Act (NEPA)

**H. PPA Budget Justifications**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Air and Marine - Operations and Maintenance  
Funding Schedule  
(dollars in thousands)**

| PPA: AMO (O&M)  |                          | 2007*      | 2008       | 2009       | 2008-2009  |
|-----------------|--------------------------|------------|------------|------------|------------|
| Object Classes: |                          | Actual     | Enacted    | Request    | Change     |
| 21.0            | Travel                   | \$ 9,087   | \$ 17,336  | \$ 15,240  | \$ (2,096) |
| 22.0            | Transportation of things | \$ 877     | \$ 1,565   | \$ 942     | \$ (623)   |
| 23.2            | Other Rent               | \$ 14,282  | \$ 19,348  | \$ 14,741  | \$ (4,607) |
| 25.2            | Other Services           | \$ 179,710 | \$ 246,718 | \$ 255,765 | \$ 9,047   |
| 26.0            | Supplies & materials     | \$ 72,001  | \$ 82,605  | \$ 73,558  | \$ (9,047) |
| 31.0            | Equipment                | \$ 3,752   | \$ 5,575   | \$ 19,777  | \$ 14,202  |
| Total           |                          | \$ 279,709 | \$ 373,147 | \$ 380,023 | \$ 6,876   |

\*FY 2007 Actual does not reflect what is in MAX for the O&M PPA

\*FY 2008 reflects \$19.5 in carryover

**Mission Statement**

CBP Air & Marine (A&M) is responsible for the protection of the people and critical infrastructure of the United States. CBP A&M identifies, deters, interdicts, and investigates acts of terrorism and smuggling arising from unlawful movement of people and goods into and out of the United States with an integrated and coordinated air and marine force. CBP A&M has historically conducted missions along the southern borders of the United States, Mexico, South America and the Caribbean. Since September 11, 2001, CBP A&M has established a presence along the Northern Border. CBP A&M has a staff of over 1,300 pilots, law enforcement officers, operational support, and administrative positions. Mission critical assets consist of aircraft (including fixed wing and rotary helicopters), marine vessels, P-3 surveillance aircraft, surveillance equipment, maintenance facilities and hangars. With the transfer of the Unmanned Aircraft Systems (UAS) and Border Patrol assets, U. S. Customs and Border Protection (CBP) has been able to achieve increased effectiveness and economies of scale in the operation, procurement and maintenance of CBP's assets.

**Summary Justification and Explanation of Changes**

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|---------------------|
| <b>Travel (OC 21)</b> | \$ 9,087       | \$ 17,336       | \$ 15,240       | \$ (2,096)          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Decrease reflects reprogramming of \$1,500,000 to S&E, and a cost savings of (\$596,000).

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|---|----------------|-----------------|-----------------|---------------------|
| <b>Transportation of Things (OC 22)</b> | \$ 877         | \$ 1,565        | \$ 942          | \$ (623)            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidents to the transportation of things. Decrease reflects a cost saving of (\$623,000).

|                            | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|----------------------------|----------------|-----------------|-----------------|---------------------|
| <b>Other Rent (OC23.2)</b> | \$ 14,282      | \$ 19,348       | \$ 14,741       | \$ (4,607)          |

Payments to a non-Federal source for rental of space, land, and structures. Decrease reflect a cost saving of (\$4,607,000).

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|---------------------|
| <b>Other Services (OC 25.2)</b> | \$ 179,710     | \$ 246,718      | \$ 255,765      | \$ 9,047            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Increase reflects an increase of \$26,801,000 for adjustments to base for maintenance and operation of FY 2008 initiatives, a decrease of \$15,500,000 in carryover from FY 2008 and a reprogramming of \$2,000 to S&E, and a decrease of base adjustment of \$254,000.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|---|----------------|-----------------|-----------------|---------------------|
| <b>Supplies &amp; materials (OC 26.0)</b> | \$ 72,001      | \$ 82,605       | \$ 73,558       | \$ (9,047)          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction of manufacture, (c) used to form a minor part of equipment of property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Decrease of \$9,047,000 reflects decrease of \$4,000,000 in carryover from FY 2008, \$1,500,000 in reprogramming to S&E, and a cost savings of (\$3,547,000).

|                            | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|----------------------------|----------------|-----------------|-----------------|---------------------|
| <b>Equipment (OC 31.0)</b> | \$ 3,752       | \$ 5,575        | \$ 19,777       | \$ 14,202           |

Equipment includes all costs for the purchase of personal property of a durable nature or the installation of equipment when performed under contract. Increases reflects adjustment to base of \$14,202,000 for maintenance and operation of FY 2008 initiatives.

H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Customs and Border Protection**  
**Air and Marine - Procurement**  
 Funding Schedule  
 (dollars in thousands)

| PPA: AMO Procurement |                      | 2007*      | 2008       | 2009       | 2008-2009    |
|----------------------|----------------------|------------|------------|------------|--------------|
| Object Classes:      |                      | Actual     | Enacted    | Request    | Change       |
| 21.0                 | Travel               | \$ 322     | \$ 753     | \$ 126     | \$ (627)     |
| 25.0                 | Other Services       | \$ 47,006  | \$ 55,652  | \$ 4,378   | \$ (51,274)  |
| 26.0                 | Supplies & materials | \$ 1,773   | \$ 27,355  | \$ 40,367  | \$ 13,012    |
| 31.0                 | Equipment            | \$ 168,621 | \$ 403,140 | \$ 103,106 | \$ (300,034) |
|                      | Total                | \$ 217,722 | \$ 486,900 | \$ 147,977 | \$ (338,923) |

\*FY 2007 Actual does not reflect what is in MAX for the Procurement PPA

\*FY2008 includes \$270.4M in carryover.

**Mission Statement**

CBP Air & Marine (A&M) is responsible for the protection of the people and critical infrastructure of the United States. CBP A&M identifies, deters, interdicts, and investigates acts of terrorism and smuggling arising from unlawful movement of people and goods into and out of the United States with an integrated and coordinated air and marine force. CBP A&M has historically conducted missions along the southern borders of the United States, Mexico, South America and the Caribbean. Since September 11, 2001, CBP A&M has established a presence along the Northern Border. CBP A&M has a staff of over 1,300 pilots, law enforcement officers, operational support, and administrative positions. Mission critical assets consist of aircraft (including fixed wing and rotary helicopters), marine vessels, P-3 surveillance aircraft, surveillance equipment, maintenance facilities and hangers. With the transfer of the Unmanned Aircraft Vehicles (UAS) and Border Patrol assets, U. S. Customs and Border Protection (CBP) has been able to achieve increased effectiveness and economies of scale in the operation, procurement and maintenance of CBP's assets.

**Summary Justification and Explanation of Changes**

|                         | 2007   | 2008    | 2009    | 2008-2009 |
|-------------------------|--------|---------|---------|-----------|
|                         | Actual | Enacted | Request | Change    |
| <b>Travel (OC 21.0)</b> | \$ 322 | \$ 753  | \$ 126  | \$ (627)  |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Change reflects non-recur of FY 2008 initiative for Northern Border.

|                                 | 2007      | 2008      | 2009     | 2008-2009   |
|---------------------------------|-----------|-----------|----------|-------------|
|                                 | Actual    | Enacted   | Request  | Change      |
| <b>Other Services (OC 25.0)</b> | \$ 24,031 | \$ 55,652 | \$ 4,378 | \$ (51,274) |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Net change reflects decrease of \$19,330,000 in carryover from FY 2008, \$9,000,000 annualization for P-3 SLEP and \$40,944,000 non-recur of FY 2008 increase.

|   | 2007     | 2008      | 2009      | 2008-2009 |
|---|----------|-----------|-----------|-----------|
|   | Actual   | Enacted   | Request   | Change    |
| <b>Supplies &amp; materials (OC 26.0)</b> | \$ 1,773 | \$ 27,355 | \$ 40,367 | \$ 13,012 |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction of manufacture, (c) used to form a minor part of equipment of property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Change reflects increase of \$13,012,000 for Aircraft/Vessels Acquisitions.

|                            | 2007       | 2008       | 2009       | 2008-2009    |
|----------------------------|------------|------------|------------|--------------|
|                            | Actual     | Enacted    | Request    | Change       |
| <b>Equipment (OC 31.0)</b> | \$ 168,621 | \$ 403,140 | \$ 103,106 | \$ (300,034) |

Equipment includes all costs for the purchases of personal property of a durable nature or the installation of equipment when performed under contract. Funding provides for the procurement of aircraft. Change reflects an increase of \$7,357,000 for Aircraft/Vessels Acquisitions, decrease of \$56,254,000 non-recur for FY 2008 funding increases, and a decrease of \$251,137,000 in carryover from FY 2008.

**I. Changes in FTE**

Not Applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*

*COBRA User Fees*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Customs and Border Protection COBRA User Fees

### I. Appropriation Overview

#### A. Mission Statement for Appropriation Name:

Customs and Border Protection user fees are authorized under Title 19 U.S.C. 58c, fees for certain customs services. The fees were created by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA fees are made available through permanent/indefinite appropriation created by the user fee statute. CBP collects customs inspection fees to cover the cost of providing customs inspections of commercial operations, including, but not limited to, all costs associated with commercial passenger, vessel, vehicle, aircraft, and cargo processing.

The fees are deposited in the Customs and Border Protection User Fee Account (No Year) at the U.S. Treasury. The excess of collections over inspectional overtime and preclearance costs are available without fiscal year limitation, except that \$30 million of such excess remains in a contingency fund for use in any year in which receipts are insufficient to cover the costs of providing the services described in the statute.

The COBRA statute mandates that the fee collections be used to pay for (in the order listed):

- All inspectional overtime
- Premium Pay
- Civil Service Retirement and Disability Fund (Agency Contribution)
- Excess Preclearance
- Foreign Language Proficiency Awards
- Enhanced Equipment and Support

#### B. Budget Activities:

Not Applicable

#### C. Budget Request Summary

Collections for COBRA Fees in FY 2009 are estimated at \$410,666,129 and an increased of \$18,520,000 over FY 2008. This increase reflects an expected air passenger growth rate forecasted by the Federal Aviation Administration (FAA).

## II. Summary of FY 2008 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Customs and Border Protection  
COBRA User Fees**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                 |                 |             |                     |                 |
|--|-------------------|------------------|--------------------|------------------|--------------------|-------------------|--|-----------------|-----------------|-------------|---------------------|-----------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT            | Total Changes                            |                 | Program Changes |             | Adjustments-to-Base |                 |
|  |                   |                  |                    |                  |                    |                   | FTE                                      | AMOUNT          | FTE             | AMOUNT      | FTE                 | AMOUNT          |
| COBRA User Fees  | 1,462             | \$372,750        | 1,538              | \$392,146        | 1,538              | \$ 410,666        | ---                                      | \$18,520        | ---             | \$ -        | ---                 | \$18,520        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>1,462</b>      | <b>\$372,750</b> | <b>1,538</b>       | <b>\$392,146</b> | <b>1,538</b>       | <b>\$ 410,666</b> | <b>---</b>                               | <b>\$18,520</b> | <b>---</b>      | <b>\$ -</b> | <b>---</b>          | <b>\$18,520</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**COBRA User Fees**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: COBRA User Fees

|                              | <b>Perm</b>  |              |                |
|------------------------------|--------------|--------------|----------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>1,462</b> | <b>1,462</b> | <b>372,750</b> |
| <b>2008 Enacted</b>          | <b>1,538</b> | <b>1,538</b> | <b>392,146</b> |
| 2009 Adjustments-to-Base     | ...          | ...          | 18,520         |
| <b>2009 Current Services</b> | <b>1,538</b> | <b>1,538</b> | <b>410,666</b> |
| 2009 Program Change          | ...          | ...          | ...            |
| <b>2009 Request</b>          | <b>1,538</b> | <b>1,538</b> | <b>410,666</b> |
| Total Change 2008-2009       | ...          | ...          | 18,520         |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

Most of the COBRA User fees have not been raised since original authority was given in the Consolidated Omnibus Budget Reconciliation Act of 1985. The fees are set legislatively and any rate adjustments require a statutory change. These limitations were modified by the American Jobs Creation Act of 2004 (P.L. 108-357 Section 892). The Act provided authority to increase COBRA individual fees up to ten percent for each fee beginning in FY 2006.

The majority of funds for COBRA fees come from air passenger fees. For FY 2009, the increase in the COBRA collection is primarily driving by an expected 4.8% increase in air passenger volume based on the Federal Aviation Administration's (FAA) air passenger volume forecast and observed trends in user fee collections.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The components of the COBRA User fee account are: international air and sea passenger, commercial trucks, loaded rail cars, commercial vessels, private aircraft and vessels, dutiable mail, customs broker permits, barges/bulk carriers and cruise vessel passenger fees.

#### **IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2007 to FY 2008 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
COBRA  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>    |
|--|--------------|--------------|------------------|
| <b>FY 2007 Actual</b> .....            | <b>1,462</b> | <b>1,462</b> | <b>\$372,750</b> |
| <b>2008 Enacted</b> .....              | <b>1,538</b> | <b>1,538</b> | <b>392,146</b>   |
| <b>Adjustments-to-Base</b>             |              |              |                  |
| Increases                              |              |              |                  |
| Technical Adjustments                  | ---          | ---          | 18,520           |
| Total Increases.....                   | ---          | ---          | 18,520           |
| <b>Total Adjustments-to-Base</b> ..... | ---          | ---          | 18,520           |
| <b>2009 Current Services</b> .....     | <b>1,538</b> | <b>1,538</b> | <b>410,666</b>   |
| <b>2009 Request</b> .....              | <b>1,538</b> | <b>1,538</b> | <b>410,666</b>   |
| <b>2008 to 2009 Total Change</b> ..... | <b>---</b>   | <b>---</b>   | <b>18,520</b>    |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**C. Summary of Requirements**

Department of Homeland Security  
 U.S. Customs and Border Protection  
**COBRA**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |       |            |
|--|--------------|-------|------------|
|  | Perm. Pos.   | FTE   | Amount     |
| <b>FY 2007 Actual</b>  | 1,462        | 1,462 | \$ 372,750 |
| <b>2008 Enacted</b>  | 1,538        | 1,538 | \$ 392,146 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |            |
| Increases  | ---          | ---   | \$ 18,520  |
| Total Adjustments-to-Base  | ---          | ---   | \$ 18,520  |
| <b>2009 Current Services</b>   | 1,538        | 1,538 | \$ 410,666 |
| <b>2009 Total Request</b>  | 1,538        | 1,538 | \$ 410,666 |
| 2008 to 2009 Total Change  | ---          | ---   | \$ 18,520  |

| Estimates by Program/Project Activity | 2008 Enacted |              |                   | 2009 Adjustments-to-Base |            |                  | 2009 Program Change |            |               | 2009 Request |              |                   | 2008 to 2009 Total Change |            |                  |
|---------------------------------------|--------------|--------------|-------------------|--------------------------|------------|------------------|---------------------|------------|---------------|--------------|--------------|-------------------|---------------------------|------------|------------------|
|                                       | Pos.         | FTE          | Amount            | Pos.                     | FTE        | Amount           | Pos.                | FTE        | Amount        | Pos.         | FTE          | Amount            | Pos.                      | FTE        | Amount           |
| 1 COBRA User Fees                     | 1,538        | 1,538        | \$ 392,146        | ---                      | ---        | \$ 18,520        | ---                 | ---        | \$ ---        | 1,538        | 1,538        | \$ 410,666        | ---                       | ---        | \$ 18,520        |
| <b>Total</b>                          | <b>1,538</b> | <b>1,538</b> | <b>\$ 392,146</b> | <b>---</b>               | <b>---</b> | <b>\$ 18,520</b> | <b>---</b>          | <b>---</b> | <b>\$ ---</b> | <b>1,538</b> | <b>1,538</b> | <b>\$ 410,666</b> | <b>---</b>                | <b>---</b> | <b>\$ 18,520</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**COBRA User Fees**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes        |  | 2007<br>Actual   | 2008<br>Enacted    | 2009<br>Request  | 2008 - 2009<br>Change |
|-----------------------|--|------------------|--------------------|------------------|-----------------------|
| 11.1                  | Total FTE & personnel compensation               | \$103,821        | \$275,754          | 105,593          | (170,161)             |
| 11.5                  | Other Personnel Compensation                     | 174,488          | 533,747            | 204,385          | (329,361)             |
| 12.1                  | Benefits   | 49,295           | 149,518            | 57,254           | (92,264)              |
|                       | <b>Total, Personnel Comp. &amp; Benefits</b>     | <b>\$327,604</b> | <b>\$959,019</b>   | <b>367,233</b>   | <b>(\$591,786)</b>    |
| Other Object Classes: |  |                  |                    |                  |                       |
| 21.0                  | Travel   | 3                | ---                | ---              | ---                   |
| 23.1                  | GSA rent   | 8,237            | ---                | ---              | ---                   |
| 23.3                  | Communications, utilities, & other misc. charges | ---              | 22,166             | 8,488            | (13,678)              |
| 24.0                  | Printing and reproduction                        | 173              | 531                | 203              | (327)                 |
| 25.2                  | Other services                                   | 32,773           | 53,064             | 20,320           | (32,745)              |
| 25.3                  | Purchases of goods & svcs. from Gov't accounts   | 3,509            | 32,664             | 12,508           | (20,156)              |
| 26.0                  | Supplies and materials                           | 247              | 1,622              | 621              | (1,001)               |
| 31.0                  | Equipment  | 204              | 3,377              | 1,293            | (2,084)               |
|                       | <b>Total, Other Object Classes</b>               | <b>\$45,146</b>  | <b>\$113,424</b>   | <b>\$43,433</b>  | <b>(\$69,991)</b>     |
|                       | <b>Total, Direct Obligations</b>                 | <b>\$372,750</b> | <b>\$1,072,443</b> | <b>\$410,666</b> | <b>(\$661,777)</b>    |
|                       | Unobligated balance, start of year               | (693,120)        | (680,297)          | ---              | ---                   |
|                       | Unobligated balance, end of year                 | 680,297          | ---                | ---              | ---                   |
|                       | <b>Total requirements</b>                        | <b>\$359,927</b> | <b>\$392,146</b>   | <b>\$410,666</b> | <b>\$18,520</b>       |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

## **F. Permanent Positions by Grade**

Activities funded by COBRA User Fees are performed by U.S. Customs and Border Protection Officers as part of their normal duties.

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

**H. PPA Budget Justification**

**Department of Homeland Security  
U.S. Customs and Border Protection**

**COBRA**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: COBRA</b>      |  | <b>2007</b>       | <b>2008</b>         | <b>2009</b>       | <b>2008 to 2009</b> |
|------------------------|--|-------------------|---------------------|-------------------|---------------------|
|                        |  | <b>Actual</b>     | <b>Enacted</b>      | <b>Request</b>    | <b>Change</b>       |
| <b>Object Classes:</b> |  |                   |                     |                   |                     |
| 11.1                   | Perm Positions                             | \$ 103,821        | \$ 275,754          | \$ 105,593        | \$ (170,161)        |
| 11.5                   | Other per comp                             | \$ 174,488        | \$ 533,747          | \$ 204,385        | \$ (329,361)        |
| 12.1                   | Benefits                                   | \$ 49,295         | \$ 149,518          | \$ 57,254         | \$ (92,264)         |
| 21.0                   | Travel                                     | \$ 3              | \$ -                | \$ -              | \$ -                |
| 23.1                   | GSA rent                                   | \$ 8,237          | \$ -                | \$ -              | \$ -                |
| 23.3                   | Communication, Utilities, and misc charges | \$ -              | \$ 22,166           | \$ 8,488          | \$ (13,678)         |
| 24.0                   | Printing                                   | \$ 173            | \$ 531              | \$ 203            | \$ (327)            |
| 25.2                   | Other Services                             | \$ 32,773         | \$ 53,064           | \$ 20,320         | \$ (32,745)         |
| 25.3                   | Purchase from Govt. Accts.                 | \$ 3,509          | \$ 32,664           | \$ 12,508         | \$ (20,156)         |
| 26.0                   | Supplies & materials                       | \$ 247            | \$ 1,622            | \$ 621            | \$ (1,001)          |
| 31.0                   | Equipment                                  | \$ 204            | \$ 3,377            | \$ 1,293          | \$ (2,084)          |
|                        | <b>Total, COBRA User Fees</b>              | <b>\$ 372,750</b> | <b>\$ 1,072,443</b> | <b>\$ 410,666</b> | <b>\$ (661,777)</b> |
|                        | Full Time Equivalents                      | 1,462             | 1,538               | 1,538             | ---                 |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**PPA Mission Statement**

Customs and Border Protection user fees are authorized under Title 19 U.S.C. 58c, fees for certain customs services. The fees were created by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA fees are made available through permanent/indefinite appropriation created by the user fee statute. CBP collects customs inspection fees to cover the cost of providing customs inspections of commercial operations, including, but not limited to, all costs associated with commercial passenger, vessel, vehicle, aircraft, and cargo processing.

The fees are deposited in the Customs and Border Protection User Fee Account (No Year) at the U.S. Treasury. The excess of collections over inspectional overtime and preclearance costs are available without fiscal year limitation, except that \$30 million of such excess remains as a contingency for use in any year in which receipts are insufficient to cover the costs of providing the services described in the statute.

|                              | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|------------------------------|------------------|------------------|------------------|---------------------|
|                              | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$327,604</b> | <b>\$959,019</b> | <b>\$367,233</b> | <b>(\$591,786)</b>  |

Salaries and Benefits include costs for 1,538 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$3                    | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$8,237                | \$0                     | \$0                     | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and related services.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charge</b> | \$0                    | \$22,166                | \$8,488                 | (\$13,678)                     |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$173                  | \$531                   | \$203                   | (\$327)                        |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$32,773               | \$53,064                | \$20,320                | (\$32,745)                     |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchases from other Gov't accounts</b> | \$3,509                | \$32,664                | \$12,508                | (\$20,156)                     |

Purchases from Government Accounts include costs for purchases from Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | <u>\$247</u>           | <u>\$1,622</u>          | <u>\$621</u>            | <u>(\$1,001)</u>               |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | <u>\$204</u>           | <u>\$3,377</u>          | <u>\$1,293</u>          | <u>(\$2,084)</u>               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**I. Changes in FTE**

Not Applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*

*Immigration Inspection User Fees*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection Immigration Inspection User Fees (IUF)**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

The Department of Justice Appropriation Act of 1987 (P.L. 99-591) authorized the collection of user fees for processing commercial air and sea passengers. This law codified as 8 U.S.C. 1356(h) established the two fees to generate revenues that would reimburse, “the appropriation for expenses incurred by the Attorney General in providing immigration inspection and pre-inspection services for commercial aircraft or vessels.”

#### **B. Budget Activities:**

Not Applicable

#### **C. Budget Request Summary**

Collections for CBP IUF in FY 2009 are estimated at \$570,059,000, an increase of \$8,105,000 over FY 2008. This increase is attributable to an increase in air passenger arrivals from foreign locations (Based on the Federal Aviation Administration’s air passenger forecast and observed collection trends) and a minor reduction in the volume of cruise line passengers based on observed collection trends. The collections estimate represents CBP’s portion of the immigration user fee.

## II. Summary of FY 2008 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**CBP Inspection User Fees**  
 Summary of FY 2009 Budget Estimates by Program/Project/Activity  
 (Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual |                   | FY 2008<br>Enacted |                   | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                 |                 |             |                     |                 |
|---|-------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--|-----------------|-----------------|-------------|---------------------|-----------------|
|   | FTE               | AMOUNT            | FTE                | AMOUNT            | FTE                | AMOUNT            | Total Changes                            |                 | Program Changes |             | Adjustments-to-Base |                 |
|   |                   |                   |                    |                   |                    |                   | FTE                                      | AMOUNT          | FTE             | AMOUNT      | FTE                 | AMOUNT          |
| Immigration User Fee                                    | 3,953             | \$ 518,425        | 4,777              | \$ 561,954        | 4,777              | \$ 570,059        | ---                                      | \$ 8,105        | ---             | \$ -        | ---                 | \$ 8,105        |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>3,953</b>      | <b>\$ 518,425</b> | <b>4,777</b>       | <b>\$ 561,954</b> | <b>4,777</b>       | <b>\$ 570,059</b> | <b>---</b>                               | <b>\$ 8,105</b> | <b>---</b>      | <b>\$ -</b> | <b>---</b>          | <b>\$ 8,105</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Immigration Inspection User Fees**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: Immigration User Fees

|                              | <b>Perm</b>  |              |                |
|------------------------------|--------------|--------------|----------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>3,953</b> | <b>3,953</b> | <b>518,425</b> |
| <b>2008 Enacted</b>          | <b>4,777</b> | <b>4,777</b> | <b>561,954</b> |
| 2009 Adjustment's-to-Base    | ...          | ...          | 8,105          |
| <b>2009 Current Services</b> | <b>4,777</b> | <b>4,777</b> | <b>570,059</b> |
| 2009 Program Changes         | ...          | ...          | ...            |
| <b>2009 Request</b>          | <b>4,777</b> | <b>4,777</b> | <b>570,059</b> |
| Total Change 2008-2009       | ...          | ...          | 8,105          |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

As established by a Memorandum of Understanding (MOU) signed by CBP and ICE in 2004, collections from air and sea passenger inspection user fee are shared between the two DHS components in an 82.63% and 17.37% basis, respectively. CBP expects to receive an additional \$8.1 million from IUF collections in FY 2009. This increase is attributable to an increase in air passenger arrivals from foreign locations (Based on the Federal Aviation Administration's air passenger forecast and observed collection trends) and a minor reduction in the volume of cruise line passengers based on observed collection trends.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

These funds will be used for the maintenance and updating of systems to track criminal and illegal aliens at air and sea ports of entry in areas with high apprehensions to deter illegal entry, and the repair, maintenance, and construction of border facilities.

As authorized by law, funds from the immigration user fees are used by CBP and ICE to cover the costs of immigration inspection services. At air and sea ports of entry specifically, the fees cover the costs of immigration personnel, the maintenance and updating of systems to track criminal and illegal aliens in areas with high apprehensions to deter illegal entry, and the repair, maintenance, construction of border facilities, and detention and removal services.

#### **IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2007 to FY 2008 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
CBP Inspection User Fees  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--|-------------|------------|---------------|
| <b>FY 2007 Actual</b> .....            | 3,953       | 3,953      | \$ 518,425    |
| <b>2008 Enacted</b> .....              | 4,777       | 4,777      | 561,954       |
| <b>Adjustments-to-Base</b>             |             |            |               |
| Increases                              |             |            |               |
| Technical adjustments.....             | ---         | ---        | 8,105         |
| Total Increases.....                   | ---         | ---        | 8,105         |
| <b>Total Adjustments-to-Base</b> ..... | ---         | ---        | <b>8,105</b>  |
| <b>2009 Current Services</b> .....     | 4,777       | 4,777      | 570,059       |
| <b>2009 Request</b> .....              | 4,777       | 4,777      | \$ 570,059    |
| <b>2008 to 2009 Total Change</b> ..... | ---         | ---        | \$ 8,105      |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Customs and Border Protection  
CBP Inspection User Fees  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |              |                   |
|--|--------------|--------------|-------------------|
|  | Perm. Pos.   | FTE          | Amount            |
| <b>FY 2007 Actual</b>  | <b>3,953</b> | <b>3,953</b> | <b>\$ 518,425</b> |
| <b>2008 Enacted</b>  | <b>4,777</b> | <b>4,777</b> | <b>\$ 561,954</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |              |                   |
| Increases  | ---          | ---          | \$ 8,105          |
| Total Adjustments-to-Base  | ---          | ---          | \$ 8,105          |
| <b>2009 Current Services</b>   | <b>4,777</b> | <b>4,777</b> | <b>\$ 570,059</b> |
| <b>2009 Total Request</b>  | <b>4,777</b> | <b>4,777</b> | <b>\$ 570,059</b> |
| 2008 to 2009 Total Change  | ---          | ---          | \$ 8,105          |

| Estimates by Program/Project Activity | 2008 Enacted |              |                   | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |            |               | 2009 Request |              |                   | 2008 to 2009 Total Change |            |                 |
|---------------------------------------|--------------|--------------|-------------------|--------------------------|------------|-----------------|---------------------|------------|---------------|--------------|--------------|-------------------|---------------------------|------------|-----------------|
|                                       | Pos.         | FTE          | Amount            | Pos.                     | FTE        | Amount          | Pos.                | FTE        | Amount        | Pos.         | FTE          | Amount            | Pos.                      | FTE        | Amount          |
| CBP Inspection User Fees              | 4,777        | 4,777        | \$ 561,954        | ---                      | ---        | \$ 8,105        | ---                 | ---        | \$ ---        | 4,777        | 4,777        | \$ 570,059        | ---                       | ---        | \$ 8,105        |
| <b>Total</b>                          | <b>4,777</b> | <b>4,777</b> | <b>\$ 561,954</b> | <b>---</b>               | <b>---</b> | <b>\$ 8,105</b> | <b>---</b>          | <b>---</b> | <b>\$ ---</b> | <b>4,777</b> | <b>4,777</b> | <b>\$ 570,059</b> | <b>---</b>                | <b>---</b> | <b>\$ 8,105</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not Applicable

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U.S. Customs and Border Protection  
CBP Inspection User Fees  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                     |  | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|------------------------------------|--|-------------------|-------------------|-------------------|-----------------------|
| 11.1                               | Total FTE & personnel compensation               | \$ 258,504        | \$337,784         | \$ 267,042        | \$ (70,742)           |
| 11.3                               | Other than full-time permanent                   | 1,722             | 2,977             | 2,354             | \$ (623)              |
| 11.5                               | Other Personnel Compensation                     | 87,361            | 96,730            | 76,472            | \$ (20,258)           |
| 12.1                               | Benefits   | 89,064            | 141,469           | 111,841           | \$ (29,628)           |
|                                    | <b>Total, Personnel Comp. &amp; Benefits</b>     | <b>\$ 436,651</b> | <b>\$ 578,960</b> | <b>\$ 457,709</b> | <b>\$ (121,251)</b>   |
| Other Object Classes:              |  |                   |                   |                   |                       |
| 21.0                               | Travel   | 5,434             | 9,389             | 7,423             | (1,966)               |
| 22.0                               | Transportation of things                         | 238               | 168               | 133               | (35)                  |
| 23.1                               | GSA rent   | 18,252            | 36,638            | 28,964            | (7,674)               |
| 23.2                               | Other rent                                       | 764               | 2,491             | 1,969             | (522)                 |
| 23.3                               | Communications, utilities, & other misc. charges | 7,395             | 4,688             | 3,706             | (982)                 |
| 24.0                               | Printing and reproduction                        | 167               | 427               | 338               | (89)                  |
| 25.1                               | Advisory and assistance services                 | 1,341             | -                 | -                 | -                     |
| 25.2                               | Other services                                   | 23,170            | 63,790            | 50,430            | (13,360)              |
| 25.3                               | Purchases of goods & svcs. from Gov't accounts   | 30                | -                 | -                 | -                     |
| 25.4                               | Operation & maintenance of facilities            | 3,389             | -                 | -                 | -                     |
| 25.7                               | Operation and maintenance of equipment           | 453               | -                 | -                 | -                     |
| 25.8                               | Subsistence and support of persons               | 24                | -                 | -                 | -                     |
| 26.0                               | Supplies and materials                           | 2,303             | 4,972             | 3,931             | (1,041)               |
| 31.0                               | Equipment  | 18,802            | 19,550            | 15,456            | (4,094)               |
| 42.0                               | Indemnity  | 12                | -                 | -                 | -                     |
| <b>Total, Other Object Classes</b> |  | <b>\$ 81,774</b>  | <b>\$ 142,113</b> | <b>\$ 112,350</b> | <b>\$ (29,763)</b>    |
| <b>Total, Direct Obligations</b>   |  | <b>\$ 518,425</b> | <b>\$ 721,073</b> | <b>\$ 570,059</b> | <b>\$ (151,014)</b>   |
| Unobligated balance, start of year |  | (192,814)         | (159,119)         | -                 | -                     |
| Unobligated balance, end of year   |  | 159,119           | -                 | -                 | -                     |
| <b>Total requirements</b>          |  | <b>\$ 484,730</b> | <b>\$ 561,954</b> | <b>\$ 570,059</b> | <b>\$ 8,105</b>       |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

## **F. Permanent Positions by Grade**

Activities funded by Immigration User Fees are performed by U.S. Customs and Border Protection Officers as part of their normal duties.

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

**H. PPA Budget Justification**

**Department of Homeland Security  
U.S. Customs and Border Protection  
CBP Inspection User Fees  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: CBP Inspection User Fees</b>   |  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>FY 2008 to FY<br/>2009 Change</b> |
|--|--|---------------------------|----------------------------|----------------------------|--------------------------------------|
| <b>Object Classes:</b>                 |  |                           |                            |                            |                                      |
| 11.1                                   | Perm Positions                             | \$ 258,504                | \$ 337,784                 | \$ 267,042                 | \$ (70,742)                          |
| 11.3                                   | Other than perm                            | 1,722                     | 2,977                      | 2,354                      | (623)                                |
| 11.5                                   | Other per comp                             | 87,361                    | 96,730                     | 76,472                     | (20,258)                             |
| 12.1                                   | Benefits                                   | 89,064                    | 141,469                    | 111,841                    | (29,628)                             |
| 21.0                                   | Travel                                     | 5,434                     | 9,389                      | 7,423                      | (1,966)                              |
| 22.0                                   | Transportation of things                   | 238                       | 168                        | 133                        | (35)                                 |
| 23.1                                   | GSA rent                                   | 18,252                    | 36,638                     | 28,964                     | (7,674)                              |
| 23.2                                   | Other rent                                 | 764                       | 2,491                      | 1,969                      | (522)                                |
| 23.3                                   | Communication, Utilities, and misc charges | 7,395                     | 4,688                      | 3,706                      | (982)                                |
| 24.0                                   | Printing                                   | 167                       | 427                        | 338                        | (89)                                 |
| 25.1                                   | Advisory & Assistance Services             | 1,341                     | ---                        | ---                        | ---                                  |
| 25.2                                   | Other Services                             | 23,170                    | 63,790                     | 50,430                     | (13,360)                             |
| 25.3                                   | Purchase from Govt. Accts.                 | 30                        | ---                        | ---                        | ---                                  |
| 25.4                                   | Operation & maintenance of facilities      | 3,389                     | ---                        | ---                        | ---                                  |
| 25.7                                   | Operation & maintenance of equipment       | 453                       | ---                        | ---                        | ---                                  |
| 25.8                                   | Subsistence & Support of persons           | 24                        | ---                        | ---                        | ---                                  |
| 26.0                                   | Supplies & materials                       | 2,303                     | 4,972                      | 3,931                      | (1,041)                              |
| 31.0                                   | Equipment                                  | 18,802                    | 19,550                     | 15,456                     | (4,094)                              |
| 42.0                                   | Indemnity                                  | 12                        | ---                        | ---                        | ---                                  |
| <b>Total, CBP Inspection User Fees</b> |  | <b>\$ 518,425</b>         | <b>\$ 721,073</b>          | <b>\$ 570,059</b>          | <b>\$ (151,014)</b>                  |
| Full Time Equivalent                   |  | 3,953                     | 4,777                      | 4,777                      | ---                                  |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**PPA Mission Statement**

The Department of Justice Appropriation Act of 1987 (P.L. 99-591) authorized the collection of user fees for processing commercial air and sea passengers. This law codified as 8 U.S.C. 1356(h) established the two fees to generate revenues that would reimburse "the appropriation for expenses incurred by the Attorney General in providing immigration inspection and pre-inspection services for commercial aircraft or vessels."

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$436,651</b>       | <b>\$578,960</b>        | <b>457,709</b>          | <b>(\$121,251)</b>             |

Salaries and Benefits include costs for 3,953 FTE.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$5,434       | \$9,389        | 7,423          | (\$1,966)           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$238         | \$168          | 133            | (\$35)              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$18,252      | \$36,638       | 28,964         | (\$7,674)           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and related services.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$764         | \$2,491        | 1,969          | (\$522)             |

Payments to a non-Federal source for rental of space, land, and structures.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$7,395       | \$4,688        | 3,706          | (\$982)             |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$167         | \$427          | 338            | (\$89)              |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$1,341       | \$0            | \$0            | \$0                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$23,170      | \$63,790       | 50,430         | (\$13,360)          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchases from other Gov't accounts</b> | \$30          | \$0            | \$0            | \$0                 |

Purchaseses from Government Accounts include costs for purchases from Federal Government agencies or accounts that are not otherwise classified.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | \$3,389       | \$0            | \$0            | \$0                 |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | \$453         | \$0            | \$0            | \$0                 |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | 24            | \$0            | \$0            | \$0                 |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | \$2,303       | \$4,972        | 3,931          | (\$1,041)           |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$18,802      | \$19,550       | 15,456         | (\$4,094)           |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Indemnity</b> | 12             | \$0             | \$0             | \$0                    |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act.

**I. Changes in FTE**

Not Applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*  
*Land Border Inspection Fee*

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Fiscal Year 2009  
Congressional Budget Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Customs and Border Protection Land Border Inspection Fee

### I. Appropriation Overview

#### A. Mission Statement for Appropriation Name:

The Department of Justice Appropriation Act of 1990 (P.L. 101-515), as codified as 8 U.S.C. 1356(q), authorizes the fees to recover costs incurred in the following categories involving the operation of various pilot programs:

- Overtime inspection services;
- Expansion, operation and maintenance of information technology systems for non-immigrant control;
- The hiring of temporary and permanent inspectors;
- Minor construction costs associated with the addition of new traffic lanes;
- Detection of fraudulent travel documents; and
- Administrative expenses of account.

The following fees are deposited into the Land Border Inspection Fee account:

- Dedicated Commuter Lane additional vehicle (DCL)
- Arrival/Departure Land Border (I-94)
- Non-Immigrant Visa Waiver (I94W)
- Canadian Boat Landing Permit Individual (I-68)
- Canadian Boat Landing Permit Family (I-68)
- Replacement of Non-resident Mexican Crossing (I-190)
- NEXUS
- SENTRI
- Fast Driver Application Fee

#### B. Budget Activities:

Not applicable.

### **C. Budget Request Summary**

Collections for Land Border Inspection Fee in FY 2009 are estimated at 287 positions and \$26,880,129. An increase of \$371,126 over FY 2008 is based on higher than expected growth in some of the fee categories and a change in the SENTRI program. In the past, enrollment and fee payment for the SENTRI program was required every two years. It is now every five years, which will decrease the funds available in this account by changing the fee payment cycle.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Customs and Border Protection  
Land Border Inspection Fee**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2008 |              |                 |            |                     |              |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|--------------|-----------------|------------|---------------------|--------------|
|  |                   |                 |                    |                 |                    |                 | Total Changes                            |              | Program Changes |            | Adjustments-to-Base |              |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT       | FTE             | AMOUNT     | FTE                 | AMOUNT       |
| Land Border Inspection Fee                                   | 262               | \$33,146        | 287                | \$26,509        | 287                | \$26,880        | ---                                      | \$371        | ---             | \$-        | ---                 | \$371        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>262</b>        | <b>\$33,146</b> | <b>287</b>         | <b>\$26,509</b> | <b>287</b>         | <b>\$26,880</b> | <b>---</b>                               | <b>\$371</b> | <b>---</b>      | <b>\$-</b> | <b>---</b>          | <b>\$371</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Land Border Inspection Fee**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: Land Border Inspection Fee

|                               | <b>Perm</b> |            |               |
|-------------------------------|-------------|------------|---------------|
|                               | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>            | <b>262</b>  | <b>262</b> | <b>33,146</b> |
| <b>2008 Enacted</b>           | <b>287</b>  | <b>287</b> | <b>26,509</b> |
| 2009 Adjustments-to-Base      | ...         | ...        | 371           |
| <b>2009 Current Services</b>  | <b>287</b>  | <b>287</b> | <b>26,880</b> |
| 2009 Program Changes          | ...         | ...        | ...           |
| <b>2009 Request</b>           | <b>287</b>  | <b>287</b> | <b>26,880</b> |
| <b>Total Change 2008-2009</b> | <b>...</b>  | <b>...</b> | <b>371</b>    |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

CBP anticipates an increase of \$ 371,000 in Land Border Inspection Fees in FY 2009 as compared to the FY 2008 Request.

#### **CURRENT SERVICES PROGRAM DESCRIPTION**

As authorized by law, Land Border Inspection Fees are used to cover part of CBP's costs of immigration inspections at land border ports of entry. This includes inspections of pedestrians, buses, passenger occupancy vehicles, and rail cars. It also includes antiterrorism efforts, dedicated lane programs, and forms processing.

#### **IV. Program Justification of Changes**

Not applicable.

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Land Border Inspection Fee  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|---------------------------------------|-------------|------------|---------------|
| 2007 Actual.....                      | 262         | 262        | \$33,146      |
| 2007 Enacted.....                     | 287         | 287        | 26,509        |
| <b>Adjustments-to-Base</b>            |             |            |               |
| Technical Adjustments                 | ---         | ---        | 371           |
| Total Increases.....                  | ---         | ---        | 371           |
| <b>Total Adjustments-to-Base.....</b> | <b>---</b>  | <b>---</b> | <b>371</b>    |
| <b>2009 Current Services.....</b>     | <b>287</b>  | <b>287</b> | <b>26,880</b> |
| <b>2009 Request.....</b>              | <b>287</b>  | <b>287</b> | <b>26,880</b> |
| <b>2008 to 2009 Total Change.....</b> | <b>---</b>  | <b>---</b> | <b>371</b>    |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Land Border Inspection Fee**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |     |           |
|--|--------------|-----|-----------|
|  | Perm. Pos.   | FTE | Amount    |
| <b>2007 Actual</b>   | 262          | 262 | \$ 33,146 |
| <b>2008 Enacted</b>  | 287          | 287 | \$ 26,509 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |           |
| Increases  | ---          | --- | \$ 371    |
| Total Adjustments-to-Base  | ---          | --- | \$ 371    |
| <b>2009 Current Services</b>   | 287          | 287 | \$ 26,880 |
| <b>2009 Total Request</b>  | 287          | 287 | \$ 26,880 |
| 2008 to 2009 Total Change  | ---          | --- | \$ 371    |

| Estimates by Program/Project Activity | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |            |               | 2009 Program Change |            |             | 2009 Request |            |                  | 2008 to 2009 Total Change |            |               |
|---------------------------------------|--------------|------------|------------------|--------------------------|------------|---------------|---------------------|------------|-------------|--------------|------------|------------------|---------------------------|------------|---------------|
|                                       | Pos.         | FTE        | Amount           | Pos.                     | FTE        | Amount        | Pos.                | FTE        | Amount      | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount        |
| Land Border Inspection Fee            | 287          | 287        | \$ 26,509        | ---                      | ---        | \$ 371        | ---                 | ---        | \$ -        | 287          | 287        | \$ 26,880        | ---                       | ---        | \$ 371        |
| <b>Total</b>                          | <b>287</b>   | <b>287</b> | <b>\$ 26,509</b> | <b>---</b>               | <b>---</b> | <b>\$ 371</b> | <b>---</b>          | <b>---</b> | <b>\$ -</b> | <b>287</b>   | <b>287</b> | <b>\$ 26,880</b> | <b>---</b>                | <b>---</b> | <b>\$ 371</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Land Border Inspection Fee**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-----------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$15,392        | \$15,372        | \$14,739        | (\$633)               |
| 11.3 Other than full-time permanent                   | 109             | ---             | ---             | \$0                   |
| 11.6 Other Personnel Compensation                     | 13,962          | 6,869           | 6,586           | (\$283)               |
| 12.1 Benefits   | 3,285           | 5,492           | 5,266           | (\$226)               |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$32,748</b> | <b>\$27,733</b> | <b>\$26,591</b> | <b>(\$1,143)</b>      |
| Other Object Classes:                                 |                 |                 |                 |                       |
| 21.0 Travel   | 9               | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 74              | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 18              | ---             | ---             | ---                   |
| 25.2 Other services                                   | 130             | 166             | 159             | (7)                   |
| 26.0 Supplies and materials                           | 47              | ---             | ---             | ---                   |
| 31.0 Equipment  | 120             | 136             | 130             | (6)                   |
| <b>Total, Other Object Classes</b>                    | <b>\$398</b>    | <b>\$302</b>    | <b>\$289</b>    | <b>(\$12)</b>         |
| <b>Total, Direct Obligations</b>                      | <b>\$33,146</b> | <b>\$28,035</b> | <b>\$26,880</b> | <b>(\$1,155)</b>      |
| Unobligated balance, start of year                    | (6,228)         | (1,526)         | ---             | ---                   |
| Unobligated balance, end of year                      | 1,526           | ---             | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$28,444</b> | <b>\$26,509</b> | <b>\$26,880</b> | <b>\$371</b>          |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

## **F. Permanent Positions by Grade**

Activities funded by the Land Border Inspection Fee are performed by U.S. Customs and Border Protection Officers as part of their normal duties.

**G. Capital Investment and Construction Initiative Listing**

Not applicable

**H. PPA Budget Justification**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Land Border Inspection Fee  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Land Border Inspection Fee</b>    |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Object Classes:</b>                    |  |                        |                         |                         |                               |
| 11.1                                      | Full time Perm Positions                   | \$15,392               | \$15,372                | \$14,739                | (\$633)                       |
| 11.3                                      | Other than perm                            | 109                    | ---                     | ---                     | ---                           |
| 11.6                                      | Other per comp                             | 13,962                 | 6,869                   | 6,586                   | (283)                         |
| 12.1                                      | Benefits                                   | 3,285                  | 5,492                   | 5,266                   | (226)                         |
| 21.0                                      | Travel                                     | 9                      | ---                     | ---                     | ---                           |
| 23.3                                      | Communication, Utilities, and misc charges | 74                     | ---                     | ---                     | ---                           |
| 25.1                                      | Advisory & Assistance Services             | 18                     | ---                     | ---                     | ---                           |
| 25.2                                      | Other Services                             | 130                    | 166                     | 159                     | (7)                           |
| 26.0                                      | Supplies & materials                       | 47                     | ---                     | ---                     | ---                           |
| 31.0                                      | Equipment                                  | 120                    | 136                     | 130                     | (6)                           |
| <b>Total, Land Border Inspection Fees</b> |  | <b>\$33,146</b>        | <b>\$28,035</b>         | <b>\$26,880</b>         | <b>(\$1,155)</b>              |
| Full Time Equivalents                     |  | 262                    | 287                     | 287                     | ---                           |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**PPA Mission Statement**

The Department of Justice Appropriation Act of 1990 (P.L. 101-515), as codified as 8 U.S.C. 1356(q), authorizes the fees to recover costs incurred in the following categories involving the operation of various pilot programs:

- Overtime inspection services;
- Expansion, operation and maintenance of information technology systems for nonimmigrant control;
- The hiring of temporary and permanent inspectors;
- Minor construction costs associated with the addition of new traffic lanes;
- Detection of fraudulent travel documents; and
- Administrative expenses of account.

**Summary and Justification of Explanation changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$32,748</b>        | <b>\$27,733</b>         | <b>\$26,591</b>         | <b>(\$1,143)</b>              |

Salaries and Benefits include costs for 287 FTEs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$9</b>             | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$74           | \$0             | \$0             | \$0                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$18           | \$0             | \$0             | \$0                   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2006 request includes an increase of \$217,000 in non-pay inflation.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$130          | \$166           | \$159           | (\$7)                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$47           | \$0             | \$0             | \$0                   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$120          | \$136           | \$130           | (\$6)                 |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**I. Changes in FTE**

Not applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*  
*Immigration Enforcement Fines*

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Fiscal Year 2009  
Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection Immigration Enforcement Fines**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

The Immigration Enforcement account was established under Section 382 of the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) of 1996. Previously, similar fines were collected and deposited into the Immigration User Fee account. In addition to creating this account, IIRIRA also added new types of fines, such as those fines levied against aliens for failure to depart the United States after being so ordered.

The authorized uses of this fund consist of the identification, investigation, apprehension, detention and removal of criminal aliens; the maintenance and updating of systems to track criminal and illegal aliens on the border in areas with high apprehensions to deter illegal entry; and the repair, maintenance, and construction of border facilities.

#### **B. Budget Activities:**

Not applicable.

#### **C. Budget Request Summary**

Collections for Immigration Enforcement Fines in FY 2009 are estimated at \$3,331,000, an increase of \$47,000 over FY 2008. This increase reflects an expected air passenger growth rate forecasted by the Federal Aviation Administration.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Immigration Enforcement fines**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                | FY 2008<br>Enacted |                | FY 2009<br>Request |                | Increase (+) or Decrease (-) For FY 2009 |             |                 |            |                     |             |
|--|-------------------|----------------|--------------------|----------------|--------------------|----------------|--|-------------|-----------------|------------|---------------------|-------------|
|  |                   |                |                    |                |                    |                | Total Changes                            |             | Program Changes |            | Adjustments-to-Base |             |
|  | FTE               | AMOUNT         | FTE                | AMOUNT         | FTE                | AMOUNT         | FTE                                      | AMOUNT      | FTE             | AMOUNT     | FTE                 | AMOUNT      |
| Immigration Enforcement Fines                                | 27                | 3,972          | 23                 | \$3,284        | 23                 | \$3,331        | ---                                      | \$47        | ---             | \$-        | ---                 | \$47        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>27</b>         | <b>\$3,972</b> | <b>23</b>          | <b>\$3,284</b> | <b>23</b>          | <b>\$3,331</b> | <b>---</b>                               | <b>\$47</b> | <b>---</b>      | <b>\$-</b> | <b>---</b>          | <b>\$47</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Immigration Enforcement Fines**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Immigration Enforcement Fines

|                               | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|-------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>            | <b>27</b>           | <b>27</b>  | <b>3,927</b>  |
| <b>2008 Enacted</b>           | <b>23</b>           | <b>23</b>  | <b>3,284</b>  |
| 2009 Adjustments-to-Base      | ...                 | ...        | 47            |
| <b>2009 Current Services</b>  | <b>23</b>           | <b>23</b>  | <b>3,331</b>  |
| 2009 Program Changes          | ...                 | ...        | ...           |
| <b>2009 Request</b>           | <b>23</b>           | <b>23</b>  | <b>3,331</b>  |
| <b>Total Change 2008-2009</b> | <b>...</b>          | <b>...</b> | <b>47</b>     |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

Due to an anticipated increase in air passengers arriving to the United States from foreign locations, as forecasted by the Federal Aviation Administration (FAA) and based on observed collection trends, collections in Enforcement Fines are projected to increase by \$47,000 in FY 2009.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

These funds will be used for the identification, investigation, apprehension, detention and removal of criminal aliens; the maintenance and updating of systems to track criminal and illegal aliens at air and sea ports of entry in areas with high apprehensions to deter illegal entry; and the repair, maintenance, and construction of border facilities.

#### **IV. Program Justification of Changes**

Not applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Immigration Enforcement Fines  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|---------------------------------------|-------------|------------|---------------|
| 2007 Actual.....                      | 27          | 27         | \$3,972       |
| 2008 Enacted.....                     | 23          | 23         | 3,284         |
| <b>Adjustments-to-Base</b>            |             |            |               |
| Increases                             |             |            |               |
| Technical adjustments                 | ---         | ---        | 47            |
| Total Increases.....                  | ---         | ---        | 47            |
| <b>Total Adjustments-to-Base.....</b> | ---         | ---        | 47            |
| 2009 Current Services.....            | 23          | 23         | 3,331         |
| 2009 Request.....                     | 23          | 23         | 3,331         |
| 2008 to 2009 Total Change.....        | ---         | ---        | 47            |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### C. Summary of Requirements

**Department of Homeland Security  
U.S. Customs and Border Protection  
Immigration Enforcement Fines  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>2007 Actual</b>   | 27           | 27  | \$ 3,972 |
| <b>2008 Enacted</b>  | 23           | 23  | \$ 3,284 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |          |
| Increases  | ---          | --- | \$ 47    |
| Total Adjustments-to-Base  | ---          | --- | \$ 47    |
| <b>2009 Current Services</b>   | 23           | 23  | \$ 3,331 |
| <b>2009 Total Request</b>  | 23           | 23  | \$ 3,331 |
| 2008 to 2009 Total Change  | ---          | --- | \$ 47    |

| Estimates by Program/Project Activity | 2008 Enacted |           |                 | 2009 Adjustments-to-Base |            |              | 2009 Program Change |            |               | 2009 Request |           |                 | 2008 to 2009 Total Change |            |              |
|---------------------------------------|--------------|-----------|-----------------|--------------------------|------------|--------------|---------------------|------------|---------------|--------------|-----------|-----------------|---------------------------|------------|--------------|
|                                       | Pos.         | FTE       | Amount          | Pos.                     | FTE        | Amount       | Pos.                | FTE        | Amount        | Pos.         | FTE       | Amount          | Pos.                      | FTE        | Amount       |
| 1 Immigration Enforcement Fines       | 23           | 23        | \$ 3,284        | ---                      | ---        | \$ 47        | ---                 | ---        | \$ ---        | 23           | 23        | \$ 3,331        | ---                       | ---        | \$ 47        |
| <b>Total</b>                          | <b>23</b>    | <b>23</b> | <b>\$ 3,284</b> | <b>---</b>               | <b>---</b> | <b>\$ 47</b> | <b>---</b>          | <b>---</b> | <b>\$ ---</b> | <b>23</b>    | <b>23</b> | <b>\$ 3,331</b> | <b>---</b>                | <b>---</b> | <b>\$ 47</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not applicable.

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Immigration Enforcement Fines  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$1,619        | \$2,832         | \$2,667         | (\$165)               |
| 11.3 Other than full-time permanent                   | 45             | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     | 928            | 212             | 199             | (13)                  |
| 12.1 Benefits   | 1,285          | 494             | 465             | (29)                  |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$3,877</b> | <b>\$3,538</b>  | <b>\$3,331</b>  | <b>(\$207)</b>        |
| Other Object Classes:                                 |                |                 |                 |                       |
| 21.0 Travel   | 3              | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 18             | ---             | ---             | ---                   |
| 25.2 Other services                                   | 60             | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | 13             | ---             | ---             | ---                   |
| 31.0 Equipment  | 1              | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$95</b>    | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>            |
| <b>Total, Direct Obligations</b>                      | <b>\$3,972</b> | <b>\$3,538</b>  | <b>\$3,331</b>  | <b>(\$207)</b>        |
| Unobligated balance, start of year                    | (1,092)        | (254)           | ---             | ---                   |
| Unobligated balance, end of year                      | 254            | ---             | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$3,134</b> | <b>\$3,284</b>  | <b>\$3,331</b>  | <b>\$47</b>           |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

## **F. Permanent Positions by Grade**

Activities funded by the Immigration User Fee-Enforcement Fines are performed by U.S. Customs and Border Protection Officers as part of their normal duties.

**G. Capital Investment and Construction Initiative Listing**

Not applicable

**H. PPA Budget Justification**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Immigration Enforcement Fines  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Immigration Enforcement Fines</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$1,619                | \$2,832                 | \$2,667                 | (\$165)                        |
| 11.3  | Other than perm                            | 45                     | ---                     | ---                     | ---                            |
| 11.5  | Other per comp                             | 928                    | 212                     | 199                     | (13)                           |
| 12.1  | Benefits                                   | 1,285                  | 494                     | 465                     | (29)                           |
| 21.0  | Travel                                     | 3                      | ---                     | ---                     | ---                            |
| 23.3  | Communication, Utilities, and misc charges | 18                     | ---                     | ---                     | ---                            |
| 25.2  | Other Services                             | 60                     | ---                     | ---                     | ---                            |
| 26.0  | Supplies & materials                       | 13                     | ---                     | ---                     | ---                            |
| 31.0  | Equipment                                  | 1                      | ---                     | ---                     | ---                            |
| <b>Total, Immigration Enforcement Fines</b> |  | <b>\$3,972</b>         | <b>\$3,538</b>          | <b>\$3,331</b>          | <b>(\$207)</b>                 |
| Full Time Equivalents                       |  | 27                     | 23                      | 23                      | ---                            |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**PPA Mission Statement**

The Immigration Enforcement account was established under Section 382 of the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) of 1996. Previously, similar fines were collected and deposited into the Immigration User Fee account. In addition to creating this account, IIRIRA also added new types of fines, such as those fines levied against aliens for failure to depart the United States after being so ordered.

The authorized uses of this fund consist of: the identification, investigation, apprehension, detention and removal of criminal aliens; the maintenance and updating of systems to track criminal and illegal aliens on the border in areas with high apprehensions to deter illegal entry; and the repair, maintenance, and construction of border facilities.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$3,877</b>         | <b>\$3,538</b>          | <b>\$3,331</b>          | <b>(\$207)</b>                 |

Salaries and Benefits include costs for 23 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$3</b>             | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$18   | \$0     | \$0     | \$0          |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services. Based on International Air Transport (IATA) and Federal Aviation Administration's (FAA) annualized growth rate for 2005 through 2016.

|                       | 2007   | 2008    | 2009    | 2008 to 2009 |
|-----------------------|--------|---------|---------|--------------|
|                       | Actual | Enacted | Request | Change       |
| <b>Other Services</b> | \$60   | \$0     | \$0     | \$0          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; materials</b> | \$13   | \$0     | \$0     | \$0          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------|--------|---------|---------|--------------|
|                  | Actual | Enacted | Request | Change       |
| <b>Equipment</b> | \$1    | \$0     | \$0     | \$0          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**I. Changes in FTE**

Not applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*

*APHIS User Fees*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection APHIS User Fees**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

Section 2509 of the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624) authorized USDA to collect user fees for various services. The law codified as 21 U.S.C. 136 established seven types of Plant Protection and Quarantine (PPQ) user fees, six of which are the Agriculture Quarantine and Inspection (AQI) fees, known to CBP as the APHIS user fees. The six established processing fees are for international air passenger, commercial aircraft clearance, commercial vessel, commercial truck, commercial truck decal and loaded rail car. The revenues from these fees are used to reimburse the full costs incurred in providing the inspectional activities associated with the APHIS user fees.

#### **B. Budget Activities:**

Not Applicable

#### **C. Budget Request Summary**

Collections for APHIS Fees in FY 2009 are estimated at 2,332 positions and \$333,433,000. The total adjustments-to-base is \$12,824,000. The estimated increase in collections is primarily driven by an anticipated growth in air passengers arriving from foreign location, as forecasted by the Federal Aviation Administration (FAA) and based on observed collection trends.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Customs and Border Protection**

APHIS User Fees

Summary of FY 2009 Budget Estimates by Program/Project/Activity  
(Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                 |                 |             |                     |                 |
|---|-------------------|------------------|--------------------|------------------|--------------------|-------------------|--|-----------------|-----------------|-------------|---------------------|-----------------|
|   | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT            | Total Changes                            |                 | Program Changes |             | Adjustments-to-Base |                 |
|   |                   |                  |                    |                  |                    |                   | FTE                                      | AMOUNT          | FTE             | AMOUNT      | FTE                 | AMOUNT          |
| APHIS User Fees   | 2,083             | \$286,399        | 2,332              | \$320,609        | 2,332              | \$ 333,433        | ---                                      | \$12,824        | ---             | \$ -        | ---                 | \$12,824        |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>2,083</b>      | <b>\$286,399</b> | <b>2,332</b>       | <b>\$320,609</b> | <b>2,332</b>       | <b>\$ 333,433</b> | ---                                      | <b>\$12,824</b> | ---             | <b>\$ -</b> | ---                 | <b>\$12,824</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**APHIS User Fees**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: APHIS User Fees**

|                              | <b>Perm.</b> |              |                |
|------------------------------|--------------|--------------|----------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>2,083</b> | <b>2,083</b> | <b>286,399</b> |
| <b>2008 Enacted</b>          | <b>2,332</b> | <b>2,332</b> | <b>320,609</b> |
| 2009 Adjustments-to-Base     | ...          | ...          | 12,824         |
| <b>2009 Current Services</b> | <b>2,332</b> | <b>2,332</b> | <b>333,433</b> |
| 2009 Program Changes         | ...          | ...          | ...            |
| <b>2009 Request</b>          | <b>2,332</b> | <b>2,332</b> | <b>333,433</b> |
| Total Change 2008- 2009      | ...          | ...          | 12,824         |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

CBP anticipates an increase of \$12.8 million in APHIS fees during FY 2009 based on the Federal Aviation Administration (FAA) air passenger volume forecast and based on observed collection trends.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

These funds will be used for international air passenger, commercial aircraft clearance, commercial vessel, commercial truck, commercial truck decal and loaded rail car inspectional activities associated with the APHIS user fees.

#### **IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
APHIS User Fees  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--|-------------|------------|---------------|
| <b>FY 2007 Actual</b> .....            | 2,083       | 2,083      | \$ 286,399    |
| <b>2008 Enacted</b> .....              | 2,332       | 2,332      | 320,609       |
| <b>Adjustments-to-Base</b>             |             |            |               |
| Increases                              |             |            |               |
| Technical adjustments.....             | ---         | ---        | 12,824        |
| Total Increases.....                   | ---         | ---        | 12,824        |
| <b>Total Adjustments-to-Base</b> ..... | ---         | ---        | <b>12,824</b> |
| <b>2009 Current Services</b> .....     | 2,332       | 2,332      | 333,433       |
| <b>2009 Request</b> .....              | 2,332       | 2,332      | 333,433       |
| <b>2008 to 2009 Total Change</b> ..... | ---         | ---        | \$ 12,824     |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Customs and Border Protection  
APHIS User Fees  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |       |            |
|--|--------------|-------|------------|
|  | Perm. Pos.   | FTE   | Amount     |
| <b>FY 2007 Actual</b>  | 2,083        | 2,083 | \$ 286,399 |
| <b>2008 Enacted</b>  | 2,332        | 2,332 | \$ 320,609 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |            |
| Increases  | ---          | ---   | \$ 12,824  |
| Total Adjustments-to-Base  | ---          | ---   | \$ 12,824  |
| <b>2009 Current Services</b>   | 2,332        | 2,332 | \$ 333,433 |
| <b>2009 Total Request</b>  | 2,332        | 2,332 | \$ 333,433 |
| 2008 to 2009 Total Change  | ---          | ---   | \$ 12,824  |

| Estimates by Program/Project Activity | 2008 Enacted |              |                   | 2009 Adjustments-to-Base |            |                  | 2009 Program Change |            |             | 2009 Request |              |                   | 2008 to 2009 Total Change |            |                  |
|---------------------------------------|--------------|--------------|-------------------|--------------------------|------------|------------------|---------------------|------------|-------------|--------------|--------------|-------------------|---------------------------|------------|------------------|
|                                       | Pos.         | FTE          | Amount            | Pos.                     | FTE        | Amount           | Pos.                | FTE        | Amount      | Pos.         | FTE          | Amount            | Pos.                      | FTE        | Amount           |
| APHIS User Fees                       | 2,332        | 2,332        | \$ 320,609        | ---                      | ---        | \$ 12,824        | ---                 | ---        | \$ -        | 2,332        | 2,332        | \$ 333,433        | ---                       | ---        | \$ 12,824        |
| <b>Total</b>                          | <b>2,332</b> | <b>2,332</b> | <b>\$ 320,609</b> | <b>---</b>               | <b>---</b> | <b>\$ 12,824</b> | <b>---</b>          | <b>---</b> | <b>\$ -</b> | <b>2,332</b> | <b>2,332</b> | <b>\$ 333,433</b> | <b>---</b>                | <b>---</b> | <b>\$ 12,824</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**APHIS User Fees**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes        |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|-----------------------|--|------------------|------------------|------------------|-----------------------|
| 11.1                  | Total FTE & personnel compensation               | \$126,767        | \$143,595        | \$147,097        | \$3,502               |
| 11.3                  | Other than full-time permanent                   | 869              | \$1,373          | \$1,407          | \$33                  |
| 11.5                  | Other Personnel Compensation                     | 62,268           | \$41,847         | \$42,868         | \$1,021               |
| 12.1                  | Benefits   | 45,874           | \$51,493         | \$52,749         | \$1,256               |
|                       | <b>Total, Personnel Comp. &amp; Benefits</b>     | <b>\$235,778</b> | <b>\$238,309</b> | <b>\$244,120</b> | <b>\$5,812</b>        |
| Other Object Classes: |  |                  |                  |                  |                       |
| 21.0                  | Travel   | 4,892            | \$1,825          | 1,870            | 45                    |
| 22.0                  | Transportation of things                         | 140              | \$34             | 34               | 1                     |
| 23.1                  | GSA rent   | 10,774           | \$7,511          | 7,694            | 183                   |
| 23.2                  | Other rent                                       | 521              | \$663            | 679              | 16                    |
| 23.3                  | Communications, utilities, & other misc. charges | 3,923            | \$3,534          | 3,620            | 86                    |
| 24.0                  | Printing and reproduction                        | 97               | \$202            | 207              | 5                     |
| 25.2                  | Other services                                   | 18,725           | \$43,659         | 44,724           | 1,065                 |
| 25.9                  | Relocation storage                               | 4                | ---              | ---              | ---                   |
| 26.0                  | Supplies and materials                           | 1,857            | \$2,451          | 2,511            | 60                    |
| 31.0                  | Equipment  | 9,674            | \$27,308         | 27,974           | 666                   |
| 42.0                  | Indemnity  | 14               | ---              | ---              | ---                   |
|                       | <b>Total, Other Object Classes</b>               | <b>\$50,621</b>  | <b>\$87,186</b>  | <b>\$89,313</b>  | <b>\$2,126</b>        |
|                       | <b>Total, Direct Obligations</b>                 | <b>\$286,399</b> | <b>\$325,495</b> | <b>\$333,433</b> | <b>\$7,938</b>        |
|                       | Unobligated balance, start of year               | (21,826)         | (4,886)          | ---              | ---                   |
|                       | Unobligated balance, end of year                 | 4,886            | ---              | ---              | ---                   |
|                       | <b>Total requirements</b>                        | <b>\$269,459</b> | <b>\$320,609</b> | <b>\$333,433</b> | <b>\$12,824</b>       |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

## **F. Permanent Positions by Grade**

Activities funded by APHIS User Fees are performed by U.S. Customs and Border Protection Agriculture Specialists/Officers as part of their normal duties.

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

**H. PPA Budget Justification**

**Department of Homeland Security  
U.S. Customs and Border Protection**

**APHIS User Fees**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: APHIS User Fees</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>      |  |                        |                         |                         |                                |
| 11.1                        | Perm Positions                             | \$ 126,767             | \$ 143,595              | \$ 147,097              | \$3,502                        |
| 11.3                        | Other than perm                            | 869                    | 1,373                   | 1,407                   | 33                             |
| 11.5                        | Other per comp                             | 62,268                 | 41,847                  | 42,868                  | 1,021                          |
| 12.1                        | Benefits                                   | 45,874                 | 51,493                  | 52,749                  | 1,256                          |
| 21.0                        | Travel                                     | 4,892                  | 1,825                   | 1,870                   | 45                             |
| 22.0                        | Transportation of things                   | 140                    | 34                      | 34                      | 1                              |
| 23.1                        | GSA rent                                   | 10,774                 | 7,511                   | 7,694                   | 183                            |
| 23.2                        | Other rent                                 | 521                    | 663                     | 679                     | 16                             |
| 23.3                        | Communication, Utilities, and misc charges | 3,923                  | 3,534                   | 3,620                   | 86                             |
| 24.0                        | Printing                                   | 97                     | 202                     | 207                     | 5                              |
| 25.2                        | Other Services                             | 18,725                 | 43,659                  | 44,724                  | 1,065                          |
| 25.9                        | Relocation Storage                         | 4                      | ---                     | ---                     | ---                            |
| 26.0                        | Supplies & materials                       | 1,857                  | 2,451                   | 2,511                   | 60                             |
| 31.0                        | Equipment                                  | 9,674                  | 27,308                  | 27,974                  | 666                            |
| 42.0                        | Indemnity                                  | 14                     | ---                     | ---                     | ---                            |
|                             | <b>Total, APHIS User Fees</b>              | <b>\$ 286,399</b>      | <b>\$ 325,495</b>       | <b>\$ 333,433</b>       | <b>\$ 7,938</b>                |
|                             | Full Time Equivalents                      | 2,083                  | 2,332                   | 2,332                   | ---                            |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**PPA Mission Statement**

Section 2509 of the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624) authorized USDA to collect user fees for various services. The law codified as 21 U.S.C. 136 established seven types of Plant Protection and Quarantine (PPQ) user fees, six of which are the Agriculture Quarantine and Inspection (AQI) fees, known to CBP as the APHIS user fees. The six established processing fees are for international air passengers, commercial aircraft clearance, commercial vessels, commercial trucks, commercial truck decals, and loaded rail cars. The revenues from these fees are used to reimburse the full costs incurred in providing the inspectional activities associated with the passengers and conveyances that are subject to the fees.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$235,778</b>       | <b>\$238,309</b>        | <b>\$244,120</b>        | <b>\$5,812</b>                 |

Salaries and Benefits include costs for 2332 FTE.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$4,892        | \$1,825         | \$1,870         | \$45                   |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$140          | \$34            | \$34            | \$1                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$10,774       | \$7,511         | \$7,694         | \$183                  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and related services.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$521          | \$663           | \$679           | \$16                   |

Payments to a non-Federal source for rental of space, land, and structures.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charge</b> | \$3,923        | \$3,534         | \$3,620         | \$86                   |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$97           | \$202           | \$207           | \$5                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$18,725       | \$43,659        | \$44,724        | \$1,065                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|                           | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Relocation Storage</b> | \$4            | \$0             | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$1,857</b> | <b>\$2,451</b> | <b>\$2,511</b> | <b>\$60</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|----------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$9,674</b> | <b>\$27,308</b> | <b>\$27,974</b> | <b>\$666</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$14</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act.

**I. Changes in FTE**

Not Applicable

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*  
*Small Airports User Fee*

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Fiscal Year 2009  
Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection Small Airport User Fee**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

Small or User Fee Airport Facilities is authorized under Title 19 U.S.C. 58b and administered under Title 19 U.S.C. 58c (b) (9) (A) (i). The User Fee Airports program authorizes inspection services to be provided to participating small airports on a fully reimbursable basis. The fee charged under this program is set forth in a Memorandum of Agreement between the small or user fee airport facility and the agency, and may be adjusted annually as costs and requirements change.

#### **B. Budget Activities:**

Not applicable.

#### **C. Budget Request Summary**

Collections for Small Airport User Fee requests 54 positions and \$7,057,000 for FY 2009.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Customs and Border Protection  
Small Airports User Fee**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                | FY 2008<br>Enacted |                | FY 2009<br>Request |                | Increase (+) or Decrease (-) For FY 2009 |             |                 |             |                     |             |
|--|-------------------|----------------|--------------------|----------------|--------------------|----------------|--|-------------|-----------------|-------------|---------------------|-------------|
|  |                   |                |                    |                |                    |                | Total Changes                            |             | Program Changes |             | Adjustments-to-Base |             |
|  | FTE               | AMOUNT         | FTE                | AMOUNT         | FTE                | AMOUNT         | FTE                                      | AMOUNT      | FTE             | AMOUNT      | FTE                 | AMOUNT      |
| Small Airports User Fee                                      | 54                | \$8,349        | 54                 | \$7,057        | 54                 | \$7,057        | ---                                      | \$ -        | ---             | \$ -        | ---                 | \$ -        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>54</b>         | <b>\$8,349</b> | <b>54</b>          | <b>\$7,057</b> | <b>54</b>          | <b>\$7,057</b> | <b>---</b>                               | <b>\$ -</b> | <b>---</b>      | <b>\$ -</b> | <b>---</b>          | <b>\$ -</b> |

\* FY 2007 values reflect updated collections

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Small Airport User Fee**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: Small Airport User Fees

|                               | <b>Perm</b> |            |               |
|-------------------------------|-------------|------------|---------------|
|                               | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>            | <b>54</b>   | <b>54</b>  | <b>8,349</b>  |
| <b>2008 Enacted</b>           | <b>54</b>   | <b>54</b>  | <b>7,057</b>  |
| 2009 Adjustments-to-Base      | ...         | ...        | ...           |
| <b>2009 Current Services</b>  | <b>54</b>   | <b>54</b>  | <b>7,057</b>  |
| 2009 Program Changes          | ...         | ...        | ...           |
| <b>2009 Request</b>           | <b>54</b>   | <b>54</b>  | <b>7,057</b>  |
| <b>Total Change 2008-2009</b> | <b>...</b>  | <b>...</b> | <b>...</b>    |

\* FY 2007 values reflect updated collections

There are no increases for FY 2009.

#### **CURRENT SERVICES PROGRAM DESCRIPTION**

The User Fee Airports program authorizes inspection services to be provided to participating small airports on a fully reimbursable basis. The amount charged is determined by how many CBP Officers are stationed at the port and whether it is a new or existing facility. New facilities have a higher charge for the first year to recover up front costs.

#### **IV. Program Justification of Changes**

Not applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Small Airports User Fee  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--------------------------------|-------------|------------|---------------|
| 2007 Actual.....               | 54          | 54         | \$8,349       |
| 2008 Enacted.....              | 54          | 54         | 7,057         |
| Adjustments-to-Base            |             |            |               |
| Total Adjustments-to-Base..... | ---         | ---        | ---           |
| 2009 Current Services.....     | 54          | 54         | 7,057         |
| 2009 Request.....              | 54          | 54         | 7,057         |
| 2008 to 2009 Total Change..... | ---         | ---        | ---           |

\* FY 2007 values reflect updated collections

### C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Small Airports User Fee**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2008 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>2007 Actual</b>   | 54           | 54  | \$ 8,349 |
| <b>2008 Enacted</b>  | 54           | 54  | \$ 7,057 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |          |
| Total Adjustments-to-Base  | ---          | --- | \$ -     |
| <b>2009 Current Services</b>   | 54           | 54  | \$ 7,057 |
| <b>2009 Request</b>  | 54           | 54  | \$ 7,057 |
| 2008 to 2009 Total Change  | ---          | --- | \$ -     |

| Estimates by Program/Project Activity | 2008 Enacted |           |                 | 2009 Adjustments-to-Base |            |             | 2009 Program Change |            |             | 2009 Request |           |                 | 2008 to 2009 Total Change |            |             |
|---------------------------------------|--------------|-----------|-----------------|--------------------------|------------|-------------|---------------------|------------|-------------|--------------|-----------|-----------------|---------------------------|------------|-------------|
|                                       | Pos.         | FTE       | Amount          | Pos.                     | FTE        | Amount      | Pos.                | FTE        | Amount      | Pos.         | FTE       | Amount          | Pos.                      | FTE        | Amount      |
| Small Airports User Fee               | 54           | 54        | \$ 7,057        | ---                      | ---        | \$ -        | ---                 | ---        | \$ -        | 54           | 54        | \$ 7,057        | ---                       | ---        | \$ -        |
| <b>Total</b>                          | <b>54</b>    | <b>54</b> | <b>\$ 7,057</b> | <b>---</b>               | <b>---</b> | <b>\$ -</b> | <b>---</b>          | <b>---</b> | <b>\$ -</b> | <b>54</b>    | <b>54</b> | <b>\$ 7,057</b> | <b>---</b>                | <b>---</b> | <b>\$ -</b> |

\* FY 2007 values reflect updated collections

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

### U.S. Customs and Border Protection Small Airports User Fee Summary of Requirements by Object Class (Dollars in Thousands)

| Object Classes  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | 3,407          | 8,498           | 3,912           | (4,586)               |
| 11.3 Other than full-time permanent                   | ---            | 500             | 230             | (270)                 |
| 11.5 Other Personnel Compensation                     | 874            | 2,277           | 1,048           | (1,229)               |
| 12.1 Benefits   | 1,130          | 2,624           | 1,208           | (1,416)               |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$5,411</b> | <b>\$13,898</b> | <b>\$6,398</b>  | <b>(7,500)</b>        |
| Other Object Classes:                                 |                |                 |                 |                       |
| 21.0 Travel   | 121            | 202             | 93              | (109)                 |
| 22.0 Transportation of things                         | 19             | 20              | 9               | (11)                  |
| 23.3 Communications, utilities, & other misc. charges | 86             | 723             | 333             | (390)                 |
| 25.2 Other Services                                   | 1,919          | 185             | 85              | (100)                 |
| 25.7 Operation and maintenance of equipment           | 482            | ---             | ---             | -                     |
| 26.0 Supplies and materials                           | 9              | 33              | 15              | (18)                  |
| 31.0 Equipment  | 302            | 269             | 124             | (145)                 |
| <b>Total, Other Object Classes</b>                    | <b>\$2,938</b> | <b>\$1,432</b>  | <b>\$659</b>    | <b>(\$773)</b>        |
| <b>Total, Direct Obligations</b>                      | <b>\$8,349</b> | <b>\$15,330</b> | <b>\$7,057</b>  | <b>(\$8,273)</b>      |
| Unobligated balance, start of year                    | (8,189)        | (8,273)         | ---             | 8,273                 |
| Unobligated balance, end of year                      | 8,273          | ---             | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$8,433</b> | <b>\$7,057</b>  | <b>\$7,057</b>  | <b>\$0</b>            |

\* FY 2007 values reflect updated collections

## **F. Permanent Positions by Grade**

The administration of the Small Airports program is performed by U.S. Customs and Border Protection Officers as part of their normal duties.

## **G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justification

**Department of Homeland Security  
U.S. Customs and Border Protection  
Small Airports User Fee  
Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Small Airports User Fee</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                |  |                        |                         |                         |                                |
| 11.1                                  | Perm Positions                             | \$3,407                | \$8,498                 | \$3,912                 | (\$4,586)                      |
| 11.3                                  | Other than perm                            | ---                    | 500                     | 230                     | (270)                          |
| 11.5                                  | Other per comp                             | 874                    | 2,277                   | 1,048                   | (1,229)                        |
| 12.1                                  | Benefits                                   | 1,130                  | 2,624                   | 1,208                   | (1,416)                        |
| 21.0                                  | Travel                                     | 121                    | 202                     | 93                      | (109)                          |
| 22.0                                  | Transportation of things                   | 19                     | 20                      | 9                       | (11)                           |
| 23.3                                  | Communication, Utilities, and misc charges | 86                     | 723                     | 333                     | (390)                          |
| 25.2                                  | Other Services                             | 1,919                  | 185                     | 85                      | (100)                          |
| 25.7                                  | Operation & maintenance of equipment       | 482                    | ---                     | ---                     | ---                            |
| 26.0                                  | Supplies & materials                       | 9                      | 33                      | 15                      | (18)                           |
| 31.0                                  | Equipment                                  | 302                    | 269                     | 124                     | (145)                          |
| <b>Total, Small Airport User Fees</b> |  | <b>\$8,349</b>         | <b>\$15,330</b>         | <b>\$7,057</b>          | <b>(\$8,273)</b>               |
| Full Time Equivalents                 |  | 54                     | 54                      | 54                      | ---                            |

\* FY 2007 values reflect updated collections

### PPA Mission Statement

Small Airport Facilities is authorized under Title 19 U.S.C. 58b and administered under Title 19 U.S.C. 58c (b) (9) (A) (i). The User Fee Airports program authorizes inspection services to be provided to participating small airports on a fully reimbursable basis. The fee charged under this program is set forth in a Memorandum of Agreement between the small airport facility and the agency, and may be adjusted annually as costs and requirements change.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$5,411</b>         | <b>\$13,898</b>         | <b>\$6,398</b>          | <b>(\$7,500)</b>               |

Salaries and Benefits include costs for 54 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$121</b>           | <b>\$202</b>            | <b>\$93</b>             | <b>(\$109)</b>                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Transportation of Things</b> | \$19   | \$20    | \$9     | (\$11)       |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things.

|  | 2007   | 2008    | 2009    | 2008 to 2009 |
|--|--------|---------|---------|--------------|
|  | Actual | Enacted | Request | Change       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$86   | \$723   | \$333   | (\$390)      |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                       | 2007    | 2008    | 2009    | 2008 to 2009 |
|-----------------------|---------|---------|---------|--------------|
|                       | Actual  | Enacted | Request | Change       |
| <b>Other Services</b> | \$1,919 | \$185   | \$85    | (\$100)      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|   | 2007   | 2008    | 2009    | 2008 to 2009 |
|---|--------|---------|---------|--------------|
|   | Actual | Enacted | Request | Change       |
| <b>Operation &amp; Maintenance of equipment</b> | \$482  | \$0     | \$0     | \$0          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | 2007   | 2008    | 2009    | 2008 to 2009 |
|---------------------------------|--------|---------|---------|--------------|
|                                 | Actual | Enacted | Request | Change       |
| <b>Supplies &amp; Materials</b> | \$9    | \$33    | \$15    | (\$18)       |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | 2007   | 2008    | 2009    | 2008 to 2009 |
|------------------|--------|---------|---------|--------------|
|                  | Actual | Enacted | Request | Change       |
| <b>Equipment</b> | \$302  | \$269   | \$124   | (\$145)      |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**I. Changes in FTE**

Not Applicable.

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

**Department of  
Homeland Security**  
*U.S. Customs and Border Protection*  
*Puerto Rico Trust Fund*

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Fiscal Year 2009  
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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Customs and Border Protection Puerto Rico Trust Fund**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

Title 48 U.S.C. 740 authorizes the collections of duties, user fees and taxes in Puerto Rico and the creation of the Puerto Rico Trust Fund . Collections in Puerto Rico, less the costs of providing inspection and law enforcement services in the Island, are paid into the treasury of Puerto Rico, to be expended as required by law for the Government of Puerto Rico and the benefit thereof. These collections are intended to fund the inspection of passengers and merchandise entering Puerto Rico from foreign locations, and to combat criminal elements that have focused on Puerto Rico as a gateway to illegally introduce narcotics into the mainland of the U.S.

#### **B. Budget Activities:**

Not applicable.

#### **C. Budget Request Summary**

Collections of duties, user fees, and taxes in Puerto Rico in FY 2009 are estimated at \$96,719,000. Based on collection trends and the economic recession Puerto Rico is currently facing, CBP expects a one percent (1%) decrease in collections in FY 2009.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Customs and Border Protection  
Puerto Rico Trust Fund**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2008 |                |                 |          |                     |                |
|--|-------------------|------------------|--------------------|-----------------|--------------------|-----------------|--|----------------|-----------------|----------|---------------------|----------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT          | FTE                | AMOUNT          | Total Changes                            |                | Program Changes |          | Adjustments-to-Base |                |
|  |                   |                  |                    |                 |                    |                 | FTE                                      | AMOUNT         | FTE             | AMOUNT   | FTE                 | AMOUNT         |
| Puerto Rico Trust Fund                                       | 596               | \$110,073        | 529                | \$97,690        | 529                | \$96,719        | ---                                      | (\$971)        | ---             | -        | ---                 | (\$971)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>596</b>        | <b>\$110,073</b> | <b>529</b>         | <b>\$97,690</b> | <b>529</b>         | <b>\$96,719</b> | <b>---</b>                               | <b>(\$971)</b> | <b>---</b>      | <b>-</b> | <b>---</b>          | <b>(\$971)</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Puerto Rico Trust Fund**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: Puerto Rico Trust Fund

|                               | <b>Perm</b> |            |                |
|-------------------------------|-------------|------------|----------------|
|                               | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>  |
| <b>2007 Actual</b>            | <b>596</b>  | <b>596</b> | <b>110,073</b> |
| <b>2008 Enacted</b>           | <b>529</b>  | <b>529</b> | <b>97,690</b>  |
| 2009 Adjustments-to-Base      | ...         | ...        | - 971          |
| <b>2009 Current Services</b>  | <b>529</b>  | <b>529</b> | <b>96,719</b>  |
| 2009 Program Change           | ...         | ...        | ...            |
| <b>2009 Request</b>           | <b>529</b>  | <b>529</b> | <b>96,719</b>  |
| <b>Total Change 2008-2009</b> | <b>...</b>  | <b>...</b> | <b>- 971</b>   |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

A decrease of \$971,000 from FY 2008 Request is anticipated, due to observed collection trends and the economic recession Puerto Rico is currently facing

#### **CURRENT SERVICES PROGRAM DESCRIPTION**

CBP and US Immigration and Customs Enforcement (ICE) have entered into a Memorandum of Agreement with the government of Puerto Rico to provide customs inspection and enforcement services in Puerto Rico and enhancing the enforcement of United States laws. This includes the collecting of the duties and taxes deposited into this trust fund. In exchange, CBP and ICE are reimbursed for these services from the trust fund.

#### **IV. Program Justification of Changes**

Not applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Puerto Rico Trust Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---------------------------------------|-------------|------------|-----------------|
| 2007 Actual.....                      | 596         | 596        | \$ 110,073      |
| 2008 Enacted.....                     | 529         | 529        | \$ 97,690       |
| <b>Adjustments-to-Base</b>            |             |            |                 |
| Decreases                             |             |            |                 |
| Technical adjustments                 | ---         | ---        | \$ (971)        |
| <b>Total Adjustments-to-Base.....</b> | <b>---</b>  | <b>---</b> | <b>\$ (971)</b> |
| 2009 Current Services.....            | 529         | 529        | \$ 96,719       |
| 2009 Request.....                     | 529         | 529        | \$ 96,719       |
| 2008 to 2009 Total Change.....        | ---         | ---        | \$ (971)        |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Puerto Rico Trust Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |            |
|--|--------------|-----|------------|
|  | Perm. Pos.   | FTE | Amount     |
| <b>2007 Actual</b>   | 596          | 596 | \$ 110,073 |
| <b>2008 Enacted</b>  | 529          | 529 | \$ 97,690  |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |            |
| Decreases  | ---          | --- | \$ (971)   |
| Total Adjustments-to-Base  | ---          | --- | \$ (971)   |
| <b>2009 Current Services</b>   | 529          | 529 | \$ 96,719  |
| <b>2009 Total Request</b>  | 529          | 529 | \$ 96,719  |
| 2008 to 2009 Total Change  | ---          | --- | \$ (971)   |

| Estimates by Program/Project Activity | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |            |             | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                 |
|---------------------------------------|--------------|------------|------------------|--------------------------|------------|-----------------|---------------------|------------|-------------|--------------|------------|------------------|---------------------------|------------|-----------------|
|                                       | Pos.         | FTE        | Amount           | Pos.                     | FTE        | Amount          | Pos.                | FTE        | Amount      | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount          |
| Puerto Rico Trust Fund                | 529          | 529        | \$ 97,690        | ---                      | ---        | \$ (971)        | ---                 | ---        | \$ -        | 529          | 529        | \$ 96,719        | ---                       | ---        | \$ (971)        |
| <b>Total</b>                          | <b>529</b>   | <b>529</b> | <b>\$ 97,690</b> | <b>---</b>               | <b>---</b> | <b>\$ (971)</b> | <b>---</b>          | <b>---</b> | <b>\$ -</b> | <b>529</b>   | <b>529</b> | <b>\$ 96,719</b> | <b>---</b>                | <b>---</b> | <b>\$ (971)</b> |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Customs and Border Protection**  
**Puerto Rico Trust Fund**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request | 2008 - 2009<br>Change |
|---|------------------|------------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$28,276         | \$19,999         | \$18,796        | (\$1,203)             |
| 11.3 Other than full-time permanent                   | 156              | 420              | 395             | (\$25)                |
| 11.5 Other Personnel Compensation                     | 6,971            | 2,846            | 2,675           | (\$171)               |
| 12.1 Benefits   | 12,219           | 10,247           | 9,630           | (\$617)               |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$47,622</b>  | <b>\$33,511</b>  | <b>\$31,496</b> | <b>(\$2,015)</b>      |
| Other Object Classes:                                 |                  |                  |                 |                       |
| 21.0 Travel   | 568              | 693              | 651             | (42)                  |
| 22.0 Transportation of things                         | 84               | 94               | 88              | (6)                   |
| 23.1 GSA rent   | 261              | 306              | 287             | (19)                  |
| 23.2 Other rent                                       | 98               | 98               | 92              | (6)                   |
| 23.3 Communications, utilities, & other misc. charges | 1,554            | 2,090            | 1,965           | (125)                 |
| 24.0 Printing and reproduction                        | ---              | 28               | 26              | (2)                   |
| 25.1 Advisory and assistance services                 | ---              | 113              | 106             | (7)                   |
| 25.2 Other services                                   | 10,457           | 41,997           | 39,472          | (2,525)               |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 29,404           | ---              | ---             | ---                   |
| 25.4 Operation & maintenance of facilities            | 483              | ---              | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | 2,394            | ---              | ---             | ---                   |
| 26.0 Supplies and materials                           | 1,026            | ---              | ---             | ---                   |
| 31.0 Equipment  | 1,964            | 22               | 21              | (1)                   |
| 32.0 Land & structures                                | ---              | 1,104            | 1,038           | (66)                  |
| 41.0 Grants/Subsidies/Contributions                   | 14,158           | 1,609            | 1,512           | (97)                  |
| 44.0 Refunds  | ---              | 16,820           | 15,809          | (1,011)               |
| 91.0 Unvouchered                                      | ---              | 4,422            | 4,156           | (266)                 |
| <b>Total, Other Object Classes</b>                    | <b>\$62,451</b>  | <b>\$69,397</b>  | <b>\$65,223</b> | <b>(\$4,174)</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$110,073</b> | <b>\$102,908</b> | <b>\$96,719</b> | <b>(\$6,189)</b>      |
| Unobligated balance, start of year                    | (5,104)          | (5,218)          | ---             | ---                   |
| Unobligated balance, end of year                      | 5,218            | ---              | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$110,187</b> | <b>\$97,690</b>  | <b>\$96,719</b> | <b>(\$971)</b>        |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Customs and Border Protection  
Puerto Rico Trust Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| GS-15                            | 2              | 2               | 2               | ---                    |
| GS-14                            | 9              | 8               | 8               | ---                    |
| GS-13                            | 29             | 26              | 26              | ---                    |
| GS-12                            | 66             | 59              | 59              | ---                    |
| GS-11                            | 380            | 337             | 337             | ---                    |
| GS-9                             | 28             | 25              | 25              | ---                    |
| GS-7                             | 57             | 50              | 50              | ---                    |
| GS-6                             | 1              | 1               | 1               | ---                    |
| GS-5                             | 17             | 15              | 15              | ---                    |
| GS-4                             | 5              | 4               | 4               | ---                    |
| GS-3                             | 2              | 2               | 2               | ---                    |
| <b>Total Permanent Positions</b> | <b>596</b>     | <b>529</b>      | <b>529</b>      | <b>---</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 596            | 529             | 529             | ---                    |
| <b>FTE</b>                       | <b>596</b>     | <b>529</b>      | <b>529</b>      | <b>---</b>             |
| Foreign Field                    | 596            | 529             | 529             | ---                    |
| <b>Total Permanent Positions</b> | <b>596</b>     | <b>529</b>      | <b>529</b>      | <b>---</b>             |
| <b>Average GS Salary</b>         | \$ 52,057      | \$ 53,671       | \$ 55,335       | \$ 1,664               |
| <b>Average GS Grade</b>          | 10.33          | 10.33           | 10.33           | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justification

**Department of Homeland Security  
U.S. Customs and Border Protection  
Puerto Rico Trust Fund  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Puerto Rico Trust Fund</b>   |  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------------------|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>               |  |                           |                            |                            |                                |
| 11.1                                 | Perm Positions                             | \$28,276                  | \$19,999                   | \$18,796                   | (\$1,203)                      |
| 11.3                                 | Other than perm                            | 156                       | 420                        | 395                        | (25)                           |
| 11.5                                 | Other per comp                             | 6,971                     | 2,846                      | 2,675                      | (171)                          |
| 12.1                                 | Benefits                                   | 12,219                    | 10,247                     | 9,630                      | (617)                          |
| 21.0                                 | Travel                                     | 568                       | 693                        | 651                        | (42)                           |
| 22.0                                 | Transportation of things                   | 84                        | 94                         | 88                         | (6)                            |
| 23.1                                 | GSA rent                                   | 261                       | 306                        | 287                        | (19)                           |
| 23.2                                 | Other rent                                 | 98                        | 98                         | 92                         | (6)                            |
| 23.3                                 | Communication, Utilities, and misc charges | 1,554                     | 2,090                      | 1,965                      | (125)                          |
| 24.0                                 | Printing                                   | ---                       | 28                         | 26                         | (2)                            |
| 25.1                                 | Advisory & Assistance Services             | ---                       | 113                        | 106                        | (7)                            |
| 25.2                                 | Other Services                             | 10,457                    | 41,997                     | 39,472                     | (2,525)                        |
| 25.3                                 | Purchase from Govt. Accts.                 | 29,404                    | ---                        | ---                        | ---                            |
| 25.4                                 | Operation & maintenance of facilities      | 483                       | ---                        | ---                        | ---                            |
| 25.7                                 | Operation & maintenance of equipment       | 2,394                     | ---                        | ---                        | ---                            |
| 26.0                                 | Supplies & materials                       | 1,026                     | ---                        | ---                        | ---                            |
| 31.0                                 | Equipment                                  | 1,964                     | 22                         | 21                         | ---                            |
| 32.0                                 | Land & Structures                          | ---                       | 1,104                      | 1,038                      | (66)                           |
| 41.0                                 | Grants/Subsidies/Contributions             | 14,158                    | 1,609                      | 1,512                      | (97)                           |
| 44.0                                 | Refunds                                    | ---                       | 16,820                     | 15,809                     | (1,011)                        |
| 91.0                                 | Unvouchered                                | ---                       | 4,422                      | 4,156                      | (266)                          |
| <b>Total, Puerto Rico Trust Fund</b> |  | <b>\$110,073</b>          | <b>\$102,908</b>           | <b>\$96,719</b>            | <b>(\$6,189)</b>               |
| Full Time Equivalents                |  | 596                       | 529                        | 529                        | ---                            |

\* FY 2007 and FY 2008 values reflect updated collections and estimates

### PPA Mission Statement

The duties and taxes related to the Puerto Rico Trust Fund are authorized under Title 48 U.S.C. 740. The duties and taxes collected in Puerto Rico, less the costs of providing inspection and law enforcement services, are paid into the treasury of Puerto Rico, to be expended as required by law for the Government of Puerto Rico and the benefit thereof. These funds are intended to combat criminal elements who have focused on Puerto Rico as a gateway to illegally introduce narcotics into the mainland of the U.S.

|                              | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$47,622</b>        | <b>\$33,511</b>         | <b>\$31,496</b>         | <b>(\$2,016)</b>               |

Salaries and Benefits include costs for 529 FTE.

|               | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$568          | \$693           | \$651           | (\$42)                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel regulations.

|                                 | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$84           | 94              | \$88            | (\$6)                  |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things.

|                 | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$261          | 306             | \$287           | (\$19)                 |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and related services.

|                   | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$98           | \$98            | \$92            | (\$6)                  |

Payments to a non-Federal source for rental of space, land, and structures.

|  | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$1,554        | \$2,090         | \$1,965         | (\$125)                |

Communication, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$0            | \$28            | \$26            | (\$2)                  |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | 2007<br>Actual | 2007<br>Enacted | 2008<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$0            | \$113           | \$106           | (\$7)                  |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$10,457               | \$41,997                | \$39,472                | (\$2,525)                      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$29,404               | \$0                     | \$0                     | \$0                            |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2006 request includes an increase of \$372,000 in non-pay inflation.

|  | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$483                  | \$0                     | \$0                     | \$0                            |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2006 request includes an increase of \$83,000 in non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$2,394                | \$0                     | \$0                     | \$0                            |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2006 request includes an increase of \$115,000 in non-pay inflation.

|                                 | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | \$1,026                | \$0                     | \$0                     | \$0                            |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | \$1,964                | \$22                    | \$21                    | \$0                            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                              | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Land &amp; Structures</b> | <b>\$0</b>             | <b>\$1,104</b>          | <b>\$1,038</b>          | <b>(\$66)</b>                  |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease.

|                                       | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | <b>\$14,158</b>        | <b>\$1,609</b>          | <b>\$1,512</b>          | <b>(\$97)</b>                  |

Grants/subsidies/contributions include cash payments to States, other political subdivisions, corporations, associations, individual, etc.

|                | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Refunds</b> | <b>\$0</b>             | <b>16,820</b>           | <b>15,809</b>           | <b>(1,011)</b>                 |

Payments of amounts previously collected by the Government.

|                    | <b>2007<br/>Actual</b> | <b>2007<br/>Enacted</b> | <b>2008<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Unvouchered</b> | <b>\$0</b>             | <b>\$4,422</b>          | <b>\$4,156</b>          | <b>(\$266)</b>                 |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting.

**I. Changes in FTE**

Not applicable.

**J. FY 2009 Schedule of Working Capital Fund by PPA**

Not Applicable

# Department of Homeland Security

*U.S. Customs and Border Protection*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

# FY 2009 CONGRESSIONAL BUDGET REQUEST STRATEGIC CONTEXT

## U.S. Customs and Border Protection

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#### A. Mission and Description of U.S. Customs and Border Protection

The priority mission of U.S. Custom and Border Protection (CBP) is homeland security. As the agency charged with managing and securing our nation’s borders, that means that CBP’s priority mission is to prevent terrorists and terrorist weapons from entering the United States. An important aspect of this priority mission involves improving security at our borders and ports of entry, but it also means extending our zone of security beyond our physical borders. This extended border strategy is essential to creating smart borders leveraged by technology and a layered defense-in-depth strategy through interior checkpoints and enforcement operations.

At the same time, CBP continues to perform its traditional missions. These include apprehending individuals attempting to enter the United States illegally, stemming the flow of illegal drugs and other contraband, protecting our agricultural and economic interests from harmful pests and diseases, regulating and facilitating international trade, collecting revenue, and enforcing U.S. trade laws.

While carrying out these missions, CBP must strive to do so without unnecessarily restricting the flow of legitimate trade and travel that is so important to our nation’s economy. CBP has found that by employing advanced analytical tools for information collection, risk management and technology, and by partnering with other nations, private industry, and other stakeholders, these missions need not be mutually exclusive.

A key consideration of CBP’s overall threat and environmental evaluation is the DHS Secure Border Initiative (SBI). SBI is a comprehensive multi-year plan to secure America’s borders and reduce illegal migration. This effort looks at all aspects of the problem: deterrence, detection, apprehension, and detention and removal. As stated by the Secretary, the goal of SBI is to support the President's core objectives for comprehensive immigration reform, which is built upon three

pillars: improving border security and increasing interior enforcement. Using the right mix of technology, personnel, infrastructure, and supporting resources, including necessary rapid response capabilities, SBI will provide the tools and resources necessary to gaining and maintaining effective control of our borders.

CBP's primary field occupations include CBP Officers, Border Patrol Agents, Pilots, Marine Officers, Import and Entry Specialists, and Agricultural Specialists. Its field organization includes 20 Border Patrol Sectors with 34 permanent traffic checkpoints and 69 tactical traffic checkpoints between the ports of entry; 142 stations and substations; 20 Field Operations Offices and 326 associated ports of entry, of which 15 are pre-clearance stations in other countries; and 27 Air and Marine Centers and Branches. Field personnel use a mix of air and marine assets, non-intrusive technology such as large-scale imaging devices (imaging systems using x-ray and gamma ray technology), radiation portal monitors, automated targeting systems, and automation in support of efforts to identify and apprehend undocumented aliens and high-risk travelers, and to facilitate legitimate traffic and trade.

## B. Major Activities and Key Strategic Issues

CBP uses the resources appropriated by Congress to achieve its strategic goals and priorities. During the development of these goals and priorities, careful consideration has been given to the National Strategy for Homeland Security, The Presidential Directive on National Security, the National Drug Control Strategy, Executive Orders, the Department of Homeland Security (DHS) Strategic Plan, and the CBP 2005-2010 Strategic Plan to ensure alignment and mutual support. CBP's investments also reflect the goals and objectives of programmatic plans such as the National Border Patrol Strategy. Finally, the results of work done under the President's Management Agenda (PMA), and evaluations conducted by the Government Accountability Office (GAO) and the Office of the Inspector General (OIG), as well as the Performance Assessment Rating Tool (PART) processes have been used to prioritize effort and target capital investments.

CBP continues to identify opportunities to enhance its mission effectiveness. The Commissioner has identified three guiding principles that are critical to the success of CBP: Integration, Partnerships, and Integrity.

### **Integration**

Since the creation of CBP in March of 2003, CBP has made great strides in becoming the unified border agency for the United States. Its role in securing the homeland is clear: secure our borders while simultaneously facilitating legitimate trade and travel. We must now move to the next stage of our integration: ensuring that CBP can act as one, unified entity, leveraging all the information and intelligence at our disposal to successfully execute our mission and adjusting our organization at the national and field levels, as appropriate.

### **Partnerships**

National security is a team effort. In everything we do, we seek to identify and capitalize on relationships with partners whose participation and inclusion could contribute to our success. CBP must continue to foster mutually beneficial partnerships with DHS components, the Intelligence Community, Federal, state and local governments and law enforcement organizations, tribal groups and the business and trade communities.

### **Integrity**

As one of our agency's values states, "Integrity is our cornerstone." We all know that any single corrupt act of commission or omission represents a potential threat to national security. Our every action, therefore, must be guided by the highest ethical and moral principles. We must strive to foster a culture of integrity. At the same time, we must ensure that the organization has a robust system to identify and correct misconduct.

## **Major Activities**

To ensure that CBP is focused on carrying out its vital mission, the Commissioner has identified six short-term performance goals that were used to develop the FY 2009 Budget request. Resources appropriated for FY 2008 and requested in FY 2009 Budget Submission will be used to fund CBP programs and activities consistent with the following short-term performance goals:

1. Ensure that CBP Uses Intelligence To Guide Operations and Has the Capability to Do So;
2. Leveraging Personnel, Technology, And Infrastructure To Achieve Effective Control Of Our Borders;
3. Strengthen And Enhance Supply Chain Security;
4. Enhance Facilitation Of Legitimate Trade And Travel;
5. Improve Security And Facilitation of International Commerce; and
6. Build A Strong, Modern Management Infrastructure That Assures The Achievement Of Business Results.

### Ensure That CBP Uses Intelligence To Guide Operations And Has The Capability To Do So

To effectively prevent terrorists and terrorist weapons from entering the U.S. and most effectively address CBP's traditional missions, CBP will develop an enterprise-wide intelligence system that enhances border awareness and operational capability. CBP will use this system to obtain, analyze, and efficiently disseminate intelligence information throughout the organization, in coordination with DHS, the Intelligence Community and other Federal, state and local government stakeholders.

### Leverage Personnel, Technology, And Infrastructure To Achieve Substantial Control Of Our Borders

CBP will continue its efforts to effectively control the northern, southern, and coastal borders, both at and between Ports of Entry. CBP will accomplish this through continued implementation of the Secure Border Initiative (SBI) and use of the most effective balance of investments in personnel, technology, infrastructure and rapid response capabilities.

### Strengthen And Enhance Supply Chain Security

CBP will continue to "push our border outward" by further enhancing our ability to determine the risk posed by U.S.-bound cargo earlier in the supply chain. CBP will seek to build on the success of the Container Security Initiative (CSI) and the Customs-Trade Partnership Against Terrorism (C-TPAT) and look for innovative ways to efficiently and effectively screen and scan inbound cargo prior to its lading overseas.

### Enhance Facilitation Of Legitimate Trade And Travel

Our agency will continue to develop programs to enhance our ability to identify and respond to high-risk individuals, cargo, and conveyances, while continuing to facilitate the movement of legitimate trade and travel, e.g., the Western Hemisphere Travel Initiative (WHTI). This will include programs to more effectively screen travelers using biometric, biographic, and other data,

and the expansion of “Frequent Traveler” programs, such as NEXUS, Secure Electronic Network for Traveler’s Rapid Inspection (SENTRI), and Free and Secure Trade (FAST).

#### Improve Security And Facilitation of International Commerce

CBP will continue to take the lead in ensuring that the World Customs Organization (WCO) Framework is broadly implemented throughout the world in order to improve the security and facilitation of global trade. This includes the continuation of a strong capacity building program within CBP to coordinate our own activities within the U.S. and with world development organizations, as well as with other customs administrations around the world.

#### Build A Strong, Modern Management Infrastructure That Assures The Achievement Of Business Results

All of our mission support functions – whether Information Technology, Finance, Internal Affairs, or Human Resources Management – are essential to our ability to operate in a complex and constantly changing world. CBP will continue to build upon and improve the level and quality of service that our mission support functions provide.

### **Key Strategic Issues**

CBP faces tremendous internal and external challenges in carrying out homeland security and traditional missions mandated by law and in implementing the CBP strategic goals and priorities. They include:

#### Combating Terrorism and Crime

Criminals hold distinct advantages over the law enforcement community by using sophisticated international criminal cooperation and using legitimate businesses as cover. Terrorists may exploit established smuggling and illegal immigration routes in order to penetrate our borders. The capability of criminals to leverage technology to conduct and hide crimes also provides challenges for the law enforcement community. CBP recognizes that increased enforcement efforts at the ports of entry may cause criminals and terrorists to shift the focus of their efforts toward identified or perceived vulnerabilities between the ports. The globalization of terrorism and crime also requires strong law enforcement partnerships with foreign partners.

#### Impact of Globalization

The safety of global trade is both an economic issue and a security concern. A weapon of mass destruction or weapon of mass effect, detonated at a United States port of entry, could cause a \$1 trillion disruption to the economy. Increased global trade brings more diverse product design and production methods, more stakeholders and modes of transportation, and with all of this, greater opportunities for criminals and terrorists to profit from or disrupt the U.S. economy. More duty-free goods will require increased oversight to ensure eligibility for decreased duty rates. To fight illegal trade practices, the government must continue inspecting for illegal imports and enforcing trade laws. Foreign governments, shippers, vendors and the trade community must be relied upon to collect and share information and to assure that supply-chain processes are secure. Increased passenger travel and trade volumes also provide increased opportunities for transmission of highly pathogenic influenza, which border management agencies must anticipate and be prepared to control.

### Facilitating Travel and Trade While Ensuring Security and Safety

In 2007, CBP Officers inspected 400 million travelers and more than 125 million cars, trucks, buses, trains, vessels, and aircraft. CBP will continue to face the challenge of enhancing mechanisms to facilitate legitimate trade and travel to keep terrorists and their weapons out of the United States. CBP must obtain and improve the quality of advance information to target high-risk travelers and trade in the face of continued global migration and diverse international passenger travel. The public's expectation of speedy, consistent processing, and global trade needs for tailored, speedy delivery, will require CBP to find more efficient ways to securely process passengers, conveyances, and freight. Key to these efforts will be partnerships with Canada and Mexico, with whom CBP will pursue tightened border security while seeking to reduce delays and improve relations.

### Technology and Innovation

Innovative technology solutions for monitoring, inspection, information sharing, and enforcement will grow, but also will bring implementation and standardization challenges. Using the right combination of an integrated solution of technology, personnel, and infrastructure will advance our mission to secure effective control of the border. Advanced technology and a distributed, open, wireless, and mobile environment will be available to CBP, but technological advances and new products will also challenge the workforce, requiring additional skill sets and training.

### Workforce and Integration Challenges

CBP continues to respond to the challenges posed by reorganization and integration of the homeland security mission, including extension of a new culture, carrying out established priorities, and training employees. In addition, the more general challenges of the 21st Century involve growing workforce complexity, aging staffs, changes in core occupations, contracting reforms, and the demand for more innovative recruiting, retention and reinvigoration/training programs, diversity, mobility, and instant electronic connectivity.

### Drug Interdiction

In furtherance of National Drug Control Strategy, in FY 2007 CBP seized 2,786,137 pounds of marijuana, 281,371 pounds of cocaine, and 2,167 pounds of heroin. At the ports, the procedures and technology being employed by CBP to prevent terrorism and the entry of weapons of mass destruction have also proven to be very effective in the interdiction of illegal drugs. Between the ports, efforts to improve the infrastructure and technology—particularly on the southern border—should result in the overall reduction of illegal activity, including drug interdiction. CBP will continue to expand its detection capabilities for overall border security, including the prevention of entry of illegal drugs.

### Immigration

In FY 2007, CBP apprehended or found inadmissible 1 million individuals attempting to enter the country illegally at and between the ports of entry, and rescued 1,875 migrants in distress. CBP will continue to be challenged by immigration issues including balancing efforts to enable lawful immigration while combating illegal immigration, smuggling, document fraud, large scale migration, human and drug trafficking, and other border issues.

## C. Resources Requested and Performance Impact

### Major Changes within the Base Level

The FY 2009 funding request will allow CBP to fulfill its priority mission of preventing terrorists and terrorist weapons from entering the United States while facilitating legitimate travel and trade. This request will provide CBP with the opportunity to transform border control and security at and between ports of entry, using an effective mix of manpower and technology. It will also provide additional means for extending our zone of security beyond our physical borders – so that American borders are not the first line of defense against terrorism. Furthermore, CBP will be able to continue to focus on its traditional mission of enforcing trade, agriculture, and immigration laws at our borders. CBP will continue to reallocate resources from lower to higher priorities to meet its strategic goals and objectives.

CBP requests a total of \$9.5 billion in FY 2009, an increase of \$64.6 million from the FY 2008 enacted budget \$9.4 billion (including emergency funds). This funding level will allow CBP to maintain current services level and improve its mission capability by providing additional support for important activities and programs in CBP. The FY 2009 budget request will allow CBP to increase direct FTE from 40,654 in FY 2008 to 45,080 in FY 2009, including, 1,844 FTE for annualization of 3,000 additional Border Patrol Agents and support personnel, 104 FTE annualization for CBP Officers as Authorized by the Security and Accountability for Every Port (SAFE) Act, 117 FTE for annualization of CBP Officers, 102 FTE for annualization of positions in the Western Hemisphere Travel Initiative (WHTI), 41 FTE annualization for Marine Enforcement Units, 29 FTE for annualization of Conduct and Integrity Oversight 27 FTE for annualization of Radiation Portal Monitors Staffing (RPM), 25 FTE annualization for Customs Trade Partnership Against Terrorism (C-TPAT), 8 FTE for annualization of the Secure Freight Initiative, 4 FTE annualization for Anti-Dumping Enforcement and 11 FTE annualization for Electronic Travel Authorization.

### Increments over Current Service Level

Within the FY 2009 President's Budget, CBP is requesting an additional number of FTE in the following programs: 1,321 FTE for 2,200 new Border Patrol Agents and 441 operation and mission support personnel; 45 FTE for 89 CBP Officers for the Western Hemisphere Travel Initiative (WHTI); 117 FTE to hire 212 CBP Officers and 22 support for Passenger Screening at Land Ports of Entry (POE); and 137 FTE for 238 CBP Officers, 20 scientists, 25 IT specialists and 12 mission support for Radiation Portal Monitors (RPM) Staffing Operation and Maintenance. Also included are 12 FTE for 24 Air & Marine Unmanned Aircraft Systems (UAS) pilots, 6 FTE for 7 Attorneys, 2 Economists, 2 Paralegals, and 1 mission support person for the Regulatory Program, 14 FTE for 27 personnel in the CBP Intelligence Program and 15 FTE for 24 Investigators and 5 support personnel in Conduct and Integrity Oversight, 15 FTE for 30 positions in the Border Security, Fencing, Infrastructure and Technology (BSFIT) appropriation, and 1 FTE for 2 positions in Ground Transportation.

Funds for program enhancements have significant performance impact for CBP. The following is a list of programs or activities for which CBP seeks additional funding in FY 2009.

- Border Patrol Agent and Support Hiring – CBP requests \$442.4 million to hire, train and equip 2,200 new Border Patrol Agents (\$362.5 million). The purpose of this initiative is two-fold: (1)

add 500 new Border Patrol Agents to stay on course for meeting the President's goal of 6,000 new Border Patrol Agents by the end of the 1<sup>st</sup> quarter of fiscal year 2009 (total equals 18,319); (2) provide an additional 1,700 agents to reach 20,019 by the end of the fiscal year. Resources are proposed for 441 operational/mission support personnel (\$32.2 million), relocation (\$25.6 million), and training (\$22.1 million). CBP is also seeking an additional \$149.5 million in the Construction account for new or expanded facilities to accommodate significant increases in Border Patrol Agents and support staff.

- SBI<sup>net</sup> - \$775 million and 30 positions are requested to continue efforts to develop and deploy a technology and tactical infrastructure border security system solution. Additional segments of technology and tactical infrastructure are required to secure the border. Along with the SBI<sup>net</sup> solution, the SBI<sup>net</sup> team will focus on providing the COP to southwest border sectors, enabling agents to have a more complete operational picture across the border.
- Border Patrol Facilities - \$149.5 million is requested to address growing CBP facility requirements. The unprecedented growth of the Office of Border Patrol, which had expanded by almost 50% in the last several years, has placed significant strain on already aging and overcrowded facilities. Funding will be utilized to maintain the operational capabilities of existing facilities, and to plan, design, and construct new facilities.
- Air and Marine Aircraft/Vessels Acquisitions - \$20.4 million is requested; 7 million for two Multiple Enforcement Aircraft (MEA) and spares; \$6.0 million will contribute towards the acquisition of one complete UAS system, ground control and spares; and \$7.4 million to acquire marine interceptor vessels.
- Air and Marine Staffing - \$4 million is requested to hire 24 Unmanned Aircraft Systems (UAS) pilots to provide adequate staffing at Northern Border/Great Lakes locations as CBP expands support for border security operations consistent with the Secure Border Initiative (SBI) and the CBP Air and Marine Strategic Plan.
- Western Hemisphere Travel Initiative (WHTI) – An increase of \$106.9 million is requested in support of the WHTI implementation to complete infrastructure improvements at the top 39 Land Ports of Entry covering 95 percent of the land border arrivals. Funding would support an additional 89 CBP Officers (\$9.9 million) and equipment and contract services (\$97.0 million). In FY 2008, CBP received \$225 million to develop the primary vehicle application, install hardware and make the necessary lane modifications to implement WHTI at 13 high volume ports, accounting for about 68 percent of all vehicle passenger traffic at U.S. land border ports of entry. The FY 2009 increment would pay for the completion of infrastructure improvements to the remaining POEs and includes facility modifications and the build out of primary lanes as operationally necessary. In addition, it completes the implementation of the non-RFID POEs and pays for program management and support of the previously installed POEs.
- Radiation Portal Monitors (RPM) Staffing/O&M - \$35.5 million is requested for personnel and operations and maintenance support of the Domestic Nuclear Detection Office (DNDO) deployment of Radiation Portal Monitors (RPMs). Of the \$35.5 million, \$27.3 million will be used to hire 238 CBP Officers, 20 Scientists, 25 IT Specialists and 12 mission support personnel to implement the deployment and to perform the subsequent operation of the radiation portal monitors (RPMs) at our Nation's seaports. Funding in the amount of \$8.2 million will be used for operations and maintenance of RPMs and will ensure effective

operation of new Advanced Spectroscopic Portal monitors (ASPs). The ASP systems are expected to operate 24 hours per day, 7 days per week, and 365 days per year.

- Passenger Screening Requirements at Land Ports of Entry - \$25 million is requested to hire 212 CBP Officers and 22 support positions for passenger processing activities at the Ports of Entry (POEs) on our borders with Mexico and Canada.
- Continue Inspection Enhancements (US-VISIT) including 10-Print - \$62.8 million is requested to provide the operations and maintenance (O&M) funding to sustain the US-VISIT increments within CBP. US-VISIT provided funding to CBP to develop and implement US-VISIT Increments since FY 2003. These increments provide functionality critical to both US-VISIT and CBP in securing entry to the U.S. at the Ports of Entry (POEs) and providing entry and exit information for aliens. Previously, CBP prepared an annual O&M request for US-VISIT funding. Beginning in FY 2009, CBP will request funding for operations and maintenance in FY 2009 and future years.
- Traveler Enforcement Communication System (TECS) Modernization – \$25 million is requested to support The Traveler Enforcement Communication System (TECS) which is a key system for border enforcement and sharing of information about people who are inadmissible or may pose a threat to the security of the United States. TECS is the primary subject record “watch list” database for the Department of Homeland Security (DHS). Immigration and Customs Enforcement (ICE), Transportation and Security Agency, Citizenship and Immigration Service (CIS) and US-VISIT all rely on TECS for the biographic vetting of people in the completion of their missions. TECS Modernization will provide enhanced support for this vetting and ensure this capability is available into the future. The continued funding stream of resources received in FY 2008 and requested in FY 2009 will support the completion of the security management efforts, continuing the effort for secondary inspections operations, beginning subject record clean up, primary query, subject record maintenance and subject record storage, providing vetting services for other systems and agencies, and beginning data management services to remove the dependency on the obsolete database.
- Non-Intrusive Inspection (NII) Imaging Systems - \$10 million is requested to replace small-scale NII systems that are nearly 10 years old, and are approaching the end of their life cycle. Funds will also be utilized to purchase NII small-scale technologies to cover identified deficiencies in inspection and detection capabilities. The remaining FY 2009 funds will be used to operate and maintain NII equipment. Small-scale NII equipment enables the CBP to perform more effective and efficient non-intrusive inspections and screenings of international passengers and luggage and of packages and flat mail at mail facilities and consignment centers. In addition, small-scale NII equipment enables CBP to inspect cars, trucks, railcars, and sea containers that have been identified by large scale NII systems as potentially containing illicit goods. Such illicit goods are money, guns, ammunition, agricultural items, explosives, and chemical, biological, and nuclear agents.
- Terrorism Prevention System Enhancements (TPSE) - CBP requests \$10 million and one position to support TPSE which is needed to ensure 24/7 systems availability, network redundancy, and monitoring, in the Passenger area. This initiative seeks funding to enhance communications, power distribution, networking and computing capabilities to support our worldwide screening responsibilities. This will result in a much more robust infrastructure capability, with reasonable fail over capability from CBP’s National Data Center to the DHS

date center to ensure a stable and reliable systems availability for CBP screening. The expanded worldwide operations scope which encompasses a 7 day/24 hour operational responsibility requires that all border and port screening systems be available 100% of the time.

- Automated Targeting System Passenger (ATS-P) - \$5 million is requested to begin targeting methodology improvement activities and begin to address the requirement for high priority infrastructure improvements including high availability, Service Oriented Architecture, (SOA), and a simulation and testing environment to improve service delivered to CBP Officers in the field, accommodate increased volume of passengers and vehicles, provide a simulation and test environment to support passenger targeting improvements, and move towards true 24/7 system availability.
- Land Ports of Entry Modernization (LPOEs) - \$10 million is requested to address deficiencies at the CBP-owned land ports of entry (LPOEs), which include the need for enhanced security, upgraded commercial inspection facilities, and significant age and facility distress.
- Ground Transportation - \$8 million is requested to be applied along the Southwest Border which will free up an additional 96,000 hours for agents and officers to resume primary law enforcement and investigative duties. The primary use will be for secure transportation of detainees. Agents and Officers must perform the duties, if contracted services are not funded, removing Agents and Officers from primary missions of enforcement of the border. Guard and law enforcement custodial services will also be provided at processing centers or at medical facilities treating ill or injured detainees. Funding will also be used to hire 2 additional positions and expand the use of contract transportation and guard services for the Southwest Border.
- CBP Intelligence Program – \$24 million is requested to hire and train 27 personnel and fund approximately 10 relocations to stand-up of a 24x7 CBP National Intelligence Watch; and to develop and deploy a comprehensive and innovative Analytical Framework for Intelligence (AFI). The 24/7 Intelligence Watch will provide Total Situational Awareness for CBP decision-makers and mission partners for All Crimes/All Threats/All Hazards. AFI integrates multiple operational and intelligence data bases, provides relevant data flow to the desktop automatically based on mission focus areas and is specifically designed for CBP intelligence officers.
- Conduct and Integrity Oversight - \$5.3 million is requested to hire an additional 24 GS-1801 Investigators and 5 support positions to address internal affairs staffing needs. By FY 2009, CBP will have a workforce of over 54,000 with frontline personnel conducting a mission that is vulnerable to corruption. FY 2009 will also be the second of a planned 5-year development of a permanent, full-time cadre of investigators that is responsible for investigating all serious non-criminal misconduct allegations and lesser administrative violations involving CBP employees; as well as criminal allegations not related to corruption. In addition to addressing reports of alleged misconduct in a timely manner, the investigators will also be responsible for participating in active partnerships with the Department of Homeland Security Office of Inspector General, Immigration and Customs Enforcement's Office of Professional Responsibility and other Federal, state and local law enforcement authorities to proactively develop sources of information and new investigative subjects.

- CBP's Regulatory Program – \$1 million to support CBP's regulatory program. The requested funds will allow CBP to obtain an additional 7 attorneys, 2 economists, 2 paralegals and 1 mission support personnel. These personnel will aid in performing efficient and legally-thorough drafting of new regulations; aid in the removal of obsolete and inconsistent regulations that may pre-date the Department's creation; aid in issuing guidance to the private sector on homeland security-related matters; and aid in the Department's compliance with new Presidential mandates concerning legal review and processing of significant guidance documents issued by CBP.

D. How CBP Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.

Border Security Inspections and Trade Facilitation at POE's Long Term Performance Goal – Improve the targeting, screening, and apprehension of high-risk international cargo and travelers while providing processes to facilitate the flow of safe and legitimate trade and travel.

- Goal 1 – Continue to Protect Our Nation From Dangerous People
- Objective 1.1 – Achieve Effective Control of Our Borders

Border Security and Control Between POE's Long Term Performance Goal – To gain effective control in areas deemed as high priority for terrorist threat potential or other national security objectives through the establishment of the Operational Requirements-Based Budgeting Program.

- Goal 1 – Continue to Protect Our Nation From Dangerous People
- Objective 1.1 – Achieve Effective Control of Our Borders

Automation Modernization Long Term Performance Goal – Improve the threat and enforcement information available to decision makers from legacy and newly developed systems for the enforcement of trade rules and regulations and facilitation of U.S. trade.

- Goal 1 – Continue to Protect Our Nation From Dangerous People
- Objective 1.1 – Achieve Effective Control of Our Borders

Air and Marine Operations Long Term Performance Goal – Deny the use of air, land and coastal waters for conducting acts of terrorism and other illegal activities against, the United States.

- Goal 1 – Continue to Protect Our Nation From Dangerous People
- Objective 1.1 – Achieve Effective Control of Our Borders

Border Security Fencing, Infrastructure, and Technology Long Term Performance Goal - Gain effective control of our land and maritime borders by developing and deploying the optimal mix of personnel, infrastructure, technology, and response capabilities to identify, classify, and interdict cross-border violators.

- Goal 1 – Continue to Protect Our Nation From Dangerous People
- Objective 1.1 – Achieve Effective Control of Our Borders

E. Performance Based Budget Highlights by Program

*Note: The FY 2008 Enacted level includes \$1,531M in emergency funding provided in P.L. 110-161; FY 2007 is Revised Enacted including supplemental funding and transfers.*

For each Future Year Homeland Security Program, the performance goal, performance measures, budget including allocation of non-programmatic overhead, and FTE are:

**Performance Budget Highlights by Program**

CBP

2009 Congressional

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Automation Modernization</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Improve the threat and enforcement information available to decision makers to enforce trade rules and regulations and facilitate U.S. trade. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 100%   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$438,520 | \$449,909 | \$509,632 | \$451,440 | \$476,609 | \$511,334 |
| <b>FTE</b>   | 11        | 35        | 62        | 62        | 63        | 63        |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of trade accounts with access to ACE functionality to manage trade information  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measures the extent to which ACE is made available to and used by members of the trade community (importers, brokers, carriers, etc.) to process and manage trade - related information. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 1%      | 5000    | 9,000   | 14,000  | 15,500  |
| <b>Actual:</b>   | None    | 1%      | 3,737   | 11,950  | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent (%) of time the Traveler Enforcement Communication System (TECS) is available to end users.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> TECS is a CBP mission - critical law enforcement application system designed to identify individuals and businesses suspected of or involved in violation of federal law. TECS is also a communications system permitting message transmittal between DHS law enforcement offices and other national, state, and local law enforcement agencies. TECS provides access to the FBI's National Crime Information Center (NCIC) and the National Law Enforcement Telecommunication Systems (NLETS) with the capability of communicating directly with state and local enforcement agencies. NLETS provides direct access to state motor vehicle departments. As such, this performance measure quantifies, as a percentage in relation to an established service level objective, the end - user experience in terms of TECS service availability. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 90%     | 92%     | 97%     | 97.5%   | 98%     |
| <b>Actual:</b>  | None    | 96.15%  | 98%     | 98.7%   | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of CBP workforce using ACE functionality to manage trade information.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The number of Customs and Border Protection people using Automated Commercial Environment (ACE), compared to the targeted adoption rate shows that internal personnel have easier, timelier, access to more complete and sophisticated information than in the past. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 8%      | 14%     | 30%     | 40%     | 63%     |
| <b>Actual:</b>  | None    | 8%      | 23%     | 30%     | N/A     | N/A     |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percent of network availability.   |  |  |  |  |  |  |
| <b>Description of Measure:</b> The CBP network provides the basis for linking all IT systems for |  |  |  |  |  |  |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| communications and access to mission critical systems. High levels of system availability are needed to accomplish CBP's mission. Measure represents the percentage of network availability to users. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 98%     | 98%     | 98%     | 98%     |
| <b>Actual:</b>  | None    | None    | 99.9    | 99.4%   | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Total number of linked electronic sources from CBP and other government agencies for targeting information  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Ability to accurately and efficiently identify a potential risk to border security in any conveyance entering the U.S. is improved by linking data sources from CBP automated systems and other government agencies, through ACE, as a single source for border decision makers. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 0       | 4       | 16      | 16      | 22      |
| <b>Actual:</b>  | None    | 0       | 9       | 16      | N/A     | N/A     |

|   |             |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Border Security and Control between Ports of Entry</b>  |             |             |             |             |             |             |
| <b>Performance Goal:</b> Gain effective control of the U.S. border in areas deemed as high priority for terrorist threat potential or other national security objectives. |             |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 – 100%  |             |             |             |             |             |             |
| <b>Fiscal Year:</b>   | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>   | \$2,253,767 | \$2,401,016 | \$3,041,760 | \$3,098,934 | \$4,025,611 | \$4,501,121 |
| <b>FTE</b>  | 13,718      | 13,468      | 14,300      | 16,489      | 19,994      | 23,221      |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Border Miles Under Effective Control (including certain coastal sectors).  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure depicts the Number of Border Miles Under Control where the appropriate mix of personnel, technology, and tactical infrastructure has been deployed to reasonably ensure that when an attempted illegal alien is detected, identified and classified, that the Border Patrol has the ability to respond and that the attempted illegal entry is brought to a satisfactory law enforcement resolution. As the Border Patrol continues to deploy additional resources based on risk, threat potential, and operational need, the number of miles under control will increase. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 150     | 338     | 524     | 674     | 742     |
| <b>Actual:</b>   | None    | 288     | 449     | 599     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Border Miles with increased situational awareness aimed at preventing illegal entries per year.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure indicates the number of border miles where the situational awareness has increased, or improved, to prevent illegal entries into the U.S. The Border Patrol uses the following levels to describe border security from the least secure to the most secure: Remote/Low Activity; Less Monitored; Monitored; and Controlled. Border regions classified as Remote/Low Activity are generally characterized by rugged and inaccessible terrain. By raising the border security status to Less Monitored (or higher), the Border Patrol improves its situational awareness and border security. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | 136     | 100     | 100     |
| <b>Actual:</b>  | None    | None    | None    | 387     | N/A     | N/A     |

**Measure:** Number of Border Patrol Agents trained in rescue and emergency medical procedures.

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Description of Measure:</b> This measure will examine the number of agents trained and certified in rescue and emergency medical procedures. One of the Border Patrols Border Safety Initiative (BSI) objectives is to increase the number of agents trained and certified in rescue and emergency medical procedures at the field agent level to improve the Border Patrols capabilities to prevent and respond to humanitarian emergencies in order to create a safer and more secure border region. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | 510     | 690     | 690     |
| <b>Actual:</b>  | None    | None    | N/A     | 796     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of apprehensions at Border Patrol checkpoints.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure examines the effectiveness of checkpoint operations in apprehensions as they relate to border enforcement activities and serves as a barometer for measuring operational effectiveness. Checkpoints are temporary and permanent facilities used by the Border Patrol to monitor traffic on routes of egress from border areas and are an integral part of the Border Patrols defense - in - depth strategy. As such, activities that occur at checkpoints serve as measures not only of checkpoint operational effectiveness but as barometers of the effectiveness of the Border Patrols overall national border enforcement strategy to deny successful illegal entries into the United States. This measure will examine one checkpoint activity, apprehensions, and compare it to the Border Patrol apprehensions nationwide. This comparison will measure checkpoint effectiveness in terms of apprehensions as well as provide insights into the overall effectiveness of the Border Patrols national strategy. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 5 - 10% | 5 - 10% | 3 - 8%  | 3% - 8% |
| <b>Actual:</b>  | None    | None    | 5.9%    | 5%      | N/A     | N/A     |

|   |         |         |         |          |          |          |
|---|---------|---------|---------|----------|----------|----------|
| <b>Measure:</b> Percent of traffic checkpoint cases referred for prosecution to the U.S. Attorney's office.   |         |         |         |          |          |          |
| <b>Description of Measure:</b> This measure will examine the percent of border related cases brought by the Border Patrol and originating from traffic checkpoint operations that are referred to one of the 92 U.S. Attorneys located throughout the United States, Puerto Rico, and the Virgin Islands for prosecution compared to the total number of apprehensions at traffic checkpoints. This measure will depict the effectiveness of Border Patrol checkpoint operations in identifying and prosecuting dangerous criminals, thus enhancing overall public safety. All apprehensions by OBP are considered arrests (administrative or criminal). The number of cases referred for prosecution by OBP and being tracked in this measure are criminal arrests only. |         |         |         |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>Target:</b>  | None    | None    | None    | 3% - 13% | 8% - 15% | 8% - 15% |
| <b>Actual:</b>  | None    | None    | N/A     | 13%      | N/A      | N/A      |

|   |         |         |         |             |             |           |
|---|---------|---------|---------|-------------|-------------|-----------|
| <b>Program: Border Security Fencing, Infrastructure, and Technology</b>   |         |         |         |             |             |           |
| <b>Performance Goal:</b> Gain effective control of our land and maritime borders by developing and deploying the optimal mix of personnel, infrastructure, technology, and response capabilities to identify, classify, and interdict cross - border violators. |         |         |         |             |             |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 – 100%  |         |         |         |             |             |           |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007     | FY 2008     | FY 2009   |
| <b>\$ Thousands</b>   | None    | None    | \$0     | \$1,187,565 | \$1,225,000 | \$775,000 |
| <b>FTE</b>  | None    | None    | 0       | 39          | 160         | 185       |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Total number of cumulative miles of permanent tactical infrastructure constructed.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> This measure shows the total number of cumulative miles of tactical infrastructure constructed. Tactical Infrastructure consists of barriers built to deter or delay illegal |  |  |  |  |  |  |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| entries into the United States. Tactical infrastructure includes pedestrian fencing, all - weather roads, vehicle fence and permanent lighting installed in the border areas to support border enforcement activities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 310     | 600     | 800     |
| <b>Actual:</b>   | None    | 197     | 239     | 400.2   | N/A     | N/A     |

|  |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Border Security Inspections and Trade Facilitation at Ports of Entry</b>   |             |             |             |             |             |             |
| <b>Performance Goal:</b> Improve the targeting, screening, and apprehension of high - risk international cargo and travelers to prevent terrorist attacks, while providing processes to facilitate the flow of safe and legitimate trade and travel. |             |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 – 100%   |             |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | \$3,293,889 | \$3,282,459 | \$3,827,103 | \$3,848,235 | \$4,313,718 | \$4,371,497 |
| <b>FTE</b>   | 25,007      | 26,123      | 26,117      | 26,479      | 28,428      | 29,716      |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure: Air Passenger Apprehension Rate for Major Violations.</b>  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure provides a statistically valid estimate of the apprehension rate of air passengers for major violations at the international airports. The data are derived from the results of inspections for major violations among air passengers traveling to the U.S. from international airports. A major violation involves serious criminal activities such as air passengers transporting illegal drugs, guns, or other banned substances into the U.S. The measure uses statistical sampling methods to estimates potential threats and gauges the effectiveness of Customs and Border Protection (CBP) Officers in interdicting those threats among air passengers arriving at international airports. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 41%     | 41.5%   |
| <b>Actual:</b>   | None    | None    | None    | 40.3%   | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure: Air Passengers Compliant with Laws, Rules, and Regulations (%).</b>   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is the Compliance Rate of international air passengers with all of the laws, rules, and regulations that CBP enforces at the Ports of Entry, with the exception of agriculture laws and regulations. It is also referred to as the air Compex rate. It results from a statistical sampling technique that is outcome/result driven. It is an outcome measure because it estimates the threat approaching the port of entry and the effectiveness of officer targeting toward that threat. The measure is valid because it encompasses enforcement actions taken at a port of entry and a statistically valid random sampling of passengers who are considered low risk and would not otherwise be examined. These data are used to determine the actual percentage of travelers who are compliant with all of the laws, rules, regulations, and agreements enforced by CBP. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 99.2%   | 99.3%   | 99.2%   | 99.2%   | 99.2%   | 99.2%   |
| <b>Actual:</b>  | 99.2%   | 99.01%  | 98.7%   | 98.7%   | N/A     | N/A     |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure: Border Vehicle Passengers in Compliance with Agricultural Quarantine Regulations (percent compliant).</b>  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The measure shows CBP's success at maintaining a high level of security in the land border environment by measuring the degree of compliance with U.S. Department of Agriculture (USDA) agricultural quarantine regulations and other mandatory agricultural product restrictions. CBP randomly samples border vehicle passengers for compliance with all USDA laws, rules, and regulations using USDA guidance on sampling procedures. |  |  |  |  |  |  |

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | 96.4%   | 94.6%   | 94.6%   | 94.6%   | 94.7%   |
| <b>Actual:</b>      | None    | 93.68%  | 92.9%   | 95.7%   | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Compliance rate for Customs - Trade Partnership Against Terrorism (C - TPAT) members with the established C - TPAT security guidelines.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> After acceptance into the C - TPAT program, all C - TPAT members must undergo a periodic validation in which CBP examiners visit company locations and verify compliance with an industry - specific set of CBP security standards and required security practices. These validations are prepared using a weighted scoring system that is used to develop an overall compliance rate for each company. This measure provides a summary of the overall Compliance Rate achieved for all validations performed during the Fiscal Year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 98%     | 90%     | 95%     | 95.5%   | 96%     |
| <b>Actual:</b>   | None    | 97.0%   | 98%     | 98%     | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> International Air Passengers in Compliance with Agricultural Quarantine Regulations (percent compliant).   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure shows CBP's success at maintaining a high level of security in the international air environment by measuring the degree of compliance with U.S. Department of Agriculture (USDA) agricultural quarantine regulations and other mandatory agricultural product restrictions. CBP randomly samples international air passengers for compliance with all USDA laws, rules, and regulations using USDA guidance on sampling procedures |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | 97%     | 97%     | 97%     | 97%     | 97%     | 97%     |
| <b>Actual:</b>   | 97%     | 95.8%   | 95.5%   | 94.2%   | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Land Border Apprehension Rate for Major Violations.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure provides a statistically valid estimate of the apprehension rate of land vehicle passengers for major violations who enter through U.S. land border ports of entry. The data are derived from the results of inspections for major violations among land vehicle passengers. A major violation involves serious criminal activities such as transporting illegal drugs, guns, or other banned substances into the U.S. The measure uses statistical sampling methods to estimates potential threats and gauges the effectiveness of Customs and Border Protection (CBP) Officers in interdicting those threats among people crossing into the U.S. at land borders. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | N/A     | 35%     | 35.5%   |
| <b>Actual:</b>  | None    | None    | None    | 34.5%   | N/A     | N/A     |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Land Border Passengers Compliant with Laws, Rules, and Regulations (%)  |  |  |  |  |  |  |
| <b>Description of Measure:</b> This measure is the Compliance Rate of land border vehicle passengers with all of the laws, rules, and regulations that CBP enforces at the Ports of Entry, with the exception of agricultural laws and regulations. It is also referred to as the land Complex rate. It results from a statistical sampling technique that is outcome/result driven. It is an outcome measure because it estimates the threat approaching the port of entry and the effectiveness of officer targeting toward that threat. The measure is valid because it encompasses enforcement actions taken at a port of entry and a statistically valid random sampling of passengers who are considered low risk and would not otherwise be examined. These data are used to determine the actual percentage of passengers who are compliant with all of the laws, rules, regulations, and |  |  |  |  |  |  |

|                             |         |         |         |         |         |         |
|-----------------------------|---------|---------|---------|---------|---------|---------|
| agreements enforced by CBP. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>         | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>              | 99.9%   | 99.9%   | 99.9%   | 99.9%   | 99.9%   | 99.9%   |
| <b>Actual:</b>              | 99.9%   | 99.9%   | 99.9%   | 99.9%   | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of foreign cargo examinations resolved in cooperation with the Container Security Initiative.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure provides an indicator of the benefit of locating CBP Officers at foreign locations that are cooperating with CBP under the Container Security Initiative (CSI). It provides the number of container examinations processed or mitigated by foreign Customs officials that were identified by CBP CSI as higher - risk and accepted as meeting CBP examination standards and requirements. These examinations would otherwise have taken place at US ports of entry. It is an indication of the number of higher - risk cargo shipments identified and examined prior to embarkation from foreign ports to US destinations. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 10,000  | 24,000  | 31,000  | 19,000  | 35,000  |
| <b>Actual:</b>   | 2416    | 25,222  | 30,332  | 18,438  | N/A     | N/A     |

|   |         |   |         |         |         |         |
|---|---------|---|---------|---------|---------|---------|
| <b>Measure:</b> Percent of sea containers screened for contraband and concealed people.   |         |   |         |         |         |         |
| <b>Description of Measure:</b> The measure shows the progress towards increasing security by measuring the percent of sea containers arriving at seaports that were screened for contraband and concealed people using Non - intrusive (NII) technology. NII technology consists of x - ray imaging and electro - magnetic imaging equipment that is very effective at inspecting trucks, containers, and packages for shapes, density, and hidden cargo. It is very effective at identifying weapons, narcotics, smuggled humans, and concealed cargo. NII equipment is not effective at identifying radioactive or weapons - grade materials. NII equipment and radiation portal monitor (RPM) equipment use very different technologies that accomplish distinctly different things. They complement each other and work together to fully screen cargo. |         |   |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 5%      | 5%  | 5.25%   | 5.5%    | 5.75%   | 6%      |
| <b>Actual:</b>  | 5.2%    | 5.6%<br>(corrected from 8.1% previously reported) | 5.25%   | 4.0%    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of truck and rail containers screened for contraband and concealed people.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure shows the progress towards increasing security by measuring the percent of truck and rail containers that were screened for contraband and concealed people using Non - Intrusive (NII) technology. NII technology consists of x - ray imaging and electro - magnetic imaging equipment that is very effective at inspecting trucks, containers, and packages for shapes, density, and hidden cargo. It is very effective at identifying weapons, narcotics, smuggled humans, and concealed cargo. NII equipment is not effective at identifying radioactive or weapons - grade materials. NII equipment and radiation portal monitor (RPM) equipment use very different technologies that accomplish distinctly different things. They complement each other and work together to fully screen cargo. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 10%     | 10%     | 10.25%  | 33.0%   | 42%     | 33.5%   |
| <b>Actual:</b>  | 26.2%   | 28.9%   | 32.80%  | 40%     | N/A     | N/A     |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percent of worldwide U.S. destined containers processed through Container Security |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Initiative (CSI) ports</b>   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is the percent of worldwide U.S. - destined containers (and their respective bills of lading) processed through CSI ports as a deterrence action to detect and prevent weapons of mass effect and other potentially harmful materials from leaving foreign ports headed to U.S. ports. Note: Processed may include any of the following: 1) U.S. - destined cargo manifest/bills of lading data reviewed using the Automated Targeting System (ATS), 2) further research conducted, 3) collaboration with host country and intelligence representatives, and 4) examination of the container. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 68%     | 81%     | 86%     | 86%     | 90%     |
| <b>Actual:</b>  | 48%     | 73%     | 82%     | 86%     | N/A     | N/A     |

|  |         |           |           |           |           |           |
|--|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: CBP Air and Marine</b>   |         |           |           |           |           |           |
| <b>Performance Goal:</b> Deny the use of air, land and coastal waters for conducting acts of terrorism and other illegal activities against the United States. |         |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 – 100%   |         |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$0     | \$388,971 | \$598,281 | \$864,080 | \$796,787 | \$782,279 |
| <b>FTE</b>   | 0       | 1,010     | 1,200     | 1,260     | 1,472     | 1,674     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of airspace incursions along the southern border. (Extending the physical zone of security beyond the borders)   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure shows the number of airspace incursions along the southern border. A consistent standard of less than 10 incursions each year is an aggressive standard we strive to maintain. The measure monitors AM efforts in reducing, with the intent of ultimately denying, the use of border air space for acts of terrorism or smuggling using intelligence and threat assessments. The number of TOI has been reduced over time as strategic surveillance and tactical responses by CBP interceptors and patrols, work with the Border Patrol on the ground, to deter the use of air routes into the U.S. AM continues to gather and analyze intelligence on past and current threat patterns to forecast and disseminate information about potential and emerging threats. The targeted goals for this measure are to maintain this low level of border incursions at a minimum and reduce it if possible, until there are no border incursions. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 10      | 10      | 10      | 10      |
| <b>Actual:</b>  | None    | None    | 13      | 32      | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of air support launches accomplished to support border ground agents to secure the border.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> In FY 2006, all air assets of CBP were merged into CBP Air and Marine (AM), creating the largest law enforcement air force in the world with enhanced mission support to AM's primary customer, the Office of Border Patrol. A primary and important measure for Air and Marine (AM) is its capability to launch an aircraft when a request is made for aerial support. This measure captures the percent of all requests made for air support to which AM was able to respond. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | >95%    | >95%    | >95%    | >95%    | >95%    |
| <b>Actual:</b>   | None    | 95.6%   | 92.5%   | 98%     | N/A     | N/A     |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Percent of at - risk miles under strategic air surveillance. (Strategic air coverage)   |  |  |  |  |  |  |
| <b>Description of Measure:</b> The measure is represented by the percent of at risk miles under strategic air surveillance and is evaluated according to up - to - the - minute information and |  |  |  |  |  |  |

intelligence. This measure describes the area of the U.S. border determined to be under the span of control of CBP Air and Marine (AM) assets. CBP AM uses a multi - level layer to aerial response and support to accomplish this goal: 1) Strategic surveillance for the P - 3 and UAS aircraft, 2) Intelligence driven support for the rapid deployment of forces, and 3) Strategic and tactical support to ground law enforcement such as Office of Border Patrol and Immigration and Customs Enforcement.

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006              | FY 2007              | FY 2008              | FY 2009              |
|---------------------|---------|---------|----------------------|----------------------|----------------------|----------------------|
| <b>Target:</b>      | None    | None    | 50% of at risk miles | 60% of at risk miles | 70% of at risk miles | 80% of at risk miles |
| <b>Actual:</b>      | None    | None    | 55%                  | 60%                  | N/A                  | N/A                  |

**F. Digest of FY 2009 Budget by Activity and FYHSP Program**

*Note: The FY 2008 Enacted level includes \$1,531M in emergency funding provided in P.L. 110-161.*

| Budget Activity   | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                   | FY 2009<br>Request |                   | Increase (+) or Decrease (-) for FY 2009 |                  |                 |                  |               |                    |
|---|-------------------|------------------|--------------------|-------------------|--------------------|-------------------|--|------------------|-----------------|------------------|---------------|--------------------|
|   | FTE               | AMOUNT           | FTE                | AMOUNT            | FTE                | AMOUNT            | Total Changes                            |                  | Program Changes |                  | Other Changes |                    |
|   |                   |                  |                    |                   |                    |                   | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE           | AMOUNT             |
| <b>1. Border Security Inspections and Trade Facilitation at POE's</b>           | <b>18,140</b>     | <b>2,824,540</b> | <b>19,147</b>      | <b>2,898,572</b>  | <b>20,176</b>      | <b>2,917,455</b>  | <b>1,029</b>                             | <b>18,883</b>    | <b>320</b>      | <b>260,850</b>   | <b>709</b>    | <b>(241,967)</b>   |
| Headquarters Management and Administration                                      | 2,036             | 656,733          | 2,087              | 619,325           | 2,133              | 644,351           | 46                                       | 25,026           | 15              | 14,650           | 31            | 10,376             |
| Inspections, Trade & Travel Facilitation at POE's                               | 15,523            | 1,673,823        | 16,465             | 1,854,235         | 17,407             | 1,834,793         | 942                                      | (19,442)         | 305             | 223,032          | 637           | (242,474)          |
| Harbor Maintenance Fee Collection   | -                 | 3,026            | -                  | 3,093             | -                  | 3,154             | -  | 61               | -               | -                | -             | 61                 |
| International Cargo Screening   | 164               | 138,499          | 173                | 156,130           | 189                | 149,450           | 16                                       | (6,680)          | -               | -                | 16            | (6,680)            |
| Other International Programs  | 101               | 15,597           | 101                | 10,866            | 101                | 10,984            | -  | 118              | -               | -                | -             | 118                |
| C-TPAT (formerly C-TPAT/FAST/NEXUS/SENTRI)                                      | 157               | 49,717           | 182                | 62,310            | 207                | 64,496            | 25                                       | 2,186            | -               | -                | 25            | 2,186              |
| FAST/NEXUS/SENTRI   | -                 | 11,239           | -                  | 11,243            | -                  | 11,274            | -  | 31               | -               | -                | -             | 31                 |
| Inspection and Detection Technology   | 42                | 200,137          | -                  | 105,027           | -                  | 117,144           | -  | 12,117           | -               | 18,168           | -             | (6,051)            |
| Systems for Targeting   | 16                | 26,801           | 8                  | 27,580            | 8                  | 32,550            | -  | 4,970            | -               | 5,000            | -             | (30)               |
| National Targeting Center   | 101               | 23,521           | 131                | 23,950            | 131                | 24,481            | -  | 531              | -               | -                | -             | 531                |
| Training at the Ports of Entry  | -                 | 25,447           | -                  | 24,813            | -                  | 24,778            | -  | (35)             | -               | -                | -             | (35)               |
| Small Airports (Discretionary)  | 54                | 8,349            | 54                 | 7,057             | 54                 | 7,057             | -  | -                | -               | -                | -             | -                  |
| Mandatory Funding*  | 8,384             | 1,324,765        | 9,486              | 1,402,192         | 9,486              | 1,441,088         | -  | 38,896           | -               | -                | -             | 38,896             |
| <b>2. Border Security and Control between POE's</b>                             | <b>16,221</b>     | <b>3,574,705</b> | <b>19,994</b>      | <b>4,025,611</b>  | <b>23,230</b>      | <b>4,501,121</b>  | <b>3,236</b>                             | <b>475,510</b>   | <b>1,336</b>    | <b>624,595</b>   | <b>1,900</b>  | <b>(149,085)</b>   |
| Headquarters Management and Administration                                      | 1,565             | 630,979          | 1,606              | 602,016           | 1,634              | 622,300           | 28                                       | 20,284           | 14              | 14,650           | 14            | 5,634              |
| Border Security and Control between POE's                                       | 14,604            | 2,514,830        | 18,297             | 3,022,443         | 21,466             | 3,440,505         | 3,169                                    | 418,062          | 1,322           | 428,332          | 1,847         | (10,270)           |
| Secure Border Technology  | -                 | -                | -                  | -                 | -                  | -                 | -  | -                | -               | -                | -             | -                  |
| Training Between the Ports of Entry   | 52                | 37,189           | 91                 | 52,789            | 130                | 74,815            | 39                                       | 22,026           | -               | 22,100           | 39            | (74)               |
| Construction  | -                 | 391,707          | -                  | 348,363           | -                  | 363,501           | -  | 15,138           | -               | 159,513          | -             | (144,375)          |
| <b>3. Automation Modernization</b>  | <b>62</b>         | <b>473,371</b>   | <b>63</b>          | <b>476,609</b>    | <b>63</b>          | <b>511,334</b>    | <b>-</b>                                 | <b>34,725</b>    | <b>-</b>        | <b>35,000</b>    | <b>-</b>      | <b>(275)</b>       |
| ACE/TDS   | 62                | 335,929          | 62                 | 316,969           | 62                 | 316,851           | -  | (118)            | -               | -                | -             | (118)              |
| COPPS   | -                 | 137,442          | 1                  | 159,640           | 1                  | 194,483           | -  | 34,843           | -               | 35,000           | -             | (157)              |
| <b>4. Air and Marine Interdiction, Operations, Maintenance, and Procurement</b> | <b>1,260</b>      | <b>683,283</b>   | <b>1,513</b>       | <b>796,787</b>    | <b>1,674</b>       | <b>782,279</b>    | <b>161</b>                               | <b>(14,508)</b>  | <b>12</b>       | <b>24,369</b>    | <b>149</b>    | <b>(38,877)</b>    |
| Air and Marine Operations - Salaries  | 1,260             | 185,852          | 1,513              | 226,740           | 1,674              | 254,279           | 161                                      | 27,539           | 12              | 4,000            | 149           | 23,539             |
| Operations and Maintenance  | -                 | 279,709          | -                  | 353,614           | -                  | 380,022           | -  | 26,408           | -               | -                | -             | 26,408             |
| UAV   | -                 | -                | -                  | -                 | -                  | -                 | -  | -                | -               | -                | -             | -                  |
| Air and Marine Operations - Procurement   | -                 | 217,722          | -                  | 216,433           | -                  | 147,978           | -  | (68,455)         | -               | 20,369           | -             | (88,824)           |
| <b>5. Border Security, Fencing, Infrastructure and Technology</b>               | <b>39</b>         | <b>461,168</b>   | <b>160</b>         | <b>1,225,000</b>  | <b>185</b>         | <b>775,000</b>    | <b>25</b>                                | <b>(450,000)</b> | <b>15</b>       | <b>277,610</b>   | <b>10</b>     | <b>(727,610)</b>   |
| SBInet Development and Deployment   | -                 | 422,975          | -                  | 1,088,000         | -                  | 275,000           | -  | (813,000)        | -               | 275,000          | -             | (1,088,000)        |
| SBInet Operations and Maintenance   | -                 | -                | -                  | 73,000            | -                  | 410,000           | -  | 337,000          | -               | -                | -             | 337,000            |
| Program Management  | 39                | 38,193           | 160                | 64,000            | 185                | 90,000            | 25                                       | 26,000           | 15              | 2,610            | 10            | 23,390             |
| <b>Subtotal, Budget Authority (All Sources)</b>                                 | <b>44,160</b>     | <b>9,350,181</b> | <b>50,417</b>      | <b>10,831,828</b> | <b>54,868</b>      | <b>10,935,334</b> | <b>4,451</b>                             | <b>103,506</b>   | <b>1,682</b>    | <b>1,222,424</b> | <b>2,767</b>  | <b>(1,118,918)</b> |

**i-A. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
 Summary of FY 2009 Budget Estimates by Appropriation  
 Total Appropriations  
 (Dollars in Thousands)

| Budget Activity  | FY 2007 Actual |                    | FY 2008 Enacted<br>Excl. Emergency Funding |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                  |
|--|----------------|--------------------|--|--------------------|--------------------|--------------------|--|------------------|-----------------|------------------|---------------------|------------------|
|  | FTE            | AMOUNT             | FTE  | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                  |
|  |                |                    |  |                    |                    |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT           |
| Salaries and Expenses  | 14,353         | \$3,865,916        | 16,065                                     | \$4,171,117        | 17,395             | \$4,690,905        | 1,330                                    | \$519,788        | 161             | \$106,500        | 1,169               | \$413,288        |
| Federal Protective Services                                  | 1,108          | 516,011            | 950  | 613,000            | 950                | 616,000            | ---                                      | 3,000            |                 | 80,000           | ---                 | (77,000)         |
| Automation Modernization                                     | 6              | 56,433             | 7  | 30,700             | 11                 | 57,000             | 4  | \$26,300         | 12              | 40,900           | (8)                 | (14,600)         |
| Construction   | 9              | 50,173             | 9  | 6,000              | 9                  | ---                | ---                                      | (\$6,000)        |                 |                  | ---                 | (6,000)          |
| Breached Bond Detention Fund                                 | 63             | 80,664             | 63   | 63,800             | 63                 | 75,000             | ---                                      | \$11,200         |                 |                  | ---                 | 11,200           |
| User Fee   | 159            | 98,496             | 276  | 113,500            | 276                | 117,600            | ---                                      | \$4,100          |                 |                  | ---                 | 4,100            |
| Student Exchange Visitor Program                             | 121            | 44,653             | 135  | 56,200             | 261                | 119,580            | 126                                      | \$63,380         |                 |                  | 126                 | 63,380           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>15,819</b>  | <b>\$4,712,346</b> | <b>17,505</b>                              | <b>\$5,054,317</b> | <b>18,965</b>      | <b>\$5,676,085</b> | <b>1,460</b>                             | <b>\$621,768</b> | <b>173</b>      | <b>\$227,400</b> | <b>1,287</b>        | <b>\$394,368</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                    |  |                    |                    |                    |  |                  |                 |                  |                     |                  |
| Less Prior Year Recession, P. L. 110-161                     |                |                    |  | (\$5,137)          |                    |                    |  |                  |                 |                  |                     |                  |
|  |                |                    |  |                    |                    |                    |  |                  |                 |                  |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>15,819</b>  | <b>\$4,712,346</b> | <b>17,505</b>                              | <b>\$5,049,180</b> | <b>18,965</b>      | <b>\$5,676,085</b> | <b>1,460</b>                             | <b>\$621,768</b> | <b>173</b>      | <b>\$227,400</b> | <b>1,287</b>        | <b>\$394,368</b> |

**i-B. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
 Summary of FY 2009 Budget Estimates by Appropriation  
 Total Appropriations  
 (Dollars in Thousands)

| Budget Activity  | FY 2007 Actual |                    | FY 2008 Enacted Including Emergency Funding |                    | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                  |                     |                    |
|--|----------------|--------------------|---|--------------------|-----------------|--------------------|--|-----------------|-----------------|------------------|---------------------|--------------------|
|  | FTE            | AMOUNT             | FTE   | AMOUNT             | FTE             | AMOUNT             | Total Changes                            |                 | Program Changes |                  | Adjustments-to-Base |                    |
|  |                |                    |   |                    |                 |                    | FTE                                      | AMOUNT          | FTE             | AMOUNT           | FTE                 | AMOUNT             |
| Salaries and Expenses  | 14,353         | \$3,865,916        | 16,498                                      | \$4,687,517        | 17,395          | \$4,690,905        | 897                                      | \$3,388         | 161             | \$106,500        | 736                 | (\$103,112)        |
| Federal Protective Services                                  | 1,108          | 516,011            | 950   | 613,000            | 950             | 616,000            | ---                                      | 3,000           |                 | 80,000           | ---                 | (77,000)           |
| Automation Modernization                                     | 6              | 56,433             | 7   | 30,700             | 11              | 57,000             | 4  | \$26,300        | 12              | 40,900           | (8)                 | (14,600)           |
| Construction   | 9              | 50,173             | 9   | 16,500             | 9               | ---                | ---                                      | (\$16,500)      |                 |                  | ---                 | (16,500)           |
| Breached Bond Detention Fund                                 | 63             | 80,664             | 63  | 63,800             | 63              | 75,000             | ---                                      | \$11,200        |                 |                  | ---                 | 11,200             |
| User Fee   | 159            | 98,496             | 276   | 113,500            | 276             | 117,600            | ---                                      | \$4,100         |                 |                  | ---                 | 4,100              |
| Student Exchange Visitor Program                             | 121            | 44,653             | 135   | 56,200             | 261             | 119,580            | 126                                      | \$63,380        |                 |                  | 126                 | 63,380             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>15,819</b>  | <b>\$4,712,346</b> | <b>17,938</b>                               | <b>\$5,581,217</b> | <b>18,965</b>   | <b>\$5,676,085</b> | <b>1,027</b>                             | <b>\$94,868</b> | <b>173</b>      | <b>\$227,400</b> | <b>854</b>          | <b>(\$132,532)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                    |   |                    |                 |                    |  |                 |                 |                  |                     |                    |
| Less Prior Year Recession, P. L. 110-161                     |                |                    |   | (\$5,137)          |                 |                    |  |                 |                 |                  |                     |                    |
|  |                |                    |   |                    |                 |                    |  |                 |                 |                  |                     |                    |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>15,819</b>  | <b>\$4,712,346</b> | <b>17,938</b>                               | <b>\$5,576,080</b> | <b>18,965</b>   | <b>\$5,676,085</b> | <b>1,027</b>                             | <b>\$94,868</b> | <b>173</b>      | <b>\$227,400</b> | <b>854</b>          | <b>(\$132,532)</b> |

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
Homeland and Non-Homeland Allocation by Program/Project Activity  
(Dollars in Thousands)

| Budget Activity   | 2007<br>Actual |                    |              |                  |               |                    | 2008<br>Enacted |                    |              |                  |               |                    | 2009<br>Request |                    |              |                  |               |                    |
|---|----------------|--------------------|--------------|------------------|---------------|--------------------|-----------------|--------------------|--------------|------------------|---------------|--------------------|-----------------|--------------------|--------------|------------------|---------------|--------------------|
|   | Homeland       |                    | Non-Homeland |                  | Total         |                    | Homeland        |                    | Non-Homeland |                  | Total         |                    | Homeland        |                    | Non-Homeland |                  | Total         |                    |
|   | FTE            | Amount             | FTE          | Amount           | FTE           | Amount             | FTE             | Amount             | FTE          | Amount           | FTE           | Amount             | FTE             | Amount             | FTE          | Amount           | FTE           | Amount             |
| <b>Salaries and Expenses</b>                            | <b>14,122</b>  | <b>\$3,363,347</b> | <b>231</b>   | <b>502,569</b>   | <b>14,353</b> | <b>\$3,865,916</b> | <b>14,125</b>   | <b>4,078,139</b>   | <b>2,373</b> | <b>609,379</b>   | <b>16,498</b> | <b>4,687,517</b>   | <b>14,125</b>   | <b>\$4,081,089</b> | <b>3,270</b> | <b>\$609,818</b> | <b>17,395</b> | <b>\$4,690,905</b> |
| - Personnel compensation and benefits                   | 705            | 120,945            | 12           | 18,072           | 717           | 139,017            | 1,014           | 146,932            | 170          | 21,955           | 1,184         | 168,887            | 1,027           | 175,741            | 238          | 26,260           | 1,265         | 202,001            |
| - HQ managed IT investment                              | 166            | 116,021            | 3            | 17,336           | 169           | 133,357            | 143             | 127,589            | 24           | 19,065           | 167           | 146,654            | 137             | 152,528            | 32           | 22,792           | 169           | 175,320            |
| - Legal Proceedings                                     | 903            | 157,605            | 15           | 23,550           | 918           | 181,155            | 1,002           | 181,265            | 168          | 27,086           | 1,170         | 208,351            | 959             | 186,906            | 222          | 27,928           | 1,181         | 214,834            |
| - Domestic Investigations                               | 6,793          | 1,104,575          | 110          | 165,052          | 6,903         | 1,269,627          | 6,644           | 1,237,599          | 1,117        | 184,929          | 7,761         | 1,422,528          | 6,528           | 1,283,042          | 1,512        | 191,719          | 8,040         | 1,474,761          |
| - International Investigations                          | 238            | 96,142             | 4            | 14,366           | 242           | 110,508            | 199             | 93,569             | 34           | 13,982           | 233           | 107,551            | 192             | 108,949            | 44           | 16,280           | 236           | 125,229            |
| - Intelligence  | 252            | 44,114             | 4            | 6,592            | 256           | 50,706             | 259             | 45,367             | 43           | 6,779            | 302           | 52,146             | 245             | 46,095             | 57           | 6,888            | 302           | 52,983             |
| - Custody Operations                                    | 4,172          | 1,202,103          | 68           | 179,625          | 4,240         | 1,381,728          | 3,549           | 1,433,074          | 596          | 214,138          | 4,145         | 1,647,212          | 3,567           | 1,473,841          | 826          | 220,229          | 4,393         | 1,694,070          |
| - Fugitive Operations                                   | 289            | 158,699            | 5            | 23,714           | 294           | 182,413            | 525             | 190,482            | 88           | 28,463           | 613           | 218,945            | 581             | 196,556            | 134          | 29,370           | 715           | 225,926            |
| - Institutional Removal Program                         | 552            | 118,704            | 9            | 17,737           | 561           | 136,441            | 665             | 155,581            | 112          | 23,248           | 777           | 178,829            | 753             | 163,792            | 174          | 24,475           | 927           | 188,267            |
| - Alternatives to Detention                             | 52             | 37,667             | 1            | 5,628            | 53            | 43,295             | 125             | 46,883             | 21           | 7,006            | 146           | 53,889             | 136             | 48,403             | 31           | 7,233            | 167           | 55,636             |
| - Transportation and Removal Program                    | ---            | 206,772            | ---          | 30,897           | ---           | 237,669            | ---             | 245,798            | ---          | 36,728           | ---           | 282,526            | ---             | 245,236            | ---          | 36,644           | ---           | 281,880            |
| - Comprehensive ID & Removal of Criminal Alien          |                |                    |              |                  |               |                    |                 | 174,000            |              | 26,000           | ---           | 200,000            |                 |                    |              |                  |               |                    |
| <b>Federal Protective Service</b>                       | <b>1,109</b>   | <b>516,011</b>     | <b>---</b>   | <b>---</b>       | <b>1,109</b>  | <b>516,011</b>     | <b>950</b>      | <b>613,000</b>     | <b>---</b>   | <b>---</b>       | <b>950</b>    | <b>613,000</b>     | <b>950</b>      | <b>616,000</b>     | <b>---</b>   | <b>---</b>       | <b>950</b>    | <b>616,000</b>     |
| <b>Automation Modernization</b>                         | <b>6</b>       | <b>56,433</b>      | <b>---</b>   | <b>---</b>       | <b>6</b>      | <b>56,433</b>      | <b>7</b>        | <b>30,700</b>      | <b>---</b>   | <b>---</b>       | <b>7</b>      | <b>30,700</b>      | <b>11</b>       | <b>57,000</b>      | <b>---</b>   | <b>---</b>       | <b>11</b>     | <b>57,000</b>      |
| <b>Construction</b>                                     | <b>9</b>       | <b>50,173</b>      | <b>---</b>   | <b>---</b>       | <b>9</b>      | <b>50,173</b>      | <b>9</b>        | <b>16,500</b>      | <b>---</b>   | <b>---</b>       | <b>9</b>      | <b>16,500</b>      | <b>9</b>        | <b>---</b>         | <b>---</b>   | <b>---</b>       | <b>9</b>      | <b>---</b>         |
| <b>Total Direct Appropriations and Budget Estimates</b> | <b>15,246</b>  | <b>\$3,985,964</b> | <b>231</b>   | <b>\$502,569</b> | <b>15,477</b> | <b>\$4,488,533</b> | <b>15,091</b>   | <b>\$4,738,339</b> | <b>2,373</b> | <b>\$609,379</b> | <b>17,464</b> | <b>\$5,347,717</b> | <b>15,095</b>   | <b>\$4,754,089</b> | <b>3,270</b> | <b>\$609,818</b> | <b>18,365</b> | <b>\$5,363,905</b> |
| <b>Fee Accounts</b>                                     | <b>343</b>     | <b>223,813</b>     | <b>---</b>   | <b>---</b>       | <b>343</b>    | <b>223,813</b>     | <b>474</b>      | <b>233,500</b>     | <b>---</b>   | <b>---</b>       | <b>474</b>    | <b>233,500</b>     | <b>600</b>      | <b>312,180</b>     | <b>---</b>   | <b>---</b>       | <b>600</b>    | <b>312,180</b>     |
| Student Exchange & Visitor Fee                          | 121            | 44,653             | ---          | ---              | 121           | 44,653             | 135             | 56,200             | ---          | ---              | 135           | 56,200             | 261             | 119,580            | ---          | ---              | 261           | 119,580            |
| Breached Bond   | 63             | 80,664             | ---          | ---              | 63            | 80,664             | 63              | 63,800             | ---          | ---              | 63            | 63,800             | 63              | 75,000             | ---          | ---              | 63            | 75,000             |
| Immigration User Fee                                    | 159            | 98,496             | ---          | ---              | 159           | 98,496             | 276             | 113,500            | ---          | ---              | 276           | 113,500            | 276             | 117,600            | ---          | ---              | 276           | 117,600            |

iii. Status of Congressionally Requested Studies, Reports, and Evaluation

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)**

| <b>Fiscal Year</b> | <b>Due Date</b>                                   | <b>Reference/Citation</b> | <b>Requirement</b>  | <b>Status</b>  |
|--------------------|---|---------------------------|---|--|
| 2008               | 7/31/2008   | House Report, p. 46       | ICE Financial Management - The conferees direct ICE to examine its allocation of resources across its headquarters functions and brief the Committee on any shortcomings that have the potential to impair ICE financial management by June 30, 2007. [July 31, 2008]   | Request due date of July 31, 2008 consistent with original date.   |
| 2008               | 2/5/2008  | House Report, p. 46       | Vehicle Fleet Management plan - ICE is directed to submit a Vehicle Fleet Management plan, with a detailed, five-year investment plan across all types of ICE vehicles, with its FY 2009 budget submission.   | Completed  |
| 2008               | 2/5/2008  | House Report, p. 43       | OPR Detention Compliance - ICE is strongly encouraged to establish a full-time OPR presence in each of the 24 Detention and Removal Operations field offices to monitor detention standard compliance. ICE should report to the results of its detention standards compliance efforts, with the submission of the fiscal year 2009 budget.  | Completed  |
| 2008               | 1/1/2008  | House Report, p. 44       | BEST Integration - ICE is directed to report to the Committee no later than January 1, 2008, on the execution of BEST funds in conjunction with several DHS activities (ICE-led Human Smuggling and Trafficking Center, the Customs and Border Protection-led Alien Smuggling Interdiction office, and the Intelligence and Analysis-led Integrated Border Intelligence Program). | Need to request extension for submission of report.  |
| 2008               |   | Conference Report, p. 29  | BEST Briefing - ICE is directed to brief the Committee on Appropriations on how the BEST program is supporting an integrated border security operation at DHS as well as the new locations of proposed BEST operations.   | This content of this briefing should be consistent with the aforementioned report and should be timed accordingly. |
| 2008               | 3/26/2008   | House Report, p. 45       | Textile Transshipment - ICE is directed to report on its execution of the five-year strategic plan regarding textile transshipment enforcement. [within 90 days]  |  |
| 2008               | 3/26/2008   | Senate Report, p. 49      | Air/Support Investigations - The Committee requests a Joint CBP/ICE briefing within 90 days after the FY 2008 Appropriation is enacted that addresses how air support to investigations is adjudicated.   | ICE and CBP need to meet to discuss strategy for briefing  |
| 2008               | 2/5/2008  | House Report p. 43        | Detention Facilities - ICE is expected to report the results of its detention standards compliance efforts, with the submission of the fiscal year 2009 Budget.   | Completed  |
| 2008               | 7/31/2008   | Senate Report, p. 51      | Family Detention - ICE is directed to provide quarterly briefings to the Committee on family detention space needs and detention standards, with the first briefing to occur on or before July 31, 2007. [July 31, 2008]  | Request due date of July 31, 2008 consistent with original date.   |
| 2008               | 3/26/2008   | Conference Report, p. 28  | Family Detention - ICE is directed to publish and maintain standards governing the care of families with children in detention facilities. [within 90 days]   |  |
| 2008               | Due January 31; April 30; July 31; and October 31 | Senate Report, p. 51      | Deportation Report - ICE is directed to continue submitting its quarterly report to Appropriations Committees comparing the number of deportation, exclusion, and removal orders sought and obtained by ICE, with the first report due January 31, 2008.  |  |
| 2008               | Weekly throughout FY 2008                         | Conference Report p. 27   | DRO Custody Operations - ICE must provide weekly updates on the detained population throughout FY 2008.   | First report due January 11, for week ending January 4.  |
| 2008               | 3/26/2008   | Conference Report p. 26   | DRO CAP - ICE is required to submit a plan identifying how it will manage it's identification of the criminal alien population, including an explanation of the staffing and technology solutions it will apply. [Within 3 months of enactment of this Act.]  |  |
| 2008               | 2/8/2007  | Senate Report, p. 51      | Unaccompanied alien minors - The conferees are disappointed that ICE has not submitted the report on unaccompanied alien minors that was due to the Committees on Appropriations by February 8, 2007. ICE is directed to submit the report immediately and is encouraged to make coordinating polices regarding unaccompanied alien minors a key priority.                        | Either provide the report within 30 days, or immediately responded with anticipated submission date.               |

| Fiscal Year | Due Date   | Reference/Citation                                    | Requirement   | Status  |
|-------------|------------|---|---|---|
| 2008        | 3/26/2008  | Conference Report, p. 28                              | Unaccompanied minors - The Committee directs ICE to develop and publish standards for the temporary care of children and ensure ICE transfers custody of unaccompanied alien minors to the Office of Refugee Resettlement (ORR) within 72 hours. [within 90 days] |   |
| 2008        | 11/1/2008  | House Report, p. 42                                   | Alternatives to Detention (ATD) program expansion report - ICE is directed submit to report the cities that will be included in ATD as it expands by November 1, 2008. This report will include the schedule for establishing ATD in the new locations.           |   |
| 2008        | 3/26/2008  | Conference Report, p. 28                              | ICE is directed to brief the Committee on Appropriations within 90 days of the date of the enactment of this Act on actions it has taken to implement the changes to the repatriation process for unaccompanied minors. [within 90 days]                          |   |
| 2008        |            | House Report, p. 47                                   | FPS - Quarterly Staffing Report by FPS police location.   | Dates tie to end of pay period except for last report |
| 2008        | 12/31/2007 | Senate Report <i>xxx-xx</i> , <i>Title II</i> , p. 54 | FPS Funding Certification - The Department in coordination with OMB is directed to certify in writing, by November 1, 2007, that FPS will be fully funded in fiscal year 2008 through revenues and collection of security fees. A similar certification shall     | Completed   |
| 2008        | 3/26/2008  | Conference Report, p. 31                              | DHS and FPS are required to brief Committee on Appropriations on the FPS alignment, mission requirements with staffing and resources necessary to carry the organizations responsibilities. [within 90 days]  |   |
| 2008        |            | House Report, p. 48                                   | Construction - ICE is restricted from using any funds to privatize until ICE provides a privatization plan that includes a 30-year cost comparison of government-owned versus privatized detention operations.  | Privatization plan is being developed                 |
| 2008        | 3/26/2008  | House Report, p. 48;<br>Senate Report, p. 54          | Atlas - The Committee continues the requirement for ICE to produce a detailed expenditure plan for the Atlas Program. [within 90 days]  |   |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement  
Salaries and Expenses*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Immigration and Customs Enforcement (ICE)** **Salaries and Expenses**

### **I. Appropriation Overview**

#### **A. Mission Statement:**

Programs funded through the Salaries and Expenses account contribute to the ICE mission of bringing a unified and coordinated focus to the enforcement of Federal immigration and customs laws. Salaries and Expenses resources are used to combat terrorism and illegal immigration activities through investigating, detaining and prosecuting both criminal and other aliens, and domestic gangs. These activities protect the infrastructure and persons within the United States.

#### **B. Budget Activities:**

##### **Legal Proceedings**

The Office of the Principal Legal Advisor (OPLA) provides the legal advice, training, and services required to support the ICE mission. As the legal representative for the U.S. Government at immigration court hearings, OPLA attorneys handle a variety of immigration-related issues that range from contested removals to custody determinations to applications for administrative relief. Additionally, OPLA provides legal advice in customs-related enforcement actions, represents the Government in Merit System Protection Board and Equal Employment Opportunity hearings, provides ethics advice, and handles matters involving commercial and administrative law.

##### **Investigations**

The Office of Investigations (OI) is divided into four broad investigative categories: National Security; Financial and Trade; Smuggling and Public Safety; and Investigative Services. OI enforces trade and immigration laws through the investigation of activities, persons, and events that may pose a threat to the safety or security of the United States and its people. OI also investigates illegal trafficking in weapons (including weapons of mass destruction), the smuggling of narcotics and other contraband, human smuggling and trafficking, money laundering and other financial crimes, fraudulent trade practices, identity and benefit fraud, child pornography, child sex tourism, and health and public safety dangers.

##### **International Affairs**

The Office of International Affairs (OIA) conducts investigative efforts in over 50 foreign locations. OIA represents the international assets of all ICE programs and collaborates with U.S. Citizenship and Immigration Services (CIS), U.S. Customs and Border Protection (CBP), and other DHS components. OIA works with foreign governments and international partners to facilitate the enforcement of U.S. customs and immigration laws beyond U.S. borders and operates the Visa Security Program (VSP).

## **Intelligence**

The Office of Intelligence collects, analyzes information on critical homeland security vulnerabilities that could be exploited by terrorist and criminal organizations. Intelligence utilizes data and information on the movement of people, money, and materials into, within, and out of the United States to provide accurate and timely reporting to ICE leadership and field agents. Intelligence Operations' Field Intelligence Units (FIUs) are the agency's primary vehicle for intelligence analysis in support of field operations and enforcement. FIUs link headquarters and other field components for intelligence collection, integration, analysis, and dissemination.

## **The Office of Detention and Removal Operations (DRO)**

DRO is responsible for ensuring that every alien who has been ordered removed departs the United States through fair enforcement of the Nation's immigration laws and coordination with foreign governments to ensure countries will accept removable aliens. DRO is comprised of five Program/Project Activities:

**Custody Operations Program** – This program provides safe, secure, and humane detainment for removable aliens and seeks to ensure that aliens in ICE custody appear for their immigration hearings and subsequent removal from the United States.

**Fugitive Operations Program** – This program locates and apprehends fugitive aliens in the United States. ICE strives to identify and apprehend all fugitives, creating a deterrent to potential absconders and increasing the integrity of the immigration enforcement process.

**Criminal Alien Program** – This program identifies criminal aliens who are incarcerated within Federal, State, and local correctional facilities, to ensure that they are not released into the community by securing a final order of removal prior to the termination of their sentence. Upon completion of their criminal sentences, aliens are transferred to ICE custody to remove them from the United States.

**Alternatives to Detention Program** – This program places low-risk aliens under various forms of intensive supervision rather than traditional detention as a cost-effective way to ensure their appearance for an immigration hearing or for removal. This program lowers the risk that aliens will become fugitives.

**Transportation and Removal Program** – This program provides safe and secure transportation of aliens in ICE custody and prepares for and conducts the removal of aliens from the United States, as ordered by an immigration judge.

## **Management and Administration**

The Offices of the Assistant Secretary (OAS), the Chief Financial Officer (OCFO), the Chief Information Officer (OCIO), Acquisition Management, and the Office of Professional Responsibility (OPR) perform the management and administration (M&A) activities for ICE. The M&A activities include executive and overall leadership direction, strategic planning, policy development, and administrative support for the human, financial, information, and physical resources required to facilitate the operational capabilities of a productive ICE workforce.

**C. Budget Request Summary:**

The U.S. Immigration and Customs Enforcement requests 17,564 positions, 17,395 FTE, and \$4,690,905,000.00 for the FY 2009 Request. Excluding emergency funding provided in P.L. 110-161, the total adjustment-to-base is 1,169 FTE and \$413,288,000.00. The program increases include 315 positions, 161 FTE, and \$106,500,000.00 to fund:

- **Additional Bed Space and Removal Costs.....\$46.0M (39 FTE)**  
This request provides 725 additional beds, staffing, and associated removal costs required to meet current demand and demand generated by increased enforcement activities. (An additional 275 beds will also be added through increased collections of the Immigration User Fee and through the Breached Bond Detention Fund.)
  
- **Cyber Crime Investigations.....\$5.7M (20 FTE)**  
This request funds positions within the Office of Cyber Crime Center (C3) and those programs directly supporting cyber crime investigations. With this staffing increase, ICE would increase investigations of cyber related crimes related to identity and benefit fraud, child exploitation, money laundering as well as supporting other investigations by providing digital forensics and electronic monitoring.
  
- **National Security/Critical Infrastructure Investigations.....\$11.8M (36 FTE)**  
This request funds positions to increase national security and critical infrastructure investigations especially at Ports of Entry and other sensitive facilities that attract terrorists and/or illegal and undocumented workers.
  
- **Commercial Fraud/Intellectual Property Rights (IPR).....\$4.6M (14 FTE)**  
This request funds positions for priority Commercial Fraud, IPR, Trade Transparency Unit (TTU) and requisite supporting investigative programs at the Cyber Crimes Center. These resources will be used to identify, target, counter, and dismantle methods and vulnerabilities exploited by criminal organizations engaged in highly profitable trade crimes, such as trafficking counterfeit merchandise and pharmaceuticals.
  
- **Outbound Enforcement.....\$1.0M (3 FTE)**  
This request funds positions to increase outbound enforcement support that prevents arms and strategic technologies, deemed exports, contraband, and money from leaving the United States. This request will increase outbound enforcement investigations especially at Ports of Entry, the border, and sensitive facilities that are vulnerable to illegal procurement and export of sophisticated U.S. technology and weapons.
  
- **Visa Security Program.....\$3.4M (3 FTE)**  
This request funds deployment of two additional overseas Visa Security Units in high-risk locations such as Istanbul, Turkey and Beirut, Lebanon.
  
- **Workforce Integrity/Security Management Unit .....\$7.1M (19 FTE)**  
This request would fund law enforcement positions and support staff within the Office of Professional Responsibility, including \$4.1 M to support workforce integrity efforts and \$3M for positions in support of the Security Management Unit that is responsible for centralization, management, and operational oversight of ICE internal security functions.

- **State and Local Law Enforcement Support (287(g)).....\$12.0M (7 FTE)**  
 The request funds \$2.67 M in initial training, training travel, and annual refresher training for 200 State and local law enforcement officers under the 287(g) program, which serves as a force multiplier for ICE immigration enforcement, with ICE training, certifying, and supervising State and local law enforcement officers. The request would also fund \$8M for necessary IT connectivity for State and local participants and \$1.33 M for other costs within ICE to support program growth.
- **Co-Location of ICE Facilities .....\$12.3M (1 FTE)**  
 This request funds a portion of first-phase requirements to consolidate ICE core mission functions in cities where ICE currently occupies multiple locations. The initiative proposes to facilitate ICE-wide physical integration through co-location of facilities that provide safe, secure, and efficient workspace conducive to achieving the ICE mission.
- **Human Resource Workforce Increases ..... \$0.8M (5 FTE)**  
 This funding will strengthen the Office of Human Capital to provide more customized service, confidence in information, and consistent handling of ICE-related personnel matters.
- **Training Consolidation and Integration.....\$1.8M (14 FTE)**  
 This funding will facilitate the consolidation of all ICE training coordination and oversight, including improved training delivery and support at both the ICE Academy and the Leadership Development Center.

## II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

### Department of Homeland Security U.S. Immigration and Customs Enforcement Salaries and Expenses

#### Summary of FY 2009 Budget Estimates by Program/Project Activity (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                    | FY 2008 Enacted<br>Excluding Emergency<br>Funding |                    | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                  |
|--|----------------|--------------------|---|--------------------|-----------------|--------------------|--|------------------|-----------------|------------------|---------------------|------------------|
|  |                |                    |   |                    |                 |                    | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                  |
|  | FTE            | AMOUNT             | FTE   | AMOUNT             | FTE             | AMOUNT             | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT           |
| Legal proceedings  | 977            | 199,364            | 1,255   | 230,790            | 1,279           | 241,493            | 24                                       | \$10,703         | 7               | 2,992            | 17                  | 7,711            |
| Investigations   | 7,393          | 1,423,363          | 8,328   | 1,545,147          | 8,789           | 1,679,189          | 461                                      | \$134,042        | 102             | 41,711           | 359                 | 92,331           |
| International Affairs  | 269            | 115,592            | 275   | 110,259            | 279             | 128,808            | 4  | \$18,549         | 3               | 3,892            | 1                   | 14,657           |
| Intelligence   | 276            | 56,876             | 331   | 59,610             | 332             | 61,850             | 1  | \$2,240          | ---             | 705              | 1                   | 1,535            |
| DRO - Custody Operations                                     | 4,490          | 1,458,678          | 4,362   | 1,537,169          | 4,798           | 1,789,163          | 436                                      | \$251,994        | 46              | 53,454           | 390                 | 198,540          |
| DRO - Fugitive Operations                                    | 311            | 187,728            | 554   | 195,033            | 760             | 237,633            | 206                                      | \$42,600         | 1               | 1,110            | 205                 | 41,490           |
| DRO - Criminal Alien Program                                 | 582            | 142,796            | 825   | 189,210            | 981             | 204,157            | 156                                      | \$14,947         | 2               | 2,394            | 154                 | 12,553           |
| DRO - Alternatives to Detention                              | 55             | 43,850             | 135   | 45,796             | 177             | 58,194             | 42                                       | \$12,398         | ---             | 242              | 42                  | 12,156           |
| DRO - Transportation and Removal Program                     | ---            | 237,669            |   | 258,103            |                 | 290,418            | ---                                      | \$32,315         | ---             | ---              | ---                 | 32,315           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>14,353</b>  | <b>\$3,865,916</b> | <b>16,065</b>                                     | <b>4,171,117</b>   | <b>17,395</b>   | <b>4,690,905</b>   | <b>1,330</b>                             | <b>\$519,788</b> | <b>161</b>      | <b>\$106,500</b> | <b>1,169</b>        | <b>\$413,288</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                    |   |                    |                 |                    |  |                  |                 |                  |                     |                  |
| Less Prior Year Recession, P. L. 110-161                     |                |                    |   | [5137]             |                 |                    |  |                  |                 |                  |                     |                  |
|  |                |                    |   |                    |                 |                    |  |                  |                 |                  |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>14,353</b>  | <b>\$3,865,916</b> | <b>16,065</b>                                     | <b>\$4,171,117</b> | <b>17,395</b>   | <b>\$4,690,905</b> | <b>1,330</b>                             | <b>\$519,788</b> | <b>161</b>      | <b>\$106,500</b> | <b>1,169</b>        | <b>\$413,288</b> |

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                    | FY 2008 Enacted Including Emergency Funding |                    | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                |                 |                  |                     |                    |
|--|----------------|--------------------|---|--------------------|-----------------|--------------------|--|----------------|-----------------|------------------|---------------------|--------------------|
|  | FTE            | AMOUNT             | FTE   | AMOUNT             | FTE             | AMOUNT             | Total Changes                            |                | Program Changes |                  | Adjustments-to-Base |                    |
|  |                |                    |   |                    |                 |                    | FTE                                      | AMOUNT         | FTE             | AMOUNT           | FTE                 | AMOUNT             |
| Legal proceedings  | 977            | 199,364            | 1,262                                       | 231,109            | 1,279           | 241,493            | 17                                       | \$10,384       | 7               | 2,992            | 10                  | 7,392              |
| Investigations   | 7,393          | 1,423,363          | 8,463                                       | 1,597,438          | 8,789           | 1,679,189          | 326                                      | \$81,751       | 102             | 41,711           | 224                 | 40,040             |
| International Affairs  | 269            | 115,592            | 275   | 110,279            | 279             | 128,808            | 4  | \$18,529       | 3               | 3,892            | 1                   | 14,637             |
| Intelligence   | 276            | 56,876             | 331   | 59,696             | 332             | 61,850             | 1  | \$2,154        | ---             | 705              | 1                   | 1,449              |
| DRO - Custody Operations                                     | 4,490          | 1,458,678          | 4,529                                       | 1,724,287          | 4,798           | 1,789,163          | 269                                      | \$64,876       | 46              | 53,454           | 223                 | 11,422             |
| DRO - Fugitive Operations                                    | 311            | 187,728            | 656   | 227,985            | 760             | 237,633            | 104                                      | \$9,648        | 1               | 1,110            | 103                 | 8,538              |
| DRO - Criminal Alien Program                                 | 582            | 142,796            | 826   | 189,349            | 981             | 204,157            | 155                                      | \$14,808       | 2               | 2,394            | 153                 | 12,414             |
| DRO - Alternatives to Detention                              | 55             | 43,850             | 156   | 55,829             | 177             | 58,194             | 21                                       | \$2,365        | ---             | 242              | 21                  | 2,123              |
| DRO - Transportation and Removal Program                     | ---            | 237,669            |   | 291,545            |                 | 290,418            | ---                                      | -\$1,127       | ---             | ---              | ---                 | (1,127)            |
| DRO - Comprehensive ID & Removal of Criminal Aliens          |                |                    |   | 200,000            |                 |                    | ---                                      | -\$200,000     | ---             | ---              | ---                 | (200,000)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>14,353</b>  | <b>\$3,865,916</b> | <b>16,498</b>                               | <b>4,687,517</b>   | <b>17,395</b>   | <b>4,690,905</b>   | <b>897</b>                               | <b>3,388</b>   | <b>161</b>      | <b>106,500</b>   | <b>736</b>          | <b>(103,112)</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                    |   |                    |                 |                    |  |                |                 |                  |                     |                    |
| Less Prior Year Recession, P. L. 110-161                     |                |                    |   | [5137]             |                 |                    |  |                |                 |                  |                     |                    |
|  |                |                    |   |                    |                 |                    |  |                |                 |                  |                     |                    |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>14,353</b>  | <b>\$3,865,916</b> | <b>16,498</b>                               | <b>\$4,687,517</b> | <b>17,395</b>   | <b>\$4,690,905</b> | <b>897</b>                               | <b>\$3,388</b> | <b>161</b>      | <b>\$106,500</b> | <b>736</b>          | <b>(\$103,112)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Legal Proceedings**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b>   | <b>Amount</b>  |
|------------------------------|----------------------------|--------------|----------------|
| <b>2007 Actual</b>           | 1,098                      | 977          | \$ 199,364     |
| <b>2008 Enacted</b>          | 1,271                      | 1,262        | \$ 231,109     |
| 2009 Adjustments-to-Base     | -                          | 10           | 7,392          |
| <b>2009 Current Services</b> | <b>1,271</b>               | <b>1,272</b> | <b>238,501</b> |
| 2009 Program Change          | 16                         | 7            | 2,992          |
| <b>2009 Request</b>          | <b>1,287</b>               | <b>1,279</b> | <b>241,493</b> |
| Total Change 2008-2009       | 16                         | 17           | 10,384         |

U.S. Immigration and Customs Enforcement requests \$241.5 million for this activity. This is an increase of \$10.4 million for annualization of prior year funding, and pay inflation.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

ICE Legal Proceedings (also referred to as the Office of the Principal Legal Advisor or OPLA) provides the legal representation, advice, training, and services required to support the ICE mission. Pursuant to section 442(c) of the Homeland Security Act, OPLA is the exclusive legal representative for ICE and the DHS legal component authorized to represent the government in all exclusion, deportation, and removal proceedings before the Department of Justice's Executive Office for Immigration Review (EOIR).

As the legal representative for the U.S. Government at immigration court hearings, OPLA attorneys handle a variety of immigration-related issues that range from contested removals to custody determinations to applications for administrative relief. Many of the hearings involve criminal aliens, while others involve terrorists and human rights abusers. Additionally, OPLA provides critical legal support to ICE operational elements concerning customs, worksite enforcement, ethics, employment law, tort claims, and administrative law issues.

OPLA consists of a headquarters component and 26 Chief Counsel Offices (CCOs). The areas of responsibility for these CCOs are consistent with the 26 domestic areas of responsibility within the ICE Office of Investigations (OI). Additionally, a Mission Support Division provides administrative services to OPLA's operational elements. The following highlights the primary duties and responsibilities of OPLA's Headquarters divisions:

- Appellate and Protection Law Division (APLD). APLD has various primary areas of responsibility which includes the following: appellate and motions practice before the Board of Immigration Appeals (BIA); Federal litigation review; and protection law issues. APLD reviews all ICE appeals to the BIA and plays a lead role in briefing the most significant cases. APLD provides assistance and legal guidance daily to the Chief Counsel Offices and other OPLA/HQ Divisions on appellate and motion practices, as well as protection law issues. In addition, APLD reviews and makes recommendations on adverse Federal litigation impacting ICE and provides guidance to the CCOs on developments in the Federal courts. APLD works closely with the Department of Justice's Office of Immigration Litigation (OIL), DHS Office of the General Counsel, and United States Attorney Offices in developing legal strategy and briefing in significant Federal cases. Furthermore, APLD reflects the commitment within ICE and OPLA to the sound and thoughtful handling of protection law issues and cases. The immigration courts and BIA adjudicates tens of thousands of requests for asylum, withholding of removal and for protection under the Convention Against Torture annually. These proceedings play a critical role in the development of United States protection law, including the issuance of decisions by the BIA and in Federal courts. APLD also has primary responsibility for handling automatic and discretionary stays of immigration court bond decisions, oral arguments before the BIA, and recommendations to certify cases to the Attorney General.
- Commercial and Administrative Law Division (CALD). CALD provides legal advice to ICE and represents ICE in the areas of fiscal law, Federal tort claims and Bivens actions, memoranda of understanding and other agreements, contract law, breached bonds, and a range of other administrative law matters in support of ICE operations. CALD also adjudicates administrative tort claims, provides guidance and legal advice concerning procurement actions, and develops and coordinates ICE legal policy in these areas. CALD represents ICE before the Government Accountability Office and the Civilian Board of Contract Appeals in procurement matters. CALD further assists Department of Justice litigation attorneys in representing ICE before the various Federal courts in Federal tort claims and Bivens cases, procurement matters, and other administrative law matters.
- Enforcement Law Division (ELD). The ELD is responsible for handling traditional immigration enforcement issues, general officer authority issues, and providing legal advice on custom issues. The demand for high quality products from ELD has increased tremendously in recent years. This is illustrated by the dramatic increase in worksite enforcement activities and the need for increased ELD client advice in the areas of detention, expedited removal, stipulated removal, reinstatement of removal and custody determinations. ELD plays a significant role in worksite enforcement operations, including review of warrant affidavits, providing legal advice to operational planners and agency leadership, traveling to the site to provide advice on legal issues arising during operations, and working extensively with the Department of Justice in related Federal court litigation. Further, ELD provides legal support and counsel to the national security and cybercrimes sections of ICE Office of Investigations, as well as the Office of International Affairs, on highly specialized issues generated by these organizations.

Additionally, any proposed legislation or regulation on both immigration and customs issues requires ELD attention and expertise, whether to draft, negotiate, advise, or comment. OPLA's Regulatory Counsel has various major functions and plays a significant role in ICE's mission, which includes: drafting and assisting others in drafting ICE regulations, including changes in response to comments received during the clearance process, or public comments on a proposed or

interim rule; guiding ICE regulations through the clearance process to the publication in the Federal Register of a proposed rule and ultimately a final rule; and reviewing regulations proposed by other agencies that affect ICE's operations.

- Ethics Office. The Ethics Division administers the ICE Federal government Standards of Conduct Program, providing training, counseling, and management of the ethics financial disclosure process for all ICE employees. The Ethics Division provides legal professional responsibility advice to ICE attorneys and oversees management inquiries into OPLA employee misconduct complaints.
- Human Rights Law Division (HRLD). HRLD coordinates ICE's litigation efforts nationwide to pursue criminal prosecutions and judicial orders of removal against human rights abusers. HRLD team members work closely with the Offices of Investigations and Detention and Removal to provide legal advice to agents and officers in the identification, investigation, prosecution, and removal of individuals involved in human rights abuses such as genocide, extrajudicial killings, and torture. Additionally, HRLD works closely with the Departments of State and Justice, intelligence agencies and non-governmental organizations to ensure that the United States does not become a safe haven for human rights abusers. HRLD currently has a caseload of 800 cases in various stages of litigation involving individuals from 85 different countries.
- Labor and Employment Law Division (LELD). LELED provides legal advice and represents ICE in the areas of employment and labor law. LELED represents ICE before the Equal Employment Opportunity Commission, the Merit Systems Protection Board, and the Federal Labor Relations Authority in employment and labor matters, and LELED further assists Department of Justice litigation attorneys in representing ICE before the various Federal courts in Freedom of Information Act and Privacy Act cases, and other labor law matters.
- Legislative Counsel. Legislative Counsel reviews legislation for ICE to determine the impact of the proposal on the agency. In addition, Legislative Counsel drafts and reviews legislative proposals for ICE, including coordinating the legislation, and legislative proposals with the ICE Office of Congressional Relations, Office of Policy and ICE Executive Secretariat, as well as coordinating with the DHS Office of the General Counsel and DHS Policy Office.
- National Security Law Division (NSLD). NSLD provides legal advice and oversees litigation involving special interest cases, including those involving international terrorism, counter-terrorism, espionage, and other national security matters. The legal work performed by the NSLD is critical to ICE's efforts to protect the nation's security. NSLD attorneys are involved in a fast-paced practice, working closely with other Federal law enforcement and intelligence agencies, including the FBI and CIA, and routinely make decisions that have an immediate impact on national security. Specifically, NSLD attorneys oversee and coordinate removal proceedings involving terrorists and foreign intelligence agents, provide legal support and training to ICE's Office of Investigations (especially the Counter Terrorism Unit, National Security Integration Center, and Visa Security Unit) and Office of Intelligence, and liaison with the Civil and Criminal Divisions of the Department of Justice.
- Strategic Management Division (SMD). SMD is responsible for managing OPLA's strategic plan to ensure that OPLA maintains a trained, professional, highly motivated, and client-focused staff who will effectively and efficiently handle all legal matters within OPLA's areas of responsibility. SMD is responsible for assessing OPLA's current strategic objectives to determine whether

refinements are necessary and ultimately advance OPLA to the realization of its 3-5 year vision. This vision includes the following goals: provide professional, highly motivated, and client focused staff in sufficient number to promptly and effectively prosecute immigration and customs law violators, particularly those who threaten the safety of our citizenry; meet the criminal, civil and administrative litigation, legal advice, and other legal service needs of ICE and DHS by deploying state-of-the-art technology and training our staff in both substantive specialties and knowledge-management capabilities; embed attorneys with ICE operational managers to provide them with assistance; provide training to ICE legal and operational components; facilitate communication among DHS and ICE legal and operational components; advance the ICE mission with DOJ, the U.S. Attorneys, and the broader law enforcement community; encourage the proper exercise of prosecutorial discretion; and reward outstanding employee performance.

SMD has deployed General Counsel Electronic Management System (GEMS) software and hardware for case and project management. When fully developed and deployed, GEMS will provide vital statistics and reporting to DHS and Congress regarding the work products of ICE Counsel. The system's robust tracking capabilities will reduce and prevent fraud in the immigrant application process by providing comparative access to documents and other data filed by aliens in immigration court. GEMS will expedite and improve attorney preparation of immigration cases and assure that OPLA provides a uniform application of immigration policies and practices. GEMS also provides a greater knowledge base to the Department of Justice attorneys who work on immigration matters and to Department of State officers so they may ascertain the status of aliens' appeals of visa petitions and removal hearings.

- Training Division (TD). OPLA's TD is responsible for a variety of training events such as, Management Meetings, New Attorney Training, Specialty Law training - National Security, Human Rights, Labor Law, and the Leadership Development Training Program specifically tailored for OPLA managers. The TD coordinates and facilitates training with other Federal, State and local government agencies (i.e., 287(g) training). Finally, the TD tracks training for all OPLA employees and ensures compliance with mandatory ICE training requirements.

The following illustrates the workload and the types of cases for which OPLA is responsible.

Immigration Court Cases. In FY 2007, of a total of 334,607 matters received (including 278,137 proceedings), immigration courts completed 328,425 matters and 272,879 proceedings, including 115,017 that involved detained aliens. Immigration court matters litigated by ICE OPLA attorneys included over 58,783 asylum filings and immigration courts adjudicated over 28,000 applications for the Convention Against Torture.

Also in FY 2007, the Board of Immigration Appeals (BIA) completed 35,393 of 36,438 cases received and published 40 decisions. The government prevailed in over 70% of the published cases.

Expedited removals of criminal aliens in FY 2007 resulted in ICE issuing 272,000 administrative removals and 59,000 reinstatements of final orders - both requiring legal interaction, review, and oversight.

Additionally, Immigration court matters litigated by ICE OPLA attorneys in OPLA's 26 Chief Counsel Offices included over 50,000 asylum filings. Additionally, the immigration courts adjudicated over 31,000 applications for the Convention Against Torture.

In FY 2007, OPLA's Commercial and Administrative Law Division and components that are now the Labor and Employment Law Division:

- Completed 144 of the 294 Equal Employment Opportunity cases received;
- Completed 81 of the 117 Merit Systems Protection Board cases received;
- Completed 25 of the 61 employment law cases filed in Federal Courts;
- Wrote or reviewed 674 disciplinary personnel actions
- Provided over 228 hours of training to ICE managers in the areas of EEO law, disciplinary actions, and performance management;
- Provided litigation support through its Tort Litigation Team in approximately 125 Bivens or Federal Tort Claims Act (FTCA) lawsuits, of which 45 were dismissed, settled, or litigated to completion; and
- Adjudicated approximately 500 administrative FTCA claims.

In FY 2007, 18,035 criminal immigration cases were filed against 19,590 defendants as a result of the assistance from OPLA attorneys with the prosecution of these cases.

In FY 2007, OPLA attorneys spent significant time assisting the Department of Justice, Office of Immigration Litigation (OIL) with immigration-related Federal court litigation. According to statistics compiled by OIL, immigration-related Federal court litigation has soared in recent years, from 5,478 cases in FY 2001 to 19,945 cases in FY 2007.

Special Interest Cases. In FY 2007, OPLA attorneys handled 820 special interest cases involving national security risks in addition to 1,000 cases involving human rights abusers. Additionally, approximately 1,300 cases are under active investigation by ICE operations components as potential national security risks and 375 others are in removal proceedings.

In addition to the specific workload statistics above, OPLA provides legal advice and guidance on a myriad of issues, including but not limited to: FOIA/Privacy disclosure issues; MOUs and bid protests; custody/detention issues; search and seizure authorities; customs law; procurement and financial issues; contracts; union/labor issues; ethics, including required financial disclosures; debt collection; legislation; regulations; and various ICE initiatives. The legal advice and legal services aspect of OPLA's responsibilities is challenging to capture as a specific workload measure, but it represents a considerable workload burden on top of the litigation/prosecutorial responsibilities required of the program.

Enhancements for FY 2007 enabled OPLA to increase the attorney-to-immigration judge ratio from 2 to 1 to 2.3 to 1. The higher ratio increases the number of attorneys that are available to go to immigration court, thereby allowing attorneys to spend more time out of court to prepare cases and to handle collateral duties. OPLA also assigned seven additional attorneys to various U.S. Attorneys' Offices across the nation to handle criminal prosecutions. The enhancements also supported the increase in the number of attorneys stationed within Headquarters OPLA to cover the demands of national level, policy and guidance issues.

In FY 2008 and FY 2009, OPLA will continue to refine and improve business processes that will increase efficiency to better address increasing workload demands. As a result, OPLA will deploy resources more effectively to support critical enforcement initiatives, provide for a more thorough review of 287 (g) agreements and improve 287 (g) training, and recognize a far greater capacity to

provide high quality and timely legal guidance and counsel to operational components and the Assistant Secretary.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: Investigations**

|                              | <b>Perm.</b>     |              |                  |
|------------------------------|------------------|--------------|------------------|
|                              | <b>Positions</b> | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | 7,717            | 7,393        | \$ 1,423,363     |
| <b>2008 Enacted *</b>        | 8,893            | 8,463        | \$ 1,597,438     |
| 2009 Adjustments-to-Base     |                  | 224          | 40,040           |
| <b>2009 Current Services</b> | <b>8,893</b>     | <b>8,687</b> | <b>1,637,478</b> |
| 2009 Program Change          | 162              | 102          | 41,711           |
| <b>2009 Request</b>          | <b>9,055</b>     | <b>8,789</b> | <b>1,679,189</b> |
| Total Change 2008-2009       | 163              | 326          | 81,752           |

\* The above table includes emergency funding of \$50.2M provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$1.7 billion. Excluding Emergency funds provided, the increase over FY 2008 is \$134.0 million for pay and non-pay inflation as well as a total program increase for Cyber Crime, National Security Protection Critical Investigators, Commercial Fraud/IPR, State and Local, and Outbound Enforcement.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Investigations (OI) enforces trade and immigration laws through the investigation of activities, persons, and events that may pose a threat to the safety or security of the United States and its people. Investigations lead to the arrest and prosecution of perpetrators and/or result in the removal of individuals posing risks to national security or public safety. OI investigates: illegal trafficking in weapons and proliferation of sensitive U.S.-origin military and dual-use technology (including weapons of mass destruction); the smuggling of narcotics and other contraband; human smuggling and trafficking; money laundering and other financial crimes; fraudulent trade practices; identity and benefit fraud; child pornography; child sex tourism; and health and public safety dangers. Special agents within OI play a key role in maintaining the safety and security of the United States relative to trade and commerce, financial markets, contraband, industrial and strategic parity, and immigration and border integrity. In partnership with local, state, national and international governments and agencies, OI uses its immigration and customs authorities to address vulnerabilities and prevent violations that threaten national security and public safety. OI is the preeminent investigative law enforcement agency dedicated to border security and the protection of the vulnerabilities that threaten our nation's borders.

OI identifies violators, prepares viable cases for prosecution, and, when appropriate, seizes illegally acquired assets - both in the United States and overseas (through cooperative host government law enforcement). A major contributor to the success of investigative efforts is close coordination and cooperation with Federal, State, local, and tribal law enforcement agencies.

Through inter/intra governmental partnerships and the use of innovative investigative techniques supported by intelligence, OI:

- Reduces the number of terrorists and other criminals who penetrate and pose a threat to the U.S. economy by gaining employment in critical and sensitive areas;
- Identifies and dismantles criminal organizations that exploit the nation's financial systems and engage in illegal money laundering, seizing illicitly acquired funds;
- Prevents the importation of Weapons of Mass Destruction (WMD) and other instruments of terror into the United States from abroad;
- Investigate efforts by international terrorists and hostile adversaries to obtain WMD materials and sensitive U.S.-origin military and dual-use technologies, arms and weapons, funds, and other support from U.S. and foreign sources;
- Investigates out-of-status and other aliens who pose a potential danger to the American people or infrastructure;
- Disrupts criminal organizations involved in narcotics smuggling and money laundering through multi-defendant prosecutions and seizures of drugs and monetary assets;
- Reduces potentially hazardous, harmful, and/or life-threatening situations caused by the importation of prohibited or illegal commodities;
- Enforces embargoes, trade agreements, and sanctions imposed by the United States government against foreign countries;
- Protects Intellectual Property Rights (IPR), including trademarks and copyrights;
- Investigates a variety of trans-border computer crimes being committed via the Internet;
- Safeguards children and potential victims from exploitation through crimes involving pornography, sex tourism, and forced child/prison labor;
- Disrupts those who deal in human trafficking and denies safe haven to those who violate human rights; and
- Identifies and targets organizations and individuals engaged in identity and benefit fraud.

OI's investigative activities are organized into four broad areas: national security investigations; financial investigations; smuggling, public safety, and worksite investigations; and investigative services.

**National Security Investigations:** OI works to deter and dismantle terrorist groups, individuals, and companies involved in the illegal procurement and movement of weapons of mass destruction and their materials and components. National Security Investigations personnel work closely with the Federal Bureau of Investigation's Joint Terrorism Task Forces (JTTFs). JTTFs utilize the collective resources of the participating agencies for the prevention, deterrence, and investigation of terrorism and related activities occurring in or affecting the United States.

The Arms and Strategic Technology Investigations (ASTI) program has a leading role in U.S. Government efforts to prevent foreign adversaries from illegally obtaining U.S. military and dual use products and sensitive technology, including weapons of mass destruction components. ICE special agents possess the U.S. Government's most extensive expertise, longest ranging experience, and broadest export-related authorities.

Project Shield America is ICE's public and industry outreach program for preventing the illegal export of sensitive U.S. munitions and strategic technology. Under this program, ICE special agents visit U.S. manufacturers and exporters of arms and sensitive military and dual-use goods to educate them

about U.S. export laws and solicit their assistance in identifying potential illegal exports. Since late 2001, ICE special agents have conducted more than 14,000 presentations, resulting in many tips that have led to ICE criminal investigations.

Millions of nonimmigrant aliens enter the United States every year to visit, work, and attend school. An estimated 100,000 of these aliens annually will overstay or violate the terms of their authorized period of admission, for economic, personal reasons, and criminal reasons. In an effort to combat this threat, the Federal Government has implemented the National Security Entry Exit Registration System (NSEERS), the Student and Exchange Visitor Information System (SEVIS), and U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) to track nonimmigrant aliens in the United States. The responsibility for enforcing these systems lies with the Compliance Enforcement Unit.

The Threat Analysis Section (TAS), a part of ICE's National Security Integration Center, is a specialized group of agents and intelligence analysts who proactively identify persons of interest from within the non-immigrant community of visitors, students, and temporary workers in the United States. The TAS uses the latest computer technology and unlimited access to immigration, law enforcement, and intelligence information to identify hidden links and associations between persons and events that could indicate a previously unknown threat.

National Security Investigations personnel participate in the Human Smuggling and Trafficking Center (HSTC), which combines ICE's resources with other Federal agency representatives from the policy, law enforcement, intelligence, and diplomatic arenas to work together to achieve increased progress in addressing the problems of human smuggling, human trafficking, and clandestine terrorist mobility.

**Financial Investigations:** OI identifies, investigates, disrupts, and dismantles criminal organizations and the complex systems used to launder funds generated from smuggling, human trafficking, financial scams, commercial fraud and intellectual property rights violations, forced child labor, and other criminal activity. In coordination with private sector partners, OI reduces the vulnerability of U.S. financial systems to exploitation by terrorist and other criminal organizations, and seizes illicit proceeds derived from and used for criminal activity. In view of the significant role that financial assets and money laundering play in sustaining criminal organizations and criminal activity, all ICE investigations include a financial component.

The Cornerstone initiative focuses on coordination and cooperation with other domestic and foreign law enforcement agencies and the private sector to eliminate vulnerabilities in U.S. financial systems and disrupt and dismantle alternative financing mechanisms that terrorists and other criminals use to earn, move, and store illicit funds.

The Commercial Fraud Unit and National Center for Intellectual Property Rights (IPR Center) targets predatory and unfair trade practices that threaten our economic stability, restrict the competitiveness of U.S. industry in world markets, and place the public health and safety of the American people at risk.

The Trade Transparency Unit (TTU) and Money Laundering Coordination Center (MLCC) provide the analytical infrastructure to support financial and trade investigations. The TTU provides the capability to identify and analyze complex trade-based money laundering systems, such as the estimated \$5 billion-per-year drug money-laundering scheme known as the Black Market Peso Exchange (BMPE). The TTU has the unique ability to not only analyze domestic trade and financial data, but also trade and financial data of foreign cooperating partners.

OI actively participates in collaborative investigative task forces with other Federal, State, local, and international law enforcement agencies (e.g., High Intensity Financial Crime Area programs, Joint Vetting Units, Financial Action Task Forces) targeting terrorist financing and transnational money laundering.

**Smuggling/Public Safety/Worksite Investigations:** OI identifies, deters, interdicts, and investigates activities associated with the unlawful movement of people and goods into and out of the country. In addition to conducting investigations targeted at disrupting and dismantling activities of groups and individuals engaged in the smuggling of humans and contraband, OI investigates human rights violations, exploitation of individuals, importation of hazardous and prohibited items, identity and benefit fraud, critical infrastructure protection/worksite enforcement, and violent criminal aliens.

Agents are confronted with numerous challenges in the effort to combat drug traffickers and, ultimately, significantly reduce the amount of illegal drugs introduced into the United States each year. Drug smuggling organizations continue to develop new and sophisticated methods to smuggle drugs into the United States by developing new techniques, organizing internal conspiracies (i.e., criminals target corrupt personnel within a company or transportation industry to introduce contraband into otherwise legitimate cargo or conveyances), using various transshipment routes, and attempting to corrupt law enforcement officers. Resources and support for these investigative efforts are enhanced through increased coordination and cooperation with other Federal, State, local, and foreign law enforcement agencies and through participation in task forces such as the Organized Crime Drug Enforcement Task Force, the High Intensity Drug Trafficking Area, and the High Intensity Financial Crime Area programs.

Identity and benefit fraud is a vulnerability of national security because it enables terrorists and criminals to exploit the legitimate immigration process and obtain “legal” status in the United States via fraudulent means. Benefit fraud is an extremely lucrative form of organized white-collar crime; it is complex and challenging to investigate, and often involves sophisticated, multi-layered schemes with multiple co-conspirators that take years to investigate and prosecute. OI focuses on identifying and targeting the most significant, prolific, and egregious violators, and individuals and organizations that pose a risk to national security or public safety.

Violent criminal aliens, such as sexual predators and street gang members, pose a significant threat to public safety. In partnership with State and local law enforcement, OI investigates foreign-born sex offenders for violations of laws in order to remove them from the community and the country. Likewise, OI coordinates investigations with domestic and international law enforcement to disrupt and dismantle street gangs with foreign-born members which have been involved in various crimes with a nexus to the border, such as drug and human smuggling, weapons trafficking, document fraud, and the export of stolen goods. OI also works to deny safe haven to human rights violators in the United States by investigating their violations of U.S. criminal and immigration laws.

Through worksite enforcement initiatives, OI works with the Federal and private sector to prevent criminals and terrorists from infiltrating the U.S. economy by gaining employment in critical and sensitive areas. OI enforcement operations prioritize and target the most important, yet vulnerable, facilities for enforcement activity, and identify and remove unauthorized facility workers through multi-agency screening and arrest operations. Furthermore, OI is applying sanctions to criminal employers whose employment practices constitute worker exploitation or have a nexus to alien smuggling or fraud. OI also conducts enforcement operations and I-9 audits on egregious violators that are not complying with the Employment Eligibility Verification requirements and have adopted

the use of unauthorized workers as part of their business strategy. OI also conducts proactive outreach presentations and seminars under the ICE Mutual Agreement between Government and Employers (IMAGE) program to educate employers and trade associations as to their legal responsibilities that will help them remain in or achieve compliance with immigration and related laws.

**Investigative Services:** OI provides investigative support services to all categories of investigation, through operations including the Law Enforcement Support Center (LESC), the Cyber Crimes Center (C3), and the Forensic Document Laboratory (FDL). The LESG provides around-the-clock immigration identity and status information and real time law enforcement assistance to Federal, State, and local law enforcement officers regarding individuals that they encounter during the course of their duties. The C3 manages Operation Predator, an effort that targets sexual predators of children, and investigates and provides computer forensics on domestic and international criminal activities occurring on, or facilitated by, the Internet, including document and benefit fraud, arms and strategic technology, money laundering, counterfeit pharmaceuticals, child pornography, and child sex tourism investigations. The FDL is the only Federal crime laboratory dedicated exclusively to detecting and deterring travel and identity document fraud. Technical Operations assists the field by providing support for technical equipment needs including, tracking devices, video equipment, body wires, covert entry, Title III equipment, Telecom Linking System, as well as supporting all ICE OI Title III telephone, email and Internet Protocol intercepts, and pen registers. Technical Operations provides training in Undercover Operative classes, Designated Technical Agent classes, Technical Enforcement Officer classes, Title III classes, Penlink, and to foreign governments.

FY 2007, OI:

- Increased the number of large scale operations involving egregious violators or employers with significant numbers of unauthorized aliens;
- Trained an additional 426 State and local Law Enforcement Officers to enforce Federal immigration laws in 11 border and interior states through the 287(g) program;
- Expanded the compliance enforcement program by hiring 49 special agents and support staff;
- Implemented a program to proactively identify SEVIS certified schools utilizing the system for fraud or alien smuggling and train agents on accessing SEVIS and US-VISIT information;
- Assumed administrative control of HSTC;
- Established the National Export Enforcement Coordination Network to better coordinate DHS and intelligence community cooperation in export enforcement and proliferation of WMD technologies;
- Improved inquiry response time at LESG;
- Provided logistical support and coordination for the Textile Production Verification Teams (TPVT) visits scheduled for FY 2007 and investigate leads from the TPVTs for potential transshipment violations;
- Implemented the Designated School Official background check program and the school recertification program for SEVIS;
- Created advanced WMD curriculum and provided training in coordination with Argonne and Savannah River National Laboratories to ASTI agents in refocusing investigative assets on WMD proliferation investigations;
- Conducted 1,127 Project Shield America visits to manufacturers/distributors/exporters of dual-use/military technology;
- Provided formal advanced export-related investigative training to 180 ICE personnel;
- Established an advanced training program for ICE JTTF special agents;

- Continued implementation of the BMPE initiative;
- Created three additional TTUs with interested foreign governments and increased investigations in coordination with these countries;
- Continued Cornerstone's outreach/training for trade and financial business communities;
- Expanded the ability of the C3 to investigate the sale and distribution of fraudulent travel and identity documents through the Internet, provided additional data analysis, data archiving, disaster recovery, and advanced examinations within the digital evidence network;
- Expanded the C3 in identifying organizations utilizing Internet financial sectors to promote the unlawful sale, transportation, or diversion of licensable U.S. munitions list commodities;
- Expanded efforts of the ICE Cornerstone program by focusing specifically on Internet based financial sectors vulnerable to exploitation by terrorists and other criminal organizations involved in transnational money laundering (C3's E-Cornerstone initiative);
- Increased the speed, accuracy, and efficiency of immigration enforcement information being entered at the LESC into the National Crime Information Center (NCIC) database;
- Developed an IMAGE participant training conference and started design for IMAGE Conference Center;
- Under Operation Community Shield, implemented a national initiative called SURGE (Specialized Urban Response Gang Enforcement);
- Rolled-out a deemed export initiative targeting non-immigrants with unauthorized access to export controlled technology and information;
- Established six new Document and Benefit Fraud Task Forces (DBFTFs) to focus on immigration fraud, including employment-based immigration fraud (H1 and L visas);
- Created additional Border Enforcement Security Task Forces (BESTs) in Texas, California, and Arizona to target violent criminal organizations along the border;
- Continued to implement Operation Firewall a bulk cash smuggling initiative designed to target bulk cash smuggling shipments in route to our borders, at our borders, and beyond our borders; and
- Implemented *Hands Across the World* in eight countries to educate key foreign law enforcement and U.S. Embassy personnel around the world on money laundering, with an emphasis on bulk cash smuggling.

FY 2008, OI will:

- Initiate export enforcement programs dedicated to specific dual-use and military technology;
- Develop an employer outreach training curriculum and deliver IMAGE training to OI agents in the field on the IMAGE program;
- Expand the IMAGE employer outreach program from the headquarters level to the field level through locally delivered presentations and speeches from IMAGE officials;
- Expand the Compliance Enforcement programs by hiring additional special agents, program managers, and support staff;
- Establish a visa waiver enforcement program that applies sophisticated name analysis software to investigate violators that pose an elevated risk to national security;
- Expand and utilize the National Security Integration Center (NSIC);
- Establish the Designated School Official background check program and the school recertification program for SEVIS;
- Establish and expand the National Export Enforcement Coordination Network;
- Reduce the nation's vulnerability to exploitation of nonimmigrant visas by increasing compliance enforcement actions;

- Assume control of financial oversight for the HSTC;
- Implement Bulk Cash Smuggling (BCS) enforcement strategy and training;
- Activate the Bulk Cash Smuggling Center, within the LESC, to provide real time investigative and logistical support to law enforcement agents encountering bulk cash smuggling and other money laundering activity;
- Implement enforcement action against fraudulent trade schemes used by terrorists/other criminal organizations to support their illegal activities;
- Seize fraudulent documents in transit between the producers and end-users before they can be used (Operation Wing Clip);
- Continue Cornerstone’s outreach and training for the trade and financial business communities;
- Expand the Airport Security Program into the top 50 international U.S. airports;
- Expand the number of DBFTFs from 17 to 26;
- Under Operation Community Shield, expand gang enforcement by creating mobile gang enforcement teams for deployment to high threat gang areas and expand BESTs to target violent criminal organizations along the Northern border;
- Expand activities to disrupt/eliminate the most significant contraband/human smuggling/transportation organizations;
- Improve implementation of asset forfeiture related to organizations involved in identity and benefit fraud;
- Expand the ability of C3 to investigate the full range of immigration identity and benefit fraud categories occurring through the Internet;
- Continue to expand the resources of the ICE Cyber Crimes Program and the Digital Forensics Program to match the growth of Internet-related and high-tech criminal activity investigated by ICE and promote operational efficiency;
- Increase aggressive intelligence collection and investigations of criminal activity involving Internet financial sectors and the Global E-Currency Transfer System (GETS);
- Roll out a foreign outreach program targeting businesses that buy and sell U.S. dual-use and military technology and initiate export enforcement programs dedicated to specific dual-use and military technology;
- Continue outreach and enforcement activities against illegal Money Services Businesses;
- Implement the “security bond” initiative with CBP, targeting illegal in-bond diversion;
- Implement special operations targeting violations of “Anti-dumping” regulations;
- Continue an initiative to exchange information and conduct joint investigations with the People’s Republic of China (PRC);
- Expand cyber investigative services in the areas of fraudulent identity and travel documents sold on the Internet, and online trans-border money laundering;
- Participate in efforts to establish formal TTUs;
- Partner with the U.S. Department of Defense (DoD) and create a uniform process to access military installations for worksite enforcement, and expand the IMAGE program;
- Continue to target egregious employers who are knowingly hiring illegal aliens, especially those that are in the critical infrastructure industries;
- Assume control of financial oversight for the HSTC;
- Continue existing efforts by C3 to investigate and coordinate cases involving intellectual property violations (to include pharmaceuticals) and illegal export violations occurring online;
- Continue targeted investigations of identified human rights violators/support networks; and in coordination with foreign governments, expedite task force efforts to identify/investigate Politically Exposed Persons (PEPs); and

- Construct an I3 Center which will house IMAGE, IPR, and SAC DC Identity and Benefit Fraud Task Force and will allow IMAGE and IPR to conduct corporate outreach.

FY 2009, OI will:

- Continue foreign outreach program targeting businesses that buy and sell U.S. dual-use and military technology (the program will be rolled out in conjunction with foreign law enforcement and export licensing agencies);
- Expand deemed export initiative targeting non-immigrants with unauthorized access to exported controlled technology and information;
- Continue training program for agents on accessing SEVIS and US-VISIT information;
- Deploy SEVIS II to better monitor foreign students and improve operability;
- Expand participation in the HSTC to select foreign law enforcement and intelligence agencies;
- Expand the ability of C3 to address the increases in digital data forensics volumes, while developing new tools and methods to manage and improve the analysis of derived digital information;
- In coordination with CBP, implement the “security bond” initiative, targeting illegal in-bond diversion, at four ports/ICE offices;
- Implement special operations at select ports to identify and target U.S. Anti-Dumping and Countervailing Duty (AD/CVD) evasion schemes;
- Continue an initiative to exchange information and conduct joint investigations with the People’s Republic of China (PRC);
- Expand the worksite enforcement program by increasing the number of large scale arrests of egregious violators or employers with significant numbers of unauthorized workers in historically problematic industries not addressed by ICE in recent years;
- Continue to expand the DBFTFs to focus on immigration fraud, including employment-based immigration fraud (H1 and L visas);
- Expand BESTs to target violent criminal organizations along the border operating in major U.S. cities with significant international travel and commerce;
- Establish a Human Rights Violators Center to prevent human rights violators from entering the U.S., and identify, locate, prosecute and remove those offenders already in the U.S.;
- Provide 287(g) training to additional participating State and local agencies and implement a 287(g) e-training annual refresher course;
- Continue to enhance the capability of the LESC to provide real time assistance to Federal, State, local and tribal law enforcement officers who encounter criminal or wanted aliens;
- Expand digital data services and cyber intercept services to the field;
- Continue the implementation of regional cyber-technical service centers (six locations, collocated at ICE Special Agent in Charge Offices) to augment field-level digital media forensic operations;
- Seize fraudulent documents in transit between the producers and end-users before they can be used (Operation Wing Clip);
- Expand C3’s investigative role in the areas of fraudulent identity and travel documents sold on the Internet, and online trans-border money laundering;
- Continue to expand the data storage, forensic, and analytical capabilities of the ICE Digital Forensics Program through the additional two regional offices;
- Expand partnerships with more foreign governments through the Global Trafficking in Persons (G-TIP) program;
- Reduce vulnerabilities in U.S. critical infrastructure, unlawful acquisition of export restricted

technology, and unlawful entry of unauthorized non-immigrants into the United States;

- Mitigate threats posed by foreign nationals operating outside and within the United States. Seek to identify and prosecute individuals, corporations and criminal organizations that unlawfully attempt to gain illegal entry into the United States, acquire export restricted information and technology and/or access critical infrastructure facilities;
- Address cyber vulnerabilities through holistic investigative approaches leveraging criminal enforcement authorities as well as analytical capabilities unique to ICE;
- Strengthen U.S. partnerships with the legitimate international trade community and trademark and rights holders who depend upon and aid in the investigation of Commercial Fraud and IPR Crime;
- Strengthen the U.S. economy by ensuring legal goods are shipped into and out of the U.S.;
- Through C3, provide some form of cyber investigative or cyber technical support across almost all investigative case categories for which ICE is responsible;
- Provide a seamless and cohesive center for ICE's Internet-related investigations where leads are received from domestic and foreign sources, validated for violations of U.S. law, and then disseminated to ICE domestic and foreign field offices for further investigation;
- Provide cyber crime and forensic training to OI agents, as well as other Federal, State, local, and international law enforcement officers; and
- Identify and pursue the criminal continuum from countries of source and transit to the United States.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: International Affairs**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|----------------------------|------------|----------------|
| <b>2007 Actual</b>           | 278                        | 269        | \$ 115,592     |
| <b>2008 Enacted</b>          | 281                        | 275        | \$ 110,279     |
| 2009 Adjustments-to-Base     |                            | 1          | 14,637         |
| <b>2009 Current Services</b> | <b>281</b>                 | <b>276</b> | <b>124,916</b> |
| 2009 Program Change          | 15                         | 3          | 3,892          |
| <b>2009 Request</b>          | <b>296</b>                 | <b>279</b> | <b>128,808</b> |
| Total Change 2008-2009       | 15                         | 4          | 18,529         |

U.S. Immigration and Customs Enforcement requests \$128.9 million for this activity. This is an increase of \$18.5 million for annualized prior year funding, pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of International Affairs (OIA) conducts criminal investigations of legal violations involving contraband smuggling, immigration violations, money laundering, arms/technology trafficking, child sexual exploitation (child pornography and child sex tourism), and cyber crimes overseas. OIA also acquires law enforcement intelligence and information, supports other programs such as the Container Security Initiative (CSI), conducts international training, develops and implements the Visa Security Program (VSP), and act as the in-country ICE liaison with foreign governments and Embassy staff.

OIA is responsible for the enforcement of health and safety issues, including tainted or prohibited foodstuffs, unsafe toys, and consumer products that are imported into the United States. OIA coordinates with foreign counterparts to share information under the bilateral agreements and Customs Mutual Assistance Agreements (CMAAs). The office refers foreign leads to domestic ICE investigation offices and handles ICE investigative leads. The office investigates and enforces laws for other Federal agencies that have a Memorandum of Understanding with DHS and any other matters as directed by the Secretary of DHS. OIA may also serve as Senior DHS representatives in some overseas locations.

In implementing the VSP, OIA is working closely with the Department of State to provide an additional level of review and security needed to enhance national security by identifying terrorists, other criminals, and persons of special interest from foreign locations. The VSP enhances the security of visa issuance at high-risk overseas posts by deploying highly skilled and experienced law enforcement officers who conduct an in-depth investigative review of visa applications that raise security concerns, investigate concerns relating to visa fraud and other criminal activity which can exploit the visa system, and provide advice and training on security issues to Department of State consular officers, thereby enhancing their ability to screen security risks as they adjudicate visas.

In addition to supporting the goals of DHS, OIA's activities also support the goals set forth by the Department of State in the areas of regional stability, counter-terrorism, homeland security, weapons of mass destruction, international crime and drugs, economic prosperity, and public diplomacy.

FY 2007, ICE:

- Established Trade Transparency Units (TTUs) locations in Colombia, Paraguay, Argentina and Brazil. Currently, OIA is in the process of establishing a TTU in Mexico. As a result of these established TTUs, closed investigations have increased by 15 percent;
- The International Law Enforcement Academies (ILEA), ICE OIA coordinated training for approximately 1154 participants in areas of human trafficking, financial crimes, commercial fraud, child exploitation, intellectual property rights, fraudulent documents, and arms trafficking. Participants included local and national police, customs and immigration officers, and prosecutors;
- Visa Security Program expanded overseas deployment to nine posts in eight countries and trained more than 40 special agents to serve as visa security officers. ICE investigations through this program resulted in the denial of more than 750 visas and the initiation of more than 140 investigations;
- Worked with the Mexican government to rescue 15 victims of human trafficking, training approximately 250 law enforcement officers from different Government of Mexico agencies in the different areas Global Trafficking in Persons Program (G-TIP) investigations, such as cyber crimes, electronic surveillance, trafficking investigations, and victim assistance;
- Provided Export Control and Related Border Security training to authorities in seven countries;
- Provided bulk cash smuggling operational training to customs and law enforcement personnel in the Philippines. This bulk cash smuggling enforcement initiative resulted in several cash seizures with the assistance of U.S. Government personnel and assets;
- Conducted multilateral bulk cash smuggling enforcement operation with United Kingdom and Pakistan law enforcement authorities. Operation resulted in 13 currency seizures in the United States and the United Kingdom;
- Funded and managed the upgrade of IT systems at 47 international locations in support of creating a standard operating environment to perform ICE and OIA operational and administrative functions;
- Coordinated data sharing with the Overseas Building Operations / Department of State to ensure accurate data was reported to calculate ICE's share of the embassy costs under the Capital Security Cost Sharing Program. This reconciliation process prevented OIA/ICE from being charged for other agencies' positions;
- Utilized the International Bulk Cash Smuggling Training Program and, working closely with the Office of Investigations, provided overseas training courses to more than 255 foreign law enforcement officers in 34 countries;
- Identified and implemented three global OIA staffing actions to optimize the international investigative goals;
- Developed OIA as an individual component and identified standard operating procedures, processes, and tools to enhance functions domestic and foreign offices;
- Completed 43 end-of-tour rotations of employees and dependents from overseas, and filled 70 positions in support of strategic and operational goals;
- New Supervisory Detention and Deportation Officer Attaché positions were created and classified with 6c law enforcement coverage and AUO;
- Thirteen attaché positions were recruited under the new dual 1811/1801 announcements and are in the process of selection to deploy in FY 2008;

- Deployed DDOs to three countries and will complete deployment to six additional overseas locations in early FY 2008; and
- Funded and managed the upgrade of IT systems at 47 international locations in support of creating a standard operating environment to perform ICE and OIA operational and administrative functions.

FY 2008, ICE will:

- Realign overseas staffing levels to address the increasing need to disrupt and dismantle human trafficking and smuggling organizations and other criminal organizations in Eastern Europe;
- Increase overseas deployment of visa security officers according to risk-based assessments;
- Expedite task force efforts to identify and investigate PEPs in coordination with foreign governments;
- Assist in the creation of additional TTUs with interested foreign governments;
- Provide logistical support and coordination for the TPVT visits scheduled for FY 2007 and investigate leads from the TPVTs for potential transshipment violations;
- Continue to support all ICE and other DHS international enforcement efforts; and
- Continue to expand the VSP program to new sites, and expand the VSP role in the Security Advisory Opinion (SAO) Process.

FY 2009, OIA will:

- Support ICE and other DHS law enforcement related programs overseas;
- Participate in efforts to establish formal TTUs;
- Continue to expand the VSP program, consistent with the 5-Year Expansion Plan, by opening two new VSP offices in Istanbul, Turkey and Beirut, Lebanon;
- Identify, disrupt, and dismantle organizations involved in circumventing established laws and procedures designed to stem systemic vulnerabilities;
- Continue task force efforts to identify and investigate PEPs in coordination with foreign governments;
- Assign officers to overseas visa-issuing posts to enhance visa security by vetting visa applicants, providing expert advice and training to DOS Consular Officers;
- Increase its coverage of the highest risk visa activity worldwide;
- Deter, dismantle, and disrupt human smuggling organizations in Eastern Europe; and
- Improve and expand the global reach in the investigative areas of human trafficking, anti smuggling, money laundering, child exploitation, fraud and sensitive technology investigations, as well as reduce the threat associated with foreign nationals transiting the United States.

**Department of Homeland Security  
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Salaries and Expenses  
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(Dollars in thousands)**

**PPA: Intelligence**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|----------------------------|------------|---------------|
| <b>2007 Actual</b>           | 279                        | 276        | \$ 56,876     |
| <b>2008 Enacted</b>          | 345                        | 331        | \$ 59,696     |
| 2009 Adjustments-to-Base     |                            | 1          | 1,449         |
| <b>2009 Current Services</b> | <b>345</b>                 | <b>332</b> | <b>61,145</b> |
| 2009 Program Change          | 9                          | -          | 705           |
| <b>2009 Request</b>          | <b>354</b>                 | <b>332</b> | <b>61,850</b> |
| Total Change 2008-2009       | 9                          | 1          | 2,154         |

U.S. Immigration and Custom Enforcement requests \$62.0 million for this activity. This is an increase of \$2.2 million for annualized prior year funding, pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The ICE Office of Intelligence is responsible for managing the ICE intelligence system and its operational functions, including the activities of the Headquarters staff, as well as field offices spread throughout the country. The overall aim is to ensure that intelligence developed or received is processed, analyzed, and disseminated to ICE executive management and to operational units as it pertains to Homeland Security, infrastructure protection, and the illegal movement of people, money, and cargo entering, exiting, transitioning, or moving within our Nation's borders. The Office of Intelligence recognizes that threats related to immigration and customs issues are greatly facilitated by the illegal or uncontrolled migration of aliens across our borders. The staff, assets, and resources of ICE Intelligence operate across the entire nation, in support of the following programmatic and functional areas:

- **Arms and Strategic Technology:** This program focuses on the identification and disruption of individuals and organizations involved in the unauthorized movement and procurement of critical technology, dual-use goods, chemical, biological, radiological, nuclear/conventional weapons, and unauthorized U.S. exports to prohibited countries. ICE Intelligence produces hundreds of leads and Homeland Security Intelligence Reports for ICE operational components and other DHS customers.
- **Human Smuggling and Public Safety:** This focus is on human smuggling, trafficking in persons, immigration benefit fraud, mass migration and threats to public safety emanating from street gangs. Intelligence personnel assist ICE investigators in leveraging intelligence community resources through intelligence research and continuing liaison. The intelligence activity within this function also deals with violent gangs and criminals in the homeland, using immigration authorities and resources to gather information regarding foreign-born suspects, violators, and gang members.

- **Contraband Smuggling:** Intelligence production here deals with international narcotics trafficking organizations, and the disruption of smuggling groups and their operations. While narcotics is of primary importance, other forms of contraband trafficking, such as smuggling of prohibited goods are also of intelligence interest.
- **Illicit Finance and Trade Fraud:** This involves intelligence support with regard to illicit movements of money or financial instruments, as well as other commerce-related crime issues such as international trade violations, protection of intellectual property rights, and investigations of public health threats that cross our borders.
- **International Intelligence –** Extending the ICE Intelligence reach beyond our borders, this capability supports ICE offices worldwide with intelligence services and exchange of relevant information.
- **Collections and Requirements –** This serves a quality assurance function, ensuring that intelligence reporting and services are timely, relevant, and responsive to the needs and requirements of the agency.
- **Field Intelligence Groups –** The Office of Intelligence has enhanced its support of ICE offices across the country by expanding the intelligence field structure from six regional offices to twenty-six Field Intelligence Groups (FIG), collocated in cities with ICE investigative offices. This will bring a strategic level of support to ICE operations throughout the homeland.

### **Key Accomplishments**

In FY 2007, the ICE Office of Intelligence reported the following successes that reflect its mission of supporting its customers in achieving the strategic goals of the Agency:

- Provided analytical support to the National Security Council Interagency Working Group on Human Smuggling (NSC/IWG) which has as its targets the highest priority smuggling cases within ICE—smugglers who have the capability to potentially transport terrorists clandestinely into the Homeland by:
  - Providing case support to 9 NSC investigations,
  - Drafting 16 assessments in the past year.
  - Providing data leading to the arrests of three major NSC
  - Providing intelligence which has led to disrupting 26 national level alien smuggling targets.
- ICE Intelligence has partnered with Domestic Security Section (DSS) and the Department of Justice to lead an aggressive, integrated initiative, the Extraterritorial Criminal Taskforce (ECT). The ECT is designed to leverage existing law enforcement, intelligence, and policy making resources and capabilities of the USG to attack the most significant criminal travel networks and support the U.S. and foreign prosecution of targets. In addition, the ECT Strike Force initiative aims to systematically disrupt and dismantle the international and domestic operations of criminal travel networks, identify and seize assets and illicit proceeds, and fix identified systemic vulnerabilities that are exploited by criminal elements to undermine immigration and border controls through proactive transnational investigations.
- Accomplishments included:

- Provided initial target analysis that resulted in 9 new international smuggling cases and authorized 25 intelligence assessments to support the ECT Strike Force.
- Arrested two major ECT Targets.
- ICE Intelligence conducted analysis in support of ICE Identity and Benefit Fraud initiatives and initiates analysis that identifies patterns and trends affecting national security issues. ICE Intelligence successfully completed its Operation Ardent Guardian, a nationwide initiative to identify asylum applicants linked to terrorism. Finally, ICE Intelligence helped maintain and update the primary immigration benefit fraud database utilized by the ICE Office of Investigations.
- ICE Intelligence provided intelligence support for the National Export Enforcement Coordination Network (NEECN), a major Office of Investigations initiative. ICE Intel also made intelligence information available to field offices through the ProNet program. ProNET is a national program that provides dynamic, near real time analytical application of current intelligence targeting international weapons of mass destruction (WMD) procurement networks. ICE Intel through the NEECN accomplished the following:
  - Issued 21 Homeland Security Intelligence Reports (HSIRS) in response to field requests for information.
  - Provided training to ICE agents both domestically and abroad on the ProNet program and the role of the ICE Office of Intelligence in the NEECN program.
  - Provided data exploitation services, through ProNet, of information obtained as a part of a major OI investigation.

ICE Intelligence established a Request for Information (RFI) System that allowed for tracking program-wide inputs to ensure alignment with ICE's strategic goals, customer goals and needs, better manage Intel's program resources, and monitor outcomes. The RFI system enables program leadership to quickly monitor customer requirement status, type, and satisfaction rates. The RFI system is an essential tool in documenting metrics for performance management and is applied to all program components.

- The National Intelligence Support Unit (NISU) of HQ, Intel provided Document Exploitation (DocEx) services - the initial year of DocEx implementation - to six different customers from the Office of Investigations, the Office of International Affairs, and the Student and Exchange Visitors Program. These services exploited large volumes of a wide variety of types of media in support of operations on four continents. The successful implementation of the DocEx program led the "Protecting the Homeland" award from the Assistant Secretary for this intelligence support. This effort represented an important step in better integrating innovative and highly effective intelligence support to Intel customer by assessing varied media resources (e.g., photos, receipts, phone books, and documents of all types) in order to establish intelligence leads which are captured in this data base

In FY 2008 and FY 2009, Intel's resources will continue to be directed by our Request for Information (RFI) System to support our customer's requirements for intelligence products. Intel will expand and refine the Field Intelligence Groups (FIGs) to fully support our customers in achieving the strategic goals of the Agency. Our Document Exploitation Team (DocEx) will be expanding to offer increased support to the Office of International Affairs and others. By building upon our successes from last year we will continue to meet our mission; ensuring that intelligence developed or received is

disseminated to ICE executive management and operational units as it pertains to Homeland Security, infrastructure protection, and the illegal movement of people, money, and cargo entering, exiting, transiting, or moving within our Nation's borders.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Detention and Removal- Custody Operations**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b>   | <b>Amount</b>    |
|------------------------------|----------------------------|--------------|------------------|
| <b>2007 Actual</b>           | 4,740                      | 4,490        | \$ 1,458,678     |
| <b>2008 Enacted *</b>        | 4,585                      | 4,529        | \$ 1,724,287     |
| 2009 Adjustments-to-Base     |                            | 223          | 11,422           |
| <b>2009 Current Services</b> | <b>4,585</b>               | <b>4,752</b> | <b>1,735,709</b> |
| 2009 Program Change          | 86                         | 46           | 53,454           |
| <b>2009 Request</b>          | <b>4,671</b>               | <b>4,798</b> | <b>1,789,163</b> |
| Total Change 2008-2009       | 86                         | 269          | 64,876           |

\* The above table includes emergency funding of \$186.0 M provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$1.8 billion. Excluding Emergency funds provided, the increase over FY 2008 is \$252 million for pay and non-pay inflation as well as a total program increase for additional Bed Space and Staffing.

**CURRENT SERVICES PROGRAM DESCRIPTION**

Custody Operations provides safe, secure, and humane conditions of confinement for aliens taken into custody or apprehended by ICE (e.g., Fugitive Operations, Criminal Alien Program, Office of Investigations) and other law enforcement entities, such as the Office of the Border Patrol, and State, county, and local law enforcement jurisdictions within the United States. Custody Operations ensures that detained aliens appear for their immigration hearings and for their subsequent removal if so ordered by the immigration court.

ICE secures bed space capacity in numerous detention facilities, and monitors these facilities for compliance with National Detention Standards. These standards specify the living conditions appropriate for detainees and ensure that detainees are treated with dignity and respect, and that they receive the best possible care while they are housed at a facility. The Detention Facilities Inspection Group (DFIG) monitors conditions of confinement where ICE detainees are held in order to ensure that facilities utilized by ICE maintain appropriate conditions of confinement consistent with correctional industry standards and practices.

ICE owns and operates eight secure detention facilities called Service Processing Centers (SPCs). They are located in: Aguadilla, Puerto Rico; Batavia, New York; El Centro, California; El Paso, Texas; Florence, Arizona; Miami, Florida; Los Fresnos, Texas; and San Pedro, California. The newest SPC, the Buffalo Federal Detention Facility in Batavia, houses 378 beds for detained aliens, with additional bedspace set aside for other Federal agencies. ICE implemented a design-build approach to enhance the physical plant of our SPCs and support facilities. Construction of two new administration and processing complexes at the Krome SPC in Miami and the Port Isabel SPC in Texas were completed during FY 2006. These capital improvements have greatly improved operational efficiency at these

locations by improving internal logistics and meeting the national standards for conditions of confinement.

ICE utilizes seven contract detention facilities, which are run by contractors solely for ICE. These facilities are located in: Aurora, Colorado; Houston, Texas; Tacoma, Washington; Elizabeth, New Jersey; Broward County, Florida; Pearsall, Texas; and San Diego, California. Through nationwide Inter-governmental Service Agreements (IGSA), ICE contracts for additional bed space with State and local detention facilities. Further, ICE supplements detention capacity through an arrangement with the Federal Bureau of Prisons' Federal Detention Center in Oakdale, Louisiana, for additional bed space as needed.

During FY 2006, ICE launched efforts to consolidate the detained population in select detention facilities based on careful analysis of immigration, geographical and legal requirements. To this end, in FY 2007, ICE has moved forward with plans to consolidate its detention capacity across the country by building a system which will include facilities of 1,000 beds or greater located strategically across the United States. ICE opened the first of these facilities in Stewart County, Georgia. These facilities will serve designated cases throughout the adjudication process and will increase efficiency due to the immediate proximity between the detainee and case management staff, attorneys, Executive Office of Immigration Review (EOIR), and removal locations. The plan includes maximizing the utilization of existing facilities and excess detention capacity in an effort to reduce costs and activation time. ICE will continue to consolidate populations according to strategic geographic areas such as San Diego, Phoenix, San Antonio, Seattle, New York and Houston.

Apprehensions are increasing due to the recent resource enhancements for immigration enforcement staff (e.g., Fugitive Operations, Criminal Alien Program, Border Patrol) and the Department's commitment to maintaining an end to the "catch and release" of illegal aliens along the Southwest Border. Key to ICE's success in managing a growing detention population has been the creation of the ICE Detention Operations Coordination Center (DOCC) to manage detention and transportation resources on a national level. The national management of these resources has allowed ICE to support apprehensions in field offices with limited detention capacity by transporting cases to field offices with excess detention capacity. This practice greatly increases ICE's efficient use of finite detention resources and promotes successful accomplishment of our immigration enforcement mission, including providing detention facilities meeting the highest standards.

ICE's overall detention strategy for adding more space has been through a combination of privately-owned and-operated facilities, contract facilities, and inter-governmental service agreements with State and local facilities. ICE is conducting a three-phased study which will look into the feasibility, cost-benefit, and potential transition of SPC bed space requirements to the private sector. ICE completed the first phase of the study and is working on completing the second phase to address the specific privatization issues, costs and benefits, and transition requirements on an individual facility basis.

Primary healthcare for alien detainees is managed by the Division of Immigration Health Services (DIHS), which became a component of DRO operations as of October 1, 2007. Through comprehensive health screening and the provision of direct patient care and managed care services to approximately 20,000 detainees, DIHS directly impacts the globalization of communicable disease and serves as a model for global health services delivery. A managed healthcare program is available system-wide to ensure adequate and appropriate care is provided to all detainees at the lowest possible cost.

The breadth of the responsibilities within the detention program requires a readiness to respond to a wide variety of emergency situations. A significant example is mass migration planning. ICE has been an essential component in the development of Operational Plan Vigilant Sentry; DRO is responsible for the security, custody, and transportation of arriving migrants during a mass migration event. DRO continues to lead the way in further refinement of the plan, particularly in regard to the utilization of the Migrant Operations Center located at the U.S. Naval Base in Guantanamo Bay, Cuba. ICE has helped define organizational responsibilities for management of migrants interdicted at sea and taken to the Migrant Operations Center. ICE has modified existing buildings and created new structures to maintain custody of interdicted migrants until their cases can be resolved. In addition, ICE has made preparations to carry out its responsibilities on Guantanamo in the event of a mass migration.

As part of planning for a mass migration or disaster, the DRO Incident Response Unit has created contingency plans for DRO resources to remain readily available for deployment in the event of a natural disaster, terrorist attack, or mass immigration emergency will be reviewed and modified based on lessons learned from recent hurricanes.

### **Key Accomplishments:**

#### FY 2007:

- Custody Operations implemented several technology-driven resources to achieve greater program management efficiency. These include:
  - The development of a customized bed space forecast model based upon transportation routes, apprehension forecasts, and historical length of detention data and case type; The development of a tracking system to track acquisition and procurement information to better align ICE components and easily track key projects;
  - Institution of Special Response Training (SRT) for field offices with dedicated SRT Teams to ensure that each SPC has fully operational and trained SRT personnel; and
  - Initiating the second phase of the ICE study of the costs and benefits of consolidating contracts at all SPCs, including detention services, in accordance with A-76 efforts.
- The Detention Standards Compliance Unit (DSCU) entered into an annual detention compliance inspection contract with Creative Corrections, who will conduct annual review of detention facilities housing ICE detainees and assist with program management, inspection schedules, and reports and an On-Site Detention Standards Compliance Contract with the Nakamoto Group, who will provide on-site compliance verification for detention facilities housing ICE detainees, including an automated reporting function to allow DRO to monitor the current compliance status of any particular facility.
- DCSU is currently in the final stages of modernizing ICE's National Detention Standards (NDS) to update agency policy regarding detention and brings ICE DRO practices in alignment with industry standards. The new standards are Performance-based Standards (PBS) which, focus on the *results or outcomes* the required procedures are expected to accomplish. Much like strategic planning, each detention standard is intended to produce expected outcomes that are clearly stated, rather than merely assumed. This new format improves the delivery of care to detainees and affords ICE the opportunity to measure outcomes over time. The use of performance-based standards encourages service providers to find optimal ways to meet

performance criteria, resulting in more efficient operations while still ensuring safety, security and appropriate conditions of confinement for the detained population.

- In FY 2007, medical examinations resulted in the detection of 175 cases of detainees with active tuberculosis, and 245 cases of other infectious diseases. Working with the countries of origin, DRO coordinated removals of 198 individuals with active and potentially active tuberculosis. This effort was supported by our coordinated ongoing collaborations among Federal, State, local, and foreign national public health officials, ICE officials and officers, and non-governmental entities to facilitate continuity of care for patients with active tuberculosis who are repatriated before treatment completion, to enable them to continue treatment without interruption and working with the countries of origin, thus minimizing threats to public health domestically and globally and minimizing acquisition of drug-resistant and multi-drug-resistant tuberculosis.

In FY 2008 and FY 2009, Custody Operations will continue to enhance its efforts and capitalize on increasing efficiencies and successes. DRO will:

- Continue to support the President's policy of ending "catch and release" at the northern and southern U.S. borders;
- Continue to support the 287(g) initiative and any additional State and local jurisdictions through the provision of detention space for detainees arrested by municipal law enforcement jurisdictions and brought to DRO custody;
- Continue its aggressive inspection program;
- Provide standard-quality conditions for additional facilities;
- Continue its aggressive inspection program;
- Provide standard-quality conditions for additional facilities;
- Sustain American Correctional Association (ACA) accreditation for all DRO-operated facilities; and
- Support the Criminal Alien Program and Fugitive Operations teams in their FY 2008 and FY 2009 apprehension targets.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Detention and Removal- Fugitive Operations**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|----------------------------|------------|----------------|
| <b>2007 Actual</b>           | 482                        | 311        | \$ 187,728     |
| <b>2008 Enacted *</b>        | 708                        | 656        | \$ 227,985     |
| 2009 Adjustments-to-Base     |                            | 103        | 8,538          |
| <b>2009 Current Services</b> | <b>708</b>                 | <b>759</b> | <b>236,523</b> |
| 2009 Program Change          | 9                          | 1          | 1,110          |
| <b>2009 Request</b>          | <b>717</b>                 | <b>760</b> | <b>237,633</b> |
| Total Change 2008-2009       | 9                          | 104        | 9,648          |

\* The above table includes emergency funding of \$32.8 M provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$237.6 million. Excluding Emergency funds provided, the increase over FY 2008 is \$42.6 million for pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The National Fugitive Operations Program (NFOP) is responsible for reducing the fugitive alien population in the United States. At the end of FY 2007, there was estimated to be 594,756 fugitive aliens at large in the United States, according to the DRO Deportable Alien Control System (DACs). ICE works to reduce the fugitive alien population through the use of Fugitive Operations Teams (FOTs).

A Fugitive Operations Team is made up of:

- 1 Supervisory Deportation Officer (SDO);
- 4 Detention Officers (DOs);
- 1 Immigration Enforcement Agent (IEA); and
- 1 Deportation Assistant (DA).

In 2006, DRO created the Fugitive Operation Support Center (FOSC) to enhance the efficiency and effectiveness of the NFOP. The FOSC reviews and updates ICE fugitive alien cases in DACs, provides comprehensive leads to the FOTs, closes cases once deemed appropriate to do so and overall facilitates the efforts to meet the goal of 1,000 arrests per Area-of-Responsibility (AOR) per FOT. As a component of the NFOP, the goal established for FOSC is to eliminate 26,000 cases from the fugitive population each fiscal year. The fugitive alien population at the end of FY 2006 was 37,970 less than the population of 632,726 recorded on October 1, 2006.

The FOSC will conduct analysis, screening, background checks, and related support activities for the vetting of ICE fugitive aliens. This will allow the FOSC to reconcile data from external government and private sources. After analyzing vetting, and compilation, actionable information will be disseminated to FOTs. When operational, each Field Office FOT seeks to achieve a Field Office Area

of Operational Responsibility (AOR) goal of 1,000 arrests per FOT per annum. As the teams become fully staffed, the total amount of ICE fugitive and illegal aliens arrested will continue to increase significantly.

**Key Accomplishments:**

FY 2007:

- There was a 95 percent increase in the total number of ICE fugitive arrests as compared to the same time period in FY 2006.
- There was a 64 percent increase in the total number of ICE fugitive enforcement activities conducted by FOTs as compared to the same time period in FY 2006.
- All 75 funded Fugitive Operations teams (FOTs) became operational, conducting enforcement activities across the United States. Presently, all 24 DRO Field Offices have at least one operational FOT.
- FOTs arrested 30,408 illegal aliens. Of the total aliens arrested, 18,324 were ICE fugitive aliens, of which, 2,679 were criminal fugitive aliens. The remaining 12,084 arrests were comprised of non-fugitives, of which 2,755 were criminal aliens.
- 112,147 ICE fugitives were eliminated from the ICE fugitive alien population backlog.
- NFOP enforcement activities resulted in the removal from the U.S. of 64,545 fugitive aliens.
- The FOSC conducted 73,285 enforcement activities assisting in the reduction of the fugitive backlog.

FY 2008 and FY 2009 DRO will:

- Use additional funds provided by the Congress for an additional 29 teams, increasing the total number of funded teams to 104. By the end of FY 2009, all 104 Fugitive Operations Teams (FOT) are expected to be operational and conducting enforcement activities across the United States.
- Continue to develop procedures to process and analyze DACS fugitive data utilizing batch procedures.

**Department of Homeland Security  
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**PPA: Detention and Removal- Criminal Alien Program**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|----------------------------|------------|----------------|
| <b>2007 Actual</b>           | 888                        | 582        | \$ 142,796     |
| <b>2008 Enacted</b>          | 988                        | 826        | \$ 189,349     |
| 2009 Adjustments-to-Base     | -                          | 153        | 12,414         |
| <b>2009 Current Services</b> | <b>988</b>                 | <b>979</b> | <b>201,763</b> |
| 2009 Program Change          | 9                          | 2          | 2,394          |
| <b>2009 Request</b>          | <b>997</b>                 | <b>981</b> | <b>204,157</b> |
| Total Change 2008-2009       | 9                          | 155        | 14,808         |

U.S. Immigration and Custom Enforcement requests \$204.2 million for this activity. This is an increase of \$14.8 million for annualized prior year funding, pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Criminal Alien Program (CAP) identifies criminal aliens who are incarcerated in Federal, State, and local facilities and prepares them for immigration proceedings, ensuring that they are not released into the community. The identification and processing of incarcerated criminal aliens prior to their release into DRO's custody reduces the overall cost and burden to the Federal Government. CAP identifies these criminal aliens through interviews at the facilities and matches those criminal aliens with the list of removal orders and prepares to them for removal out of the country as soon as their criminal sentence is over. The program ensures the safety of our citizens as well as the national security of the United States by removing dangerous, often recidivist, criminal aliens before they engage in additional criminal activity.

A CAP team is made up of:

- 1 Supervisory Deportation Officer;
- 1 Deportation Officers;
- 6 Immigration Enforcement Agents; and
- 2 Deportation Assistants

While the total detained criminal alien population serving sentences at the Federal, State, and local level is not known, however, ICE removed over 90,000 criminal aliens in FY 2007. State and local correctional departments maintain independent data systems, and many do not track the immigration status of their prisoners. To resolve these issues, DRO is working with the States to receive their data and then compare the information given to the ICE immigration databases.

In FY 2007, DRO completed a comprehensive study of all known jail and prison facilities (Federal, State, and county) in the United States and provided a weighted score of risk to each. ICE's goal is to

achieve 100 percent screening in all jails and prisons to determine nationality of all incarcerated individuals. ICE is utilizing a phased approach to bring all facilities to 100 percent screening as resources become available by using the risk based assessment. Once the program has been fully developed and funded, a report will be prepared and forwarded to Congress that will:

- 1) present a strategy for U.S. Immigration and Customs Enforcement to identify every criminal alien, at the prison, jail, or correctional institution in which they are held;
- (2) establish the process U.S. Immigration and Customs Enforcement, in conjunction with the U.S. Department of Justice, will use to make every reasonable effort to remove, upon their release from custody, all criminal aliens judged deportable;
- (3) present a methodology U.S. Immigration and Customs Enforcement will use to identify and prioritize for removal criminal aliens convicted of violent crimes;
- (4) define the activities, milestones, and resources for implementing the strategy and process described in sections (1) and (2); and
- (5) include program measurements for progress in implementing the strategy and process described in sections (1) and (2).

### **Accomplishments:**

#### FY 2007

- In FY 2007, CAP issued 164,296 charging documents. This exceeds the CAP fiscal year 2006 total by over 140%.
- In FY 2007, a total of 2,746 cases were presented to the U.S. Attorney's office for criminal prosecution. Of those, 1,808 cases have been accepted.
- In FY 2007, the 287(g) program trained 426 State/local law enforcement officers and entered into 26 Memorandums of Agreement (MOA), which allowed ICE to leverage the resources of State and local law enforcement as a force multiplier.

#### FY 2008

- ICE will work to deploy the 30 additional teams that were funded. Each IEA will be responsible for conducting an estimated 600 interviews per year, and also be responsible for issuing 300 charging documents per year.
- ICE will use the additional \$200 million provided in the FY 2008 Omnibus bill to create a strategy and add additional resources to identify every criminal alien at the prison, jail, or correctional institution in which they are held.
- CAP will work to improve program efficiency in the interviewing and processing of individuals that are amenable to removal by:
  - Continuing the deployment of over 200 Video Teleconference (VTC) systems to CAP programs throughout the country;
  - Commencing VTC hearings and interviews in at least 7 new U.S. Bureau of Prisons (BOP) facilities;
  - Develop and implement an electronic system based on metrics to track productivity at the local, State, and Federal institutions; and
  - Streamlining the Federal CAP system by working with the U.S. Marshal Service to obtain electronic booking data. Matching this data against ICE databases will help the BOP to

more efficiently and effectively designate foreign-born nationals in Federal CAP sites where immigration hearings can be conducted via VTC or on site.

In FY 2009, CAP will continue to increase efforts to identify criminal aliens who are incarcerated in Federal, State, and local facilities, and the additional personnel will help to ensure that these criminals are not released into the community while preparing for immigration proceedings.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Detention and Removal- Alternative to Detention**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|----------------------------|------------|---------------|
| <b>2007 Actual</b>           | 112                        | 55         | \$ 43,850     |
| <b>2008 Enacted *</b>        | 178                        | 156        | \$ 55,829     |
| 2009 Adjustments-to-Base     | -                          | 21         | 2,123         |
| <b>2009 Current Services</b> | <b>178</b>                 | <b>177</b> | <b>57,952</b> |
| 2009 Program Change          | 9                          | -          | 242           |
| <b>2009 Request</b>          | <b>187</b>                 | <b>177</b> | <b>58,194</b> |
| Total Change 2008-2009       | 9                          | 21         | 2,365         |

\* The above table includes emergency funding of \$10.0 M provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$58.2 million. Excluding Emergency funds provided, the increase over FY 2008 is \$12.4 million for pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION**

National security and public safety are ICE’s first priorities. To that end, ICE detains all aliens who pose a threat to community safety or national security, and those required to be detained under the Nation’s immigration laws. The Alternatives to Detention (ATD) Program was created to enable ICE to maintain current detention levels, and to monitor aliens who are likely to comply, without detention, with immigration proceedings. ATD is comprised of two primary programs; Electronic Monitoring Program (EMP) and the Intensive Supervision Appearance Program (ISAP); and a separate Bond Unit within ISAP.

The EMP is designed to assist in compliance with appearance at court and removal orders without detention in a detention facility. Under this program, aliens awaiting immigration court hearings or removal wear either a monitoring ankle bracelet or report by telephone to a voice recognition system monitored by an ICE case manager. The EMP program can have an unlimited number of participants and is now offered in DRO offices nationwide.

The ISAP is a program for aliens who are pending immigration court proceedings or awaiting removal from the United States, residing within the managed area, and not deemed a threat by DHS. Contract case specialists are assigned a limited caseload of participants and are responsible for monitoring those participants in the community by using tools such as electronic monitoring (bracelets), home visits, work visits, and reporting by telephone. Compliance with ISAP is a condition of release. Non-compliance could result in stricter supervision or return to detention. ISAP can supervise up to 1,800 aliens within prescribed service areas at the following locations: Baltimore; Philadelphia; Miami, and Delray, Florida; St. Paul; Denver; Kansas City; San Francisco; and Portland, Oregon.

In FY 2007, ATD Programs were re-focused as part of DRO “removal” strategy rather than the “release” strategy. The ISAP case model has become more flexible this year, creating options for supervision of more participants. ATD curriculum was added to training in DRO areas such as FLETC and the Leadership Development Center. There has been an increase in filling ATD staff vacancies at the field level, which has contributed to more supervision being available nation-wide.

- The Intensive Supervision Appearance Program (ISAP) was expanded during FY 2007, more than doubling the amount of individuals supervised by the program from the original 1,800 to 4,000 participants daily. The expansion added ISAP services to Los Angeles (1,000), New York City (1,000), and Orlando (200). Throughout the year, 2,958 individuals were supervised in ISAP; resulting in a 96% attendance rate at final decision hearings. For those ISAP cases who received final court decisions (final removal orders or voluntary departure orders) an overall 48% of aliens complied with the judge’s decision. This is a marked increase when compared to the benchmark statistic from a 2003 DOJ/OIG study, which cites a 13% compliance rate for the same measures.
- In FY 2007, DRO added a new program to its cadre of Alternatives to Detention (ATD) supervision tools with the award of the Enhanced Supervision Reporting (ESR) contract to address the need for less intensive or intermediary supervision levels. The ESR program will assist with the supervision of its participants via in-person reporting and case management. This program is expected to be operational near the end of the first quarter in 2008.

In FY 2008 and FY 2009, existing ATD contracts (EMP and ISAP) will be assessed upon expiration during FY 2008 and FY 2009 respectively to determine possible improvements to program effectiveness.

- The Electronic Monitoring Program will end in early December 2007, when a transition to the replacement Enhanced Supervision / Reporting Program (ESR) will occur. The transition will allow a more effective monitoring program by providing structured and closely supervised electronic monitoring, residence verification, home visits, in-person reporting and document information collection with an emphasis on increased compliance with immigration requirements for program participants. (In addition, the case management workload will be reduced for field officers.)
- The Intensive Supervision Appearance Program (ISAP) will end during FY 2009. The ATD Unit will conduct a study to see which type of pilot program best suits the DHS mission (ISAP and / or ESR), and will announce the surviving or replacement ATD program during FY 2009 as a new contract. An ISAP-like program will continue to be a part of the ATD supervised release programs.
- The ATD Unit is also researching piloting a program that would utilize “kiosk” type hardware like the US-VISIT program. With this technology, an alien could regularly report, but instead of reporting to a DRO Officer, the alien would scan his fingerprint and have his photo taken at a “kiosk”. This concept could potentially revolutionize the way ICE DRO supervises non-detained aliens. This is one of DRO’s additional detention alternative that is being explored.)

The Bond Management Unit, also funded within the Alternatives to Detention Program, is responsible for developing, implementing and administrating ICE bond policy and providing oversight to DRO field offices ensuring that bond issues, including litigation, are resolved quickly.

In FY 2007, the Bond Management Unit (BMU) has:

- Implemented an internal web site providing field updated guidance and policy on bond management;
- Updated basic and advance deportation officer training course at FLETC;
- Implemented the Bond Backlog Action Team (BBAT) to assist in bond backlog reduction;
- Instituted monthly bond teleconference with field users;
- Created the Surrender Regulation Implementation Plan,
- Continued to update bond policy with current DRO enforcement dynamics.
- In FY 2007, the Bond Management Unit (BMU) advanced the cause of bond reform by providing updated policy and procedure memoranda to all DRO Field Offices.
- The BMU established the Bond Backlog Action Team (BBAT) contract, which completed 16,352 bond actions resulting in \$8,295,450.00 cancellations and \$9,960,000.00 breaches. The cancellations and breaches result in a savings of interest that is paid on the bonds by ICE. The \$9.9M from the breach of bonds goes back into the Breach Bond Fund.

In FY 2008 and FY 2009, the Bond Management Unit will continue to enhance and refine the immigration bond program through implementation of policy and regulations as well as continue training field personnel on bond administration.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Detention and Removal- Transportation and Removal Program**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|----------------------------|------------|----------------|
| <b>2007 Actual</b>           | -                          | -          | \$ 237,669     |
| <b>2008 Enacted *</b>        | -                          | -          | \$ 291,545     |
| 2009 Adjustments-to-Base     |                            | -          | (1,127)        |
| <b>2009 Current Services</b> | -                          | -          | <b>290,418</b> |
| 2009 Program Change          | -                          | -          | -              |
| <b>2009 Request</b>          | -                          | -          | <b>290,418</b> |
| Total Change 2008-2009       | -                          | -          | (1,127)        |

\* The above table includes emergency funding of \$33.4 M provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$290.4 million. Excluding Emergency funds provided, the increase over FY 2008 is \$32.3 million for pay and non-pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Transportation and Removal Program provides safe and secure transportation of aliens in ICE custody. It also prepares for and conducts removals from the United States, as ordered by an immigration judge.

The Removal Management Division formulates all DRO transportation and removal policy, conducts transportation and removal planning, defines and projects transportation and removal requirements, and oversees and supports Field Office Directors' (FODs) execution of transportation and removal funding. The division carries out its responsibilities through five supporting units: (1) Air Transportation; (2) Travel Document; (3) Centralized Ticketing; (4) JPATS-Liaison Unit (JLU) in Kansas City, Missouri, and (5) Custody Determination Unit (CDU), including oversight of the DRO Cuban Unit and Post Order Custody Review (POCR) operations.

The **Air Transportation Unit (ATU)** - manages all special air charter missions for ICE and provides procurement-support for the JPATS Liaison Unit in Kansas City. It also provides management and oversight over the Detention Operations Coordination Center (DOCC) and the Worksite Enforcement Operations Support (WSE Support) component. Both the DOCC and the WSE Support components have air transportation requirements on a very regular basis, either contracted charter flights or JPATS flights.

The **Travel Document Unit (TDU)** - conducts diplomatic and liaison activities for the purpose of removing persons from the U.S. through the procurement of travel documents. The TDU has been involved in an interagency Visa Sanctions Working Group to compel greater cooperation from several countries that routinely refuse to accept or unreasonably delay the repatriation of their nationals.

Another key initiative of the TDU has been to develop, implement and deploy the electronic Travel Document System (eTD) to all Field Offices and to some foreign governments for the issuance of travel documents.

The **JPATS-Liaison Unit (JLU)** - manages the DRO portion of the Justice Prisoner and Alien Transport System (JPATS). The JLU oversees all of the operational aspects of scheduling JPATS flights for ICE DRO field offices, ensuring all future requirements are being met and conducting all required operational coordination with field offices, receiving countries and respective ICE Attachés and the JPATS senior management in Kansas City, Missouri.

The **Custody Determination Unit (CDU)** - has ensured compliance with applicable custody review regulations, thereby reducing adverse litigation and limiting DRO's liability in court actions. The Field Oversight Program, developed by CDU, monitors and oversees case management operations of detained aliens under a final order of removal. This program has ensured that field offices follow up on custody reviews, travel document requests, and take appropriate case management actions in the cases of detained aliens.

The Transportation and Removal Program also includes case management activities. Aliens apprehended for violation of immigration law must be processed expeditiously and in accordance with laws and regulations. The Case Management Program ensures that apprehended aliens are processed through the immigration legal system and afforded rights under the law by managing alien cases initiated by other immigration enforcement programs pending a final decision on the case by an immigration judge.

The Executive Information Unit (EIU) coordinates the development and deployment of the Detention and Removal Operations Modernization (DROM) investment. DROM will improve technology and business processes to better manage, track, and report on the movement of aliens through the immigration enforcement lifecycle. A major goal of DROM is to replace the Deportable Alien Control System (DACS), a 23 year-old mainframe system, with a new Detention and Removal Case Management system. The first step to retiring DACS was the deployment of the ENFORCE Alien Detention Module (EADM). EADM was deployed nationwide on September 30, 2007 and replaced the detention functionality of DACS. The deployment of EADM reduced the administrative detention book-in processing time per alien from approximately 30 minutes to approximately 4 minutes. This will allow DRO operational flexibility to perform additional enforcement actions. DRO is currently finalizing development of the ENFORCE Alien Removal Module (EARM) which will replace the case management functionality of DACS. The continuation of DROM is expected to reap similar benefits throughout every aspect of DRO operations.

## **Accomplishments:**

### FY 2007

- The Removal Management Division (RMD) contributed to the increase of the number of removals by over 10 percent of FY 2006 numbers by creating the following efficiencies in the removal process:
  - Utilizing leased charters to increase DRO removal efforts;
  - Development of the Detention Operations Coordination Center (DOCC);
  - Deployment of the *Electronic* Travel Document System (eTD); and
  - Utilizing Video Teleconferencing to conduct consular interviews.

- In FY 2007, DRO removed 276,912 aliens, which includes 40,534 Voluntary Returns (VRs).
- The Case Management Unit (CMU) provided several training initiatives by conducting training and guidance to Field Offices and the FLETC DRO transition course.
- The Centralized Ticketing Unit (CTU) completed training on the e-Country Clearance program recently implemented by the Department of State. This web-based system will replace former modes of official notification to foreign posts of impending escort removal operations.
- CTU facilitated the implementation of an e-Travel system, which will consolidate all ticketing, foreign post notification, and coordination related to official travel and alien foreign removal. This system is designed to automate all aspects of removal scheduling which will reduce the average length of custody stay for detained aliens.
- In FY 2007, the CTU increased efficiency in itinerary and ticket acquisitions as well as country clearance notifications, which greatly contributed to the 10% increase of removals realized in FY 2007. The total number of tickets purchased was 27,226, of which 9,814 were escorted removals and 17,412 were non-escorted removals.
- In FY 2007, ICE moved 163,656 aliens by air compared to 73,495 in FY 2001. This represents a 122% increase in removals over six years. RMD anticipates a 10% increase in alien removals during FY 2008, largely due to improved processing by electronic travel documents and the JPATS organization acquisition of two additional aircraft and augmentation of those assets with ICE managed leases.
- The Detention Operations Coordination Center (DOCC), established in FY 2006 to ensure that all Field Offices have adequate detention space for routine apprehensions, coordinate special operations requiring large numbers of detention beds, and manage bed space on a national scale, coordinated the movement of 19,389 aliens in FY 2007, assisted with the handling and movement of detainees in 2 Worksite Enforcement Operations and assisted with the handling and movement of detainees in 33 Fugitive Task Force Operations.
- In FY 2007, the Mexican Interior Repatriation Program (MIRP) apprehended 69,438 Mexican Nationals, of which 60,898 were eligible to participate in the MIRP. Out of the eligible participants, 34,233 were interviewed by Government of Mexico to evaluate the participation in the program. As a result of the interviews, 13,865 participants were repatriated to Mexico City.
- During FY 2007 a total of 9 International Special Charters were flown to return alien nationals to Cambodia, Egypt, Ghana, Jordan, Liberia, Pakistan, Palestine, and the Philippines. A total of 772 aliens were returned to their countries.
- During FY 2007 the Operations Support and Coordination Unit (OSCU) provided 159 Domestic and Central America charter flights to support the DRO removal mission. These flights included 143 charter flights to remove 16,642 Other Than Mexican (OTM) alien nationals, 14 charter flights to move 1,425 aliens domestically, and 2 charter flights to remove 180 Mexican nationals.

- In FY 2007, the Travel Document Unit (TDU), in conjunction with the Office of the Chief Information Office, deployed the *Electronic* Travel Document System (eTD) to all 24 ICE DRO Field Offices and consulates of Guatemala, Honduras and El Salvador. The eTD dramatically decreased the number of days it takes to issue travel documents from 14 days to 6 days in FY 2007.
- In FY 2007, Video Teleconferencing equipment, utilized in conjunction with eTD to facilitate consular interviews, were installed in the following DRO Field Offices; Buffalo, NY, Houston, TX, Chicago, IL, San Francisco, CA, York, PA and Omaha, NE. Additional installations were completed at consular locations for the Governments of El Salvador and Guatemala.
- DRO created twelve permanent Deportation Liaison Officer (DLO) positions to oversee and coordinate removals from abroad.

In FY 2008, DRO was provided \$44.0 million that includes \$17.6 million for Centralized Ticketing Operations and \$26.4 million for additional air transportation support, including the use of the Justice Prisoner and Alien Transportation System (JPATS) and leasing of aircrafts for alien removals. DRO will continue to engage other government agencies and embassies to accelerate and expedite the issuance of travel documents for aliens pending removal from the United States. DRO will continue to develop and expand deployment of the eTD system as well as encourage other foreign governments to use the system and increase its use of JPATS.

In FY 2009, DRO will continue to engage other government agencies and embassies to accelerate and expedite the issuance of travel documents for aliens pending removal from the United States. DRO will also increase its use of JPATS to expedite the removal of aliens with removal orders.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase:** **Additional Bedspace and Staffing**

Strategic Goal(s) & Objective(s): 1.1 Achieve Control of our Borders  
PPA: Multiple

Program Increase: Positions 74 FTE 39 Dollars \$46,000

|                        | FY 2007 Actual |              |                  | FY 2008 Enacted |              |                  | FY 2009 Request |              |                  |
|------------------------|----------------|--------------|------------------|-----------------|--------------|------------------|-----------------|--------------|------------------|
|                        | Pos            | FTE          | Dollars (\$000)  | Pos             | FTE          | Dollars (\$000)  | Pos             | FTE          | Dollars (\$000)  |
| Current Services Level |                |              |                  |                 |              |                  | 8,710           | 4,355        | 1,536,446        |
| Program Increase       |                |              |                  |                 |              |                  | 74              | 39           | 46,000           |
| <b>Total Request</b>   |                | <b>4,020</b> | <b>1,447,205</b> |                 | <b>4,355</b> | <b>1,536,446</b> | <b>8,784</b>    | <b>4,394</b> | <b>1,582,446</b> |

**Description of Item**

The funding will provide 725 additional beds, \$8.02 M in removal support and 74 positions within ICE to support the additional bed space. The bedspace requested is the estimated need for the increase in enforcement activities.

**Personnel Costs**

- Deportation Officer (10 FTE) - \$3.48 M
- Immigration Enforcement Agent (20 FTE) - \$5.20 M
- Deportation Assistant (5 FTE) - \$0.75 M
- \$0.72 M in resources for associated legal and acquisitions support for the program activities:
  - Legal Support (2 FTE) - \$0.25 M
  - OAQ Support (2 FTE) - \$0.47 M

**Non-Personnel Costs**

- 725 Beds (\$99/day cost) - \$26.20 M
- Removal Costs (\$1,000/removal) - \$8.02 M
- Other Support Costs - Information Technology, Facilities, Financial, OPR - \$1.60 M

**Justification**

Effectively addressing illegal immigration requires an immigration enforcement continuum comprised of intelligence, investigations, apprehension, detention, due process, and removal. While each component of the continuum is important, detention and removal are the primary enforcement tools of the immigration enforcement effort. Without these tools, apprehension becomes a synonym for catch-and-release, a mere hindrance to the illegal entrant, and the entire immigration enforcement effort

looses credibility with immigration violators, criminal organizations, potential terrorists, and U.S. citizens. As a result, the Custody Management function must be adequately funded to perform its role within the entire scope of illegal immigration.

As a result of the Secure Border Initiative (SBI), DHS began hiring of Border Patrol Agents, Special Agents, Deportation Officers, and Immigration Enforcement Agents, all of which increase apprehensions, which in turn require additional bed space. To further address the illegal immigration issue, State and local law enforcement officers have been granted special authority under Section 287(g) of the Immigration and Nationality Act to enforce limited immigration functions, thereby creating a force multiplier effect for the enforcement of immigration laws.

ICE continuously looks for ways to become more efficient and reduce bed space needs through steps like the consolidation of detention capacity and establishing a Detention Operations Coordination Center.

The beds provided in the request will support the ending of “catch and release” at the northern and southern U.S. borders and continuation of “catch and return”; the 287(g) initiative and any additional State and local jurisdictions that are added to the existing level of effort in this program; and other increases in enforcement successes and additional DHS personnel increases (e.g., Border Patrol agents).

Any increase in bedspace needs to be accompanied by an appropriate mission support staff. There are critical functions that need to be carried out by legal, acquisitions, and information technology staff. For example, ICE follows the DHS cost-to-spend preferred goal of 1.9 percent, which, for example, correlates with the need for one FTE for every \$8 million of additional contract award obligations. These requested positions have been included in the request.

#### Bedspace History and FY 2009 Request

| FY 2007 | FY 2008 | FY 2009 Request* |
|---------|---------|------------------|
| 27,500  | 32,000  | 33,000           |

\*In addition to the \$46 M enhancement, an additional 275 beds will be paid for through increased collections of the Immigration User Fee and through the Breached Bond Detention Fund.

#### **Impact on Performance (Relationship of Increase to Strategic Goals):**

##### Objective 1.1: Achieve Effective Control of Our Borders

- Ensure sufficient and appropriate bed space is available based on detention category, characteristics, and conditions of release.
- Enhance partnership with other Federal detention agencies for better use of their resources to include facilities and training.
- Develop a National Custody Management Program promoting the effective utilization of available bed space and alternative detention settings.
- Develop transportation and logistics systems to optimize the efficient use of bed space and support removal operations.

Increasingly, immigration and removal policy has generated a greater and more diverse population of aliens that require detention space. Consequently, detention strategies and resources must be increased along with other programs and initiatives to ensure they are properly supported and can meet their

intended accomplishments. For example, the Custody Management Program has entered into numerous inter-agency agreements with other Federal agencies in order to accomplish its mission.

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase:** **National Security/Critical Infrastructure Investigations**

Strategic Goal(s) & Objective(s): 2.2 Enforce Trade and Immigration Laws  
PPA: Office of Investigations

Program Increase: Positions 72 FTE 36 Dollars \$11,800

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---       | 0               |
| Program Increase       |                |     |                 |                 |     |                 | 72              | 36        | 11,800          |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>72</b>       | <b>36</b> | <b>11,800</b>   |

**Description of Item and Justification**

This request will fund 72 positions needed within the ICE Office of Investigations to increase national security and critical infrastructure investigations at Ports of Entry and other sensitive facilities that attract terrorists and/or illegal and undocumented workers. ICE is the primary investigative authority responsible for the investigation of Federal violations at U.S. Ports of Entry, to include national security related violations. Additionally, ICE utilizes its unique immigration authorities to conduct investigations regarding the illegal employment of undocumented foreign workers by businesses throughout the United States, to include sensitive facilities, which support the critical infrastructure of the United States. Funding is requested for 53 Special Agents and 19 support positions, in accordance with the GAO-approved workforce model.

**Personnel Costs**

\$11.800 million of this increase will fund personnel costs for 72 positions:

- 10 Supervisory Special Agents/ASAC/DSAC
- 43 Special Agents
- 2 Seized Property Specialists
- 5 Criminal Research Specialists
- 1 Forensic Document Examiner
- 1 Forensic Document Examiner Assistant
- 1 Staff Assistant
- 1 Evidence Coordinator
- 2 Investigative Assistants
- 3 Mission Support Specialists
- 3 Management and Program Analysts

## **Justification**

The request provides funding for the following program areas, which directly supporting these investigative activities.

### **Arms and Strategic Technology Investigations (ASTI)**

ICE is requesting funding for 12 Special Agents, 2 Supervisory Special Agents, 1 Criminal Research Specialist, 1 Investigative Assistants, 2 Mission Support Specialists, and 2 Management and Program Analysts nationwide to effectively respond to and support the task of identifying and addressing non-immigrant foreign nationals with access to sensitive United States Munitions List (USML) and dual-use research as captured in the International Traffic and Arms Regulations (ITAR) and the Export Administration Regulations (EAR). This program supports ICE's Operation TECH DEFENSE deemed export initiative to ensure that H-1B (alien in a specialty occupation) and L-1 (inter-company transfers) non-immigrants working in U.S. sensitive technology manufacturing and research facilities (e.g. weapons of mass destruction) have the proper authorization to conduct such work. TECH DEFENSE will target H-1B and L-1 non-immigrants/visa holders from special interest countries. This effort will also identify those businesses and higher learning institutes allowing foreign nationals unauthorized access to controlled technology in violation of deemed export regulations.

### **Worksite Enforcement**

ICE is requesting 3 Special Agents to conduct critical infrastructure worksite investigations. ICE will be able to target an increased number of critical infrastructure sectors for compliance/enforcement actions. Additionally, by increasing the number of investigations, ICE will be able to reduce the vulnerabilities in critical infrastructure industries and sectors. ICE agents focus investigations on sites related to critical infrastructure and national security such as nuclear power plants, chemical plants, military bases, defense facilities, airports and seaports. ICE works with employers in these cases to identify and immediately remove illegal workers from sensitive facilities and locations where they are in a position to cause harm.

### **Commercial Fraud**

ICE requests 3 Special Agents to enhance the undercover efforts at critical Ports of Entry to stem the flow of counterfeit goods into the United States. In FY 2005, the Administration responded to the growing threat of global counterfeiting by establishing the Strategic Targeting of Piracy! (STOP!) Initiative. Recently, foreign law enforcement counterparts from both Canada and the People's Republic of China (PRC) have requested the initiation of partnerships with ICE to further our joint transnational anti-counterfeiting efforts. This enhancement adds to that effort and reduces the threat to our national security by strengthening our enforcement efforts in counterfeit goods flowing into our Ports of Entries which could be used to fund terrorist groups and other criminal organizations.

### **Identity and Benefit Fraud**

ICE is requesting 3 Special Agents to assist national security and critical infrastructure efforts by targeting identity and benefit fraud. Identity and benefit fraud presents a national security vulnerability by which illegal aliens, to possibly include terrorists and other persons who pose a risk to public safety, can not only gain entry into the United States but remain here under a guise of legitimacy. Aliens who engage in filing frivolous and/or fraudulent immigration applications receive immigration benefits to which they are not entitled. Access to critical infrastructure sites such as our nation's airports, other types of mass transportation, nuclear facilities and other critical infrastructures has been successfully achieved through the use of fraudulent documents.

### Financial Investigations

ICE is requesting 3 Special Agents to focus its financial investigations program to specifically address crimes associated with national security and critical infrastructure investigations. ICE aggressively pursues the financial component of every investigation. ICE has many long-standing and recently implemented enforcement initiatives concerning national security: money-laundering, bulk cash smuggling, unlicensed money service businesses, and corrupt foreign officials, all of which pose threats to national security and critical infrastructure.

### Cyber Crimes Center (C3)

This request will fund 2 Special Agent positions and 1 Criminal Research Specialist position in support of the E-Cornerstone program, which is managed by the C3. E-Cornerstone is the “cyber” extension of the ICE Cornerstone financial initiative. The mission of E-Cornerstone is to disrupt, dismantle, and eliminate vulnerabilities within Internet financial sectors and services before terrorists and other criminal organizations can exploit them. The information developed by E-Cornerstone efforts will help ICE, as well as other law enforcement and intelligence agencies, protect critical infrastructure by understanding terrorist and criminal financial networks and their use of emerging Internet financial services, search them out, and disrupt their operations.

### Forensic Document Laboratory (FDL)

ICE is requesting 1 Forensic Document Examiner, 1 Staff Assistant, 1 Forensic Document Examiner Assistant, and 1 Evidence Coordinator to support ICE national security investigations. The FDL provides real-time support to ICE agents (in addition to officers of other Federal, State and local agencies) in the determination of authenticity of suspect travel and identity documents. In addition, the Forensic Document Examiners will conduct scientific examinations of questioned document evidence and disputed handwriting/printing and provide testimony as expert witnesses in judicial proceedings.

### Asset Forfeiture

ICE is requesting 2 Special Agents, 1 Supervisory Special Agent, and 1 Criminal Research Specialist devoted to related national security asset forfeiture investigations, and 2 Seized Property Specialists to store and maintain seized property and evidence related to national security and critical infrastructure cases. Illicit proceeds are gained by organizations utilizing undocumented workers at Ports of Entry and/or In-Bond warehouses and are used to sustain the criminal activity and to fund other criminal endeavors. Asset forfeiture laws allow ICE agents to seize and forfeit the illicit proceeds and other criminally derived assets from critical infrastructure cases.

### National Security Integration Center (NSIC)

The NSIC request would fund 5 Supervisory Special Agent positions at ICE Headquarters. The NSIC CIP Section will provide support to ASTI’s Operation TECH DEFENSE. NSIC will also initiate another operation to identify Special Interest Aliens (SIA) that allegedly have access to Chemical, Biological, Radiological, and Nuclear (CBRN) technology and pose a threat to national security of the United States. NSIC, in coordination with IC members, the Department of Defense (DOD) and Defense Criminal Investigative Service (DCIS), would work to identify high value targets and develop an appropriate response to mitigate any potential threat to national security or critical infrastructure.

### Counter Terrorism Unit (CTU) and Joint Terrorism Task Force (JTTF)

This request will fund 4 Special Agents in ICE field offices. The CTU section has programmatic oversight of ICE personnel assigned to JTTFs and the ICE Liaison Section at the CBP National Targeting Center (NTC). CTU components coordinate with law enforcement and intelligence agencies to review derogatory information associated with subjects that pose a threat to national security or

critical infrastructure facilities. In addition to ICE JTTF responses to ports of entry to interview Terrorist Identities Datamart Environment (TIDE) watch-listed subjects, ICE JTTF agents are routinely involved in the vetting of subjects that have access to military installations and secure areas of air and seaports. As the second largest contributor of agents to the JTTF, ICE JTTF agents investigate and respond to threats against critical sectors of the economy, including banking and finance, transportation, energy, communications, and emergency services in coordination with the CTU.

#### Compliance Enforcement

ICE is requesting 6 Special Agents, 2 Supervisory Special Agents, 2 Criminal Research Specialists, 1 Investigative Assistant, 1 Mission Support Specialist, and 1 Management and Program Analyst at ICE Headquarters to support the Visa Waiver Enforcement Program (VWEP). Under the Visa Waiver Program (VWP), the United States authorizes expedited entry of non-terror producing nations who share the same ideals and values of the United States. In FY 2006, the VWP expedited the entry of more than 15 million citizens from the 27 visa waiver countries. Unlike non-participating countries, there is no initial screening through the Department of State prior to applying for admission to the United States. Individuals who are citizens of Visa Waiver Countries and have ties or allegiance to terrorist organizations could enter the United States with less concern of being identified as they face less scrutiny. The 6 Special Agent positions would provide 6 SAC offices with a dedicated FTE to investigate targeted VWP overstays identified through the VWEP.

#### Human Smuggling and Trafficking

ICE is requesting 5 Special Agents assist critical infrastructure and national security violations that involve smuggling or trafficking in aliens or some other form of worker exploitation. Illegal workers frequently lack the employment protections afforded those with legal status and are less likely to report worksite safety violations and other concerns. Furthermore, their illegal status leaves them vulnerable to exploitation by unscrupulous employers who may pay them substandard wages or force them to endure intolerable working conditions. Increases to the smuggling and trafficking unit, coupled with the focus on the continuum of illegal immigration, will result in increased arrests of egregious critical infrastructure employers, especially at Ports of Entry, who work with document vendors and human smugglers to facilitate the entry and continued presences of undocumented aliens.

In the event that this initiative is not funded there will be potential adverse consequences from the higher possibility of terrorists, criminals, and other persons of suspect entering the U.S., and illegal workers working in areas that support our national security and critical infrastructure.

#### **Impact on Performance (Relationship of Increase to Strategic Goals):**

ASTI, Worksite Enforcement, Commercial Fraud, Identity and Benefit Fraud, Financial Investigations, C3, FDL, Asset Forfeiture, NSIC, CTU, and Human Smuggling and Trafficking all promote DHS strategic objective 1.1 of the DHS Strategic Plan “Achieve Effective Control of Our Borders.” This national security and critical infrastructure initiative also supports SBI in its goal of “Build a strong compliance and enforcement system for law abiding employers” by working to aggressively investigate all aspects of those employers who make it their business practice to work with smuggling and trafficking organizations to induce the illegal entry and knowingly hiring of undocumented aliens within critical infrastructures and Ports of Entry. In addition, the increases for fiscal year 2009 will allow ICE to address critical infrastructure vulnerabilities through a holistic investigative approach leveraging Title 8 and export enforcement authorities as well as analytical capabilities unique to ICE.

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase:** **Commercial Fraud/Intellectual Property Rights Investigations**

Strategic Goal(s) & Objective(s): 2.2 Enforce Trade and Immigration Laws  
PPA: Office of Investigations

Program Increase: Positions 28 FTE 14 Dollars \$4,600

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---       | 0               |
| Program Increase       |                |     |                 |                 |     |                 | 28              | 14        | 4,600           |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>28</b>       | <b>14</b> | <b>4,600</b>    |

Description of Item

ICE is requesting positions for Commercial Fraud, Intellectual Property Rights (IPR), Trade Transparency Unit (TTU) and requisite supporting investigative programs at the Cyber Crimes Center (C3), in accordance with the GAO-approved workforce model. These resources will be used to identify, target, counter and dismantle methods and vulnerabilities exploited by criminal organizations engaged in highly profitable trade crimes. These crimes include trafficking of counterfeit merchandise including pharmaceuticals, and smuggling commodities otherwise restricted or prohibited from being imported into the United States. These resources will also enable ICE to combine efforts with U.S. Customs and Border Protection (CBP) and the Food and Drug Administration (FDA) to target, interdict, and investigate the importation of substandard, tainted, and counterfeit products being imported into the United States from the People's Republic of China (PRC). Operation Guardian specifically targets goods and commodities from PRC. However, while conducting joint enforcement operations with our law enforcement partners it is possible that law enforcement officers will encounter tainted and/or substandard goods imported from countries other than the PRC. If deemed appropriate, an enforcement action will be taken.

**Personnel Costs**

\$4.188 million of this increase will fund 28 positions:

- 1 Supervisory Special Agent
- 14 Special Agents
- 2 Information Technology Specialists
- 6 Criminal Research Specialists
- 2 Investigative Assistants
- 2 Mission Support Specialists
- 1 Management and Program Analysts

## **Non-Personnel Costs**

The remaining \$0.412 million in resources will fund contract support at the Cyber Crimes Center for trained contract personnel in digital forensics who will perform duties and provide on-the-job training for existing personnel to support Commercial Fraud and IPR investigations.

## **Justification**

The request provides funding for the following program areas, which directly supporting these investigative activities.

### **Commercial Fraud/Intellectual Property Rights (IPR)**

IPR violations are the fastest growing trade crime. ICE IPR investigations address the burgeoning underground economy that now touches upon almost every consumer and industrial good produced. These counterfeited goods, almost exclusively produced off-shore, include everything from toiletries, pharmaceuticals, electronics, computer hardware, telecommunication equipment, and auto parts, to name a few. IPR crime hurts the economy of every developing nation, and is especially critical to the U.S economy and the innovation at its core.

ICE is requesting 9 Special Agents, 1 Supervisory Special Agent, 1 Criminal Research Specialist, 1 Investigative Assistant, 1 Mission Support Specialist, and 1 Management and Program Analyst to continue to expand commercial fraud efforts. Agents will be strategically placed on priority enforcement cases, including: Public Health & Safety, In-Bond Diversion, Free Trade Agreement Enforcement, Textile Transshipment, Anti-Dumping and Countervailing Duty (AD/CVD), and IPR investigations.

Commercial Fraud investigations contend with predatory and unfair trade practices that threaten our economy, restrict the competitiveness of U.S. industry in world markets, endanger the public health and safety of the American people, and negatively impact revenue collection by the Federal government. Staffing increases will strengthen U.S. partnerships with the legitimate international trade community and trademark and rights holders, who depend upon and aid in the investigation of Commercial Fraud and IPR Crime.

To contend with the importation and distribution of harmful PRC produced products, ICE is proposing to combine the efforts of ICE, CBP, and FDA to target, interdict, and investigate the importation of substandard, tainted, and counterfeit products in high-risk categories being imported into the United States. Joint enforcement efforts will focus on high-risk product categories that directly affect public health and safety and will include, but not be limited to, the following: food, pharmaceuticals, aircraft or automobile parts, toys, and building and manufacturing components.

### **Trade Transparency Unit Investigations (TTU)**

To augment the capability of trade-based money laundering investigations, ICE is requesting 3 Special Agents, 1 Criminal Research Specialist, 1 Investigative Assistant, and 1 Mission Support Specialist. These domestic positions will support trade-based money laundering investigations to specifically address and support investigations generated by the TTU headquarters, ICE OIA Attaché Offices and established foreign TTU Offices and Modules. TTU supports commercial fraud by comparing import and export data with partnering nations to identify cases relating to commercial fraud and trade-based money laundering.

### Cyber Crime Center (C3)

For the C3's ICE National Digital Forensic Laboratory Program (NDFP), ICE requests 1 Special Agent, 2 Criminal Research Specialists, and 2 Information Technology Specialists to support the NDFP. The successful investigation and prosecution of criminal violations by ICE is largely dependent on the ability to process and analyze data obtained from seized electronic devices and digital media. Examples of these devices and media include, but are not limited to, personal computers, network file servers, notebook computers, cell phones, personal digital assistants, digital cameras, and external storage devices such as flash drives. Advancements in technology have led to substantial increases in the storage capacity of such devices and media at an alarming rate. To address this growing concern, ICE has established national and regional ICE digital forensic laboratories. These laboratories will only become a vital resource supporting ICE investigations nationwide when properly staffed with a cadre of properly trained and dedicated personnel. This will enable C3 to concentrate on providing digital forensic services that will deliver evidentiary data to case agents as expeditiously as possible.

For the C3's Digital Evidence Exploitation, ICE requests 1 Criminal Research Specialist as well as \$412 thousand in contract support and specialized forensics training to necessitate the development of enhanced capabilities to search and analyze the vast amounts of complex digital data recovered during investigations. C3 requires new resources for deployment in the digital forensic laboratories, which will enable trained personnel to more efficiently carve valuable evidence from large volumes of data in a timely manner.

For the C3's Digital Intercept Program, ICE requests 1 Special Agent and 1 Criminal Research Specialist. Digital communications between handheld electronic devices, computers, and networks, including wireless services, are becoming increasingly common in today's society. C3 has an immediate need to establish the capability to lawfully intercept digital communications and provide the content of these communications in support of ICE investigations nationwide. Once intercepted, C3 will be legally required to quickly and efficiently minimize the relevant communications for review and analysis by properly trained personnel.

### **Impact on Performance (Relationship of Increase to Strategic Goals):**

Commercial Fraud/IPR, TTU, and C3 all promote DHS strategic objective 1.1 of the DHS Strategic Plan "Achieve Effective Control of Our Borders." This Initiative also strengthens the U.S. economy by ensuring legal goods are shipped into and out of the U.S. ICE is the only Federal agency that incorporates decades of trade fraud and anti-money laundering experience to detect trade-based money laundering. Individuals and criminal enterprises have long taken advantage of international trade mechanisms to avoid taxes, tariffs, and customs duties, and conceal the ownership of funds. Typical scenarios include undervaluation, overvaluation, and misclassification of the imported and exported merchandise. These transactions facilitate the transfer of funds across international borders. ICE is the only U.S. law enforcement agency to partner with foreign countries to share import and export data for the purpose of initiating and enhancing investigations into trade based money laundering.

Without this funding, ICE would be less effective in investigating predatory and unfair trade practices that threaten our economy. There will be potential adverse consequences that would restrict the competitiveness of U.S. industry in world markets, endanger the public health and safety of the American people, and negatively impact revenue collection by the Federal government.

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase:**                      **Cyber Crime Investigations**

Strategic Goal(s) & Objective(s): 2.2 Enforce Trade and Immigration Laws  
PPA: Office of Investigations

Program Increase:                      Positions 39 FTE 20 Dollars \$5,700

**Funding Profile**

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---       | 0               |
| Program Increase       |                |     |                 |                 |     |                 | 39              | 20        | 5,700           |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>39</b>       | <b>20</b> | <b>5,700</b>    |

**Description of Item**

This request will fund 39 positions, in accordance with the GAO-approved workforce model, needed within the Office of Investigation’s Cyber Crime Center (C3) and those programs directly supporting cyber crime investigations. With this staffing increase, the Office of Investigations will increase investigations of cyber related crimes related to identify and benefit fraud, child exploitation, money laundering as well as supporting other investigations by providing digital forensics and electronic monitoring.

**Personnel Costs**

\$5.7 million of this increase will fund personnel costs for 39 positions:

- 7 Supervisory Special Agents
- 5 Special Agents
- 18 Criminal Research Specialists
- 7 Mission Support Specialists
- 1 Management and Program Analyst
- 1 Professional Victim Assistant Staff

**Justification**

The request provides funding for the following program areas, which directly supports these investigative activities.

ICE, by virtue of its vested authority, has always been at the front line of protecting children and defending against the illegal trafficking and distribution of child pornography into and throughout the United States. ICE has also grown to become the recognized expert in the trans-border, and

transnational aspects of online money laundering through the extensive experience and concentrated technical expertise at the C3.

Established in 1996, C3 is ICE's high technology center with responsibility for developing, managing, and supporting Internet and cyber-related ICE investigations in ICE Office of Investigation field offices and the Office of International Affairs attaché offices. C3 provides some form of cyber investigative or cyber technical support across almost all investigative case categories for which ICE is responsible. C3 is comprised of the Child Exploitation Section, the Cyber Crimes Section, and the Cyber Technical Services Section, which are all supported by highly specialized investigative networks and tools managed by full-time support staff and contractors. These three (3) sections work together to provide a seamless and cohesive center for ICE's Internet-related investigations where leads are received from domestic and foreign sources, validated for violations of U.S. law, and then disseminated to ICE domestic and foreign field offices for further investigation. In addition to C3's operational functions, C3 also provides cyber crime and forensic training to ICE Office of Investigations agents, as well as other Federal, State, local, and international law enforcement officers.

#### Information Technology

ICE requests 1 Management and Program Analyst and 3 Mission Support Specialists to utilize overt and covert networks and the Internet to pursue criminals who commit their crimes with startling efficiency in the relative anonymity of cyberspace. C3 has supplemented these networks with automated tools such as the E-Crimes system and the National Child Victim Identification System (NCVIS). Overt networks at C3 provide general Internet access and present a positive public image, while the covert networks provide crucial, unattributed investigative access to the Internet. The E-Crimes system is a knowledge management system used to track the workflow of ongoing investigations. E-Crimes features a database for electronically creating, sending, and tracking administrative summons in support of cyber investigations. NCVIS, the leading law enforcement system of its type in the United States, is a secure computer-based initiative, which has been developed and managed by C3 as a proactive investigative tool designed to facilitate the identification and prosecution of offenders, using known, digital images and video of identified victims of child sexual exploitation.

#### ICE National Digital Forensic Laboratory Program (NDFP)

ICE requests 9 Criminal Research Specialists and 2 Mission Support Specialists to support the NDFP. The NDFP at C3 supports every investigative category, special initiative, and operation within ICE due to the prevalence of digital evidence. The successful investigation and prosecution of criminal violations by ICE is largely dependent on the ability to process and analyze data obtained from seized electronic devices and digital media. Examples of these devices and media include, but are not limited to, personal computers, network file servers, notebook computers, cell phones, personal digital assistants, digital cameras, and external storage devices such as flash drives. Advancements in technology have led to substantial increases in the storage capacity of such devices and media at an alarming rate. To address this growing concern, ICE has established national and regional ICE digital forensic laboratories. These laboratories will only become a vital resource supporting ICE investigations nationwide when properly staffed with a cadre of properly trained and dedicated personnel. This will enable C3 to concentrate on providing digital forensic services that will deliver evidentiary data to case agents as expeditiously as possible.

#### Digital Evidence Exploitation

ICE requests 1 Mission Support Specialist to necessitate the development of enhanced capabilities to search and analyze the vast amounts of complex digital data recovered during investigations. C3

requires new highly specialized tools and resources for deployment in the national and regional digital forensic laboratories, which will enable trained personnel to more efficiently carve valuable evidence from large volumes of data in a timely manner.

#### Digital Intercept Program

To augment the Digital Intercept Program, ICE requests 1 Supervisory Special Agent and 1 Mission Support Specialist in order to efficiently intercept digital communications by sophisticated criminal elements. Digital communications between handheld electronic devices, computers, and networks, including wireless services, are becoming increasingly common in today's society. C3 has an immediate need to establish the capability to lawfully intercept digital communications and provide the content of these communications in support of ICE investigations nationwide. Once intercepted, C3 will be legally required to quickly and efficiently minimize the relevant communications for review and analysis by properly trained personnel.

#### Title 3 Program

This request will fund 1 Supervisory Special Agent C3 position that will support the administration of the National Title 3 Program and will be responsible for processing Title 3 applications submitted by ICE field offices for legal sufficiency; the generation of agency action letters to the Department of Justice, Office of Enforcement Operations supporting the intercept; reviewing and processing Title 3 funding requests and the processing of agency Electronic Surveillance requests for ICE, FBI, DEA and other Federal agency wiretaps. This position will also assist the Title 3 National Program Manager with the formulation of policy, position papers, and budget requests, oversight of the national Title 3 monitor, translation and transcription contracts and the preparation of the annual Title 3 report to the Department of Justice.

#### Operation Predator

ICE requests 5 Special Agents and 5 Criminal Research Specialists to support Operation Predator. Operation Predator targets a variety of violators, including commercial web sites and individuals that engage in Internet child pornography; individuals who travel internationally for child sex tourism or who facilitate such travel; individuals who engage in the human smuggling and trafficking of minors into the United States for illicit sexual purposes such as prostitution, worksite exploitation, and/or any crimes resulting in the harm, injury or death of a minor – *not* including the smuggling of children by parents for family unity reasons; criminal aliens who have been convicted of local, State, or Federal offenses against minors (individuals under the age of 18) and are now eligible for removal from the United States; and those same criminal aliens who have been previously deported from the United States for such offenses but have re-entered the country illegally. C3 reviews, develops, assigns, and forwards investigative leads to ICE field offices, domestic and international alliances of law enforcement agencies, and private industry partners dedicated to combating child exploitation. C3 is a full-time partner with the National Center for Missing and Exploited Children and a founding member of the Virtual Global Task force. Since July 2003, C3 has affected 10,331 criminal and administrative arrests under Operation Predator.

#### Victim Witness Assistance

ICE is requesting one administrative Professional Victim Assistant. Cyber enforcement activities have included the identification of hundreds of victims that have been exploited for child pornography, child sex tourism, or child trafficking purposes. The new position will also support identification of identity theft victims and provide services as mandated by statute.

#### Operation E-Cornerstone

ICE requests 2 Supervisory Special Agents and 1 Criminal Research Specialist to support ICE's Operation Cornerstone at C3. ICE continually targets the penetration of Internet financial sectors, as well as the largely unregulated Global E-Currency Transfer System (GETS), by terrorists and other criminal organizations. These non-traditional financial systems are flourishing on the Internet and are the payment method of choice for illegal products and services. These non-traditional financial systems provide services that can assist criminals in all stages of the money laundering process. Currently, C3 is working in coordination with several ICE field offices on numerous web sites associated with GETS systems suspected to be involved in illegal activity to include operating as unlicensed money services, money laundering, and possible radical Islamic activities. Expansion of the resources available to support E-Cornerstone is justified to fully address the threat that these non-traditional systems pose to traditional money laundering investigations.

#### IPR - Pharmaceuticals

ICE is requesting 1 Supervisory Special Agent and 1 Criminal Research Specialist to fulfill the increasing challenges of protecting trademarks and other intellectual property rights of the Internet through highly specialized ICE investigations nationwide and internationally. C3 currently supports all ICE investigations involving the importation of counterfeit, as well as diverted, pharmaceuticals, via the Internet. Importations of unregulated pharmaceuticals are a threat to public health and safety, contribute to the growing addiction rates and drug overdoses, and negatively impact the legitimate drug market.

#### Operation IDNet

To augment identity and benefit fraud investigations, ICE is requesting 1 Supervisory Special Agent and 1 Criminal Research Specialist. C3 initiated Operation IDNet as a national level program designed to provide a proactive means of identifying and investigating suspect web sites and email addresses in order to target and prosecute violators engaged in the illegal manufacture, sale, and distribution of fraudulent and novelty identification and immigration documents over the Internet. Operation IDNet is also aimed at identifying terrorist/criminal travel facilitators and constraining terrorist/criminal mobility as a primary means of protecting national security. Examples of fraudulent identification and immigration documents include, but are not limited to, Social Security cards, driver's licenses, visas, passports, and work authorizations. These documents are commonly used by criminal aliens to enter the United States illegally, fraudulently obtain employment and benefits, and in furtherance of numerous other criminal activities impacting the secure border initiative such as work site enforcement violations, human trafficking and smuggling, and threats to national security and public safety.

#### IPR-Operation PseudoNET

ICE is requesting 1 Supervisory Special Agent and 1 Criminal Research Specialist to manage the cyber aspect of the investigation of International Property Rights (IPR) violations (copyright and trademark infringement and theft of trade secrets) that have increased due to the expanse of enabling technology allowing for simple and low cost duplication of copyrighted merchandise for profit. C3 has targeted criminal organizations responsible for producing, smuggling and distributing counterfeit products utilizing the Internet to facilitate their crimes. C3 directly coordinates its anti-counterfeiting efforts with the National IPR Center. C3 recently initiated Operation PseudoNET, a joint C3/CCIPS IPR enforcement project targeting sellers of pirated software, counterfeit software and counterfeit hard goods via online auction sites.

Criminal use of electronic devices and, particularly, the Internet is a growing problem. If additional funding is not provided, there will be adverse consequences which will include an increase in trans-border, and trans-national crimes facilitated by the Internet to include child pornography as well as

crimes involving E-currencies. Additionally, C3 will be forced to scale back proactive efforts which will result in a significant decline in the number of national level cyber investigations, across all investigative case areas. Many successful investigations and prosecutions of criminal violations by ICE are largely dependent upon the ability of C3 to process and analyze data obtained from seized electronic devices and digital media. If additional resources are not dedicated to these efforts, it is likely that C3 will not be able to maintain the current capacity to develop this valuable evidence into criminal prosecutions.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

C3, Victim Witness Assistance, and Title 3 all promote DHS strategic objective 1.1 of the DHS Strategic Plan “Achieve Effective Control of Our Borders.” In addition, the increases for fiscal year 2009 will allow ICE to address cyber vulnerabilities through a holistic investigative approach leveraging criminal enforcement authorities as well as analytical capabilities unique to ICE.

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase:** **Outbound Enforcement**

Strategic Goal(s) & Objective(s): 2.2 Enforce Trade and Immigration Laws  
PPA: Office of Investigations

Program Increase: Positions 5 FTE 3 Dollars \$1,000

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---      | 0               |
| Program Increase       |                |     |                 |                 |     |                 | 5               | 3        | 1,000           |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>5</b>        | <b>3</b> | <b>1,000</b>    |

**Description of Item**

This request will fund five positions needed within the Office of Investigations to increase outbound enforcement support and those programs directly supporting outbound enforcement operations, specifically a joint effort to stem the flow of illegally smuggled weapons at the Southwest Border region. Outbound enforcement prevents arms and strategic technologies, deemed exports (e.g. any release of export controlled technologies or software to a foreign national is “deemed to be an export” to the foreign national’s home country), contraband, and money from leaving the United States. With this staffing increase, ICE will increase outbound enforcement activities that are critical to stem the flow of illegal activity at the border and especially at Ports of Entry, borders, and sensitive facilities that are vulnerable to illegal procurement and export of sophisticated U.S. technology and weapons. The requested agents will be located within geographic areas along the Southwest Border of the United States with the greatest threat of illegal munitions exportation.

**Personnel Costs**

\$1 million in personnel costs is requested for funding five Special Agent positions:

- 4 Supervisory Special Agents
- 1 Special Agent

**Justification**

For the Arms and Strategic Technology Investigations (ASTI) program, ICE is requesting funding for 1 Special Agent and 4 Supervisory Special Agents, personnel for the ASTI Program to effectively respond to and support the task of identifying and investigating the illegal export of weapons of mass destruction components and precursors, sensitive United States Munitions List (USML) and dual-use technology regulated by the Arms Export Control Act, International Traffic and Arms Regulations (ITAR), the Export Administration Regulations (EAR) and the International Emergency Economic

Powers Act. Due to the complex nature of national security investigations, ICE needs supervisory Senior Special Agents who have the necessary knowledge, skills, and abilities to manage Special Agents acting to thwart the complicated transnational threat of illegal exportation of military technology and weapons going out of the United States. Despite the outstanding success in criminal prosecutions, ICE continues to observe aggressive efforts by brokers and businessmen seeking illicit gain through the illegal acquisition and export of U.S. origin technology and arms. Of greatest concern to ICE, is the proliferation of weapons of mass destruction and related components and precursors into the hands of rogue countries and terrorist organizations. The increase provides funding for the criminal investigators required nationwide to assist in effectively responding to the threat of illegal exports, especially at the Southwest Border, involving WMD components and precursors, military technology and weapons, and dual-use technologies.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

ASTI promotes DHS strategic objective 1.1 of the DHS Strategic Plan “Achieve Effective Control of Our Borders.” This outbound enforcement initiative also supports State and local law enforcement by aggressively investigating all aspects of local criminal behavior exploiting vulnerabilities at the border. In addition, this initiative strengthens ICE’s enforcement of 18 USC 1960, which allows ICE to impose fines or prison terms for those involved with foreign or domestic unlicensed money transmitting businesses.

In the event that this initiative is not funded there will be potential adverse consequences from the higher possibility of terrorists, criminals, and other persons of suspect advancing their criminal activities by receiving sensitive technologies, and illegal proceeds from criminal activity (bulk cash), originating from the U.S.

**Department of Homeland Security  
Office of Detention and Removal Operations  
Program Justification of Changes**

**Program Increase:** **State and Local Law Enforcement (287(g))**

Strategic Goal(s) & Objective(s): 1.1 Achieve Effective Control of our Borders  
PPA: Multiple

Program Increase: Positions 14 FTE 7 Dollars \$12,000

|                        | FY 2007 Actual |            |                 | FY 2008 Enacted * |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|------------|-----------------|-------------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE        | Dollars (\$000) | Pos               | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |            |                 |                   |            |                 | 458             | 458        | \$80,453        |
| Program Increase       |                |            |                 |                   |            |                 | 14              | 7          | \$12,000        |
| <b>Total Request</b>   | <b>406</b>     | <b>341</b> | <b>\$46,381</b> | <b>458</b>        | <b>433</b> | <b>\$78,474</b> | <b>472</b>      | <b>465</b> | <b>\$92,453</b> |

\* The FY 2008 funding included bed space. In the FY 2009 request, all new bed space is consolidated in a separate request.

**Description of Item**

This request will fund Office of Investigations training for approximately 200 new State and local law enforcement officers (LEOs) and refresher training for 850 previously-trained LEOs. Funding will also provide for travel for these individuals and IT connectivity for the participating jurisdictions under the Section 287(g) Program.

Section 287(g) of the Immigration and Nationality Act authorizes the Secretary of Homeland Security to enter into written agreements to delegate authority to enforce Federal immigration laws to State and local law enforcement officers. Participation by state and local governments is completely voluntary. Delegation is granted only after extensive training from ICE, and delegated officers perform immigration enforcement functions under direct ICE supervision. Section 287(g) requires that a written Memorandum of Understanding (MOU) be created that defines the authorities being certified, the training requirements, the required supervision, the length of the agreement, and any other important issues, including regular meetings to review progress and adherence to the MOU.

ICE ACCESS (Agreements of Cooperation in Communities to Enhance Safety and Security) is the portal through which local law enforcement may interface with various ICE programs to combat specific challenges in their communities. ICE developed the ACCESS program in response to the widespread interest from local law enforcement agencies (more than 100) who have requested ICE assistance through the 287(g) Program. This enhancement will leverage the ICE ACCESS successes and expand its use.

**Personnel Costs**

- \$1.32 M in resources for associated management, legal, and acquisitions support for increased 287(g) program activities:
  - Office of Investigations – (2 FTE) \$0.43 M

- Legal Support – (2 FTE) \$0.43 M
- OAQ Support – (3 FTE) \$0.46 M

### **Non-Personnel Costs**

- \$2.68 M in resources will fund initial training and training travel for approximately 200 State and local officers and annual refresher training for 850 previously trained State and local law enforcement officers.
- \$8.0 M for information technology assistance for new participants in the program and continuation of ICE ACCESS.

### **Justification**

The 287(g) program serves as a force multiplier for ICE immigration enforcement, with ICE training, certifying, and supervising State and local law enforcement officers. These officers can perform immigration-related enforcement operations targeting criminal aliens, fraudulent document vendors, illegal aliens working in sensitive critical infrastructure positions, and violent sexual offenders.

As of December 2007, ICE has an MOU with 34 law enforcement agencies across the United States, and there are twenty jurisdictions that have submitted requests to participate in the 287(g) program. In addition to the pending requests, ICE will expand the 287(g) program to the requesting agencies where it is expected to have the most impact and be mutually beneficial to ICE and the local agency.

The level of interest in the 287(g) Delegation of Authority Program from State and local agencies has increased tremendously, thus creating the potential for a powerful force multiplier to better enforce immigration laws and consequently better secure the homeland. The additional funding will help the 287(g) program to meet these increasing demands.

### **Impact on Performance (Relationship of Increase to Strategic Goals):**

The 287(g) program promotes DHS strategic objective 1.1 of the DHS Strategic Plan “Achieve Effective Control of Our Borders.” This initiative also supports State and local law enforcement by aggressively investigating all aspects of local criminal behavior with a nexus to illegal immigration. The 287(g) program ensures that ICE is in compliance with section 287(g) of the Immigration and Nationality Act (INA) to provide direct ICE supervision to State and local law enforcement entities that have entered into Memorandum of Agreements (MOA) with ICE.

The State and Local initiative, under the 287(g) Program, is designed to enable State and local law enforcement personnel, incidental to a lawful arrest and during the course of their normal duties, to question and detain individuals for potential removal from the U.S., if these individuals are identified as undocumented illegal aliens and they are suspected of committing a state or local crime. Funding the State and Local initiative allows State and local law enforcement to enforce Federal immigration laws as they encounter illegal aliens in their daily activities. By not funding this activity, State and local law enforcement will not be in a position to enforce immigration laws for illegal aliens who have committed some kind of criminal offense. State and local participation in the 287(g) Program generally results in significant cost savings as well as enhanced community safety to the state and local law enforcement agency; however, the program can generate significant costs to ICE.

**Department of Homeland Security  
Immigration and Customs Enforcement (ICE)  
Salaries and Expenses  
Program Justification of Changes  
(Dollars in Thousands)**

**Program Increase: Visa Security Program (VSP)**

Strategic Goal(s) & Objective(s): 2.2 Enforce Trade and Immigration Laws  
PPA: Office of International Affairs

Program Increase: Positions 6 FTE 3 Dollars \$3,400

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 41              | 41        | 15,000          |
| Program Increase       |                |           |                 |                 |           |                 | 6               | 3         | 3,400           |
| <b>Total Request</b>   | <b>41</b>      | <b>41</b> | <b>15,000</b>   | <b>41</b>       | <b>41</b> | <b>15,000</b>   | <b>47</b>       | <b>44</b> | <b>18,400</b>   |

**Description of Item:**

ICE requests an increase of \$3.4 million for the Office of International Affairs, Visa Security Program (VSP), adding 6 positions to create additional overseas Visa Security Units in high-risk locations such as Istanbul, Turkey and Beirut, Lebanon.

**Personnel Costs**

The requested \$3.4 million will fund the following 6 positions:

- 2 Senior Special Agents
- 4 Special Agents

**Justification**

The Office of International Affairs (OIA) Visa Security Program (VSP), mandated by Section 428 of the Homeland Security Act of 2002 (HSA), extends the border overseas to prevent terrorists, criminals, and other ineligible applicants from receiving U.S. visas.

The VSP is the first-line of defense in preventing terrorists and other criminals from gaining access to the United States through a legally obtained visa. The integration of experienced ICE law enforcement officers in the visa process maximizes its use as a counterterrorism tool through the generation of new watch list entries, intelligence reports, investigative leads, and identification of patterns in visa fraud.

ICE OIA developed the VSP Five-Year Expansion Plan which includes a prioritized expansion to the 32 highest-risk visa issuing posts. According to the plan, VSP will cover approximately 75% of the highest risk visa activity posts by 2013.

VSP expansion efforts are consistent with critical homeland security initiatives - the Homeland Security Council (HSC) Deputies Committee has stated in support of the VSP Five-Year Expansion Plan that "Immigration and Customs Enforcement (ICE) should move forward with expansion of the

VSP, as part of the planned five-year expansion, to cover 75% of the highest risk visas issued worldwide...”

VSP expansion overseas is part of the National Implementation Plan (NIP) on Counterterrorism: “2.4.5: Expand the Visa Security Program (HSA 428 ) to enhance the US Government’s ability to screen visa applicants. (Co-Leads [as mandated by the Homeland Security Act, Section 428] Department of Homeland Security (DHS), Department of State (DOS); Partner(s): Department of Justice (DOJ).”

**Impact on Performance (Relationship of Increase to Strategic Goals):**

This program supports DHS Strategic Goal 2 - Prevention, Objective 2.2 “Enforce trade and immigration laws.” By extending DHS law enforcement capabilities into the visa process, VSP strengthens border security, interior enforcement, and screening coordination. Performance results include a reduction in visa issuance to malafide aliens, identification of “not yet known” threats to national security that traditional screening systems do not detect, and the initiation of important interior enforcement investigations that result from overseas VSP efforts.

The presence of Visa Security Officers at overseas visa-issuing posts: prevents terrorists, criminals, and other ineligible applicants from receiving U.S. visas, and maximizes the visa process as a law enforcement and counterterrorism tool; provides direct law enforcement expertise in the review and issuance of visas to individuals seeking to enter the U.S., to include initiating actions related to the Secretary of Homeland Security’s authority to refuse visas in accordance with law; and initiates investigative activity in cases of homeland security threats and immigration fraud and generate leads and support for domestic investigations.

Activities of VSP have been developed to prevent terrorists and criminals from obtaining legitimate travel documents enhances border security by denying those intending to do us harm from reaching our borders. By extending law enforcement participation to the visa issuance process, the Visa Security program identifies, prioritizes, and interdicts threats to our nation before they physically arrive.

**Department of Homeland Security  
Immigration Customs and Enforcement  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase:** **Workforce Integrity/ Security Management Unit**

Strategic Goal(s) & Objective(s): Goal 5 and Objective 5.1: Strengthen and Unify DHS Operations and Management

PPA: Management and Administration – PC&B

Program Increase: Positions 38 FTE 19 Dollars \$7,100

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---       | 0               |
| Program Increase       |                |     |                 |                 |     |                 | 38              | 19        | 7,100           |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>38</b>       | <b>19</b> | <b>7,100</b>    |

**Description of Item**

This program increase provides the Office of Professional Responsibility (OPR) \$4.1 million for Workforce Integrity to relieve administrative burden of OPR Special Agents and improve investigative technical support. In addition, increase provides \$3.0 million to support a field security function of OPR’s Security Management Unit (SMU) that is responsible for centralization, management, and operational oversight of ICE internal security activities.

*Workforce Integrity:*

**Personnel Costs**

Of the \$4.1 M for Workforce Integrity, \$2.28 M would fund the following 24 positions:

- 3 Criminal Investigators;
- 3 Technical Enforcement Officers;
- 2 Program Management Analysts;
- 4 Program Management Analysts/Officers;
- 6 Criminal Research Specialists;
- 2 Clerks; and
- 4 Investigative Assistants.

**Non-Personnel Costs**

\$1.82 M is required to fund upgrades to Digital spectrum vehicle and handheld communication equipment, purchase specialized technical surveillance equipment, provide additional travel for technical support training, and allow for the purchase of single use supplies needed for evidentiary purposes.

*Security Management Unit (SMU):*

## **Personnel Costs**

Of the \$3.0 M for the SMU, \$1.97 M would fund the following 14 positions of which 8 are field based:

- 6 Security Inspectors;
- 2 Supervisory Security Inspectors;
- 2 Information Security Specialists;
- 1 Operational Security Specialist;
- 2 Supervisor Administrative Security Specialists; and
- 1 Management and Program Analyst

## **Non-Personnel Costs**

The remaining \$1.03 M is required to fund a commercial off the shelf (COTS) Security Management Database, contract support for minor customization, branding and training, supporting hardware (servers, racks), and licensing. This critical time-saving tool will provide incident tracking, compile facility CAD files, maintain assignments of secure equipment, and track security assessment and related tasking status in both office and mobile environments. This tool will provide the SMU Security Inspectors the ability to enter and cross reference data while performing site visits. This ability will result in faster identification of vulnerabilities and implementation of countermeasures thereby ensuring the safety and protection of agency personnel, information, and facilities.

## **Justification**

### *Workforce Integrity:*

OPR is responsible for addressing all criminal allegations of misconduct involving employees of ICE and CBP that are referred by the DHS OIG. Currently, ICE OPR services a workforce of over 80,000 full time Federal employees and contractors employed within CPB and ICE. During FY 2007, the ICE/CBP Joint Intake Center (the entity responsible for recording, classifying and appropriately routing misconduct allegations involving ICE and CBP employees) processed over 6,800 allegations of employee misconduct. As the level of workforce increases within ICE and CBP, the number of misconduct allegations in need of investigation by OPR Special Agents (SAs) inherently grows. With the growth in investigations are the administrative requirements associated with them.

The program increase provides for four Program Management Analyst/Officers and two Clerks dedicated to providing administrative mission support, such as human resource actions, acquisition management, budget, and training to relieve OPR SAs of many of the administrative services required day to day (i.e. acting as purchase card holders, photocopying reports, working to execute new contracts for space and other operational support functions, etc). These positions would alleviate non-investigative workload to allow OPR Senior SAs to focus primarily on conducting investigations. The two GS-14 Program Management Analysts requested would audit the ICE Certified Undercover Operations to ensure that the funds expended during an ICE Undercover Operation are properly justified, documented, and appropriately tracked.

To keep pace with changing and advancing technologies used by criminals to thwart investigations, OPR requires an infusion of technical and specialized skill sets to support investigations that are complex, labor intensive, and that involve suspected acts of terrorism. To this end, the program increase provides for three SAs, six Criminal Research Specialists, three Technical Enforcement Officers, and four Investigative Assistants to investigate, research, monitor and compile information.

*Security Management Unit (SMU):*

Recently, the National Archives and Records Administration (NARA), Information Security Oversight Office conducted a review of the protection and handling of the National Security Information for ICE and determined that the current services being provided in this area were inadequate to meet the standards as outlined in Executive Order 12958. To address NARA's findings, OPR will begin to implement a plan in FY 2008 to consolidate and centralize internal security functions through the establishment of the SMU.

Full implementation of the plan will require a significant level of effort to adequately address the deficiencies identified by NARA to prevent vulnerabilities of security and to secure access to classified information of national security. This program increase will provide for eight Security Inspectors, five Security Specialists, and one Management/Program Analyst at Headquarters and in the field to begin correcting the deficiencies identified in the areas of policy, physical security, field operations, administrative security, and special security. In addition, funding is provided for the security management database, repair costs for security systems, and contractor support.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

OPR supports the Strategic Objective 5.5.1 – Strengthen and Unify DHS. By supporting workforce integrity, OPR is equipped to enforce measures that prevent and eliminate unfavorable and criminal activities within the CBP and ICE workforce that could potentially harm the image of DHS and its code of honorable employee behavior and high ethical standards.

Past data analysis supports that ICE OPR operates at an efficient and effective level when their investigators carry no more than 8 criminal investigations each. Without the program increase, OPR will not have the ability to grow in size commensurate to growth within ICE and CBP, leaving both agencies vulnerable to insider threats. A lack of needed growth will render OPR unable to timely investigate, research, monitor, audit and compile information needed to criminally prosecute corrupt ICE and CBP employees or support the Agency ability to sustain administrative disciplinary action due to investigative delays. This inability to timely address issues of criminal misconduct leaves both CBP and ICE vulnerable to undetected corruption within its employee ranks, posing a threat to the organizational health of each agency as well as to National Security.

Without the addition of Program Management Analysts, OPR will be unable to perform Congressionally Mandated Audits of ICE Undercover Operations. This could impact ICE's ability to utilize this highly successful and sought after investigative technique. Without the addition of the requested administrative support, OPR Senior Special Agents will be unable to devote 100% of their time investigating allegations of criminal misconduct/integrity issues. Agents will be required to continue to assume administrative functions normally provided by a mission support staff, leaving ICE and CBP vulnerable to undetected insider threats involving corruption and acts of terrorism, including the mishandling of sensitive national security information.

Additional staff is needed to begin development and implementation of the SMU at ICE headquarters and in the field. If deficiencies in the areas of policy, physical security, field operations, administrative security, and special security are not properly addressed, ICE is at increased risk of losing access to the National Security Information.



HCOP program areas, ICE's OHC needs seasoned professionals specializing in areas that can target the HCOP areas mentioned above. These positions include:

- Management/Program Analysts with Classification Program Manager and Classification Program Specialist experience, with the experience creating, editing, and managing the position descriptions (PD) library of ICE jobs. Two Classification Analysts would conduct and develop competencies and targets for specific ICE positions and more effectively target recruitment efforts to meet workforce authorization levels and experience desires.
- Management/Program Analysts with experience administering retirement programs in the Federal government, especially in the area of Federal law Enforcement Officers. Proper retirement preparation is critical toward completion of each ICE employee's work-life cycle, particularly among law enforcement personnel, who have a Federally-mandated retirement age much earlier than most careers – 57 years of age.
- Management/Program Analysts with a Benefits Program Manager/Specialist background would provide program oversight and expert guidance to ICE senior leadership on developing and maintaining ICE's benefits program, which is a key to hiring the talented individuals necessary to help ICE meet its mission.
- Employee and Labor Relations (E&LR) Specialists are a crucial part of the management process and key members of a well-qualified Human Resources staff. E&LR services are not provided by Customs and Border Protection (CBP) under DHS' Tri-Bureau shared services agreement. Each agency's collective bargaining agreements (CBAs) are unique to that specific agency, its mission, and the employee population and job specialties within it. ICE's mission and labor agreements differ from CBP's, and DHS recognized this when shared services was created, leaving E&LR responsibilities to ICE. E&LR Specialists ensure proper, professional conduct across ICE's workforce through their knowledge and enforcement of ICE's CBAs. Because of the uniqueness of ICE's CBAs with its employees, an increase in the workforce levels for this specialty is critical. The average case-to-specialist ratio for many Federal agencies in the National Capital Region is about 600:1 (by comparison within DHS, CBP's ratio is 450:1). Even with contractor support OHC E&LR case-to-specialist ratio averages more than 1100:1. These three additional positions will allow a more manageable case-to-specialist ratio of 900:1.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

The requested Management/Program Analyst positions are critical to ensuring ICE OHC can effectively support DHS Strategic Goal 5 and Objective 5.1: Strengthen and Unify DHS Operations and Management while implementing the DHS HCOP. These positions will enhance OHC's ability to manage all personnel aspects of the ICE workforce while continuing to process new authorized ICE positions to meet Congressional and OMB objectives, special hiring authorities, and the President's Management Agenda goal of Strategic Management of Human Capital. Each Specialist area would be the authoritative 'one-stop' for all actions in his/her respective HC function before processing through the respective service centers.

**Department of Homeland Security  
Immigration Customs and Enforcement  
Salaries and Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase:** **Training Consolidation and Integration**

Strategic Goal(s) & Objective(s): Goal 5 and Objective 5.1: Strengthen and Unify DHS Operations and Management

PPA: Management and Administration – PC&B

Program Increase: Positions 27 FTE 14 Dollars \$1,800

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | 47              | 47        | 6,730           |
| Program Increase       |                |     |                 |                 |     |                 | 27              | 14        | 1,800           |
| <b>Total Request</b>   | 42             | 34  | 3,915           | 47              | 45  | 6,730           | <b>74</b>       | <b>61</b> | <b>8,530</b>    |

**Description of Item**

The ICE training infrastructure has lagged behind the evolution of the organization it supports, and this program increase addresses that critical shortfall. This increase funds 27 positions within the ICE Office of Training and Development (OTD) to facilitate the consolidation of all ICE training coordination and oversight as well as improve training delivery and support at the ICE Academy and the Leadership Development Center (LDC).

These positions will be deployed to three locations: ICE Headquarters' OTD in Washington, DC; the ICE Academy in Glynco, Georgia; and the LDC in Dallas, Texas.

**Personnel Costs**

\$615,040 provides for eight positions at OTD:

- 1 Assistant Director for Management & Chief of Staff;
- 1 Unit Chief (Career Development Programs);
- 1 Instructional System Specialist
- 1 Management & Program Analyst (Accreditation);
- 2 Budget Analysts;
- 1 Office Manager; and
- 1 General Assistant.

\$982,720 provides 16 positions at the ICE Academy:

- 1 Chief of Staff;
- 1 Unit Chief (Mission Support);
- 2 Instructional System Specialist
- 2 Budget Analysts;

- 1 Program Manager (Academy Class Management System);
- 3 Mission Support Specialists;
- 4 Training Technicians; and
- 2 General Assistants.

\$202,240 provides three positions at LDC:

- 1 Training Instructor;
- 1 Instructional System Specialist; and
- 1 Mission Support Assistant.

### **Justification**

Currently, ICE's training program lacks integration and an overall agency direction that is attributable for the most part to the formation of ICE in 2003 when training resources associated with three formerly separate and mission independent agencies- legacy Immigration and Naturalization Service, legacy U.S. Customs Service, and Federal Protective Service - were combined. Since then, training has been realigned under several offices, functioning in a disjointed and uncoordinated fashion. This has resulted in programmatic inefficiency characterized by duplication of effort, data access problems, a lack of consistency and coordination, and a poor professional image.

In FY 2008, ICE took steps to integrate and consolidate training by implementing additional courses and support for new and mid-career managers to improve financial management skills and abilities. Using \$1.750M in funding, ICE began additional training in four disciplines – finance, procurement, labor management relations, and civil rights. These funds were used to augment existing courses, develop new training at ICE's Leadership Development Center and in the field, and provide on-line courses. The FY 2009 request will build on those successes.

### **Headquarters' OTD Positions**

The positions requested for OTD would manage and coordinate the needed integration and consolidation functions, providing overall direction for ICE training and an ICE focus rather than a program-specific focus. The positions would facilitate compliance with Government Employees Training Act requirements to supplement and extend employee self-development, self-improvement, and self-training by government sponsored programs.

The resources would directly impact achievement of DHS Human Capital Operation Plan efforts to create high quality learning and development programs within ICE. The resources would provide positions with both supervisory and individual employee expertise for internal mission support functions as well as positions needed to develop, implement, and monitor compliance with ICE training policy to achieve and maintain accreditation. The OTD positions would also manage and coordinate efforts to establish ICE baseline continuing education requirements, aimed at keeping the workforce informed of changing and new immigration, customs, and other laws enforced by ICE.

### **ICE Academy Positions**

The 16 positions requested for the Academy would execute the ICE training integration and consolidation guidance developed by OTD. The positions would also act as the Academy's single point of contact to the Federal Law Enforcement Training Center (FLETC). Currently, there are two other points of contact besides OTD: (1) the Office of Investigations training division, and (2) FPS, which has independently worked with FLETC as a stand-alone customer since before the creation of

ICE. ICE would be best served by a single point of contact with FLETC in Glynco to ensure that communication and coordination with FLETC reflects an agency rather than individual program perspective. The requested Academy positions would also conduct the detail work needed for establishing baseline continuing education requirements based on the dynamic and complex immigration laws that ICE enforces.

#### Leadership Development Center Positions

The LDC develops and provides supervisory leadership training and situational leadership for law enforcement. The three positions for the LDC would support training through the delivery of leadership-focused training that accommodates both program specific needs and promotes a unified ICE culture through the development of curriculum and training objectives that are integrated among the programs and specific to the ICE mission. The instructor and mission support positions are needed for increased training requirements. There is no dedicated instructional system design capability on the current LDC staff, and instructor staff cannot meet both platform and course development demands. The requested instructional system specialist will fill this void and negate the need to seek contract or other outside assistance for skills that should be part of the permanent LDC staff.

#### **Impact on Performance (Relationship of Increase to Strategic Goals):**

This program increase supports Department Strategic Goal 5 (strengthen and unify DHS operations and management) in an effort to integrate and consolidate training programs that promotes solidarity among ICE programs as opposed to individual program focus. This program increase would provide the dedicated staffing required to implement training integration and consolidation for ICE and is consistent with building a strong infrastructure aimed at improving and developing core competency skills throughout the organization with a focus on succession planning and leadership.

The requested resources would help to establish baseline continuing education requirements for ICE – a need underscored by the complexity of the laws ICE routinely enforces. Other tangible benefits will be agency focused training policy development, and training programs that are based on recognized best practices through achieving and maintaining accreditation by the Federal Law Enforcement Training Accreditation Board.



The FY 2006 House Congressional Appropriations Committee Report 109-79 cited "...ICE's need to co-locate all of ICE's legacy personnel, particularly within the Office of Investigations. Physical co-location is needed to unify personnel and manage a cohesive workforce... within a significantly shorter period than five to seven years."

Physically collocating all of ICE's legacy offices would support efforts to unify personnel and manage a cohesive workforce. In many cities, ICE staff is located at three, four or more geographically dispersed sites. This dispersion hampers coordination and communication, and makes it challenging to supervise the workforce. The current structure also makes inefficient use of administrative service and other support. (e.g., vehicle support.) Finally, as ICE's workforce has increased significantly in recent years, overcrowding has become a major challenge, affecting employee morale and productivity. This funding would provide the resources to start the process of co-location to address these problems.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

Co-location of facilities is critical to ICE's overall success. The present disjointed nature of office locations hampers the operational and financial efficiency of the Agency. In addition to unifying personnel and allowing the management of a unified workforce, co-location promotes agency-wide cohesiveness in safe, secure, efficient workspaces to carryout ICE law enforcement duties.

The program increase will help to advance ICE co-location efforts and to realize potential long term savings and operational efficiencies in areas such as building security, rent, and shared utility costs.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Justification of Proposed Changes in Appropriation  
Salaries and Expenses  
Appropriation Language**

For necessary expenses for enforcement of immigration and customs laws, detention and removals, and investigations; and purchase and lease of up to 3,790 (2,350 for replacement only) police-type vehicles; [~~\$4,687,517,000~~]~~\$4,690,905,000~~, of which not to exceed \$7,500,000 shall be available until expended for conducting special operations under section 3131 of the Customs Enforcement Act of 1986 (19 U.S.C. 2081); of which not to exceed \$15,000 shall be for official reception and representation expenses; of which not to exceed \$1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Secretary of Homeland Security; of which not less than \$305,000 shall be for promotion of public awareness of the child pornography tipline and anti-child exploitation activities [as requested by the President]; of which not less than \$5,400,000 shall be used to facilitate agreements consistent with section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)); and of which not to exceed \$11,216,000 shall be available to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: [Provided, That of the amount provided under this heading, \$516,400,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): ]Provided further, That none of the funds made available under this heading shall be available to compensate any employee for overtime in an annual amount in excess of \$35,000, except that the Secretary of Homeland Security, or the designee of the Secretary, may waive that amount as necessary for national security purposes and in cases of immigration emergencies: Provided further, That of the total amount provided, \$15,770,000 shall be for activities to enforce laws against forced child labor in fiscal year 2008, of which not to exceed \$6,000,000 shall remain available until expended[: Provided further, That of the total amount provided, not less than \$2,381,401,000 is for detention and removal operations: Provided further, That of the total amount provided, \$200,000,000 shall remain available until September 30, 2009, to improve and modernize efforts to identify aliens convicted of a crime, sentenced to imprisonment, and who may be deportable, and remove them from the United States once they are judged deportable: Provided further, That none of the funds made available to improve and modernize efforts to identify and remove aliens convicted of a crime, sentenced to imprisonment, and who may be deportable (in this proviso referred to as criminal aliens), and remove them from the United States once they are judged deportable, shall be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive a plan for expenditure, prepared by the Secretary of Homeland Security and submitted within 90 days after the date of enactment of this Act, to modernize the policies and technologies used to identify and remove criminal aliens, that (1) presents a strategy for U.S. Immigration and Customs Enforcement to identify every criminal alien, at the prison, jail, or correctional institution in which they are held; (2) establishes the process U.S. Immigration and Customs Enforcement, in conjunction with the U.S. Department of Justice, will use to make every reasonable effort to remove, upon their release from custody, all criminal aliens judged deportable; (3) presents a methodology U.S. Immigration and Customs Enforcement will use to identify and prioritize for removal criminal aliens convicted of violent crimes; (4) defines the activities, milestones, and resources for implementing the strategy and process described in sections (1) and (2); and (5) includes program measurements for progress in

implementing the strategy and process described in sections (1) and (2): Provided further, That the Secretary of Homeland Security or a designee of the Secretary shall report to the Committees on Appropriations of the Senate and the House of Representatives, at least quarterly, on progress implementing the expenditure plan required in the preceding proviso, and the funds obligated during that quarter to make that progress: Provided further, That the funding and staffing resources necessary to carry out the strategy and process described in sections (1) and (2) under this heading shall be identified in the President's fiscal year 2009 budget submission to Congress]. (Department of Homeland Security Appropriations Act, 2008.)

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

FY 2008 to FY 2009 Budget Change

(Dollars in Thousands)

|   | <u>Pos.</u>   | <u>FTE</u>    | <u>Amount</u>    |
|---|---------------|---------------|------------------|
| <b>2007 Actual</b> .....  | <b>15,594</b> | <b>14,353</b> | <b>3,865,916</b> |
| <b>2008 Enacted</b> .....   | <b>17,249</b> | <b>16,498</b> | <b>4,687,517</b> |
| <b>Adjustments-to-Base</b>  |               |               |                  |
| Increases   |               |               |                  |
| Annualization of prior year funding.....  | ---           | 736           | 31,610           |
| Annualization of 2008 pay raise.....  | ---           |               | 16,061           |
| 2009 pay increase.....  | ---           |               | 47,201           |
| Wireless Operations and Maintenance .....   | ---           | ---           | 16,800           |
| Total Increases.....  | ---           | 736           | 111,672          |
| Decreases   |               |               |                  |
| Two-year availability for Emergency Funding for Comprehensive Identification<br>and Removal of Criminal |               |               |                  |
| Aliens.....   | ---           | ---           | (200,000)        |
| Program Efficiencies.....   | ---           |               | (14,784)         |
| Total Decreases.....  | ---           | ---           | (214,784)        |
| <b>Total Adjustments-to-Base</b> .....  | <b>---</b>    | <b>736</b>    | <b>(103,112)</b> |
| <b>2009 Current Services</b> .....  | <b>17,249</b> | <b>17,234</b> | <b>4,584,405</b> |
| <b>Program Changes</b>  |               |               |                  |
| Program Increases/(Decreases)   |               |               |                  |
| Co-Location of ICE Facilities.....  | 2             | 1             | 12,300           |
| Human Resource Workforce Increases .....  | 9             | 5             | 800              |
| Training Consolidation and Integration.....   | 27            | 14            | 1,800            |
| Visa Security Program.....  | 6             | 3             | 3,400            |
| Cyber Crime Investigations.....   | 39            | 20            | 5,700            |
| National Security/Critical Infrastructure Investigations.....   | 72            | 36            | 11,800           |
| Commercial Fraud/Intellectual Property Rights Investigations.....                                       | 28            | 14            | 4,600            |
| Outbound Enforcement.....   | 6             | 3             | 1,000            |
| Workforce Integrity Investigations/Security Management Unit.....  | 38            | 19            | 7,100            |
| Additional Bed Space and Staffing.....  | 74            | 39            | 46,000           |
| State and Local Law Enforcement Support (287(g)).....   | 14            | 7             | 12,000           |
| <b>Total Program Changes</b> .....  | <b>315</b>    | <b>161</b>    | <b>106,500</b>   |
| <b>2009 Request</b> .....   | <b>17,564</b> | <b>17,395</b> | <b>4,690,905</b> |
| <b>2008 to 2009 Total Change</b> .....  | <b>315</b>    | <b>897</b>    | <b>3,388</b>     |

\* The FY 2008 Enacted level includes \$516,400,000.00 in emergency funding provided in P.L. 110-161

### C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Summary of Requirements**  
(Dollars in Thousands)

|                              | 2009 Request  |               |                  |
|------------------------------|---------------|---------------|------------------|
|                              | Perm. Pos.    | FTE           | Amount           |
| <b>2007 Actual</b>           | <b>15,594</b> | <b>14,353</b> | <b>3,865,916</b> |
| <b>2008 Enacted</b>          | <b>17,249</b> | <b>16,498</b> | <b>4,687,517</b> |
| Adjustments-to-Base          |               |               |                  |
| Transfers                    |               |               | 16,800           |
| Increases                    | ---           | 736           | 94,872           |
| Decreases                    | ---           | ---           | (214,784)        |
| Total Adjustments-to-Base    | ---           | 736           | (103,112)        |
| <b>2009 Current Services</b> | <b>17,249</b> | <b>17,234</b> | <b>4,584,405</b> |
| Program Changes              | 315           | 161           | 106,500          |
| <b>2009 Total Request</b>    | <b>17,564</b> | <b>17,395</b> | <b>4,690,905</b> |
| 2008 to 2009 Total Change    | 315           | 897           | 3,388            |

| Estimates by Program/Project Activity                  | 2008 Enacted  |               |                  | 2009 Adjustments-to-Base |            |                  | 2009 Program Change |            |                | 2009 Request  |               |                  | 2008 to 2009 Total Change |            |              |
|--|---------------|---------------|------------------|--------------------------|------------|------------------|---------------------|------------|----------------|---------------|---------------|------------------|---------------------------|------------|--------------|
|  | Pos.          | FTE           | Amount           | Pos.                     | FTE        | Amount           | Pos.                | FTE        | Amount         | Pos.          | FTE           | Amount           | Pos.                      | FTE        | Amount       |
| 2 Legal  | 1,271         | 1,262         | 231,109          | 10                       | 7          | \$ 392           | 16                  | 7          | \$ 2,992       | 1,287         | 1,279         | \$241,493        | 16                        | 17         | \$10,384     |
| 3 Investigations                                       | 8,893         | 8,463         | 1,597,438        | 224                      |            | \$40,040         | 162                 | 102        | \$ 41,711      | 9,055         | 8,789         | \$1,679,189      | 162                       | 326        | \$81,751     |
| 4 International Affairs                                | 281           | 275           | 110,279          | 1                        |            | \$14,637         | 15                  | 3          | \$ 3,892       | 296           | 279           | \$128,808        | 15                        | 4          | \$18,529     |
| 5 Intelligence   | 345           | 331           | 59,696           | 1                        |            | \$1,449          | 9                   | ---        | \$ 705         | 354           | 332           | \$61,850         | 9                         | 1          | \$2,154      |
| 6 DRO - Custody Operation                              | 4,585         | 4,529         | 1,724,287        | 223                      |            | \$11,422         | 86                  | 46         | \$ 53,454      | 4,671         | 4,798         | \$1,789,163      | 86                        | 269        | \$64,876     |
| 7 DRO - Fugitive Operations                            | 708           | 656           | 227,985          | 103                      |            | \$8,538          | 9                   | 1          | \$ 1,110       | 717           | 760           | \$237,633        | 9                         | 104        | \$9,648      |
| 8 DRO - Institutional Removal Program                  | 988           | 826           | 189,349          | 153                      |            | \$12,414         | 9                   | 2          | \$ 2,394       | 997           | 981           | \$204,157        | 9                         | 155        | \$14,808     |
| 9 DRO - Alternatives to Detention                      | 178           | 156           | 55,829           | 21                       |            | \$2,123          | 9                   | ---        | \$ 242         | 187           | 177           | \$58,194         | 9                         | 21         | \$2,365      |
| 10 DRO - Transportation and Removal Program            | ---           | ---           | 291,545          | ---                      |            | (\$1,127)        | ---                 | ---        | \$ ---         | ---           | ---           | \$290,418        | ---                       | ---        | (\$1,127)    |
| 10 DRO - Comprehensive ID & Removal of Criminal Aliens | ---           | ---           | 200,000          | ---                      |            | (\$200,000)      | ---                 | ---        | \$ ---         | ---           | ---           | \$0              | ---                       | ---        | (\$200,000)  |
| <b>Total</b>   | <b>17,249</b> | <b>16,498</b> | <b>4,687,517</b> | <b>---</b>               | <b>736</b> | <b>(103,112)</b> | <b>315</b>          | <b>161</b> | <b>106,500</b> | <b>17,564</b> | <b>17,395</b> | <b>4,690,905</b> | <b>315</b>                | <b>897</b> | <b>3,388</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source            | 2007 Actuals |     |                    | 2008 Enacted |     |                    | 2009 Request |     |                    | Increase/Decrease |     |        |
|----------------------------------|--------------|-----|--------------------|--------------|-----|--------------------|--------------|-----|--------------------|-------------------|-----|--------|
|                                  | Pos.         | FTE | Amount             | Pos.         | FTE | Amount             | Pos.         | FTE | Amount             | Pos.              | FTE | Amount |
| BTS                              |              |     | 1,521,299          |              |     | 1,531,523          |              |     | 1,531,523          | ---               | --- | ---    |
| CBP                              |              |     | 55,456,890         |              |     | 42,434,140         |              |     | 42,434,140         | ---               | --- | ---    |
| CIS                              |              |     | 14,336,991         |              |     | 4,472,405          |              |     | 4,472,405          | ---               | --- | ---    |
| DHS                              |              |     | 44,883,705         |              |     | 12,622,263         |              |     | 12,622,263         | ---               | --- | ---    |
| FEMA                             |              |     | 202,088            |              |     | 218,000            |              |     | 218,000            | ---               | --- | ---    |
| DOJ                              |              |     | 716,686            |              |     | 759,687            |              |     | 759,687            | ---               | --- | ---    |
| DOS                              |              |     | 1,978,183          |              |     | 3,670,872          |              |     | 3,670,872          | ---               | --- | ---    |
| FLETC                            |              |     | 33,002             |              |     | 30,000             |              |     | 30,000             | ---               | --- | ---    |
| TREASURY                         |              |     | 48,144,113         |              |     | 39,440,000         |              |     | 39,440,000         | ---               | --- | ---    |
| VARIOUS                          |              |     | 128,917            |              |     | 201,490            |              |     | 201,490            | ---               | --- | ---    |
| <b>Total Budgetary Resources</b> | ---          | --- | <b>167,401,874</b> | ---          | --- | <b>105,380,380</b> | ---          | --- | <b>105,380,380</b> | ---               | --- | ---    |

| Obligations by Program/Project Activity | 2007 Actuals |     |                    | 2008 Enacted |     |                    | 2009 Request |     |                    | Increase/Decrease |     |        |
|---|--------------|-----|--------------------|--------------|-----|--------------------|--------------|-----|--------------------|-------------------|-----|--------|
|   | Pos.         | FTE | Amount             | Pos.         | FTE | Amount             | Pos.         | FTE | Amount             | Pos.              | FTE | Amount |
| Management and Administration           |              |     | \$66,078,142       |              |     | \$18,057,773       |              |     | \$18,057,773       | ---               | --- | ---    |
| Investigations                          |              |     |                    |              |     |                    |              |     |                    |                   |     |        |
| Domestic                                |              |     | \$77,062,819       |              |     | \$76,476,782.00    |              |     | \$76,476,782       | ---               | --- | ---    |
| International Affairs                   |              |     | \$6,911,000        |              |     | \$0                |              |     | \$0                | ---               | --- | ---    |
| Intelligence                            |              |     | \$14,718,559       |              |     | \$8,172,860        |              |     | \$8,172,860        | ---               | --- | ---    |
| Detention and Removal                   |              |     |                    |              |     |                    |              |     |                    |                   |     |        |
| Custody Management                      |              |     | \$2,631,354        |              |     | \$2,672,965        |              |     | \$2,672,965        | ---               | --- | ---    |
|   |              |     |                    |              |     |                    |              |     |                    | ---               | --- | ---    |
| FPS Security                            | ---          | --- |                    | ---          | --- |                    | ---          | --- |                    | ---               | --- | ---    |
| <b>Total Obligations</b>                | ---          | --- | <b>167,401,874</b> | ---          | --- | <b>105,380,380</b> | ---          | --- | <b>105,380,380</b> | ---               | --- | ---    |

## E. Summary of Requirements by Object Class

### Department of Homeland Security U.S. Immigration and Customs Enforcement Salaries and Expenses

#### Summary of Requirements by Object Class

(Dollars in Thousands)

| Object Classes  | 2007 Actual        | 2008 Enacted       | 2009 Request       | 2008 - 2009 Change |
|---|--------------------|--------------------|--------------------|--------------------|
| 11.1 Total FTE & personnel compensation               | \$989,767          | \$1,247,003        | \$1,358,054        | \$111,051          |
| 11.3 Other than full-time permanent                   | 32,978             | 70,271             | 74,083             | \$3,812            |
| 11.5 Other Personnel Compensation                     | 240,500            | 268,709            | 277,360            | \$8,652            |
| 11.8 Special Service Pay                              | 516                | 586                | 598                | \$12               |
| 12.1 Benefits   | 477,356            | 583,549            | 583,391            | (\$158)            |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$1,741,117</b> | <b>\$2,170,118</b> | <b>\$2,293,487</b> | <b>\$123,369</b>   |
| Other Object Classes:                                 |                    |                    |                    |                    |
| 21.0 Travel   | 148,419            | 156,558            | 159,825            | \$3,267            |
| 22.0 Transportation of things                         | 19,398             | 19,641             | 19,878             | \$237              |
| 23.1 GSA rent   | 195,758            | 195,005            | 202,952            | \$7,948            |
| 23.2 Other rent                                       | 23,597             | 21,467             | 22,178             | \$710              |
| 23.3 Communications, utilities, & other misc. charges | 42,246             | 44,701             | 45,816             | \$1,115            |
| 24.0 Printing and reproduction                        | 202                | 277                | 289                | \$12               |
| 25.1 Advisory and assistance services                 | 171,794            | 207,273            | 226,836            | \$19,563           |
| 25.2 Other services                                   | 511,881            | 631,347            | 645,547            | \$14,200           |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 25,871             | 87,925             | 104,203            | \$16,279           |
| 25.4 Operation & maintenance of facilities            | 640,367            | 600,164            | 601,472            | \$1,308            |
| 25.6 Medical care                                     | 52,165             | 45,156             | 46,649             | \$1,493            |
| 25.7 Operation and maintenance of equipment           | 53,765             | 41,298             | 40,684             | (\$613)            |
| 25.8 Subsistence and support of persons               | 35,632             | 51,729             | 55,695             | \$3,967            |
| 26.0 Supplies and materials                           | 69,404             | 73,322             | 76,135             | \$2,813            |
| 31.0 Equipment  | 128,405            | 125,849            | 133,116            | \$7,267            |
| 32.0 Land & structures                                | 2,369              | 10,218             | 10,385             | \$167              |
| 41.0 Grants/Subsidies/Contributions                   | 305                | 343                | 350                | \$7                |
| 42.0 Indemnity  | 1,626              | 2,579              | 2,795              | \$216              |
| 91.0 Unvouchered                                      | 1,594              | 202,548            | 2,612              | (\$199,936)        |
| <b>Total, Other Object Classes</b>                    | <b>\$2,124,799</b> | <b>\$2,517,399</b> | <b>\$2,397,418</b> | <b>(119,981)</b>   |
| <b>Total, Direct Obligations</b>                      | <b>\$3,865,916</b> | <b>\$4,687,517</b> | <b>\$4,690,905</b> | <b>\$3,388</b>     |
| Unobligated balance, start of year                    |                    |                    |                    | \$0                |
| Unobligated balance, end of year                      |                    |                    |                    | \$0                |
| Recoveries of prior year obligations                  | ---                | ---                | ---                | \$0                |
| <b>Total requirements</b>                             | <b>\$3,865,916</b> | <b>\$4,687,517</b> | <b>\$4,690,905</b> | <b>\$21,601</b>    |

## F. Permanent Positions by Grade

### Department of Homeland Security U.S. Immigration and Customs Enforcement Salaries and Expenses Permanent Positions by Grade

| Grades and Salary Ranges         | 2007          | 2008          | 2009          | 2008 to 2009 |
|----------------------------------|---------------|---------------|---------------|--------------|
|                                  | Actual        | Enacted       | Request       | Change       |
|                                  | Pos.          | Pos.          | Pos.          | Total        |
| Total, SES                       | 46            | 46            | 46            | ---          |
| Total, EX                        | 1             | 1             | 1             | ---          |
|                                  |               |               |               | ---          |
| GS-15                            | 691           | 621           | 629           | 8            |
| GS-14                            | 2,049         | 2,298         | 2,448         | 150          |
| GS-13                            | 4,446         | 4,556         | 4,640         | 84           |
| GS-12                            | 1,588         | 1,792         | 1,843         | 51           |
| GS-11                            | 1,042         | 1,164         | 1,164         | ---          |
| GS-10                            | 18            | 29            | 29            | ---          |
| GS-9                             | 2,157         | 2,406         | 2,416         | 10           |
| GS-8                             | 185           | 207           | 207           | ---          |
| GS-7                             | 2,095         | 2,107         | 2,119         | 12           |
| GS-6                             | 192           | 204           | 204           | ---          |
| GS-5                             | 860           | 1,571         | 1,571         | ---          |
| GS-4                             | 92            | 90            | 90            | ---          |
| GS-3                             | 23            | 5             | 5             | ---          |
| GS-2                             | 10            | 10            | 10            | ---          |
| Other Graded Positions           | 99            | 142           | 142           | ---          |
| Ungraded Positions               | ---           | ---           | ---           | ---          |
| <b>Total Permanent Positions</b> | <b>15,594</b> | <b>17,249</b> | <b>17,564</b> | <b>315</b>   |
| Unfilled Positions EOY           | 315           | ---           |               | ---          |
| Total Perm. Employment EOY       | 15,462        | ---           |               | ---          |
| <b>FTE</b>                       | <b>14,353</b> | <b>16,498</b> | <b>17,395</b> | 897          |
| Headquarters                     | 1,388         | 1,709         | 1,724         | 15           |
| U.S. Field                       | 13,711        | 14,955        | 15,255        | 300          |
| Foreign Field                    | 495           | 585           | 585           | ---          |
| <b>Total Permanent Positions</b> | <b>15,594</b> | <b>17,249</b> | <b>17,564</b> | <b>315</b>   |
| <b>Average ES Salary</b>         | \$ 154,038    | \$ 167,842    | \$ 172,877    | 5,035        |
| <b>Average GS Salary</b>         | \$ 72,256     | \$ 78,826     | \$ 81,191     | 2,365        |
| <b>Average GS Grade</b>          | 10.94         | 11.08         | 12.43         | 1            |

**G. Capital Investment and Construction Initiative Listing**

**U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

Not applicable

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Legal Proceedings**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Legal Proceedings</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>          |   |                        |                         |                         |                                |
| 11.1                            | Perm Positions                              | \$85,059               | \$123,998               | \$129,969               | \$5,971                        |
| 11.3                            | Other than perm                             | 3,445                  | 4,752                   | 4,895                   | \$143                          |
| 11.5                            | Other per comp                              | 1,981                  | 2,332                   | 2,402                   | \$70                           |
| 12.1                            | Benefits                                    | 23,915                 | 33,009                  | 32,201                  | (\$808)                        |
| 21.0                            | Travel                                      | 3,965                  | 9,243                   | 9,520                   | \$277                          |
| 22.0                            | Transportation of things                    | 298                    | 379                     | 390                     | \$11                           |
| 23.1                            | GSA rent                                    | 13,952                 | 14,202                  | 14,628                  | \$426                          |
| 23.2                            | Other rent                                  | 2,873                  | 2,873                   | 2,873                   | \$0                            |
| 23.3                            | Communication, Utilities, and Misc. charges | 2,628                  | 3,400                   | 3,502                   | \$102                          |
| 24.0                            | Printing                                    | 53                     | 36                      | 38                      | \$2                            |
| 25.1                            | Advisory & Assistance Services              | 18,960                 | 17,343                  | 17,815                  | \$472                          |
| 25.2                            | Other Services                              | 15,108                 | 10,323                  | 13,594                  | \$3,271                        |
| 25.3                            | Purchase from Govt. Accts.                  | 2,362                  | 550                     | 567                     | \$17                           |
| 25.4                            | Operation & maintenance of facilities       | 9,015                  | 22                      | 22                      | \$0                            |
| 25.7                            | Operation & maintenance of equipment        | 1,235                  | 1,031                   | 1,062                   | \$31                           |
| 25.8                            | Subsistence & Support of persons            |                        | ---                     | 0                       | \$0                            |
| 26.0                            | Supplies & materials                        | 1,553                  | 1,707                   | 1,758                   | \$51                           |
| 31.0                            | Equipment                                   | 12,720                 | 5,150                   | 5,303                   | \$153                          |
| 32.0                            | Land & Structures                           | ---                    | ---                     | ---                     | \$0                            |
| 42.0                            | Indemnity                                   | 242                    | 758                     | 942                     | \$184                          |
| 91.0                            | Unvouchered                                 | ---                    | ---                     | 11                      | \$11                           |
| <b>Total, Legal Proceedings</b> |   | <b>\$199,364</b>       | <b>\$231,109</b>        | <b>\$241,493</b>        | <b>\$10,384</b>                |
| Full Time Equivalents           |   | 977                    | 1,262                   | 1,279                   | 17                             |

### PPA Mission Statement

ICE Legal Proceedings (also referred to as the Office of the Principal Legal Advisor or "OPLA") provides the legal advice, training, and services required to support the ICE mission while defending the immigration laws of the U. S. in the administrative and federal courts and is the legal representative for ICE. OPLA is the DHS legal component within ICE that is authorized to represent the Government in immigration proceedings that end up in immigration courts.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$114,400              | \$164,091               | \$169,466               | \$5,374                        |

Salaries and Benefits includes costs for 1,265 FTEs. The FY 2009 request includes an increase of \$5,374,000 for pay inflation and SBI-related program increases.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$3,965                | \$9,243                 | 9,520                   | \$277                          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$277,000 non-pay inflation and SBI-related program increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$298                  | \$379                   | 390                     | \$11                           |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes an increase of \$11,000.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$13,952               | \$14,202                | 14,628                  | \$426                          |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$426,000 in non-pay inflation.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$2,873                | \$2,873                 | 2,873                   | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no changes.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$2,628                | \$3,400                 | \$3,502                 | \$102                          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$102,000 for non-pay inflation and program increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$53                   | \$36                    | \$38                    | \$2                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$2,000 for non-pay inflation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$18,960       | \$17,343        | \$17,815        | \$472                  |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$472,000 for non-pay inflation and program increases.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$15,108       | \$10,323        | \$13,594        | \$3,271                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$3,271,000 in non-pay inflation and program increases.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$2,362        | \$550           | \$567           | \$17                   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$17,000 in non-pay inflation and program increases.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$9,015        | \$22            | \$22            | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1,235        | \$1,031         | \$1,062         | \$31                   |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of 31,000 in non-pay inflation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$0            | \$0             | \$0             | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$1,553</b> | <b>\$1,707</b> | <b>\$1,758</b> | <b>\$51</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$51,000 in non-pay inflation.

|                  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$12,720</b> | <b>\$5,150</b> | <b>\$5,303</b> | <b>\$153</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$153,000 in support of the SBI program.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no changes.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$242</b>  | <b>\$758</b>   | <b>\$942</b>   | <b>\$184</b>        |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes an increase of \$184,000.

|                    | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------|---------------|----------------|----------------|---------------------|
|                    | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Unvouchered</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$11</b>    | <b>\$11</b>         |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes an \$11,000 increase.

**U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

**Investigations  
Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Investigations - Domestic Operations</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                             |   |                        |                         |                         |                                |
| 11.1   | Perm Positions                              | \$541,672              | \$610,996               | \$682,327               | \$71,331                       |
| 11.3   | Other than perm                             | 27,666                 | 54,404                  | 57,492                  | \$3,088                        |
| 11.5   | Other per comp                              | 126,834                | 134,415                 | 137,103                 | \$2,688                        |
| 12.1   | Benefits                                    | 260,574                | 296,918                 | 299,237                 | \$2,319                        |
| 21.0   | Travel                                      | 21,630                 | 13,803                  | 14,279                  | \$476                          |
| 22.0   | Transportation of things                    | 4,188                  | 4,967                   | 5,006                   | \$39                           |
| 23.1   | GSA rent                                    | 104,821                | 97,640                  | 98,593                  | \$953                          |
| 23.2   | Other rent                                  | 13,345                 | 11,357                  | 11,864                  | \$507                          |
| 23.3   | Communication, Utilities, and Misc. charges | 12,148                 | 11,306                  | 11,781                  | \$475                          |
| 24.0   | Printing                                    | 4                      | 22                      | 30                      | \$8                            |
| 25.1   | Advisory & Assistance Services              | 81,171                 | 95,369                  | 95,743                  | \$374                          |
| 25.2   | Other Services                              | 131,298                | 150,291                 | 151,612                 | \$1,321                        |
| 25.3   | Purchase from Govt. Accts.                  | 7,360                  | 24,762                  | 25,258                  | \$496                          |
| 25.4   | Operation & maintenance of facilities       | 260                    | 209                     | 213                     | \$4                            |
| 25.6   | Medical care                                | 806                    | 31                      | 42                      | \$11                           |
| 25.7   | Operation & maintenance of equipment        | 25,978                 | 21,992                  | 18,329                  | (\$3,663)                      |
| 25.8   | Subsistence & Support of persons            | 55                     | 301                     | 507                     | \$206                          |
| 26.0   | Supplies & materials                        | 19,308                 | 17,827                  | 17,884                  | \$57                           |
| 31.0   | Equipment                                   | 41,257                 | 43,193                  | 44,100                  | \$907                          |
| 32.0   | Land & Structures                           | ---                    | 4,038                   | 4,119                   | \$81                           |
| 41.0   | Grants/Subsidies/Contributions              | 305                    | 343                     | 350                     | \$7                            |
| 42.0   | Indemnity                                   | 1,357                  | 1,025                   | 1,046                   | \$21                           |
| 91.0   | Unvouchered                                 | 1,326                  | 2,229                   | 2,274                   | \$45                           |
| <b>Total, Investigations - Domestic Operations</b> |   | <b>\$1,423,363</b>     | <b>\$1,597,438</b>      | <b>\$1,679,189</b>      | <b>\$81,751</b>                |
| Full Time Equivalents                              |   | 7,393                  | 8,463                   | 8,789                   | 326                            |

**PPA Mission Statement**

In the Office of Investigations (OI), our broad Homeland Security mission is to defend the Nation by enforcing trade and immigration laws through investigations that target the people, money, and materials that support terrorist and other criminal activities. We work under that mandate by dividing our investigative effort into three broad investigative categories: National Security, Financial and Trade, and Smuggling and Public Safety. These three categories represent the general priorities we use to guide our efforts in our daily activities. Each priority can be broken down into many different sub-categories and, in fact, are operationally interrelated in a great many cases.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$956,746     | \$1,096,733    | \$1,176,159    | \$79,426            |

Salaries and Benefits includes costs for 8,874 FTEs. The FY 2009 request includes an increase of \$79,426,000 to fund counter-terrorism initiatives and the pay increase.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$21,630      | \$13,803       | \$14,279       | 476                 |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request does not include an increase of \$476,000 to support counter-terrorism initiatives and non-pay inflation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$4,188       | \$4,967        | \$5,006        | \$39                |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$39,000 to support counter-terrorism initiatives and non-pay inflation.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$104,821     | \$97,640       | \$98,593       | \$953               |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$953,000 in non-pay inflation.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$13,345      | \$11,357       | \$11,864       | 507                 |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request does not include an increase of \$507,000 for non-pay inflation and program increases.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$12,148      | \$11,306       | \$11,781       | 475                 |

Communications, utilities, and \$475,000 to support counter-terrorism initiatives and non-pay inflation.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$4           | \$22           | \$30           | 8                   |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes a \$8,000 increase.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$81,171       | \$95,369        | \$95,743        | 374                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request does not include an increase of \$374,000 to support counter-terrorism initiatives and non-pay inflation.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$131,298      | \$150,291       | \$151,612       | \$1,321                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$1,321,000 for program increases and non-pay inflation.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$7,360        | \$24,762        | \$25,258        | \$496                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request does not include an increase of \$496,000 to support counter-terrorism initiatives and non-pay inflation.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$260          | \$209           | \$213           | \$4                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request does not include an increase of \$4,000 for non-pay inflation.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$806          | \$31            | \$42            | \$11                   |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request does not include an increase of \$11,000 for non-pay inflation and program changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$25,978       | \$21,992        | \$18,329        | (\$3,663)              |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an decrease of \$3,663,000 for program efficiencies.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$55           | \$301           | \$507           | \$206                  |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes an increase of \$206,000 for non-pay inflation and program changes.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$19,308       | \$17,827        | \$17,884        | \$57                   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$57,000 for non-pay inflation and program changes.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$41,257       | \$43,193        | \$44,100        | \$907                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$907 for non-pay inflation and program changes.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$0            | \$4,038         | \$4,119         | \$81                   |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$81,000 for non-pay inflation and program changes.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$305          | \$343           | \$350           | \$7                    |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes an increase of \$7,000 for non-pay inflation.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Indemnity</b> | \$1,357        | \$1,025         | \$1,046         | \$21                   |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes an increase of \$21,000 for non-pay inflation.

|                    | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------|----------------|-----------------|-----------------|------------------------|
| <b>Unvouchered</b> | \$1,326        | \$2,229         | \$2,274         | 45                     |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes an increase of \$45,000 for non-pay inflation and program changes.

**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**International Affairs**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Investigations - International Affairs</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                               |   |                        |                         |                         |                                |
| 11.1   | Perm Positions                              | \$24,049               | \$25,620                | \$26,459                | \$839                          |
| 11.3   | Other than perm                             | 492                    | 507                     | 811                     | \$304                          |
| 11.5   | Other per comp                              | 6,284                  | 507                     | 3,237                   | \$2,730                        |
| 12.1   | Benefits                                    | 18,332                 | 19,613                  | 19,728                  | \$115                          |
| 21.0   | Travel                                      | 4,848                  | 5,950                   | 6,756                   | \$806                          |
| 22.0   | Transportation of things                    | 5,300                  | 5,459                   | 5,623                   | \$164                          |
| 23.1   | GSA rent                                    | 4,538                  | 4,674                   | 4,814                   | \$140                          |
| 23.2   | Other rent                                  | 112                    | 115                     | 119                     | \$3                            |
| 23.3   | Communication, Utilities, and Misc. charges | 857                    | 883                     | 909                     | \$26                           |
| 25.1   | Advisory & Assistance Services              | 3,046                  | 3,137                   | 6,296                   | \$3,158                        |
| 25.2   | Other Services                              | 39,179                 | 35,026                  | 43,346                  | \$8,320                        |
| 25.3   | Purchase from Govt. Accts.                  | 1,233                  | 1,270                   | 3,009                   | \$1,739                        |
| 25.4   | Operation & maintenance of facilities       | 2                      | 2                       | 6                       | \$4                            |
| 25.6   | Medical care                                | 269                    | 5                       | 5                       | \$0                            |
| 25.7   | Operation & maintenance of equipment        | 252                    | 260                     | 267                     | \$8                            |
| 25.8   | Subsistence & Support of persons            | 50                     | 52                      | 52                      | \$1                            |
| 26.0   | Supplies & materials                        | 1,473                  | 1,517                   | 1,520                   | \$3                            |
| 31.0   | Equipment                                   | 5,052                  | 5,204                   | 5,360                   | \$156                          |
| 32.0   | Land & Structures                           | ---                    | 248                     | 253                     | \$5                            |
| 91.0   | Unvouchered                                 | 224                    | 231                     | 238                     | \$7                            |
| <b>Total, Investigations - International Affairs</b> |   | <b>\$115,592</b>       | <b>\$110,279</b>        | <b>\$128,808</b>        | <b>\$18,529</b>                |
| Full Time Equivalents                                |   | 269                    | 275                     | 279                     | 4                              |

**PPA Mission Statement**

Office of International Affairs (OIA) expands the investigative efforts of the Office of Investigations to over 50 foreign locations. The OIA represents the international assets of all ICE programs and collaborates with U.S. Citizenship and Immigration Services, U.S. Customs and Border Protection, and other DHS components. The OIA liaises with foreign governments and international partners to facilitate the enforcement of U.S. customs and immigration laws beyond our borders in an effort to interdict criminals and prevent or disrupt criminal activity. OIA also executes the operational mandate of Section 428 of the Homeland Security Act through ICE's Visa Security Program.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$49,157               | \$46,247                | \$50,236                | \$3,989                        |

Salaries and Benefits includes costs for 297 FTEs. The FY 2009 request includes a \$3,989,000 adjustment to correct the pay and non-pay split.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$4,848                | 5,950                   | 6,756                   | \$806                          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$806,000 for program changes and non-pay inflation.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$5,300                | 5,459                   | 5,623                   | \$164                          |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes an increase of \$164,000 in non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$4,538                | 4,674                   | 4,814                   | \$140                          |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$140,000 in non-pay inflation.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$857                  | 883                     | 909                     | \$26                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$26,000 in program changes and non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$3,046                | 3,137                   | 6,296                   | \$3,158                        |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$3,158,000 in non-payroll inflation and program increases.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$39,179               | 35,026                  | 43,346                  | \$8,320                        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$8,320,000 in non-pay inflation and program increases.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$1,233        | 1,270           | 3,009           | \$1,739                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$1,739,000 in non-pay inflation and program increases.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$2            | 2               | 6               | \$4                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a \$4,000 increase.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$269          | 5               | 5               | \$0                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes no increases.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$252          | 260             | 267             | \$8                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$8,000 in non-pay inflation and program increases.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$50           | 52              | 52              | \$1                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes a \$1,000 increase.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$1,473        | 1,517           | 1,520           | \$3                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$3,000 in non-pay inflation and program increases.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$5,052        | 5,204           | 5,360           | \$156                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$156,000 in non-pay inflation and program increases.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$0</b>    | <b>248</b>     | <b>253</b>     | <b>\$5</b>          |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increases of \$5,000 in non-pay inflation.

|                    | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------|---------------|----------------|----------------|---------------------|
|                    | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Unvouchered</b> | <b>\$224</b>  | <b>231</b>     | <b>238</b>     | <b>\$7</b>          |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes an increase of \$7,000.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Intelligence**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Intelligence</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------------------|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>     |   |                        |                         |                         |                                |
| 11.1                       | Perm Positions                              | \$25,187               | \$27,750                | \$28,144                | \$394                          |
| 11.3                       | Other than perm                             | 57                     | 129                     | 133                     | \$4                            |
| 11.5                       | Other per comp                              | 1,108                  | 1,682                   | 1,796                   | \$114                          |
| 12.1                       | Benefits                                    | 7,180                  | 8,376                   | 8,421                   | \$45                           |
| 21.0                       | Travel                                      | 1,241                  | 1,530                   | 1,561                   | \$31                           |
| 22.0                       | Transportation of things                    | 167                    | 69                      | 70                      | \$1                            |
| 23.1                       | GSA rent                                    | 2,617                  | 2,626                   | 2,678                   | \$53                           |
| 23.3                       | Communication, Utilities, and Misc. charges | 1,238                  | 1,275                   | 1,351                   | \$76                           |
| 24.0                       | Printing                                    | 1                      | 1                       | 1                       | \$0                            |
| 25.1                       | Advisory & Assistance Services              | 3,888                  | 3,805                   | 4,728                   | \$923                          |
| 25.2                       | Other Services                              | 11,456                 | 10,227                  | 10,696                  | \$470                          |
| 25.3                       | Purchase from Govt. Accts.                  | 339                    | 349                     | 356                     | \$7                            |
| 25.4                       | Operation & maintenance of facilities       | 7                      | 8                       | 8                       | \$0                            |
| 25.7                       | Operation & maintenance of equipment        | 961                    | 600                     | 612                     | \$12                           |
| 25.8                       | Subsistence & Support of persons            | ---                    | 12                      | 12                      | \$0                            |
| 26.0                       | Supplies & materials                        | 638                    | 438                     | 447                     | \$9                            |
| 31.0                       | Equipment                                   | 789                    | 620                     | 632                     | \$12                           |
| 32.0                       | Land & Structures                           | ---                    | 172                     | 175                     | \$3                            |
| 91.0                       | Unvouchered                                 | 2                      | 28                      | 29                      | \$1                            |
| <b>Total, Intelligence</b> |   | <b>\$56,876</b>        | <b>\$59,696</b>         | <b>\$61,850</b>         | <b>\$2,154</b>                 |
| Full Time Equivalents      |   | 276                    | 331                     | 332                     | 1                              |

**PPA Mission Statement**

Intelligence - Collect, analyze and share information on critical homeland security vulnerabilities that could be exploited by terrorist and criminal organizations. The Office of Intelligence focuses on data and information related to the movement of people, money and materials into, within and out of the United States to provide accurate and timely reporting to ICE leadership and field agents in support of enforcement operations. ICE's intelligence functions are managed by a highly trained team of professionals with expertise in data and threat analysis, languages, financial investigations, counterterrorism and a number of other areas. ICE intelligence professionals process information from a variety of sources to provide assessments of patterns, trends and new developments in a wide range of law enforcement areas. These include the following areas:

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$33,532               | \$37,937                | \$38,494                | \$557                          |

Salaries and Benefits includes costs for 332 FTEs. The FY 2009 request includes an increase of \$557,000 in personnel compensation to support the Secure Border Fusion Program.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$1,241                | \$1,530                 | \$1,561                 | \$31                           |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2008 request includes a increase of \$31,000 to cover non-pay inflation.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$167                  | \$69                    | \$70                    | \$1                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 requests an increase of \$1,000.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$2,617                | \$2,626                 | \$2,678                 | \$53                           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$53,000.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$1,238                | \$1,275                 | \$1,351                 | \$76                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$76,000.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$1                    | \$1                     | \$1                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no changes.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$3,888                | \$3,805                 | \$4,728                 | \$923                          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$76,000 in non-pay inflation and program increases to support the Secure Border Fusion Program.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$11,456       | \$10,227        | \$10,696        | \$470                  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$384,000 to support the Secure Border Fusion Program.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$339          | \$349           | \$356           | \$7                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$7,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$7            | \$8             | \$8             | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$961          | \$600           | \$612           | \$12                   |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$12,000 for non-pay inflation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$0            | \$12            | \$12            | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$638          | \$438           | \$447           | \$9                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$9,000 for non-pay inflation.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$789          | \$620           | \$632           | \$12                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$12,000 for non-pay inflation.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$0</b>    | <b>\$172</b>   | <b>\$175</b>   | <b>\$3</b>          |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$3,000.

|                    | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------|---------------|----------------|----------------|---------------------|
|                    | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Unvouchered</b> | <b>\$2</b>    | <b>\$28</b>    | <b>\$29</b>    | <b>\$1</b>          |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes an increase of \$1,000.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Detention and Removal Operations - Custody Operations**  
**Funding Schedule**  
(Dollars in Thousands)

|                                  |   | 2007               | 2008               | 2009               | 2008 to 2009    |
|----------------------------------|---|--------------------|--------------------|--------------------|-----------------|
| <b>PPA: Custody Operations</b>   |   | <b>Actual</b>      | <b>Enacted</b>     | <b>Request</b>     | <b>Change</b>   |
| <b>Object Classes:</b>           |   |                    |                    |                    |                 |
| 11.1                             | Perm Positions                              | \$258,452          | \$314,839          | \$319,298          | \$4,459         |
| 11.3                             | Other than perm                             | 1,201              | 4,429              | 4,518              | \$89            |
| 11.5                             | Other per comp                              | 86,180             | 83,407             | 84,405             | \$998           |
| 11.8                             | Spec Srvc Pay                               | 515                | 582                | 594                | \$12            |
| 12.1                             | Benefits                                    | 134,919            | 145,180            | 147,558            | \$2,378         |
| 21.0                             | Travel                                      | 12,183             | 13,108             | 14,270             | \$1,162         |
| 22.0                             | Transportation of things                    | 6,499              | 7,032              | 7,053              | \$21            |
| 23.1                             | GSA rent                                    | 59,513             | 62,650             | 69,019             | \$6,369         |
| 23.2                             | Other rent                                  | 5,356              | 5,538              | 5,738              | \$200           |
| 23.3                             | Communication, Utilities, and Misc. charges | 19,107             | 21,777             | 22,213             | \$436           |
| 24.0                             | Printing                                    | 132                | 199                | 201                | \$2             |
| 25.1                             | Advisory & Assistance Services              | 41,796             | 66,065             | 81,946             | \$15,881        |
| 25.2                             | Other Services                              | 103,264            | 186,804            | 187,093            | \$289           |
| 25.3                             | Purchase from Govt. Accts.                  | 7,882              | 55,715             | 69,695             | \$13,980        |
| 25.4                             | Operation & maintenance of facilities       | 577,904            | 579,826            | 581,124            | \$1,298         |
| 25.6                             | Medical care                                | 36,643             | 45,120             | 46,602             | \$1,482         |
| 25.7                             | Operation & maintenance of equipment        | 9,722              | 9,953              | 12,952             | \$2,999         |
| 25.8                             | Subsistence & Support of persons            | 35,498             | 51,060             | 54,820             | \$3,760         |
| 26.0                             | Supplies & materials                        | 30,023             | 33,887             | 36,565             | \$2,678         |
| 31.0                             | Equipment                                   | 31,824             | 32,683             | 38,977             | \$6,294         |
| 32.0                             | Land & Structures                           | ---                | 3,828              | 3,906              | \$78            |
| 42.0                             | Indemnity                                   | 27                 | 566                | 577                | \$11            |
| 91.0                             | Unvouchered                                 | 38                 | 39                 | 39                 | \$0             |
| <b>Total, Custody Operations</b> |   | <b>\$1,458,678</b> | <b>\$1,724,287</b> | <b>\$1,789,163</b> | <b>\$64,876</b> |
| Full Time Equivalents            |   | 4,490              | 4,529              | 4,798              | 269             |

**PPA Mission Statement**

Immigration enforcement authorities apprehend potentially removable aliens. In many cases, these aliens must be detained while they go through immigration proceedings and until they are removed. Often the number of apprehensions exceeds the detention space available and DRO must prioritize which cases will be detained. Custody Operations provides safe, secure, and humane confinement for these aliens. It also ensures that aliens in ICE custody appear for their immigration hearings, and then for their subsequent removal.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$481,267              | \$548,437               | \$556,373               | \$7,937                        |

Salaries and Benefits includes costs for 4,782 FTEs. The FY 2009 request includes an increase of \$7,937,000 in personnel compensation to support the Secure Border Initiative (SBI).

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$12,183               | \$13,108                | \$14,270                | \$1,162                        |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$1,162,000 in non-pay inflation as well as increased travel related to the SBI program.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$6,499                | \$7,032                 | \$7,053                 | \$21                           |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes an increase of \$21,000 in non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$59,513               | \$62,650                | \$69,019                | \$6,369                        |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$6,369,000 in non-pay inflation and SBI related rental services.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$5,356                | \$5,538                 | \$5,738                 | \$200                          |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$200,000 in non-pay inflation and program increases.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and misc charges</b> | \$19,107               | \$21,777                | \$22,213                | \$436                          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$436,000 in non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$132                  | \$199                   | \$201                   | \$2                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$2,000 in non-pay inflation.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-----------------|-----------------|-----------------|---------------------|
|   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$41,796</b> | <b>\$66,065</b> | <b>\$81,946</b> | <b>\$15,881</b>     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$15,881,000 for non-pay inflation and SBI related program increases.

|                       | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|-----------------------|------------------|------------------|------------------|---------------------|
|                       | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Other Services</b> | <b>\$103,264</b> | <b>\$186,804</b> | <b>\$187,093</b> | <b>\$289</b>        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a \$289,000 increase in support of SBI.

|  | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$7,882</b> | <b>\$55,715</b> | <b>\$69,695</b> | <b>\$13,980</b>     |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$13,980,000 for SBI related increases and non-pay inflation.

|  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|--|------------------|------------------|------------------|---------------------|
|  | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$577,904</b> | <b>\$579,826</b> | <b>\$581,124</b> | <b>\$1,298</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a \$1,298,000 for non-pay inflation.

|                     | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------|-----------------|-----------------|-----------------|---------------------|
|                     | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Medical Care</b> | <b>\$36,643</b> | <b>\$45,120</b> | <b>\$46,602</b> | <b>\$1,482</b>      |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes a \$1,482,000 increase.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---|----------------|----------------|-----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$9,722</b> | <b>\$9,953</b> | <b>\$12,952</b> | <b>\$2,999</b>      |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$2,999,000 for non-pay inflation.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-----------------|-----------------|-----------------|---------------------|
|   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$35,498</b> | <b>\$51,060</b> | <b>\$54,820</b> | <b>\$3,760</b>      |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes a \$3,760,000 increase in funds supporting SBI.

|                                 | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$30,023</b> | <b>\$33,887</b> | <b>\$36,565</b> | <b>\$2,678</b>      |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$2,678,000 in support of SBI.

|                  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|-----------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$31,824</b> | <b>\$32,683</b> | <b>\$38,977</b> | <b>\$6,294</b>      |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$6,294,000 in support of SBI.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$0</b>    | <b>\$3,828</b> | <b>\$3,906</b> | <b>\$78</b>         |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$78,000 for non-pay inflation.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$27</b>   | <b>\$566</b>   | <b>\$577</b>   | <b>\$11</b>         |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes an increase of \$11,000 for non-pay inflation.

|                    | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------|---------------|----------------|----------------|---------------------|
|                    | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Unvouchered</b> | <b>\$38</b>   | <b>\$39</b>    | <b>\$39</b>    | <b>\$0</b>          |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no increase.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Detention and Removal Operations - Fugitive Operations**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Fugitive Operations</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------------|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>            |   |                        |                         |                         |                                |
| 11.1                              | Perm Positions                              | \$20,357               | \$68,693                | \$73,785                | \$5,092                        |
| 11.3                              | Other than perm                             | 47                     | 4,355                   | 4,486                   | \$131                          |
| 11.5                              | Other per comp                              | 6,690                  | 16,557                  | 17,054                  | \$497                          |
| 11.8                              | Spec Srvc Pay                               | 1                      | 2                       | 2                       | \$0                            |
| 12.1                              | Benefits                                    | 12,321                 | 35,335                  | 36,649                  | \$1,314                        |
| 21.0                              | Travel                                      | 2,161                  | 890                     | 1,390                   | \$500                          |
| 22.0                              | Transportation of things                    | 1,302                  | 85                      | 85                      | \$0                            |
| 23.1                              | GSA rent                                    | 4,195                  | 4,339                   | 4,339                   | \$0                            |
| 23.2                              | Other rent                                  | 1,479                  | 1,523                   | 1,523                   | \$0                            |
| 23.3                              | Communication, Utilities, and Misc. charges | 1,100                  | 1,314                   | 1,314                   | \$0                            |
| 24.0                              | Printing                                    | 12                     | 5                       | 5                       | \$0                            |
| 25.1                              | Advisory & Assistance Services              | 8,363                  | 8,179                   | 8,179                   | \$0                            |
| 25.2                              | Other Services                              | 32,460                 | 32,628                  | 34,727                  | \$2,099                        |
| 25.3                              | Purchase from Govt. Accts.                  | 1,900                  | 2,150                   | 2,150                   | \$0                            |
| 25.4                              | Operation & maintenance of facilities       | 43,744                 | 19,020                  | 19,020                  | \$0                            |
| 25.6                              | Medical care                                | 14,447                 | ---                     | ---                     | \$0                            |
| 25.8                              | Subsistence & Support of persons            | ---                    | 228                     | 228                     | \$0                            |
| 26.0                              | Supplies & materials                        | 9,472                  | 10,082                  | 10,097                  | \$15                           |
| 31.0                              | Equipment                                   | 19,543                 | 20,153                  | 20,153                  | \$0                            |
| 32.0                              | Land & Structures                           | 2,045                  | 501                     | 501                     | \$0                            |
| 42.0                              | Indemnity                                   | ---                    | 46                      | 46                      | \$0                            |
| 91.0                              | Unvouchered                                 | ---                    | 7                       | 7                       | \$0                            |
| <b>Total, Fugitive Operations</b> |   | <b>\$187,728</b>       | <b>\$227,985</b>        | <b>\$237,633</b>        | <b>\$9,648</b>                 |
| Full Time Equivalents             |   | 311                    | 656                     | 760                     | 104                            |

**PPA Mission Statement**

The Fugitive Operations program locates and apprehends fugitive aliens in the United States. It strives to identify or apprehend all fugitives, creating a deterrent to potential absconders and increasing the integrity of the immigration enforcement process.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$39,416               | \$124,942               | \$131,976               | \$7,034                        |

Salaries and Benefits includes costs for 620 FTEs. The FY 2009 request includes an increase of \$7,034,000 to fund additional Fugitive Operations Teams and pay inflation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$2,161                | \$890                   | \$1,390                 | \$500                          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$500,000 in support of additional fugitive operations teams travel expenses.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$1,302                | \$85                    | \$85                    | \$0                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$4,195                | \$4,339                 | \$4,339                 | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no changes.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$1,479                | \$1,523                 | \$1,523                 | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no increase request.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$1,100                | \$1,314                 | \$1,314                 | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$12                   | \$5                     | \$5                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no increase request.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$8,363</b> | <b>\$8,179</b> | <b>\$8,179</b> | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no changes.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$32,460</b> | <b>\$32,628</b> | <b>\$34,727</b> | <b>\$2,099</b>      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a \$2,099,000 increase.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$1,900</b> | <b>\$2,150</b> | <b>\$2,150</b> | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no changes.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$43,744</b> | <b>\$19,020</b> | <b>\$19,020</b> | <b>\$0</b>          |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no increase.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$6,089</b> | <b>\$1,893</b> | <b>\$1,893</b> | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$0</b>    | <b>\$228</b>   | <b>\$228</b>   | <b>\$0</b>          |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$9,472</b> | <b>\$10,082</b> | <b>\$10,097</b> | <b>\$15</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$15,000 for non-pay inflation and program changes.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | <b>\$19,543</b>        | <b>\$20,153</b>         | <b>\$20,153</b>         | <b>\$0</b>                     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no changes.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Land &amp; Structures</b> | <b>\$2,045</b>         | <b>\$501</b>            | <b>\$501</b>            | <b>\$0</b>                     |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no changes.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Indemnity</b> | <b>\$0</b>             | <b>\$46</b>             | <b>\$46</b>             | <b>\$0</b>                     |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes no change.

|                    | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Unvouchered</b> | <b>\$0</b>             | <b>\$7</b>              | <b>\$7</b>              | <b>\$0</b>                     |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no change.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Detention and Removal Operations - CAP**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Criminal Alien Program</b>       |   | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|--|---|------------------|------------------|------------------|---------------------|
| <b>Object Classes:</b>                   |   | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| 11.1                                     | Perm Positions                              | \$32,137         | \$61,311         | \$83,559         | \$22,248            |
| 11.3                                     | Other than perm                             | 70               | 1,632            | 1,684            | \$52                |
| 11.5                                     | Other per comp                              | 10,466           | 28,086           | 29,086           | \$1,000             |
| 11.8                                     | Spec Srvc Pay                               | ---              | 2                | 2                | \$0                 |
| 12.1                                     | Benefits                                    | 18,518           | 38,449           | 32,424           | (\$6,025)           |
| 21.0                                     | Travel                                      | 1,510            | 1,788            | 1,788            | \$0                 |
| 22.0                                     | Transportation of things                    | 1,478            | 1,532            | 1,532            | \$0                 |
| 23.1                                     | GSA rent                                    | 5,515            | 5,117            | 5,117            | \$0                 |
| 23.2                                     | Other rent                                  | 432              | 25               | 25               | \$0                 |
| 23.3                                     | Communication, Utilities, and Misc. charges | 4,902            | 1,569            | 1,569            | \$0                 |
| 24.0                                     | Printing                                    | ---              | 7                | 7                | \$0                 |
| 25.1                                     | Advisory & Assistance Services              | 7,439            | 5,909            | 4,751            | (\$1,158)           |
| 25.2                                     | Other Services                              | 22,900           | 20,509           | 19,200           | (\$1,309)           |
| 25.3                                     | Purchase from Govt. Accts.                  | 1,311            | 1,366            | 1,366            | \$0                 |
| 25.4                                     | Operation & maintenance of facilities       | 9,379            | 996              | 996              | \$0                 |
| 25.7                                     | Operation & maintenance of equipment        | 8,092            | 2,656            | 2,656            | \$0                 |
| 25.8                                     | Subsistence & Support of persons            | 22               | 26               | 26               | \$0                 |
| 26.0                                     | Supplies & materials                        | 4,267            | 3,098            | 3,098            | \$0                 |
| 31.0                                     | Equipment                                   | 14,034           | 14,821           | 14,821           | \$0                 |
| 32.0                                     | Land & Structures                           | 324              | 335              | 335              | \$0                 |
| 42.0                                     | Indemnity                                   | ---              | 109              | 109              | \$0                 |
| 91.0                                     | Unvouchered                                 | ---              | 6                | 6                | \$0                 |
| <b>Total, Institutional Removal Plan</b> |   | <b>\$142,796</b> | <b>\$189,349</b> | <b>\$204,157</b> | <b>\$14,808</b>     |
| Full Time Equivalents                    |   | 582              | 826              | 981              | 155                 |

**PPA Mission Statement**

The Criminal Alien Program (CAP) ensures that aliens are not released back into the community before they are removed from the United States. Through the CAP, ICE officers interview incarcerated aliens to determine whether they are amenable to immigration proceedings. If a case receives a final order of removal, ICE officers will immediately take that alien into custody upon completion of his or her criminal sentence and then prepare that case for removal.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$61,192               | \$129,480               | \$146,755               | \$17,275                       |

Salaries and Benefits includes costs for 1,292 FTEs. The FY 2009 request includes an increase of \$17,275,000 in personnel compensation to fund additional CAP teams.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$1,510                | \$1,788                 | \$1,788                 | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no changes.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$1,478                | \$1,532                 | \$1,532                 | \$0                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$5,515                | \$5,117                 | \$5,117                 | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no changes.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$432                  | \$25                    | \$25                    | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no changes.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$4,902                | \$1,569                 | \$1,569                 | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$7                     | \$7                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no changes.

|   | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|---|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Advisory and Assistance Services</b> | \$7,439                      | \$5,909                       | \$4,751                       | (\$1,158)                            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a decrease of \$1,158,000 for program efficiencies.

|                       | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|-----------------------|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Other Services</b> | \$22,900                     | \$20,509                      | \$19,200                      | (\$1,309)                            |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes a decrease of \$1,309,000 for program efficiencies.

|  | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|--|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Purchase from Government Accounts</b> | \$1,311                      | \$1,366                       | \$1,366                       | \$0                                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no changes.

|  | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|--|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$9,379                      | \$996                         | \$996                         | \$0                                  |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|---|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$8,092                      | \$2,656                       | \$2,656                       | \$0                                  |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 to 2009</u><br><u>Change</u> |
|---|------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$22                         | \$26                          | \$26                          | \$0                                  |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$4,267</b> | <b>\$3,098</b> | <b>\$3,098</b> | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no changes.

|                  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|-----------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$14,034</b> | <b>\$14,821</b> | <b>\$14,821</b> | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no changes.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$324</b>  | <b>\$335</b>   | <b>\$335</b>   | <b>\$0</b>          |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no changes.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$0</b>    | <b>\$109</b>   | <b>\$109</b>   | <b>\$0</b>          |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes no changes.

|                    | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------|---------------|----------------|----------------|---------------------|
|                    | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Unvouchered</b> | <b>\$0</b>    | <b>\$6</b>     | <b>\$6</b>     | <b>\$0</b>          |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no changes.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Detention and Removal Operations - ATD**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Alternatives to Detention</b>   |   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|---|-----------------|-----------------|-----------------|---------------------|
|   |   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                  |   |                 |                 |                 |                     |
| 11.1                                    | Perm Positions                              | \$2,854         | \$13,796        | \$14,513        | \$717               |
| 11.3                                    | Other than perm                             | ---             | 63              | 65              | \$2                 |
| 11.5                                    | Other per comp                              | 957             | 1,723           | 2,278           | \$555               |
| 12.1                                    | Benefits                                    | 1,597           | 6,669           | 7,173           | \$504               |
| 21.0                                    | Travel                                      | 407             | 290             | 305             | \$15                |
| 22.0                                    | Transportation of things                    | 111             | 7               | 7               | \$0                 |
| 23.1                                    | GSA rent                                    | 607             | 210             | 217             | \$7                 |
| 23.3                                    | Communication, Utilities, and Misc. charges | 88              | 1,185           | 1,185           | \$0                 |
| 25.1                                    | Advisory & Assistance Services              | 1,115           | 1,047           | 959             | (\$88)              |
| 25.2                                    | Other Services                              | 29,242          | 25,563          | 26,430          | \$867               |
| 25.3                                    | Purchase from Govt. Accts.                  | 3,074           | 1,325           | 1,366           | \$41                |
| 25.4                                    | Operation & maintenance of facilities       | 56              | 57              | 59              | \$2                 |
| 25.7                                    | Operation & maintenance of equipment        | 865             | 945             | 945             | \$0                 |
| 25.8                                    | Subsistence & Support of persons            | 7               | 8               | 8               | \$0                 |
| 26.0                                    | Supplies & materials                        | 1,194           | 645             | 645             | \$0                 |
| 31.0                                    | Equipment                                   | 1,673           | 2,256           | 2,000           | (\$256)             |
| 32.0                                    | Land & Structures                           | ---             | 37              | 37              | \$0                 |
| 91.0                                    | Unvouchered                                 | 3               | 3               | 3               | \$0                 |
| <b>Total, Alternatives to Detention</b> |   | <b>\$43,850</b> | <b>\$55,829</b> | <b>\$58,194</b> | <b>\$2,365</b>      |
| Full Time Equivalents                   |   | 55              | 156             | 177             | 21                  |

**PPA Mission Statement**

The Alternatives to Detention program places low-risk aliens under various forms of intensive supervision rather than traditional detention as a cost-effective way to ensure their appearance for an immigration hearing or for removal. This program lowers the risk that aliens will be fugitives.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$5,408                | \$22,251                | \$24,028                | \$1,777                        |

Salaries and Benefits includes costs for 135 FTEs. The FY 2009 request includes an increase of \$1,777,000 in personnel compensation costs related to the Intensive Supervision Appearance Program.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$407                  | \$290                   | \$305                   | \$15                           |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$15,000 for increased travel expenses related to the Intensive Supervision Appearance Program (ISAP).

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$111                  | \$7                     | \$7                     | \$0                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no change.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$607                  | \$210                   | \$217                   | \$7                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$7,000 in non-pay inflation.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$88                   | \$1,185                 | \$1,185                 | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no changes.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$1,115                | \$1,047                 | \$959                   | (\$88)                         |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a decrease of \$88,000 for program efficiencies.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$29,242      | \$25,563       | \$26,430       | \$867               |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a increase of \$91,000.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | \$3,074       | \$1,325        | \$1,366        | \$41                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$41,000.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | \$56          | \$57           | \$59           | \$2                 |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$2,000.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | \$865         | \$945          | \$945          | \$0                 |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | \$7           | \$8            | \$8            | \$0                 |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | \$1,194       | \$645          | \$645          | \$0                 |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no changes.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$1,673       | \$2,256        | \$2,000        | (\$256)             |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a decrease of \$256,000 for program efficiencies.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Land &amp; Structures</b> | \$0                    | \$37                    | \$37                    | \$0                            |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes no changes.

|                    | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Unvouchered</b> | \$3                    | \$3                     | \$3                     | \$0                            |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no changes.

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expenses**  
**Detention and Removal Operations - TRP**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Transportation and Removal Program</b> |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                         |   |                        |                         |                         |                                |
| 21.0   | Travel                                      | 100,474                | 109,956                 | 109,956                 | ---                            |
| 22.0   | Transportation of things                    | 55                     | 111                     | 111                     | ---                            |
| 23.1   | GSA rent                                    | ---                    | 3,547                   | 3,547                   | ---                            |
| 23.2   | Other rent                                  | ---                    | 36                      | 36                      | ---                            |
| 23.3   | Communication, Utilities, and Misc. charges | 178                    | 1,992                   | 1,992                   | ---                            |
| 24.0   | Printing                                    | ---                    | 7                       | 7                       | ---                            |
| 25.1   | Advisory & Assistance Services              | 6,016                  | 6,419                   | 6,419                   | ---                            |
| 25.2   | Other Services                              | 126,974                | 159,976                 | 158,849                 | (1,127)                        |
| 25.3   | Purchase from Govt. Accts.                  | 410                    | 437                     | 437                     | ---                            |
| 25.4   | Operation & maintenance of facilities       | ---                    | 24                      | 24                      | ---                            |
| 25.7   | Operation & maintenance of equipment        | 571                    | 1,968                   | 1,968                   | ---                            |
| 25.8   | Subsistence & Support of persons            | ---                    | 42                      | 42                      | ---                            |
| 26.0   | Supplies & materials                        | 1,476                  | 4,121                   | 4,121                   | ---                            |
| 31.0   | Equipment                                   | 1,513                  | 1,769                   | 1,769                   | ---                            |
| 32.0   | Land & Structures                           | ---                    | 1,059                   | 1,059                   | ---                            |
| 42.0   | Indemnity                                   | ---                    | 75                      | 75                      | ---                            |
| 91.0   | Unvouchered                                 | 2                      | 6                       | 6                       | ---                            |
| <b>Total, Transportation and Removal Plan</b>  |   | <b>\$237,669</b>       | <b>\$291,545</b>        | <b>\$290,418</b>        | <b>(1,127)</b>                 |
| Full Time Equivalents                          |   | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

The Transportation and Removals Management program provides safe and secure transportation of aliens in ICE custody as well as prepares for and conducts the removals of aliens from the United States, as ordered by an immigration judge.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$0                     | \$0                     | \$0                            |

Salaries and Benefits includes costs for 0 FTEs. The FY 2009 request includes no changes. 5 FTEs with T&R overseas functions are within the Custody Ops PPA.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$100,474              | \$109,956               | \$109,956               | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no changes.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$55                   | \$111                   | \$111                   | \$0                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                    | \$3,547                 | \$3,547                 | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes includes no changes.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                    | \$36                    | \$36                    | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no changes.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$178                  | \$1,992                 | \$1,992                 | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes includes no changes.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$7                     | \$7                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no change.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$6,016        | \$6,419         | \$6,419         | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no changes.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$126,974      | \$159,976       | \$158,849       | (\$1,127)              |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an decrease of \$1,127.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$410          | \$437           | \$437           | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no changes.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$0            | \$24            | \$24            | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$571          | \$1,968         | \$1,968         | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$0            | \$42            | \$42            | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes no changes.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$1,476        | \$4,121         | \$4,121         | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes includes no changes.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$1,513        | \$1,769         | \$1,769         | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes includes no changes.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$0            | \$1,059         | \$1,059         | \$0                    |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes includes no changes.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Indemnity</b> | \$0            | \$75            | \$75            | \$0                    |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes includes no changes.

|                    | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--------------------|----------------|-----------------|-----------------|------------------------|
| <b>Unvouchered</b> | \$2            | \$6             | \$6             | \$0                    |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request includes no changes.

## I. Changes in Full Time Equivalent

**Summary of FY2009 Budget Estimates by Appropriation and Program**  
**U.S. Immigration and Customs Enforcement**  
**Salaries and Expense**  
 Changes in Full Time Equivalent

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|---|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | 12,704         | 14,353         | 16,498         |
| <b>INCREASES</b>  |                |                |                |
| Annualization of FY 2006 Enhancements                                   | 611            | -              | -              |
| Reprogramming   | 100            |                |                |
| FY 2007 President's Budget Enhancements                                 | 333            | -              | -              |
| Annualization of FY 2007 Enhancements                                   | -              | 679            | -              |
| FY 2008 President's Budget Enhancements                                 | -              | 262            | -              |
| FY 2008 Congressional Add-ons   |                | 474            |                |
| Annualization of FY 2008 Enhancements                                   | -              | -              | 736            |
| FY 2009 President's Budget Request Enhancements                         | -              | -              | 161            |
| Attrition Hiring  | 1,335          | -              | 350            |
| <b>Subtotal, Increases</b>  | <b>2,379</b>   | <b>1,415</b>   | <b>1,247</b>   |
| <b>DECREASES</b>  |                |                |                |
| Attrition Loses   | (730)          | 730            | (350)          |
| <b>Subtotal, Decreases</b>  | <b>(730)</b>   | <b>730</b>     | <b>(350)</b>   |
| <b>Year-end Actual / Estimated FTEs</b>                                 | <b>14,353</b>  | <b>16,498</b>  | <b>17,395</b>  |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | <b>1,649</b>   | <b>2,145</b>   | <b>897</b>     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Salaries and Expenses**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                     | FY 2007 Actual | FY 2008 Enacted | FY 2009 Request | Increase / Decrease for FY 2009 |
|--|----------------|-----------------|-----------------|---------------------------------|
|  | AMOUNT         | AMOUNT          | AMOUNT          | AMOUNT                          |
| Headquarters Management and Administration   | 2,679          | 3,175           | 3,573           | 398                             |
| Headquarters IT Investment                   | 578            | 622             | 699             | 78                              |
| Legal Proceedings                            | 3,709          | 3,712           | 4,177           | 465                             |
| Investigations Operations - Domestic         | 26,037         | 23,551          | 26,501          | 2,950                           |
| Investigations Operations - International    | 1,303          | 1,051           | 1,183           | 132                             |
| Intelligence - Operations                    | 875            | 898             | 1,011           | 113                             |
| Intelligence - Headquarters Reporting Center | 48             | 40              | 45              | 5                               |
| DRO - Custody Management                     | 16,412         | 15,120          | 17,014          | 1,894                           |
| DRO - Fugitive Operations                    | 1,945          | 1,802           | 2,028           | 226                             |
| DRO - Alternatives to Detention              | 105            | 441             | 3,452           | 3,012                           |
| DRO - Institutional Removal                  | 1,524          | 3,068           | 496             | (2,572)                         |
| SEVP   | 39             | 153             | 172             | 19                              |
| FPS Basic Security                           | 4,366          | 2,870           | 3,230           | 360                             |
| <b>Total Working Capital Fund</b>            | <b>59,620</b>  | <b>56,504</b>   | <b>63,582</b>   | <b>7,078</b>                    |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Automation Modernization*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Immigration and Customs Enforcement Automation Modernization

### **I. Appropriation Overview**

#### **A. Mission Statement for Automation Modernization:**

In FY 2009, ICE will include several information technology (IT) transformational initiatives in the Automation Modernization program: ICE's Homeland Enforcement Communication System (HECS), Atlas Program – Infrastructure and Tactical Communications, Detention and Removals Operations IT Modernization (DROM), and the replacement of ICE's Financial System. Aligning all IT modernization initiatives under the Automation Modernization appropriation will help ICE standardize IT investment management and delivery.

The Automation Modernization program will allow ICE to improve information sharing with the Department of Homeland Security (DHS) and across ICE organizations, strengthen information availability, improve detainee tracking and preparation of travel documents, provide a fully secure IT environment, and enhance financial management and audit practices. The resources are available until expended.

#### **B. Budget Activities:**

In FY 2009, the Automation Modernization Program focuses on specific, discrete IT activities to achieve its mission, including ICE's Homeland Enforcement Communication System (HECS), Atlas IT Infrastructure and Tactical Communications, Detention and Removals Operations IT Modernization (DROM), and the replacement of Financial Systems.

##### ***Homeland Enforcement Communication System (HECS)***

The request will fund the modernization of the ICE portion of the DHS Investigative Case Management system. HECS will greatly improve workflow processes, improve interoperability with DHS and other Federal law enforcement and homeland security intelligence analysis and visualization tool sets, enhance the quality of law enforcement information sharing within DHS and external to DHS, and improve the collection of more consistent, timely, and accurate performance information on law enforcement activities and outcomes.

##### ***Atlas – Infrastructure and Tactical Communications***

The Atlas projects will improve infrastructure, consolidate and standardize IT equipment, improve the technology and functionality of IT products and services available to ICE employees, and ensure security of all equipment.

Atlas integrates enforcement capability rooted in a "One DHS" vision that includes sharing information, coordinating systems for identifying threats, forging DHS-wide standards, and weaving

together networks. To this end, the Atlas program seeks to create and sustain a secure, scalable IT environment that supports ICE law enforcement programs, enabling better delivery of the right information to the right people when needed.

### ***DRO Modernization (DROM)***

The DROM funding will support the systems upgrades and improvements of DRO business processes for the detention and removal of illegal aliens from the United States, as well as support the requirements of the Secure Border Initiative (SBI). DROM will effect improvements in the areas of real-time dynamic data reporting, detainee management, management of detention beds and tracking detainees, bed-space availability management, and transportation management for detention and removals.

### ***Replacement of Financial Systems***

The Financial Systems replacement initiative supports ICE's portion of the DHS enterprise-wide initiative of consolidating a number of financial systems. This initiative will support ICE's migration to the new DHS Financial System and will result in improved financial services. This will help ICE achieve and sustain unqualified financial audit opinions and perform effective financial management.

### **C. Budget Request Summary:**

ICE requests 14 positions, 11 FTE, and \$57,000,000 for FY 2009 to continue the modernization of its information technology and systems infrastructure for the following program initiatives. This includes program increases of 7 positions, 4 FTE, and \$57,000,000 million.

- HECS (\$15.7M): Develop HECS architecture and ICE high-level design, and establish Investigative Case Management development integration environment and testing environment;
- Atlas Infrastructure (\$13.0M) and Tactical Communications (\$10.0M): Integrate information from additional enforcement systems into the ICE data warehouse (Infrastructure); and upgrade the ICE tactical communications hub in preparation for full upgrade of ICE to federal standards for security and interoperability (Tactical Communications);
- DRO Modernization (\$11.3M): Develop and deploy version one of the Detainee Location Tracking Module as part of the Bed Space and Transportation Management System, expand the ICE Data warehouse data capacity and reporting capability to support the DRO IT data, and expand Web Services to allow the Electronic Travel Document application to communicate with other internal or external applications; and
- Replacement of Financial System (\$7M): Document processing of core financial functions that will be migrated to DHS Enterprise Solution, develop requirements to address functionality in current Federal Financial Management System (FFMS), and purchase software licenses.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                   |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|-----------------|-----------------|-----------------|---------------------|-------------------|
|  |                   |                 |                    |                 |                    |                 | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                   |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT            |
| Automation Modernization                                     | 6                 | \$56,433        | 7                  | \$30,700        | 11                 | \$57,000        | 4  | 26,300          | 4               | 57,000          | ---                 | (30,700)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>6</b>          | <b>\$56,433</b> | <b>7</b>           | <b>\$30,700</b> | <b>11</b>          | <b>\$57,000</b> | <b>4</b>                                 | <b>\$26,300</b> | <b>4</b>        | <b>\$57,000</b> | <b>---</b>          | <b>(\$30,700)</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                   |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                   |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>6</b>          | <b>\$56,433</b> | <b>7</b>           | <b>\$30,700</b> | <b>11</b>          | <b>\$57,000</b> | <b>4</b>                                 | <b>\$26,300</b> | <b>4</b>        | <b>\$57,000</b> | <b>---</b>          | <b>(\$30,700)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Automation Modernization**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: Automation Modernization**

|                              | <b>Perm.</b>     |            |               |
|------------------------------|------------------|------------|---------------|
|                              | <b>Positions</b> | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>           | 7                | 6          | 56,433        |
| <b>2008 Enacted</b>          | 7                | 7          | 30,700        |
| 2009 Adjustments-to-Base     | -                | -          | (30,700)      |
| <b>2009 Current Services</b> | <b>7</b>         | <b>7</b>   | -             |
| 2009 Program Change          | 7                | 4          | 57,000        |
| <b>2009 Request</b>          | <b>14</b>        | <b>11</b>  | <b>57,000</b> |
| Total Change 2008-2009       | 7                | 4          | 26,300        |

U.S. Immigration and Customs Enforcement requests \$57 million for this activity. This is an increase of \$26.3 million over FY 2008, and will be used for Information Technology enhancements in a variety of areas.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Prior to FY 2008, Atlas (Infrastructure) was the sole program funded under ICE Automation Modernization. Beginning in FY 2008, the ICE Automation Modernization program is being expanded to include the Detention and Removals Operations IT Modernization (DROM), Mobile IDENT/ENFORCE, and Immigration Enforcement Systems Upgrades. In FY 2009, the ICE Automation Modernization program will be further expanded to include specific discreet IT initiatives, including HECS, Atlas - Tactical Communications, and the replacement of Financial Systems.

Atlas Infrastructure integrates ICE enforcement capability with a “One DHS” vision that includes sharing information, coordinating systems for identifying threats, forging DHS-wide standards, and integrating networks. The Atlas program creates and sustains a secure, scaleable IT environment that supports ICE law enforcement programs – enabling efficient delivery of necessary information, through eight projects:

- (1) Common Computing Environment: Migrates all ICE users to Microsoft Exchange, deploys new desktops to ICE users, and centralizes file services for all ICE users.
- (2) Integration: Migrates ICE to the DHS OneNet, deploys streaming video to 70 major ICE locations, and upgrades local area network infrastructure at all ICE sites.
- (3) ICE Mission Information: Deploys a data warehouse at ICE that consolidates data and reporting from disparate investigative and enforcement systems and establishes capability to rapidly share ICE information with other law enforcement agencies.

- (4) Information Assurance: Implements Single Sign On for all ICE users and implements additional capabilities that enhance network and application security throughout ICE.
- (5) Architecture Engineering: Consolidates and creates a state-of-the-art lab to manage, operate, evaluate, and test IT systems for alignment to technology requirements, the DHS Architecture and mission objectives.
- (6) Data Center Migration: Evaluates alternatives, inventories systems, and plans migration execution in preparation for moving all ICE data center hardware and applications to DHS data centers.
- (7) Tactical Communications: Provides ICE with secure, interoperable wireless communications aligned with DHS plans for a single, integrated wireless network and deploys mobile communications networks to support field operations and disaster response efforts.
- (8) Transformation Planning: Provides planning and programmatic oversight to manage program cost, schedule, and performance.

From the inception of ICE's Automation Modernization appropriation in FY 2004 through FY 2007, ICE received \$104 million in non-expiring appropriations. To establish a stable, secure, integrated infrastructure as a foundation for all ICE IT modernization efforts, the Atlas Infrastructure program has used these funds to accomplish the following:

- Obligated \$77.3 million on contracts for planned ICE IT modernization activities (the remaining \$26.7 million will be obligated in FY 2008);
- Migrated ICE users to a common DHS-wide e-mail system;
- Deployed new desktops to 4,400 ICE users;
- Completed the migration of ICE sites to DHS OneNet;
- Prototyped an ICE data warehouse integrating information from disparate enforcement systems for enhanced reporting and decision support;
- Prototyped capability to rapidly share ICE information with other law enforcement agencies;
- Upgraded to the ICE Web application platform;
- Established a Single Sign On framework for applications supporting Active Directory authentication and enabled Single Sign On for ICE e-mail;
- Completed integration of the Architecture Engineering test lab; and
- Established program management oversight, including Independent Verification and Validation services.

#### FY 2008 Projected Accomplishments

In FY 2008, ICE is expending \$30.7 million for the Automation Modernization program. ICE will use \$15.0 million of these funds, along with prior year fund balances of \$26.7 million, to complete several initial infrastructure investments under Atlas Infrastructure. In addition, using the remaining \$15.7 million the ICE Automation Modernization program will be expanded to include DROM, Mobile IDENT/ENFORCE, and Immigration Enforcement Systems Upgrades.

Because Automation Modernization is now expanding to encompass multiple major initiatives funded in the FY 2008 Appropriations Act, ICE has established a Program Executive Office (PEO) to standardize, streamline and coordinate IT program management plans and activities. In

its capacity as an overarching governance Division, the PEO will perform portfolio management functions for all Automation Modernization activities, centralize common program management functions, and ensure alignment between major initiatives to avoid gaps or duplication of effort. Each major Automation Modernization initiative will maintain a distinct Program Management Office (PMO) and associated integrated project teams to execute PMO functions specific to that initiative within overarching PEO governance. This approach to program management will: ensure alignment of initiatives to address each IT modernization requirement without duplication of effort; standardize practices and mitigate risks for all Automation Modernization activities; reduce program overhead costs by centralizing functions not specific to one initiative; and ensure stringent oversight of cost, schedule and performance specific to each initiative.

During the fiscal year, the Automation Modernization initiatives will achieve the following.

#### Atlas - Infrastructure

- Obligate \$15.0 million and all remaining prior year fund balances carried into FY 2008 (\$26.7 million) for planned ICE IT modernization activities;
- Complete desktop deployments to 12,600 remaining ICE users;
- Deploy centralized file services to 60% of ICE users;
- Deploy streaming video to 70 major ICE locations and to remaining ICE users through remote access;
- Modernize the entire computing environment at all ICE overseas offices;
- Complete the first full release of the ICE data warehouse and integrate information from additional enforcement systems;
- Establish base system interoperability capabilities enabling rapid sharing of ICE information with other law enforcement agencies;
- Establish a Single Sign On framework for all ICE applications, including legacy mainframe systems;
- Pilot IT audit log analysis capabilities to improve security monitoring; and
- Complete Data Center Migration planning activities.

#### DRO Modernization

ICE will expend \$11.5 million to accomplish the following:

- Expand the Electronic Travel Document (eTD) system to include up to 25 participating countries and all non-participating countries (those countries who have not signed a Memorandum of Understanding (MOU) to use eTD for issuing electronic travel documents);
- Deploy Enforce Alien Removal Module (EARM) system to replace the Deportable Alien Control System (DACS) system;
- Complete disposition procedures for the DACS system;
- Expand data sharing and integration with external agencies of the EARM system;
- Implement enterprise reporting system for DRO Executive Information Unit; and
- Award Bed Space and Transportation (BS&T) Contract(s).

### Mobile IDENT/ENFORCE

ICE will expend \$2.2 million to develop portable IDENT, a component of Secure Border Initiative (SBI), for use in the positive identification and processing of aliens in remote places. These funds are being used to accomplish the following:

- Develop portable IDENT to positively identify aliens, which is critical to the success of SBI, particularly for both Interior Enforcement initiatives, and Temporary Workers Program (TWP) deployment.
- Process aliens outside established ICE IDENT processing facilities, including jails (under INA 287g), work sites, courts, and other locations requiring mobile capabilities.

### Immigration Enforcement Systems Upgrade

ICE is expending \$2.0 million to upgrade services (including systems design, development, and deployment) of new and enhanced IT systems that were needed to build out the ENFORCE infrastructure necessary to support multiple law enforcement communities, support initiatives such as SBI, and facilitate integration efforts such as the one between the Law Enforcement Service Center (LESC) and Office of Investigations (OI). These funds will be used to accomplish the following:

- Replace and modernize ICE's investigative systems through the Consolidated Enforcement Environment (CEE) program. Existing ICE investigative and case management systems were rapidly reaching peak capacity and the technologies underlying the primary ICE case management system were well past their lifecycle limits. Given the significant increase in the number agents needed to enforce the TWP and the potentially large increase in cases to be investigated, ICE believed that a new, modern case management system with integrated analytical and reporting applications was essential to an effective and enforceable TWP.
- Upgrade technology to support underlying infrastructure. The law enforcement community (including State, local and DoJ) accesses multiple, disparate applications when processing cases. This upgrade enhanced the ability to efficiently process cases, thus improving information integrity.

### FY 2009 – Projected Accomplishments

In FY 2009, ICE will further expand Automation Modernization activities with the initiation of the Homeland Enforcement and Communications System (HECS) program and the Financial System Replacement program. Atlas and DROM will continue to move toward completion of their efforts to modernize ICE IT infrastructure and IT support of Detention and Removal Operations. Using requested FY 2009 funds, the Automation Modernization programs will achieve the following:

#### HECS

- Develop HECS architecture and ICE high-level design;
- Acquire facility, infrastructure, program management tools;
- Complete alternative analysis and acquisition strategy;
- Process analysis and requirements definition; and
- Establish Investigative Case Management (ICM) development and integration environment and testing environment.

### Atlas – Infrastructure and Tactical Communications

- Integrate information from additional enforcement systems into the ICE data warehouse;
- Complete deployment of the ICE portion of a DHS-wide Single Sign On solution;
- Implement an automated network vulnerability scanning solution;
- Make emergency response mobile tactical communications kits available to ICE;
- Deploy mobile law enforcement tactical communications networks for ICE;
- Upgrade the ICE tactical communications hub in preparation for full upgrade of ICE to P.25 standards for security and interoperability;
- Upgrade 1 of 17 ICE regions remaining on outdated tactical communications infrastructure to P.25 standards for security and interoperability; and
- Continue sound project management, strategic IT planning and Independent Verification and Validation (IV&V).

### DRO Modernization (DROM)

- Develop and deploy Bed Space and Transportation (BS&T) Management System - Detainee Location Tracking (DLT) Module version 1. DRO will implement biometric finger scanning with a combination of fixed and mobile devices to positively identify and track detainees remotely, improve officer safety, and enhance mission effectiveness. Fixed biometric scanners will record detainees as they enter or exit key facility sally ports and key locations within major DRO detention facilities.
- Expand the ICE Data warehouse data capacity and reporting capability to support the DRO IT enhancements (e.g., Enforce Alien Removal Module (EARM), BS&T-DLT) and new data sources.
- Expand Web Services to allow the Electronic Travel Document (eTD) application to communicate with other internal or external applications such as the Justice Prisoner and Alien Transportation Service (JPATS) scheduling tool, DHL web interface and the EARM. This will enhance the end-user experience by consolidating services from multiple applications into the single eTD application.
- Establish a Program Management Office to provide oversight, sound project management and integrate IV&V activities within DRO modernization efforts.

### Replacement of Financial System

- Develop ICE requirements in support of the DHS' Transformation and System Consolidation initiative for the following:
  - user access controls with DHS Enterprise Solution;
  - transitioning from client-server to web-based access by users;
  - financial reporting (both for migration of existing reports, development of new ones);
  - interface with various COTS Applications that comprise the Shared Baseline;
  - user testing of DHS Enterprise Solution;
- Conduct a GAP analysis showing discrepancy between current system processing and DHS Enterprise Solution – Resolution of gaps (Requirements for how DHS Enterprise Solution will address discrepancies.);
- Develop detailed requirements to address functionality in current Federal Financial Management System (FFMS) that will require customization in DHS Enterprise Solution;

- Determine interface requirements with various COTS applications that comprise the Shared Baseline; and
- Document current FFMS processing of core financial functions that will be migrated to DHS Enterprise Solution.

**IV. Program Justification of Changes**

**Department of Homeland Security  
U.S. Immigration Customs and Enforcement  
Automation Modernization  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase:** **Homeland Enforcement Communications Systems (HECS)**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

PPA: Automation Modernization  
Program Increase: Positions 5 FTE 3 Dollars \$15,700

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---      | ---             |
| Program Increase       |                |     |                 |                 |     |                 | 5               | 3        | 15,700          |
| <b>Total Request</b>   | ---            | --- | ---             | ---             | --- | ---             | <b>5</b>        | <b>3</b> | <b>15,700</b>   |

**Description of Item**

The HECS request will fund the modernization of the ICE portion of DHS Investigative Case Management (ICM) system. This is a DHS-wide case management solution for investigations that replaces the TECS Case Management (CM) module and provides a transition plan for consolidating and retiring CM systems; identifying common business needs, reusable business components and services across DHS that relate to investigative case management. HECS will expand DHS' ability to capture and index or publish unstructured case information currently hidden in paper folders. It will expand DHS' ability to collect data using Federal standardized data formats, such as NIEM (National Information Exchange Model).

Under the HECS Program, ICE will collaborate with U.S. Customs and Border Protection (CBP) to design, build, and deploy a modern DHS enterprise architecture compliant replacement for the legacy Treasury Enforcement Communications System (TECS). Under this collaborative program, ICE will have lead responsibility for the development of ICM and related law enforcement services that will be adaptable for use by all DHS law enforcement components.

ICE will also collaborate with CBP to define the services oriented architecture (SOA) for the entire HECS solution. The HECS architecture will align with services defined in the DHS enterprise architecture (EA) service reference model (SRM). The architecture will make maximum use of services previously created by other DHS and Federal agencies, as well as ensure that new services developed by the HECS program are reusable with DHS.

The ICE investigative case management contribution to the HECS Program will address the following DHS law enforcement and homeland security functional needs:

- Greatly improved workflow processes, which will provide ICE and other DHS law enforcement organizations with capabilities to better manage case progress and allocate resources according to DHS mission priorities;
- Improved interoperability with DHS and other Federal law enforcement and homeland security intelligence analysis and visualization tool sets, including those of the Department of State and Department of Justice; and
- Collection of higher quality law enforcement information for sharing within DHS and external to DHS as required by the Intelligence Reform and Terrorist Prevention Act (IRTPA) and in accordance with controlled unclassified information (CUI) standards.

**Personnel Costs (\$0.541M)**

- 1 ICE Program Manager to (oversee and provide direction in the development and replacement of TECS)
- 1 IT Project Manager
- 1 ICE Services Architect
- 1 Business Manager (associated with performance and portfolio management of LE application environment)
- 1 Law Enforcement Liaison Coordinator (to coordinate activities with non-ICE DHS components and Federal Law Enforcement community)

**Non-Personnel Costs (\$15.159M)**

Detailed design, development, testing, and integration services:

- Develop HECS architecture and ICE high-level design
- Acquire facility, infrastructure, program management tools
- Complete alternative analysis and acquisition strategy
- Process analysis and requirements definition
- Establish ICM development and integration environment
- Establish ICM testing environment

**ICE Program Management Office to Ensure Program Adherence to Planned Cost, Schedule and Performance:** HECS will fund a contractor program management office (PMO) to ensure sound program planning, proper use of appropriated funds, and delivery of stated results within planned cost and schedule. The PMO will maintain and update program plans in adherence with DHS Enterprise Architecture, DHS investment review requirements and the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 7. The PMO will also provide rigorous financial and acquisition management, reporting and oversight to ensure compliance with the rules, requirements, guidelines, and systems acquisition management practices of the Federal Government. Finally, a portion of PMO funds will be set aside to contribute to a single independent verification and validation (IV&V) agent for all Automation Modernization activities. The IV&V agent will ensure that each program adheres to stated plans and policies, that programs do not duplicate effort, and that program plans align with a coherent, unified strategy for improving information technology support of the ICE mission.

## **Justification**

A new case management system is required because the current case management system, TECS which is a 20-year old mainframe system, is in the process of being decommissioned due to increased operational costs and concerns with the ability to reconstitute the existing data center environment. Currently, there are over 4,000 OI users opening investigation cases everyday involving crimes, administrative violations, and employee conduct, and greater than 12,000 users within DHS. Because of the age and composition of DHS, many of these users operate and maintain their cases on pre-DHS legacy systems.

In many cases, these systems are text based and cannot manage electronic media formats, such as biometrics, surveillance videos, photographs, scanned document images, and audio - many of the things investigators use in their jobs today. This creates increased operational costs for the department due to the need to hire support contractor personnel that are capable of maintaining and patching these multiple platforms. This in turn leads to inconsistencies in data due to those multiple systems and lack of an underlying data model.

In anticipation of retiring the 20-year old TECS system, CBP has begun migrating pieces of TECS to newer more advanced platforms, leaving the Case Management module to ICE. By FY 2010, CBP plans to migrate their pieces of TECS off the mainframe, and the cost to ICE will increase exponentially. In FY 2007, CBP started planning the migration – two pieces owned by CBP Screening and SEACATS, a system for seized property and evidence tracking and liquidation, meaning that ICE would expend approximately \$10 million via transfer to CBP for current services. In FY 2009/2010, CBP plans to finish development, thus ICE would be expected to pay \$20 million for cumulative O&M plus the expected additional burdens. Without the investment in HECS, it is estimated that by FY 2011, after the CBP migrates off TECS, leaving Case Management as the only application left, the impact to ICE could swell to \$45 million to account for the additional burden of maintaining the whole mainframe for Case Management.

## **Impact on Performance (Relationship of Increase to Strategic Goals)**

This program directly supports accomplishment of DHS Strategic Objective 5.1 Strengthen and Unify DHS Operations and Management. HECS will develop productive information sharing relationships within the Department; and with other federal agencies, State, local and tribal governments, international partners, the private sector, and the American public which will optimize interdependencies and strengthen interrelationships. HECS will provide appropriate incentives for non-federal entities to increase information sharing with the Federal Government, consistent with privacy and security policies.

HECS supports ICE's Objective 5.3 – Produce and share timely, accurate, secure, and relevant information. ICE will identify and implement new technologies to address gaps in its current ability to produce and share timely, accurate, relevant, and secure information.

An investment in HECS will increase ICE's ability to share data with law enforcement partners in all arenas (Federal, State, Local, and Tribal) thus allowing effective participation in the Information Sharing Environment (ISE) and supporting our ability and obligation to share within the ISE. The

impact of successful implementation of HECS will enable other law enforcement agencies to better accomplish their missions by providing a real-time data repository and a powerful analysis and decision support tool.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation and Modernization  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase:** **Atlas – Infrastructure**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

PPA: Automation Modernization  
Program Increase: Positions 0 FTE 0 Dollars \$13,000

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | ---             | ---      | ---             |
| Program Increase       |                |          |                 |                 |          |                 | ---             | ---      | 13,000          |
| <b>Total Request</b>   | <b>7</b>       | <b>7</b> | <b>\$56,433</b> | <b>7</b>        | <b>7</b> | <b>15,000</b>   | <b>7</b>        | <b>7</b> | <b>\$13,000</b> |

**Description of Item**

In FY 2008, Atlas plans to obligate \$15.0 million and the remaining \$26.7 million of non-expiring funds from prior years. Therefore, Atlas requires provision of this FY 2009 funding request to continue its planned modernization of outdated ICE IT infrastructure. Atlas activities aim to accomplish the following:

- (1) improve information-sharing across the DHS and ICE organizations;
- (2) strengthen information availability;
- (3) provide a fully secure IT environment;
- (4) improve workforce productivity; and
- (5) migrate ICE infrastructure to the DHSOne Network.

Realization of these program goals will directly improve the quality, speed and extent to which ICE can enforce trade and immigration laws, control our borders, prevent terrorist acts, and respond to national emergencies.

**Non-Personnel Costs**

To continue execution of Atlas plans for ICE IT infrastructure modernization in alignment with program goals, Atlas requests \$13 million in FY 2009 to:

- Integrate ICE data and share ICE data with other enforcement agencies by continuing a multi-year investment in an ICE enterprise data warehouse;
- Enhance network security to better prevent, detect and act upon security breaches by implementing network security vulnerability scanning tools;

- Continue sound program management and oversight by funding seven existing government personnel;
- Support planning, reporting and management of cost, schedule and performance by funding a contractor program management office; and
- Conduct Independent Verification and Validation of program activities

## **Justification**

**Integrate ICE Data and Share ICE Data with Other Enforcement Agencies:** Atlas requires \$4.9 million to continue a multi-year investment in an ICE enterprise data warehouse. This investment focuses on delivering the best data on a given subject in clear, integrated reports derived from the many systems supporting execution of the ICE mission. Once complete, the data warehouse will allow ICE to quickly create and deliver high quality reports to ICE personnel or external law enforcement partners. Without this investment, ICE must continue assembling reports from the often-disjointed output of different systems. Perpetuating this process will lead to lost time that could otherwise be spent furthering the ICE enforcement mission; will lead to incomplete report content since not every individual knows the best data sources for every subject; and will exacerbate missed connections between data held in different systems. Inadequate reporting capabilities directly impact the quality, speed and extent to which ICE can investigate violations of law, prevent acts of terrorism, and remove detained aliens.

**Enhance Network Security to Better Prevent, Detect and Act upon Security Breaches:** Atlas requires \$2.8 million to implement automated network security vulnerability scanning tools. These tools will quickly identify security gaps in those systems. As a result, ICE will have the ability to take preventative actions and quickly respond to security breaches before they jeopardize ICE operations. Without these tools, security breaches are less likely to be prevented, detected or responded to in a timely manner, jeopardizing the integrity and privacy of sensitive ICE information.

**Continue Sound Government Program Management, Oversight:** Atlas requires \$1.4 million to fund seven existing government personnel to plan future program activities, ensure external stakeholder involvement and ensure program adherence to cost, schedule and performance goals.

**Ensure Program Planning and Reporting:** Atlas requires \$3.3 million to fund a contractor program management office (PMO) to ensure sound program planning, proper use of appropriated funds, and delivery of stated results within planned cost and schedule. The PMO will maintain and update program plans in adherence with DHS Enterprise Architecture, DHS investment review requirements and the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 7. The PMO will also provide rigorous financial and acquisition management, reporting and oversight to ensure compliance with the rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

**Conduct Independent Verification and Validation of Program Activities:** Atlas requires \$0.6 million to contribute to a single independent verification and validation (IV&V) agent for all Automation Modernization activities. The IV&V agent will ensure that each program adheres

to stated plans and policies; that programs do not duplicate effort; and that program plans align with a coherent, unified strategy for improving information technology support of the ICE mission. The IV&V agent will also monitor program activities to identify strengths and weaknesses and recommend actions for continuous program improvement.

**Impact on Performance (Relationship of Increase to Strategic Goals):**

One of Secretary Chertoff's top priorities focuses on the ability of DHS to share mission information with federal, state, local, and tribal homeland security partners. Atlas activities planned in FY 2009 directly address ICE IT infrastructure gaps hindering the sharing, management, analysis, security and privacy of mission information. In addition, Atlas activities planned in FY 2009 address infrastructure deficiencies that must be corrected before other Automation Modernization programs can fully deploy planned capabilities.

By the start of FY 2009, the program will have exhausted all prior year funding and will cease executing on the ICE IT modernization strategy until additional funding is provided. Without support for core infrastructure investments under Atlas, gaps in information technology capabilities will continue to hinder the ability of ICE to meet its mission obligations under DHS Strategic Objective 5.1: Strengthen and Unify DHS Operations and Management and ICE's Objective 5.3 – Produce and share timely, accurate, secure, and relevant information.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase:** **Atlas - Tactical Communications**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

PPA: Automation Modernization  
Program Increase: Positions 0 FTE 0 Dollars \$10,000

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | --- | ---             |
| Program Increase       |                |     |                 |                 |     |                 | ---             | --- | 10,000          |
| <b>Total Request</b>   | ---            | --- | ---             | ---             | --- | ---             | ---             | --- | <b>\$10,000</b> |

Description of Item

On January 3, 2007, Secretary Chertoff stated, "The 9/11 Commission identified interoperable communications as a major challenge" and, "the willingness of emergency response leaders and local officials to make this issue their priority is what will continue to drive progress on one of 9/11's most important lessons." This request of \$10.0 million will enable the front line law enforcement personnel within ICE to begin to meet the challenge set forth by the 9/11 Commission.

**Non-Personnel Costs**

Atlas requests \$10 million to initiate modernization efforts toward secure, interoperable ICE wireless communications aligned with DHS plans for a single, integrated wireless network and:

- Improve communications during disasters, emergencies, and crises by making secure, interoperable emergency response tactical communications kits available for nationwide rapid deployment;
- Support special operations, surveillance and task forces by making secure, interoperable communications vans available for nationwide rapid deployment; and
- Improve officer safety, operational security and combined operations effectiveness by deploying secure, interoperable tactical communications systems (to include upgraded infrastructure, hand-held radios and vehicle radios) in 1 of 17 ICE regions remaining on legacy systems.

## **Justification**

Since the formation of DHS, there has been no significant investment into ICE tactical communications systems. As a result, ICE agents and officers are still employing several different radio versions and communications networks inherited during the formation of ICE from multiple federal agencies. Continued reliance on these legacy networks often leaves ICE personnel unable to communicate between themselves, much less other federal, state, local, and tribal law enforcement, public safety, and first responder partners. In many instances, legacy networks also contain inadequate coverage areas to meet expanding ICE operational responsibilities.

With respect to operational security, legacy networks do not meet the Advanced Encryption Standard (AES) for secure, digitally encrypted wireless communications. This leaves ICE communications extremely vulnerable to intercept, compromise, and spoofing, which jeopardizes officer safety and prevents ICE from effectively conducting classified national security operations.

Finally, DHS and several other ICE law enforcement partners have initiated efforts to create an integrated, DHS-wide tactical communications network that is fully interoperable with partner communication networks. This funding request represents the start of ICE's contribution toward ongoing joint modernization efforts that aim to share sites, systems, and/or capabilities. Joint efforts reduce infrastructure redundancy, offer economies of scale, reduce overall cost for all participants and prevent further isolation of ICE agents and officers as law enforcement partners move off of legacy shared systems.

Without this investment, front line ICE law enforcement personnel will continue to use legacy communications networks that do not meet the challenge set forth by the 9/11 Commission. As a result, ICE will suffer the following detriments on daily operations and its overall mission:

- Grave threat to officer safety and operational security during routine field operations and emergency response situations;
- Further isolation of ICE personnel during field operations as partners move off shared legacy systems;
- Significant threat to effective ICE participation in classified or combined national security operations; and
- Unexpected communications outages as some current equipment becomes so old that it is no longer serviced or repairable by the manufacturer.

These gaps in basic ICE operational and national emergency response communications capabilities, four years after the creation of the Department of Homeland Security, are not acceptable.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

Tactical communications equipment and systems are used daily by ICE agents and officers to conduct operations that fulfill DHS' Strategic Objective 5.1 Strengthen and Unify DHS Operations and Management and ICE's Objective 5.3 - Produce and share timely, accurate, secure, and relevant information. The tactical communications systems currently employed by ICE agents and officers are not integrated and they do not meet current standards for voice security and interoperability. By participating in joint efforts to modernize DHS and national law enforcement tactical communications networks, ICE will not just improve the safety and effectiveness of its own personnel, but will also be able to better coordinate and support law enforcement partners during combined operations. In addition, ICE, DHS and other partners will be able to share long-term cost savings through efficient spectrum usage, enhanced reliability/maintainability, shared operational costs, and more favorable quantity pricing.

Because tactical communications systems are the daily lifelines for ICE agents and officers that serve on the frontlines of the homeland, failure to upgrade, replace, and modernize these systems represents a grave threat to officer safety, operational security, and overall enforcement effectiveness. Adding ICE as an active participant to joint modernization efforts extends benefits in safety, security and cost efficiency among ICE and its law enforcement partners.

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase:** **Detention and Removal Operations Modernization (DROM)**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

PPA: Automation Modernization  
Program Increase: Positions 0 FTE 0 Dollars \$11,300

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 | ---             | --- | ---             | ---             | --- | ---             |
| Program Increase       |                |     |                 | ---             | --- | ---             | ---             | --- | 11,300          |
| <b>Total Request</b>   | ---            | --- | ---             | ---             | --- | <b>11,500</b>   | ---             | --- | <b>11,300</b>   |

Description of Item

The Office of Detention and Removal Operations Modernization (DROM) Program was established to support the systems upgrades and improvements of DRO business processes for the detention and removal of illegal aliens from the United States. The necessity of this program became clear as a result of the Departments focus on securing the border through the Secure Border Initiative (SBI), which is a comprehensive multi-year plan to secure America’s borders and reduce illegal migration. As noted by DHS Secretary Michael Chertoff, the overall vision for the SBI includes the requirement to “... expand detention and removal capabilities to eliminate ‘catch and release’ once and for all...” As a result, DHS began the transition from “catch and release” to “catch and remove” border enforcement.

In response to DHS requirements and focus, DROM provides the means to meet the mission needs of DRO and meet the SBI requirements. The DROM program mission is therefore stated in terms effecting improvements in the following targeted areas:

- (a) **real-time dynamic reporting on statistics and metrics** for events from apprehension through the detention and removal process;
- (b) **detainee management**, to include the ability to identify the status of an individual alien’s case from apprehension to removal;
- (c) **management of detention beds and detainees** to improve the ability to track, count and manage detainees, including a system that stores all alien’s data for providing DRO personnel with necessary information to expedite the removal process;
- (d) **bed-space availability management system** that can provide real-time visibility into the availability of beds by location, by relative likelihood of availability, and by alien

characteristic or classification, and to explore the capability of any potential system to make reservations and cancellations; and

(e) **transportation management** for scheduling and routing detainees for detention and removal to improve fleet management and coordination of transportation events and needs.

### **Non-Personnel Costs**

DROM requests \$11.3 million in FY 2009 to support modernization efforts in the areas of real-time dynamic data reporting, case management, management of detention beds and tracking detainees, bed-space availability management system, and transportation management for detention and removals:

- Implement Bed Space and Transportation (BS&T) Management System - Detainee Location Tracking (DLT) Module v1;
- Enable DROM Data Sharing Project and procure services;
- Expand Electronic Travel Documents (eTD) to additional foreign consulates; and
- Establish a Program Management Office to provide oversight, sound program management and integrate IV&V activities within DRO modernization efforts.

### **Justification**

**Bed Space and Transportation (BS&T) Management System - Detainee Location Tracking (DLT) Module v1:** DROM requests \$6.0M to increase the efficiency and capacity of the detention and removal system and develop an optimized detention space and logistics systems to optimize the efficient use of bed space and support removal operations. DRO will be able to begin implementation of the first of three modules in the DRO Bed Space and Transportation (BS&T) Management System – the Detainee Location Tracking (DLT) Module. In this version of the DLT solution, DRO will implement biometric finger scanning with a combination of fixed and mobile devices. Fixed biometric scanners will record detainees as they enter or exit key facility sally ports and key locations within major DRO detention facilities. DRO personnel will use secure, wireless, GPS-capable mobile fingerprint scanners to capture key events, verify the detainee’s identity, and update central status tracking databases. Key to the overall Bed Space and Transportation Management system, the DLT module provides the automation capability for DRO to better validate and maintain person-centric detainee data; track alien movement in/out of facilities to meet situational awareness needs; provide detainee identification and deportation status; and automatically close cases allowing accurate detainee-to-bed data when reporting bed availability and removal statistics.

**Data Sharing:** DROM requests \$2.0M to address one of the top SBI goals - Ensure that border security information and intelligence is shared among stakeholders. The DROM Data Sharing project provides a comprehensive integrated information technology system that provides operational and managerial data to support all levels of DRO activities. The data warehouse service provides the DROM major applications an integrated system that collects and disseminates intelligence data and trends on a real-time basis. It is a major component that enables DRO to support the Department’s goal for ensuring border security information and intelligence is shared among stakeholders.

DRO will procure the ICE data warehouse services of the ICE Integrated Decision Support Services (IIDS) to expand data capacity and reporting capability of the DRO enhancements (e.g., EARM, BS&T-DLT) and new data sources. A key feature will be report-generating tools that give users the ability to generate custom reports as well as standardized reports.

The ICE baseline warehouse will be expanded to provide full support for business performance management (BPM). BPM will enable DRO the ability to define, measure, monitor, and manage its operational and financial performance against strategic goals.

**Electronic Travel Documents (eTD):** DROM requests \$0.8M to implement the Electronic Travel Documents (eTD) system, which will address the Department's objective to increase removal efficiency and effectiveness of the entire removal process and significantly reduce the time to prepare and process the travel documents necessary for the removal of aliens from the country. The eTD project provides DRO the system to reduce the time preparing and copying documents for travel document approval, saving deportation officers a significant amount of time when collecting information for DRO Headquarter data calls. Since travel documents can be filed electronically via eTD, alien removals can be significantly improved, saving detention costs. The requested funding will allow the Electronic Travel Documents system (eTD) to expand to additional "participating" foreign consulates. It will also be expanded enterprise-wide giving all DRO agents the capability of generating and transmitting electronic travel documents for removals to "non-participating" countries (those countries who have not signed a MOU to use eTD for issuing electronic travel documents).

**Ensure Program Adherence to Planned Cost, Schedule and Performance:** DROM requires \$2.5 million to fund a contractor program management office (PMO) to ensure sound program planning, proper use of appropriated funds, and delivery of stated results within planned cost and schedule. The PMO will maintain and update program plans in adherence with DHS Enterprise Architecture, DHS investment review requirements and the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 7. The PMO will also provide rigorous financial and acquisition management, reporting and oversight to ensure compliance with the rules, requirements, guidelines, and systems acquisition management practices of the Federal Government. Finally, a portion of PMO funds will be set aside to contribute to a single independent verification and validation (IV&V) agent for all Automation Modernization activities. The IV&V agent will ensure that each program adheres to stated plans and policies; that programs do not duplicate effort; and that program plans align with a coherent, unified strategy for improving information technology support of the ICE mission.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

DROM directly supports DHS' Strategic Objective 5.1 - Strengthen and Unify DHS Operations and Management and ICE's Objective 5.3 - Produce and share timely, accurate, secure, and relevant information. By funding this initiative, ICE will be able to realize the following benefits that are aligned in meeting DHS and ICE's Objectives:

- Enhance user communication and collaboration; minimize detention stay of detainees by allowing consulate information sharing;
- Positively identify and track detainees from remote locations;
- Improve officer safety and enhance mission effectiveness;
- Provide access to meaningful, accurate, and timely investigative data; and
- Provide system scalability and ability to match evolving requirements.

**Department of Homeland Security  
Immigration Customs and Enforcement  
Automation Modernization  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase:** **Financial System Replacement**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

PPA: Automation Modernization

Program Increase: Positions 2 FTE 1 Dollars \$7,000

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | ---      | ---             |
| Program Increase       |                |     |                 |                 |     |                 | 2               | 1        | 7,000           |
| <b>Total Request</b>   | ---            | --- | ---             | ---             | --- | ---             | <b>2</b>        | <b>1</b> | <b>7,000</b>    |

Description of Item

ICE requests a total of \$7 million to support ICE’s migration to the new Department of Homeland Security’s Financial System referred to as the Transformation and Systems Consolidation (TASC) Baseline. During the transition, ICE will be required to operate and maintain its existing financial system in parallel with the TASC Baseline until full migration and data conversion has been accomplished. With the support of the Congress, ICE has made tremendous progress in Financial Management. These requested resources will help ICE sustain and repeat this progress as ICE prepares to migrate to the TASC Baseline.

**Personnel Costs (\$0.187M)**

- 1 IT Program Management Specialist
- 1 IT Specialist

**Non-Personnel Costs (\$6.823M)**

- Detailed requirements, GAP analysis, design, development, testing and integration services
- Software licenses/hardware purchases

Justification

ICE continues to partner with the DHS Chief Financial Office, our current customer base and the other DHS components associated with the TASC effort to implement the Congressional direction to consolidate the number of financial systems in DHS while continuing to improve financial service.

The requested funds will be used to provide management and technical activities associated with the new financial system and sustain the current Federal Financial Management System until the new TASC Baseline is available for ICE. This request includes detailed requirements gathering, conducting a gap analysis, preparing a process flow document, software development and modification, testing, helpdesk, operations and maintenance for the system, change management and functional support. It will include:

- Incorporating any ICE unique procurement, financial and asset management technical and business process requirements into the integrated solution. ICE's current configuration of PRISM, E-Travel, Document Imaging and Sunflower systems will require specific gap analyses for each of the current requirements to the migration to the proposed solution;
- Ensuring ICE reporting requirements are properly identified, developed and tested. ICE's existing inventory of reports encompasses requirements at the analyst, program, agency wide and CFO and Congressional level. Verifying and validating that we will be able to maintain and improve the existing level of reporting capabilities will require extensive analysis and programming capabilities;
- Identifying and planning for the elimination of manual processes and controls no longer necessary as a result of the delivery of the TASC baseline. An impact analysis based on the successful migration of current customers to TASC baseline and proposed system and process enhancements will need to be conducted to determine the impact on current ICE systems, processes and workforce; and
- Leveraging the investment and lessons learned through current TASC effort to insure that the ICE migration can build upon the lessons learned and experiences of the previous efforts to fill the remaining gaps. Data conversion and clean-up prior to migration will be necessary to prepare for ICE's migration.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

This program directly supports accomplishment of DHS Strategic Objective 5.1 Strengthen and Unify DHS Operations and Management and ICE's Objective 5.3 - Produce and share timely, accurate, secure, and relevant information. The successful coordination and implementation of the TASC baseline in ICE will support the DHS Goals in the following areas:

- Gaining greater visibility into DHS' financial activities through timely, accurate, and useful financial-related data;
- Improving systems and processes that can be validated through a clean audit opinion;
- Providing reasonable assurance about internal controls over financial reporting, and;
- Providing efficient financial management services.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Justification of Proposed Changes in Appropriation Salaries and Expenses  
Appropriation Language**

For expenses of immigration and customs enforcement automated systems, [\$30,700,000] \$57,000,000, to remain available until expended[: Provided, That of the funds made available under this heading, \$5,000,000 shall not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive a plan for expenditure prepared by the Secretary of Homeland Security]. (Department of Homeland Security Appropriations Act, [2008]2009.)

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|-----------------------------------|-------------|------------|---------------|
| 2007 Actual.....                  | 7           | 6          | 56,433        |
| 2008 Enacted.....                 | 7           | 7          | 30,700        |
| Adjustments-to-Base -- Decreases  | ---         | ---        | (30,700)      |
| 2009 Current Services.....        | 7           | 7          | ---           |
| <b>Program Changes</b>            |             |            |               |
| ATLAS.....                        | ---         | ---        | 13,000        |
| HECS.....                         | 5           | 3          | 15,700        |
| DROM.....                         | ---         | ---        | 11,300        |
| Financial System.....             | 2           | 1          | 7,000         |
| Tactical Communication.....       | ---         | ---        | 10,000        |
| <b>Total Program Changes.....</b> | <b>7</b>    | <b>4</b>   | <b>57,000</b> |
| 2009 Request.....                 | 14          | 11         | 57,000        |
| 2008 to 2009 Total Change.....    | 7           | 4          | 26,300        |

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request |           |               |
|------------------------------|--------------|-----------|---------------|
|                              | Perm. Pos.   | FTE       | Amount        |
| <b>2007 Actual</b>           | 7            | 6         | 56,433        |
| <b>2008 Enacted</b>          | 7            | 7         | 30,700        |
| Adjustments-to-Base          |              |           |               |
| Transfers                    | ---          | ---       | ---           |
| Increases                    | ---          | ---       | ---           |
| Decreases                    | ---          | ---       | (30,700)      |
| Total Adjustments-to-Base    | ---          | ---       | (30,700)      |
| <b>2009 Current Services</b> | 7            | 7         | ---           |
| Program Changes              | 7            | 4         | 57,000        |
| <b>2009 Total Request</b>    | <b>14</b>    | <b>11</b> | <b>57,000</b> |
| 2008 to 2009 Total Change    | 7            | 5         | 26,300        |

| Estimates by Program/Project Activity | 2008 Enacted |          |                 | 2009 Adjustments-to-Base |            |                   | 2009 Program Change |          |                 | 2009 Request |           |                 | 2008 to 2009 Total Change |          |                 |
|---------------------------------------|--------------|----------|-----------------|--------------------------|------------|-------------------|---------------------|----------|-----------------|--------------|-----------|-----------------|---------------------------|----------|-----------------|
|                                       | Pos.         | FTE      | Amount          | Pos.                     | FTE        | Amount            | Pos.                | FTE      | Amount          | Pos.         | FTE       | Amount          | Pos.                      | FTE      | Amount          |
| Automation Modernization              | 7            | 7        | 30,700          | ---                      | ---        | (30,700)          | 7                   | 4        | 57,000          | 14           | 11        | 57,000          | 7                         | 4        | \$26,300        |
| <b>Total</b>                          | <b>7</b>     | <b>7</b> | <b>\$30,700</b> | <b>---</b>               | <b>---</b> | <b>(\$30,700)</b> | <b>7</b>            | <b>4</b> | <b>\$57,000</b> | <b>14</b>    | <b>11</b> | <b>\$57,000</b> | <b>7</b>                  | <b>4</b> | <b>\$26,300</b> |

**D. Summary of Reimbursable Resource**

Not applicable

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-----------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | 722             | 503             | 1,247           | 744                   |
| 11.5 Other Personnel Compensation                     | 15              | ---             | ---             | ---                   |
| 12.1 Benefits   | 183             | 152             | 449             | 297                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$920</b>    | <b>\$655</b>    | <b>\$1,696</b>  | <b>\$1,041</b>        |
| Other Object Classes:                                 |                 |                 |                 |                       |
| 21.0 Travel   | 4               | ---             | 15              | 15                    |
| 23.3 Communications, utilities, & other misc. charges | ---             | ---             | 108             | 108                   |
| 25.1 Advisory and assistance services                 | 17,778          | 14,399          | 20,451          | 6,052                 |
| 25.2 Other services                                   | 300             | ---             | 110             | 110                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 360             | 1,992           | 31              | (1,961)               |
| 25.7 Operation and maintenance of equipment           | 560             | 2,000           | 27              | (1,973)               |
| 26.0 Supplies and materials                           | 11              | ---             | 13              | 13                    |
| 31.0 Equipment  | 36,500          | 11,654          | 34,549          | 22,895                |
| <b>Total, Other Object Classes</b>                    | <b>\$55,513</b> | <b>\$30,045</b> | <b>\$55,304</b> | <b>\$25,259</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$56,433</b> | <b>\$30,700</b> | <b>\$57,000</b> | <b>\$26,300</b>       |
| Unobligated balance, start of year (-)                | (68,146)        | (26,700)        | (26,700)        |                       |
| Unobligated balance, end of year (+)                  | 26,700          | 26,700          | 26,700          |                       |
| Recoveries of prior year obligations (-)              | ---             | ---             | ---             |                       |
| <b>Total requirements</b>                             | <b>\$14,987</b> | <b>\$30,700</b> | <b>\$57,000</b> | <b>\$26,300</b>       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Automation Modernization  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 2              | 2               | 3               | 1                      |
| GS-14                            | 5              | 5               | 10              | 5                      |
| GS-13                            |                |                 | 1               | 1                      |
| <b>Total Permanent Positions</b> | <b>7</b>       | <b>7</b>        | <b>14</b>       | <b>7</b>               |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | ---            | ---             | ---             | ---                    |
| <b>FTE</b>                       | <b>6</b>       | <b>7</b>        | <b>11</b>       | <b>4</b>               |
| Headquarters                     | 7              | 7               | 14              | 7                      |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>7</b>       | <b>7</b>        | <b>14</b>       | <b>7</b>               |
| <b>Average ES Salary</b>         |                |                 |                 | ---                    |
| <b>Average GS Salary</b>         | \$ 113,829     | \$ 117,244      | \$ 121,113      | 3,869                  |
| <b>Average GS Grade</b>          | 14.29          | 14.29           | 14.14           | (0.15)                 |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justification

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Automation Modernization**  
**Funding Schedule**  
(Dollars in Thousands)

|   |  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|--|-----------------|-----------------|-----------------|------------------------|
| <b>PPA: Automation Modernization</b>                |  |                 |                 |                 |                        |
| <b>Object Classes:</b>                              |  |                 |                 |                 |                        |
| 11.1  | Perm Positions                             | 722             | \$503           | \$1,247         | 744                    |
| 11.5  | Other per comp                             | 15              | \$0             | ---             | ---                    |
| 12.1  | Benefits                                   | 183             | \$152           | 449             | 297                    |
| 21.0  | Travel                                     | 4               | ---             | 15              | 15                     |
| 23.2  | Other rent                                 |                 | ---             | ---             | ---                    |
| 23.3  | Communication, Utilities, and misc charges | ---             | ---             | 108             | 108                    |
| 25.1  | Advisory & Assistance Services             | 17,778          | 14,399          | 20,451          | 6,052                  |
| 25.2  | Other Services                             | 300             | ---             | 110             | 110                    |
| 25.3  | Purchase from Govt. Accts.                 | 360             | 1,992           | 31              | (1,961)                |
| 25.7  | Operation & maintenance of equipment       | 560             | 2,000           | 27              | (1,973)                |
| 26.0  | Supplies & materials                       | 11              | ---             | 13              | 13                     |
| 31.0  | Equipment                                  | 36,500          | 11,654          | 34,549          | 22,895                 |
| <b>Total, Automation Modernization - Operations</b> |  | <b>\$56,433</b> | <b>\$30,700</b> | <b>\$57,000</b> | <b>\$26,300</b>        |
| Full Time Equivalents                               |  | 6               | 7               | 11              | 4                      |

### PPA Mission Statement

In FY 2009, ICE has included several information technology (IT) transformational initiatives into the Automation Modernization program: ICE's Homeland Enforcement Communication System (HECS), Atlas Program – Infrastructure and Tactical Communications, Detention and Removals Operations (DRO) Modernization program, and the replacement of ICE's Financial System.

The Automation Modernization program will allow ICE to improve information sharing across the Department of Homeland Security (DHS) and ICE organizations, strengthen information availability, improve detainee tracking and preparation of travel documents, provide a fully secure IT environment, and enhance financial management and audit practices.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$920</b>            | <b>\$655</b>            | <b>\$1,696</b>          | <b>\$1,041</b>                 |

Salaries and Benefits include costs of 14 FTEs (7 new in FY2009) to provide management and oversight for Automation Modernization programs. A \$1,041,000 increase is requested for 7 additional positions required to manage the increased number of programs funded through Automation Modernization.

|               | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$4</b>              | <b>\$0</b>              | <b>\$15</b>             | <b>\$15</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a \$15,000 increase to facilitate on-site technical support for installation and maintenance of new systems.

|  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$0</b>              | <b>\$0</b>              | <b>\$108</b>            | <b>\$108</b>                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Includes Blackberry/pager/cellular phone/land line service. The FY 2009 request includes a \$108,000 increase to fund the costs of these services and this equipment

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$17,778</b>         | <b>\$14,399</b>         | <b>\$20,451</b>         | <b>\$6,052</b>                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign government, State and local government, tribes, etc.) as well as from other units within the Federal Government. A \$6,052,000 increase is requested to support new Automation Modernization initiatives.

|                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | <b>\$300</b>            | <b>\$0</b>              | <b>\$110</b>            | <b>\$110</b>                   |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. For Automation Modernization costs associated with payroll, recruitment, human resource services, background investigations, and permanent change of station (if required) are included. A \$110,000 increase is requested to support 7 added positions.

|  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | <b>\$360</b>            | <b>\$1,992</b>          | <b>\$31</b>             | <b>(\$1,961)</b>               |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. For Atlas, costs are associated with career development training for 35 FTE. The FY 2009 request includes a decrease of \$1,961,000.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$560</b>            | <b>\$2,000</b>          | <b>\$27</b>             | <b>(\$1,973)</b>               |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a decrease of \$1,973,000.

|                                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | <b>\$11</b>             | <b>\$0</b>              | <b>\$13</b>             | <b>\$13</b>                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes a \$13,000 increase.

|                  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | <b>\$36,500</b>         | <b>\$11,654</b>         | <b>\$34,549</b>         | <b>\$22,895</b>                |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. For Automation Modernization programs, costs are primarily associated with updated application hardware environments, off-the-shelf software licenses upon which to run modernized ICE applications, customized software to enhance existing ICE applications, and tactical communications equipment (including radios, infrastructure such as repeaters, fly-away communication kits and mobile law enforcement communications vans). The \$22,895,000 increase is requested to support the increased number of programs funded through Automation Modernization.

## I. Changes in Full Time Equivalent

**Summary of FY2009 Budget Estimates by Appropriation and Program**  
**U.S. Immigration and Customs Enforcement**  
**Automation Modernization**  
 Changes in Full Time Equivalent

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | -       | 6       | 7       |
| <b>INCREASES</b>  |         |         |         |
| FY 2007 President's Budget Enhancements                                 | 7       | -       | -       |
| Annualization of FY 2007  | -       | 1       | -       |
| FY 2009 President's Budget Enhancements                                 | -       | -       | 4       |
| Attrition Hiring  | -       | -       | -       |
| <b>Subtotal, Increases</b>  | 7       | 1       | 4       |
| <b>DECREASES</b>  |         |         |         |
| Attrition Losses  | -       | -       | -       |
| <b>Subtotal, Decreases</b>  | -       | -       | -       |
| <b>Year-end Actual / Estimated FTEs</b>                                 | 6       | 7       | 11      |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | 6       | 1       | 4       |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Construction*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Immigration and Customs Enforcement** **Construction**

### **I. Appropriation Overview**

#### **A. Mission Statement for Construction:**

The Construction Program provides housing, processing, medical, administrative, and support facilities needed to assist and meet the needs of Detention and Removal activities. The Construction account funds are available until expended.

#### **B. Budget Activities:**

The ICE Construction Program has the authority to plan, design, and construct housing, processing, medical, administrative, and support facilities not consistent with privatization to support the detention of aliens, as well as perform repair and alteration of existing structures.

#### **C. Budget Request Summary:**

ICE requests no additional funding for FY 2009. ICE will use carry-forward resources to perform necessary repairs of facilities and to make other expenditures.

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                 | FY 2008 Enacted Excluding Emergency Funding |                | FY 2009 Request |            | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |            |            |                  |
|--|----------------|-----------------|---|----------------|-----------------|------------|--|------------------|-----------------|------------|---------------------|------------|------------|------------------|
|  | FTE            | AMOUNT          | FTE   | AMOUNT         | FTE             | AMOUNT     | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |            |            |                  |
|  |                |                 |   |                |                 |            | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT     |            |                  |
| Construction   | 9              | \$50,173        | 9   | \$6,000        | 9               | ---        | ---                                      | (\$6,000)        | ---             | ---        | ---                 | ---        | ---        | (\$6,000)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>9</b>       | <b>\$50,173</b> | <b>9</b>                                    | <b>\$6,000</b> | <b>9</b>        | <b>---</b> | <b>---</b>                               | <b>(\$6,000)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>(\$6,000)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                 |   |                |                 |            |  |                  |                 |            |                     |            |            |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>9</b>       | <b>\$50,173</b> | <b>9</b>                                    | <b>\$6,000</b> | <b>9</b>        | <b>---</b> | <b>---</b>                               | <b>(\$6,000)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>(\$6,000)</b> |

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                 | FY 2008 Enacted Including Emergency Funding |                 | FY 2009 Request |            | Increase (+) or Decrease (-) For FY 2009 |                   |                 |            |                     |            |            |                   |
|--|----------------|-----------------|---|-----------------|-----------------|------------|--|-------------------|-----------------|------------|---------------------|------------|------------|-------------------|
|  | FTE            | AMOUNT          | FTE   | AMOUNT          | FTE             | AMOUNT     | Total Changes                            |                   | Program Changes |            | Adjustments-to-Base |            |            |                   |
|  |                |                 |   |                 |                 |            | FTE                                      | AMOUNT            | FTE             | AMOUNT     | FTE                 | AMOUNT     |            |                   |
| Construction   | 9              | \$50,173        | 9   | \$16,500        | 9               | ---        | ---                                      | (\$16,500)        | ---             | ---        | ---                 | ---        | ---        | (\$16,500)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>9</b>       | <b>\$50,173</b> | <b>9</b>                                    | <b>\$16,500</b> | <b>9</b>        | <b>---</b> | <b>---</b>                               | <b>(\$16,500)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>(\$16,500)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                 |   |                 |                 |            |  |                   |                 |            |                     |            |            |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>9</b>       | <b>\$50,173</b> | <b>9</b>                                    | <b>\$16,500</b> | <b>9</b>        | <b>---</b> | <b>---</b>                               | <b>(\$16,500)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>(\$16,500)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Construction**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: CONSTRUCTION

|                              | <b>Perm.</b>     |            |               |
|------------------------------|------------------|------------|---------------|
|                              | <b>Positions</b> | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>           | 9                | 9          | 50,173        |
| <b>2008 Enacted</b>          | 9                | 9          | 16,500        |
| 2009 Adjustments-to-Base     |                  |            | -             |
| <b>2009 Current Services</b> | <b>9</b>         | <b>9</b>   | <b>16,500</b> |
| 2009 Program Change          | -                | -          |               |
| <b>2009 Request</b>          | <b>9</b>         | <b>9</b>   | <b>-</b>      |
| Total Change 2008-2009       | -                | -          | (16,500)      |

ICE requests no new funding for this activity.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

ICE relies on a mix of Service Processing Centers (SPCs) that it owns and operates, as well as more than 40 Inter-governmental Service Agreement facilities owned by State and local governments and contractor-owned and operated facilities to house individuals who have entered the United States illegally and are undergoing adjudication. At present, approximately 84 percent of the detainee population is housed at contractor or state or local government-owned and operated facilities, with the remaining 16 percent housed at eight ICE-owned SPCs. The eight SPCs are located in: Aguadilla, Puerto Rico; El Centro, California; San Pedro, California; Port Isabel, Texas; Batavia, New York; Florence, Arizona; El Paso, Texas; and Krome, Florida.

The number of illegal alien detainees held in the DHS/ICE system has risen significantly in recent years, with a corresponding increase in the cost for housing and serving this population. Projections show this population continuing to grow for the foreseeable future, further burdening the ICE-owned and operated SPC facilities.

For this reason, ICE initiated a three-phased study to determine if some level of privatization of detention facilities would be cost-effective for ICE. Phase I of this study consisted of a review of physical conditions and market values of the SPCs, development of a cost model, and development of strategic options along a spectrum from status quo to full privatization. Phase I was completed in March 2007. The results of Phase I indicated that a privatization option (either ICE-owned/contractor-operated or contractor-owned/contractor-operated) showed sufficient promise in order to warrant proceeding with Phase II of the study. Phase II of the study was begun in July 2007, with a projected completion date of March 2008. Phase II has continued and expanded the analysis begun in Phase I,

and will be addressing specific privatization issues, high level cost and benefits, and transition requirements on an individual facility basis. Congress will be provided a report of the results of Phase II once it is completed.

In FY 2007:

- ICE received \$30 million in Construction supplemental funding, which was used for a system-wide security upgrade, utility upgrades and other pressing repair and alteration projects. The security upgrade is currently in the planning stage and the contract for the water distribution system is in final negotiations with the local water district in Port Isabel.
- ICE completed a systemic assessment of the physical condition of all of the SPCs. This assessment identified facilities and systems in need of repair or replacement, as well as structures deemed beyond repair. This information will be used to guide future repair work should the SPCs be privatized or not.

In FY 2008, ICE will use the \$16.5 million Construction Program funding for alteration and repairs to existing ICE-owned SPCs based on priorities identified in the facility assessment completed in FY 2007. The assessment identifies electrical, mechanical, roof replacements, etc.

In FY 2009, ICE will use any available carry-forward funding to maintain ICE-owned facilities.

#### **IV. Program Justification of Changes**

Not applicable

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Justification of Proposed Changes in Appropriation Construction  
Appropriation Language**

[For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, \$16,500,000, to remain available until expended: Provided, That of the amount provided under this heading, \$10,500,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): Provided further, That none of the funds made available in this Act may be used to solicit or consider any request to privatize facilities currently owned by the United States Government and used to detain illegal aliens until the Committees on Appropriations of the Senate and the House of Representatives receive a plan for carrying out that privatization. (Department of Homeland Security Appropriations Act, 2008.)]

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---|-------------|------------|-----------------|
| 2007 Actual.....                        | 9           | 9          | 50,173          |
| 2008 Enacted*.....                      | 9           | 9          | 16,500          |
| <b>Adjustments-to-Base -- Decreases</b> | ---         | ---        | <b>(16,500)</b> |
| <b>Total Adjustments-to-Base</b>        | ---         | ---        | <b>(16,500)</b> |
| 2009 Current Services.....              | 9           | 9          | ---             |
| 2009 Request.....                       | 9           | 9          | ---             |
| <b>2008 to 2009 Total Change.....</b>   | <b>---</b>  | <b>---</b> | <b>(16,500)</b> |

\* The FY 2008 Enacted level includes \$10.5 million in emergency funding provided in P.L. 110-161.

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request |          |               |
|------------------------------|--------------|----------|---------------|
|                              | Perm. Pos.   | FTE      | Amount        |
| <b>2007 Actual</b>           | <b>9</b>     | <b>9</b> | <b>50,173</b> |
| <b>2008 Enacted</b>          | <b>9</b>     | <b>9</b> | <b>16,500</b> |
| Adjustments-to-Base          |              |          |               |
| Decreases                    | ---          | ---      | (16,500)      |
| Total Adjustments-to-Base    | ---          | ---      | (16,500)      |
| <b>2009 Current Services</b> | <b>9</b>     | <b>9</b> | ---           |
| <b>2009 Total Request</b>    | <b>9</b>     | <b>9</b> | ---           |
| 2008 to 2009 Total Change    | ---          | ---      | (16,500)      |

| Estimates by Program/Project Activity | 2008 Enacted |          |                 | 2009 Adjustments-to-Base |     |                 | 2009 Program Change |     |        | 2009 Request |          |        | 2008 to 2009 Total Change |     |                   |
|---------------------------------------|--------------|----------|-----------------|--------------------------|-----|-----------------|---------------------|-----|--------|--------------|----------|--------|---------------------------|-----|-------------------|
|                                       | Pos.         | FTE      | Amount          | Pos.                     | FTE | Amount          | Pos.                | FTE | Amount | Pos.         | FTE      | Amount | Pos.                      | FTE | Amount            |
| Construction                          | 9            | 9        | \$16,500        | ---                      | --- | (16,500)        | ---                 | --- | ---    | 9            | 9        | ---    | ---                       | --- | (\$16,500)        |
| <b>Total</b>                          | <b>9</b>     | <b>9</b> | <b>\$16,500</b> | ---                      | --- | <b>(16,500)</b> | ---                 | --- | ---    | <b>9</b>     | <b>9</b> | ---    | ---                       | --- | <b>(\$16,500)</b> |

**D. Summary of Reimbursable Resources**

Not applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Construction**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-----------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$11            | \$1,167         | \$0             | (\$1,167)             |
| 11.5 Other Personnel Compensation                     | ---             | 67              | ---             | (67)                  |
| 12.1 Benefits   | 3               | 319             | ---             | (319)                 |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$14</b>     | <b>\$1,553</b>  | <b>\$0</b>      | <b>(\$1,553)</b>      |
| Other Object Classes:                                 |                 |                 |                 |                       |
| 21.0 Travel   | ---             | 17              | ---             | (17)                  |
| 23.3 Communications, utilities, & other misc. charges | 3               | 25              | ---             | (25)                  |
| 25.1 Advisory and assistance services                 | 4               | 941             | ---             | (941)                 |
| 25.2 Other services                                   | 9               | ---             | ---             | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 50,134          | 13,954          | ---             | (13,954)              |
| 25.7 Operation and maintenance of equipment           | 1               | 10              | ---             | (10)                  |
| 32.0 Land & structures                                | 7               | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$50,158</b> | <b>\$14,947</b> | <b>\$0</b>      | <b>(\$14,947)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$50,173</b> | <b>\$16,500</b> | <b>\$0</b>      | <b>(\$16,500)</b>     |
| Unobligated balance, start of year                    | (5,108)         | (15,000)        | ---             | 15,000                |
| Unobligated balance, end of year                      | 15,000          | 15,000          | ---             | (15,000)              |
| Recoveries of prior year obligations                  | ---             | ---             | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$60,065</b> | <b>\$16,500</b> | <b>\$0</b>      | <b>(\$16,500)</b>     |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction  
Permanent Positions by Grade**

|                                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grades and Salary Ranges</b>  | <b>Pos.</b>            | <b>Pos.</b>             | <b>Pos.</b>             | <b>Total</b>                   |
| GS-13                            | 1                      | 1                       | 1                       | ---                            |
| GS-5                             | 8                      | 8                       | 8                       | ---                            |
| <b>Total Permanent Positions</b> | <b>9</b>               | <b>9</b>                | <b>9</b>                | <b>---</b>                     |
| Unfilled Positions EOY           | 2                      | 2                       | 2                       | ---                            |
| Total Perm. Employment EOY       | 9                      | 9                       | 9                       | ---                            |
| <b>FTE</b>                       | <b>9</b>               | <b>9</b>                | <b>9</b>                | <b>---</b>                     |
| Headquarters                     | 1                      | 1                       | 1                       | ---                            |
| U.S. Field                       | 8                      | 8                       | 8                       | ---                            |
| <b>Total Permanent Positions</b> | <b>9</b>               | <b>9</b>                | <b>9</b>                | <b>---</b>                     |
| <b>Average ES Salary</b>         | \$ ---                 | \$ ---                  | \$ ---                  | \$ ---                         |
| <b>Average GS Salary</b>         | \$ 45,943              | \$ 45,943               | \$ 45,943               | \$ ---                         |
| <b>Average GS Grade</b>          | 6.14                   | 6.14                    | 6.14                    | ---                            |

## **G. Capital Investment and Construction Initiative Listing**

### **U.S. Immigration and Customs Enforcement Construction**

The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and other immigration statutes authorize ICE to detain illegal aliens who are charged with immigration violations, have entered the United States illegally, or have been ordered to leave the country. These aliens can be detained while their immigration proceedings are administered, which in turn facilitates their proper and expedient removal from the country. ICE's Office of Detention and Removal (DRO) administers a national detention program that uses funding appropriated specifically for the care of these aliens and includes the transportation, housing, subsistence, medical care, and guard service necessary to provide safe and humane environments for the detainee population and detention staff. The responsibility begins when a detainee enters DRO custody and continues until the alien can be released into the community or removed from the United States.

The ICE Construction Program provides housing, processing, medical, administrative, and support facilities needed to support the detention of aliens. These expansion projects are part of an ongoing capital investment program that is intended to meet the growing national demand for detention capacity. ICE continues to address the need for bed space and support facilities required to handle the processing and removal of aliens during immigration proceedings, relative to the total number of potentially removable aliens in the country.

In FY 2009, zero dollars are requested in support of the Construction Program. Carry-forward funds will be used for maintenance of existing ICE-owned SPCs.

#### **Facility Repair & Alterations**

##### **1. Project Description, Justification, and Scope**

Repair and alteration projects are continually identified at existing ICE owned facilities. These projects are not capital construction projects, but are repair and alteration projects necessary to maintain government owned facilities and ensure they comply with life safety requirements and code compliance.

##### **2. Significant Changes**

In FY 2009, carryover funds within the no-year Construction account will be used for emergency repairs and alterations. There are no new planned construction projects planned for FY 2009, as reflected in the table below.

### 3. Project Schedule

|                        | <b>Work Initiated</b> | <b>Work Completed</b> | <b>Physical Start</b> | <b>Physical Complete</b> | <b>Total Estimated Cost (000)</b> | <b>Total Project Cost (000)</b> |
|------------------------|-----------------------|-----------------------|-----------------------|--------------------------|-----------------------------------|---------------------------------|
| FY 2009 Budget Request | -                     | -                     | 10/01/2008            | 9/30/2009                | 0                                 | 0                               |

### 4. Schedule of Project Funding

|   | Dollars in Thousands |                |                |                |              |
|---|----------------------|----------------|----------------|----------------|--------------|
|   | <b>Prior</b>         | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>Total</b> |
| <b>Obligation (actual and planned)</b>  | \$6,541              | \$5,872        | \$16,500       | \$0            | \$28,913     |
| <b>Expenditure (actual and planned)</b> | \$6,541              | \$5,872        | \$16,500       | \$0            | \$28,913     |

Repair and alteration projects are not capital construction projects and are not illustrated in the same manner as capital construction projects. Breakdown of projects related to expenditures is modified to reflect segments of repair and alteration.

### 5. Method of Performance

All detention-related projects are currently planned, managed, and monitored through an interagency service agreement with U.S. Customs and Border Protection (CBP). CBP, in turn, contracts with the United States Army Corps of Engineers (USACE) to provide for environmental documentation, planning, design, construction, procurement, and management of services to include construction design, planning, and project management. In the coming year, ICE will explore ways to improve the effectiveness and efficiency of its detention facilities program, including the potential for moving some of the work now performed by CBP in-house.

### 6. Budget Allocation to Programs

|                       | Allocated Budget (Thousands) |
|-----------------------|------------------------------|
| <b><u>Program</u></b> | <b>FY 2009</b>               |
| Construction          | \$0                          |
| <b>Total</b>          | <b>\$0</b>                   |

## **7. Compliance with Applicable Public Laws, Regulations, Standards and Executive Orders**

The United States Army Corps of Engineers (USACE) is responsible for the compliance of all applicable laws, code compliance, regulations and standards for all ICE projects. The services being provided by USACE are managed and monitored by CBP. A service level agreement between ICE and CBP outlines the roles and responsibilities of both ICE and CBP in accomplishing the execution of all capital construction and repair and alteration projects at ICE facilities.

ICE projects must comply with the following life-safety codes and standards:

- Local building codes or the latest edition of one of the model building codes, including Uniform Building Code (UBC); Building Officials & Code Administrators International (BOCA); Standard Building Code (SBC); and International Building Code 2000 (IBC)
- National Fire Protection Association (NFPA) Standard 101 Life Safety Code
- National Electric Code

ICE Facilities must also comply with the ICE Detention Design Guidelines (2002 edition), and the ICE Detention Construction Guidelines (2004 edition).

Handicapped accessibility codes and standards apply to ICE facilities as follows:

- Facilities must comply with the Uniform Federal Accessibility Standards, Federal Standard 795
- Facilities should comply with the Americans with Disabilities Act Accessibility Guidelines (ADAAG)

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Construction**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Construction</b>   |  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|--|-----------------|-----------------|----------------|---------------------|
|                            |  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>     |  |                 |                 |                |                     |
| 11.1                       | Perm Positions                         | \$11            | \$1,167         | \$ -           | (\$1,167)           |
| 11.5                       | Other per comp                         | -               | 67              | -              | (67)                |
| 12.1                       | Benefits                               | 3               | 319             | -              | (319)               |
| 21.0                       | Travel                                 | -               | 17              | -              | (17)                |
| 23.3                       | Communication, Utilities, and misc cha | 3               | 25              | -              | (25)                |
| 25.1                       | Advisory & Assistance Services         | 4               | 941             | -              | (941)               |
| 25.2                       | Other Services                         | 9               | 0               | -              | -                   |
| 25.3                       | Purchase from Govt. Accts.             | 50,134          | 13,954          | -              | (13,954)            |
| 25.7                       | Operation & maintenance of equipment   | 1               | 10              | -              | (10)                |
| 32.0                       | Land & Structures                      | 7               | 0               | -              | -                   |
| <b>Total, Construction</b> |  | <b>\$50,173</b> | <b>\$16,500</b> | <b>\$ -</b>    | <b>(\$16,500)</b>   |
| Full Time Equivalents      |  | 9               | 9               | 9              | ---                 |

### PPA Mission Statement

The Construction account funds are available until expended. The Construction account uses its resources to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of customs and immigration laws.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$14           | \$1,553         | \$0             | (\$1,553)              |

Salaries and Benefits includes costs for 9 FTEs. The FY 2009 request includes a decrease of \$1,553,000 in personnel compensation.

|               | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$0            | \$17            | \$0             | (\$17)                 |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a decrease of \$17,000.

|  | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous</b> | \$3            | \$25            | \$0             | (\$25)                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a decrease of \$25,000.

|   | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$4            | \$941           | \$0             | (\$941)                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a \$941,000 decrease.

|  | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$50,134       | \$13,954        | \$0             | (\$13,954)             |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes a \$13,954,000 decrease.

|   | 2007<br>Actual | 2008<br>Request | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1            | \$10            | \$0             | (\$10)                 |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a \$10,000 decrease.

**I. Change in Full Time Equivalent**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Construction  
Changes in Full Time Equivalent**

|   |  | <b>FY 2007</b> |  | <b>FY 2008</b> |  | <b>FY 2009</b> |
|---|--|----------------|--|----------------|--|----------------|
|   |  |                |  |                |  |                |
| <b>BASE: Year-end Actual from Prior Year</b>                            |  | 9              |  | 9              |  | 9              |
|   |  |                |  |                |  |                |
| <b>Year-end Actual / Estimated FTEs</b>                                 |  | 9              |  | 9              |  | 9              |
|   |  |                |  |                |  |                |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> |  | -              |  | -              |  | -              |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Federal Protective Service*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Immigration and Customs Enforcement Federal Protective Service

### **I. Appropriation Overview**

#### **A. Mission Statement for FPS Offsetting Collections:**

The Federal Protective Service (FPS) is the Federal law enforcement authority responsible for the protection and security of Federally-owned and -leased and all General Services Administration (GSA) buildings, property, and personnel. FPS operations focus on law enforcement and reduction of Federal facility vulnerabilities to criminal and terrorist threats, while ensuring that public facilities are safe, secure, and available as a vital part of every day American life. FPS is a standard-setting and compliance-centered operation, focused on the protection of Federal property contained in Title 40 USC 1315 and under the authorities of the sector-specific agency for the National Infrastructure Protection Plan (NIPP). FPS employs approximately 1,100 Law Enforcement Officers and civilian employees and the services of 15,000 contract security guards strategically located throughout the Nation to provide security and law enforcement coverage to facilities in its purview.

#### **B. Budget Activities:**

**Basic Security** - The basic security rate covers various types of security services, such as law enforcement on Federally-controlled property, preliminary investigations of incidents, and capture and detention of suspects. This rate also includes the monitoring of 24-hour security alarms, providing nationwide dispatch services, conducting building security assessments, and sharing of current intelligence on domestic and foreign terrorist threats. The rate will be \$0.58 per square foot in FY 2009.

**Building Specific Security** - Building Specific Security is based on security countermeasure requirements specific to a particular building. The two components are the Contract Security Guard and Security Systems programs. The Contract Security Guard program includes access control to facility entrances and exits, employee and visitor identification checks, monitoring security equipment, and roving patrols of the interior and exterior of Federal facilities. The Security Systems program includes the purchase, installation, and maintenance of security equipment, such as cameras, alarms, magnetometers, and x-ray machines. Security equipment is based on identified projects in security surveys and standard replacement schedules.

#### **C. Budget Request Summary:**

ICE requests 950 positions, 950 FTE, and the authority to spend its fees, estimated at \$616,000,000, for FY 2009. This request represents an anticipated \$3,000,000 increase in fees collected. The FY 2009 budget request does not reflect the increased staffing levels required in the FY 2008 Omnibus Appropriations bill. The bill passed too late in the budget process to institute the necessary fee increases, and the Department intends to seek repeal of the minimum staffing level provision.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Federal Protective Service**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                | FY 2008<br>Enacted |                | FY 2009<br>Request |                | Increase (+) or Decrease (-) For FY 2009 |              |                 |          |                     |              |
|--|-------------------|----------------|--------------------|----------------|--------------------|----------------|--|--------------|-----------------|----------|---------------------|--------------|
|  | FTE               | AMOUNT         | FTE                | AMOUNT         | FTE                | AMOUNT         | Total Changes                            |              | Program Changes |          | Adjustments-to-Base |              |
|  |                   |                |                    |                |                    |                | FTE                                      | AMOUNT       | FTE             | AMOUNT   | FTE                 | AMOUNT       |
| Basic and Building Specific Security                         | 1,108             | 516,011        | 950                | 613,000        | 950                | 616,000        | -  | 3,000        |                 |          | -                   | 3,000        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>1,108</b>      | <b>516,011</b> | <b>950</b>         | <b>613,000</b> | <b>950</b>         | <b>616,000</b> | <b>-</b>                                 | <b>3,000</b> | <b>-</b>        | <b>-</b> | <b>-</b>            | <b>3,000</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                |                    |                |                    |                |  |              |                 |          |                     |              |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>1,108</b>      | <b>516,011</b> | <b>950</b>         | <b>613,000</b> | <b>950</b>         | <b>616,000</b> | <b>-</b>                                 | <b>3,000</b> | <b>-</b>        | <b>-</b> | <b>-</b>            | <b>3,000</b> |

\*FY2009 request level is an estimate of what authority will be needed. ICE is requesting no specific level in appropriations language.

### III. Current Services Program Description

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Federal Protective Service  
Basic and Building Specific Security  
Program Performance Justification**  
(Dollars in thousands)

#### PPA: Basic and Building Specific Security

|                              |            |            |                |
|------------------------------|------------|------------|----------------|
| <b>2007 Actual</b>           | 1,108      | 1,108      | 516,011        |
| <b>2008 Enacted</b>          | 950        | 950        | 613,000        |
| 2009 Adjustments-to-Base     | -          | -          | 3,000          |
| <b>2009 Current Services</b> | <b>950</b> | <b>950</b> | <b>616,000</b> |
| 2009 Program Change          | -          | -          | -              |
| <b>2009 Request</b>          | <b>950</b> | <b>950</b> | <b>616,000</b> |
| Total Change 2008-2009       | -          | -          | 3,000          |

U.S. Immigration and Customs Enforcement requests the authority to spend the offsetting collections for this authority, estimated at \$616 million.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Federal Protective Service (FPS) is the Federal law enforcement organization responsible for the protection and security of Federal buildings, property, and personnel across the Nation. FPS operations focus on the reduction of Federal facility vulnerabilities to criminal and terrorist threats, while ensuring that public facilities are safe, secure and remain available as a vital part of every day American life.

In FY 2008, FPS continues to realign its mission, workforce, and resources to strengthen Federal physical security policies, procedures, and standards that apply to Federal buildings and enhance oversight and inspection capabilities. FPS has evolved into a standards-setting and compliance-centered operation, focused on the protection of Federal property contained in Title 40 USC 1315 and under the authorities of the sector-specific agency for the National Infrastructure Protection Plan (NIPP). The focus is more on policy, standards, and oversight, relying on the work of FPS Inspectors. FPS now has three main focus areas. These include security policy and standards; building assessments; and monitoring agency compliance with security standards.

The basic security program currently covers various types of security services such as: responding to emergency calls; coordination of Occupant Emergency Plans; consultations with Building Security Committees on security countermeasures; building threat assessments; and the development of action plans to reduce threats and criminal investigations through the dissemination of current intelligence on domestic and foreign terrorist threats. Additionally, the basic security program includes the FPS day-to-day operational expenses, including rent, information technology, and general overhead costs. In FY 2008 and FY 2009, the new basic security initiatives include providing law enforcement and

security services at national security events that pose increased threats at or in the vicinity of Federal facilities. Such events include the Democratic National Convention, the Republican National Convention, the Inauguration, Presidential Transition, demonstrations, and protests.

The FY 2009 request provides for an increase of \$3 million (or \$0.01 per square foot increase to the basic security fee) to fund the FPS overhead costs. FPS will continue to implement and maintain its new billing system that will enable client agencies to include these charges and reduce the use of individual reimbursable agreements to obtain these services.

The building specific fee is charged to all building tenants based on the recurring security requirements specific to a particular building, and is based on the costs for contract security guards and security systems programs. The contract security guard program includes: (1) access control to facility entrances and exits; (2) employee and visitor identification checks; (3) monitoring security equipment; and (4) roving patrols of the interior and exterior of Federal facilities. The contract security guard represents the first line of defense against potential criminals and terrorists of Federal workplaces. The security system program includes the purchase, installation, and maintenance of security equipment, (cameras, alarms, magnetometers and x-ray machines). The security equipment is based on the identified mandatory projects in the security surveys and standard replacement schedules.

The FPS strategic goal continues to be the protection of Federal facilities and employees through a comprehensive law enforcement and security program. FPS security operations include regular building security assessments of Federal facilities, nationwide communications, alarm monitoring, and dispatching services, and administration of contract guards within Federal facilities.

Following September 11, 2001, FPS has faced the new reality of protecting and securing Federal facilities by continuously improving its ability to respond to new and changing threats. Through various FPS programs, Federal facilities remain protected, yet open and welcoming to legitimate visitors, and secure for all Federal employees and officials to perform their missions in service to the American public.

In FY 2007, FPS:

- Provided significant and appropriate law enforcement and security services for the approximately 9,000 facilities to accommodate the FPS mission;
- Monitored alarm accounts daily for intrusion detection, fire, and personnel protection;
- Received and responded to alarm activations, incidents on Federal property, weapons and explosives incident, demonstrations and disturbance incidents, accident-related incidents, and any fire-related incidents;
- Served as the Federal lead for the Government Facilities Sector under the National Infrastructure Protection Plan (NIPP), directly supporting DHS overall goals and objectives with regard to enhancing the protection of our Nation's critical infrastructures and key resources; and
- Realigned its mission, workforce and resources to strengthen Federal physical security policies, procedures and standards that apply to Federal buildings and enhance oversight and inspection capabilities.

In FY 2008, FPS plans to:

- Improve the strategic methods used in identifying and reducing real and/or perceived threats faced by customers;
- Continue intelligence and information sharing with organizations as appropriate, to include other DHS agencies, state and local law enforcement, and building management;
- Provide law enforcement and security services at national security events that pose increased threats at or in the vicinity of Federal facilities, including the Democratic National Convention, the Republican National Convention, and related demonstrations and protests; and
- Strengthen security standards representing the key elements for reducing threat and vulnerability levels at Federal facilities.

In FY 2009, FPS will:

- Provide law enforcement and security services at national security events that pose increased threats at or in the vicinity of Federal facilities, including the Inauguration, Presidential Transition, and related demonstrations and protests;
- Complete risk-based security standards tied to intelligence;
- Continue to conduct building security assessments at federal buildings based on risk;
- Continue to monitor agency compliance with security standards by conducting annual inspections to ensure agency compliance at level 3 and level 4 buildings and consistent with risk;
- Continue to improve contract management; and
- Continue to work with client agencies to strengthen business processes and service.

#### **IV. Program Justification of Changes**

Not Applicable

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Justification of Proposed Changes in Federal Protective Service  
Appropriation Language**

The revenues and collections of security fees credited to this account shall be available until expended for necessary expenses related to the protection of federally-owned and leased buildings and for the operations of the Federal Protective Service. [Provided, That the Secretary of Homeland Security and the Director of the Office of Management and Budget shall certify in writing to the Committees on Appropriations of the Senate and the House of Representatives no later than December 31, 2007, that the operations of the Federal Protective Service will be fully funded in fiscal year 2008 through revenues and collection of security fees, and shall adjust the fees to ensure fee collections are sufficient to ensure the Federal Protective Service maintains, by July 31, 2008, not fewer than 1,200 full-time equivalent staff and 900 full-time equivalent Police Officers, Inspectors, Area Commanders, and Special Agents who, while working, are directly engaged on a daily basis protecting and enforcing laws at Federal buildings (referred to as “in-service field staff”).] (Department of Homeland Security Appropriations Act, [2008] 2009.)

**Explanation of Changes:**

The change removes the FY 2008-specific level of personnel language.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Federal Protective Service  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>  |
|---------------------------------------|--------------|--------------|----------------|
| <b>FY 2007 Actual</b>                 | <b>1,108</b> | <b>1,108</b> | <b>516,011</b> |
| <b>FY 2008 Enacted</b>                | <b>950</b>   | <b>950</b>   | <b>613,000</b> |
| <b>Adjustments-to-Base</b>            |              |              |                |
| Increases                             |              |              |                |
| Annualization of 2008 pay raise.....  | ---          | ---          | 1,176          |
| 2009 pay increase.....                | ---          | ---          | 2,213          |
| Non-pay inflation .....               | ---          | ---          | 9,823          |
| Total Increases.....                  | ---          | ---          | 13,212         |
| Decreases                             |              |              |                |
| Program Efficiencies                  | ---          | ---          | (10,212)       |
| Total Decreases.....                  | ---          | ---          | (10,212)       |
| <b>Total Adjustments-to-Base.....</b> | <b>---</b>   | <b>---</b>   | <b>3,000</b>   |
| <b>2009 Current Services.....</b>     | <b>950</b>   | <b>950</b>   | <b>616,000</b> |
| <br>                                  |              |              |                |
| <b>Total Program Changes.....</b>     | <b>---</b>   | <b>---</b>   | <b>---</b>     |
| <br>                                  |              |              |                |
| <b>2009 Request.....</b>              | <b>950</b>   | <b>950</b>   | <b>616,000</b> |
| <br>                                  |              |              |                |
| <b>2008 to 2009 Total Change.....</b> | <b>---</b>   | <b>---</b>   | <b>3,000</b>   |

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Federal Protective Service  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request |              |                |
|------------------------------|--------------|--------------|----------------|
|                              | Perm. Pos.   | FTE          | Amount         |
| <b>2007 Actual</b>           | <b>1,108</b> | <b>1,108</b> | <b>516,011</b> |
| <b>2008 Enacted</b>          | <b>950</b>   | <b>950</b>   | <b>613,000</b> |
| Adjustments-to-Base          |              |              |                |
| Increases                    | ---          | ---          | 3,000          |
| Decreases                    | ---          | ---          | ---            |
| Total Adjustments-to-Base    | ---          | ---          | 3,000          |
| <b>2009 Current Services</b> | <b>950</b>   | <b>950</b>   | <b>616,000</b> |
| Program Changes              | ---          | ---          | ---            |
| <b>2009 Total Request</b>    | <b>950</b>   | <b>950</b>   | <b>616,000</b> |
| 2008 to 2009 Total Change    | ---          | ---          | 3,000          |

| Estimates by Program/Project Activity | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |            |                | 2009 Program Change |            |            | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                |
|---------------------------------------|--------------|------------|------------------|--------------------------|------------|----------------|---------------------|------------|------------|--------------|------------|------------------|---------------------------|------------|----------------|
|                                       | Pos.         | FTE        | Amount           | Pos.                     | FTE        | Amount         | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount         |
| Basic and Building Specific Security  | 950          | 950        | 613,000          | ---                      | ---        | 3,000          | ---                 | ---        | ---        | 950          | 950        | \$616,000        | ---                       | ---        | \$3,000        |
| <b>Total</b>                          | <b>950</b>   | <b>950</b> | <b>\$613,000</b> | <b>---</b>               | <b>---</b> | <b>\$3,000</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>950</b>   | <b>950</b> | <b>\$616,000</b> | <b>---</b>                | <b>---</b> | <b>\$3,000</b> |

**D. Summary of Reimbursable Resources**

Not applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Federal Protective Service**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Federal Protective Service |   | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008-2009<br>Change |
|----------------------------|---|-------------------|-------------------|-------------------|---------------------|
| <b>Object Classes:</b>     |   |                   |                   |                   |                     |
| 11.1                       | Perm Positions                              | \$ 90,821         | \$ 65,735         | \$ 75,075         | \$ 9,340            |
| 12.1                       | Benefits                                    | \$ 38,017         | \$ 35,998         | \$ 40,425         | \$ 4,427            |
|                            | <b>Total, Personal Comp. &amp; Benefits</b> | <b>\$ 128,838</b> | <b>\$ 101,733</b> | <b>\$ 115,500</b> | <b>\$ 13,767</b>    |
| <b>Other Object Class</b>  |   |                   |                   |                   |                     |
| 21.0                       | Travel                                      | \$ 1,297          | \$ 11,151         | \$ 9,100          | \$ (2,051)          |
| 22.0                       | Transportation of things                    | \$ 9,714          | \$ 10,550         | \$ 650            | \$ (9,900)          |
| 23.1                       | GSA rent                                    | \$ 24,352         | \$ 20,117         | \$ 25,500         | \$ 5,383            |
| 23.3                       | Communication, Utilities, and misc charges  | \$ 6,963          | \$ 7,039          | \$ 3,200          | \$ (3,839)          |
| 24.0                       | Printing                                    | \$ 1,311          | \$ 1,782          | \$ 100            | \$ (1,682)          |
| 25.4                       | Operation & maintenance of facilities       | \$ 333,789        | \$ 447,024        | \$ 455,250        | \$ 8,226            |
| 26.0                       | Supplies & materials                        | \$ 3,507          | \$ 9,735          | \$ 3,500          | \$ (6,235)          |
| 31.0                       | Equipment                                   | \$ 6,240          | \$ 3,869          | \$ 3,200          | \$ (669)            |
|                            | <b>Total, Other Object Class</b>            | <b>\$ 387,173</b> | <b>\$ 511,267</b> | <b>\$ 500,500</b> | <b>\$ (10,767)</b>  |
|                            | <b>Total, Direct Obligations</b>            | <b>516,011</b>    | <b>613,000</b>    | <b>616,000</b>    | <b>3,000</b>        |
|                            | Unobligated balance, start of year          | (8,850)           | (8,850)           | (8,850)           | \$ -                |
|                            | Unobligated balance, end of year            | 8,850             | 8,850             | 8,850             | \$ -                |
|                            | Recoveries of prior year obligations        | ---               | ---               | ---               | \$ -                |
|                            | <b>Total requirements</b>                   | <b>516,011</b>    | <b>613,000</b>    | <b>616,000</b>    | <b>3,000</b>        |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Federal Protective Service  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 1              | 1               | 1               | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 30             | 15              | 15              | ---                    |
| GS-14                            | 81             | 85              | 85              | ---                    |
| GS-13                            | 149            | 180             | 180             | ---                    |
| GS-12                            | 460            | 453             | 453             | ---                    |
| GS-11                            | 102            | 75              | 75              | ---                    |
| GS-10                            | 27             | 4               | 4               | ---                    |
| GS-9                             | 117            | 60              | 60              | ---                    |
| GS-8                             | 111            | 36              | 36              | ---                    |
| GS-7                             | 21             | 30              | 30              | ---                    |
| GS-6                             | 5              | 8               | 8               | ---                    |
| GS-5                             | 4              | 3               | 3               | ---                    |
| <b>Total Permanent Positions</b> | <b>1,108</b>   | <b>950</b>      | <b>950</b>      | <b>---</b>             |
| Unfilled Positions EOY           | (330)          | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 1,438          | 950             | 950             | ---                    |
| <b>FTE</b>                       | <b>1,108</b>   | <b>950</b>      | <b>950</b>      | <b>---</b>             |
| Headquarters                     | 140            | 155             | 155             | ---                    |
| U.S. Field                       | 968            | 795             | 795             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>1,108</b>   | <b>950</b>      | <b>950</b>      | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ 154,600     | \$ 173,912      | \$ 173,912      | ---                    |
| <b>Average GS Salary</b>         | \$ 73,660      | \$ 77,046       | \$ 77,046       | ---                    |
| <b>Average GS Grade</b>          | 11.36          | 11.76           | 11.76           | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Federal Protective Service**  
**Basic and Building Specific Security**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Federal Protective Service - Security</b>   |  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 - 2009</b> |
|---|--|------------------|------------------|------------------|--------------------|
|   |  | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>      |
| <b>Object Classes:</b>                              |  |                  |                  |                  |                    |
| 11.1  | Perm Positions                             | \$90,821         | \$65,735         | \$75,075         | \$9,340            |
| 12.1  | Benefits                                   | 38,017           | 35,998           | 40,425           | 4,427              |
| 21.0  | Travel                                     | 1,297            | 11,151           | 9,100            | (2,051)            |
| 22.0  | Transportation of things                   | 9,714            | 10,550           | 650              | (9,900)            |
| 23.1  | GSA rent                                   | 24,352           | 20,117           | 25,500           | 5,383              |
| 23.3  | Communication, Utilities, and misc charges | 6,963            | 7,039            | 3,200            | (3,839)            |
| 24.0  | Printing                                   | 1,311            | 1,782            | 100              | (1,682)            |
| 25.4  | Operation & maintenance of facilities      | 333,789          | 447,024          | 455,250          | 8,226              |
| 26.0  | Supplies & materials                       | 3,507            | 9,735            | 3,500            | (6,235)            |
| 31.0  | Equipment                                  | 6,240            | 3,869            | 3,200            | (669)              |
| <b>Total, Federal Protective Service - Security</b> |  | <b>\$516,011</b> | <b>\$613,000</b> | <b>\$616,000</b> | <b>\$3,000</b>     |
| Full Time Equivalents                               |  | 1,108            | 950              | 950              | 0                  |

### Mission Statement

Federal Protective Service (FPS) is the Federal law enforcement organization responsible for the protection and security of Federally-owned and leased buildings, property, and personnel across the Nation. FPS operations focus on law enforcement and reduction of Federal facility vulnerabilities to criminal and terrorist threats, while ensuring that public facilities are safe, secure and remain available as a vital part of every day American life. FPS uses approximately 15,000 contract security guards and 950 Law Enforcement Officers and civilian employees who are strategically located throughout the Nation to provide security and law enforcement coverage to all General Services Administration (GSA)-owned and -operated Federal facilities. The FPS currently performs all necessary security and protection functions at more than 8,900 federally owned and leased locations throughout the nation, totaling approximately 330 million square feet of space, housing more than 1.1 million Federal personnel.

The FY 2009 FPS security collections cover the cost of various types of security services such as the law enforcement response to emergency calls, preliminary investigation of incidents and apprehension of suspects, the FPS Mega Center that maintains 24-hour security alarm monitoring and provides nationwide communication dispatch to enforcement personnel, the physical security initiatives including security awareness programs for tenants, coordination of Occupant Emergency Plans, and consultations with Building Security Committees on security countermeasures for Federal facilities. In addition, these collections are used to conduct building threat assessments of Federal facilities and to develop action plans to reduce the threats, to acquire, install, and maintain security countermeasures, and to participate in the criminal investigations wherein there is sharing of current intelligence on domestic and foreign terrorist threats.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Salaries and Benefits</b> | \$128,838      | \$101,733       | \$115,500       | \$13,767              |

Salaries and Benefits includes costs for 950 FTEs. The FY 2009 request includes an increase of \$13,767,000 in personnel compensation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------|----------------|-----------------|-----------------|-----------------------|
| <b>Travel</b> | \$1,297        | \$11,151        | \$9,100         | (\$2,051)             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a \$2,051,000 decrease. Funding in the travel area will be used to complete all Building Security Assessments and training requirements.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Transportation of Things</b> | \$9,714        | \$10,550        | \$650           | (\$9,900)             |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes a \$9,900,000 decrease.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>GSA rent</b> | \$24,352       | \$20,117        | \$25,500        | \$5,383               |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a \$5,383,000 increase.

|  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|-------------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$6,963           | \$7,039         | \$3,200         | (\$3,839)             |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a \$3,839,000 decrease.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>Printing</b> | \$1,311        | \$1,782         | \$100           | (\$1,682)             |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes a decrease of \$1,682,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$333,789      | \$447,024       | \$455,250       | \$8,226               |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$8,226,000.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$3,507        | \$9,735         | \$3,500         | (\$6,235)             |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request includes a decrease of \$6,235,000.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$6,240        | \$3,869         | \$3,200         | (\$669)               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes a decrease of \$669,000.

## I. Changes of Full Time Equivalent

**Summary of FY2009 Budget Estimates by Appropriation and Program**  
**U.S. Immigration and Customs Enforcement**  
**Federal Protective Service**  
 Changes in Full Time Equivalent

|   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request |
|---|-------------------|--------------------|--------------------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | 1,300             | 1,108              | 950                |
| <b>INCREASES</b>  |                   |                    |                    |
| Attrition Hiring  | -                 | -                  | -                  |
| <b>Subtotal, Increases</b>  | -                 | -                  | -                  |
| <b>DECREASES</b>  |                   |                    |                    |
| Attrition Losses  | 192               | 158                | -                  |
| <b>Subtotal, Decreases</b>  | 192               | 158                | -                  |
| <b>Year-end Actual / Estimated FTEs</b>                                 | 1,108             | 950                | 950                |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | (192)             | (158)              | -                  |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Student and Exchange Visitor Program*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Immigration and Customs Enforcement** **Student and Exchange Visitor Program**

### **I. Appropriation Overview**

#### **A. Mission Statement for Student and Exchange Visitor Program:**

The Student and Exchange Visitor Program's (SEVP) mission is to enhance national security by collecting, maintaining, and providing reliable information on foreign students, exchange visitors, and the schools and exchange programs that host them. SEVP is an enforcement tool to assist in keeping our nation safe while facilitating the participation of students and exchange visitors in the academic programs in the United States.

#### **B. Budget Activities:**

SEVP administers the School Certification Program and manages the Student and Exchange Visitor Information System (SEVIS), a web-based system for maintaining information on international students and exchange visitors (F, M, and J visa classification) in the United States. SEVP also provides outreach and training for SEVIS users. SEVIS is used by ICE's Compliance Enforcement Unit (CEU) to identify foreign students and exchange visitors who fail to enroll or maintain status at their schools. The CEU also uses SEVIS to identify schools and exchange visitor programs that are not in compliance with regulatory requirements.

#### **C. Budget Request Summary:**

ICE requests 387 positions, 261 FTE, and \$119,580,000 for SEVP in FY 2009. The additional 252 positions, 126 FTE, and \$63,380,000, will be funded by an increase in the fees SEVP estimates it will collect based on the most recent fee study. The increase will allow ICE to

- Enhance SEVIS functionality and data integrity;
- Increase outreach and training provided to the academic community;
- Enhance the sharing of SEVIS data with Federal partners; and
- Increase the monitoring and oversight of schools hosting foreign students through the recertification process, allowing for greater enforcement of immigration laws.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Student and Exchange Visitor Program**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |            |                     |                 |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|------------------|--|-----------------|-----------------|------------|---------------------|-----------------|
|  |                   |                 |                    |                 |                    |                  | Total Changes                            |                 | Program Changes |            | Adjustments-to-Base |                 |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT     | FTE                 | AMOUNT          |
| Student and Exchange Visitor Program                         | 121               | \$44,653        | 135                | \$56,200        | 261                | \$119,580        | 126                                      | \$63,380        | ---             | ---        | 126                 | \$63,380        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>121</b>        | <b>\$44,653</b> | <b>135</b>         | <b>\$56,200</b> | <b>261</b>         | <b>\$119,580</b> | <b>126</b>                               | <b>\$63,380</b> | <b>---</b>      | <b>---</b> | <b>126</b>          | <b>\$63,380</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                 |                    |                 |                    |                  |  |                 |                 |            |                     |                 |
|  |                   |                 |                    |                 |                    |                  |  |                 |                 |            |                     |                 |
|  |                   |                 |                    |                 |                    |                  |  |                 |                 |            |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>121</b>        | <b>\$44,653</b> | <b>135</b>         | <b>\$56,200</b> | <b>261</b>         | <b>\$119,580</b> | <b>126</b>                               | <b>\$63,380</b> | <b>---</b>      | <b>---</b> | <b>126</b>          | <b>\$63,380</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Student and Exchange Visitor Program  
Program Performance Justification  
(Dollars in thousands)**

**PPA: STUDENT AND EXCHANGE VISITOR PROGRAM**

|                              | <b>Perm.<br/>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|----------------------------|------------|----------------|
| <b>2007 Actual</b>           | 135                        | 121        | 44,653         |
| <b>2008 Encted</b>           | 135                        | 135        | 56,200         |
| 2009 Adjustments-to-Base     | 252                        | 126        | 63,380         |
| <b>2009 Current Services</b> | <b>387</b>                 | <b>261</b> | <b>119,580</b> |
| 2009 Program Change          | -                          | -          | -              |
| <b>2009 Request</b>          | <b>387</b>                 | <b>261</b> | <b>119,580</b> |
| Total Change 2008-2009       | 252                        | 126        | 63,380         |

ICE requests \$119.6 million for this activity. This increase of \$63.4 million over FY 2008 will support School Recertification Programs, hiring and deployment of Liaison Officers for participating schools, expanded Compliance Enforcement activities, and updated information technology for tracking students in SEVIS.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Student and Exchange Visitor Program (SEVP) works to enhance national security by collecting, maintaining, and providing reliable information on foreign students, exchange visitors, and the schools and exchange programs that host them. SEVP facilitates the participation of students and exchange visitors in the academic programs in the United States and works to ensure the programs are not used to illegally allow entrance into the country.

SEVP administers the Student and Exchange Visitor Information System (SEVIS) and the program required to maintain it. SEVIS collects, maintains and provides information on foreign students, exchange visitors and their dependents on F, M, and J visas while studying in the United States. SEVIS also maintains information on the schools and program sponsors authorized to use SEVIS and host foreign students and exchange visitors. SEVIS assists in the identification of those who are not in compliance with visa rules and immigration law and who may be a threat to national security.

SEVIS is ICE's core technology in this critical homeland security mission. It is the first electronic web-based system that provides real-time, up-to-date information on F, M, and J visa holders. The system can be accessed electronically at any time making it an effective law enforcement tool used by

Agencies within the Department of Homeland Security. SEVIS is used by the Compliance Enforcement Unit (CEU) to identify foreign students and exchange visitors who fail to enroll or maintain status at their schools. SEVP and CEU also use SEVIS to identify schools and exchange visitor programs that are not in compliance with regulatory requirements. Information maintained in SEVIS is instrumental in supporting ICE's role in conducting human smuggling investigations that identify, disrupt and prosecute criminal organizations involved in the bringing in, transporting and harboring of illegal aliens into the United States.

All prospective students and exchange visitors are required to pay a SEVP processing fee electronically or check by using the Form I-901 (\$100 for most and \$35 for some exchange visitors) prior to seeking a visa at consulates and embassies overseas. This fee, in addition to the fees collected from schools seeking certification to host nonimmigrant students, provides the full funding for SEVP, including CEU agents that support enforcement of SEVP policies and regulations.

In FY 2007, SEVP continued to administer and manage SEVIS, administer the School Certification Program, and support compliance enforcement. Specifically, SEVP:

- Enhanced data integrity by maintaining data-fix processing times of 30 days or less and system interfaces that are 75-90 percent effective with US Customs and Border Protection's (CBP) Arrival and Departure Information System (ADIS) and US Citizenship and Immigration Services' (USCIS) Computer Linked Application Information Management System (CLAIMS);
- Initiated three data validation exercises with select schools to determine the timeliness of information updates by school officials. SEVP will continue to require validation exercises as a measure of school accountability and data integrity;
- Established a school compliance team to review school accountability with regulatory reporting requirements;
- Implemented direct, real-time interface with Foreign Terrorist Tracking Task Force (FTTTF) to provide FTTTF with direct, electronic access to the foreign student and exchange visitor information in SEVIS to identify potential threats to national security;
- Provided support to USCIS' Systematic Alien Verification for Entitlements (SAVE) Program using the Verification Information System (VIS) to prevent fraud through the immediate provision of automated immigration status information to participating federal, state, and local government agencies;
- Incorporated SEVIS training in law enforcement training courses so that new law enforcement officials will be able to understand, appropriately interpret and apply SEVIS data;
- Enhanced the web-based training module for schools through the addition of testing capability. This added capability can be used to assess school and program officials' skill in entering information in SEVIS as well as their level of comprehension;
- Enhanced SEVIS reporting capabilities with a limited, internal implementation of the SEVP Decision Support System;
- Completed fee study for current and future program requirements with a plan to prepare a comprehensive fee rule;
- Completed Phase 1 of the SEVIS enhancement initiative. A feasibility study was conducted in collaboration with the Department of State, CBP, USCIS, US-VISIT, the FBI, and educational institutions regarding their current and future requirements of SEVIS. Based on this extensive input, it was decisively concluded that a completely new SEVIS system (SEVIS II) is required;

- Began Phase 2 of the SEVIS enhancement initiative which included the development of a SEVIS II Business Case Study, a process that will identify and define the detailed requirements of and costs for SEVIS II; and
- Established an appeals procedure within ICE for schools denied certification.

In FY 2008 SEVP plans to:

- Continue preparation for recertification of all SEVIS certified schools;
- Increase staffing for school compliance to identify and remove non-compliant schools;
- Ensure the continued success of SEVIS fee payment processing;
- Improve SEVIS interoperability and data sharing capabilities;
- Expand the SEVP Decision Support System. Initial efforts delivered data reporting, querying and analysis capability in support of SEVP Headquarters and CEU. SEVP will deliver the Decision Support System in stages to multiple other internal and external user groups in the fall of 2007;
- Continue to provide effective training of SEVIS users;
- Maintain outreach to the academic community;
- Continue the development of SEVIS II;
- Increase carry-forward funds as a capital reserve for SEVIS II where appropriated funds are not available;
- Commence digitizing more than 8,000 SEVIS files; and
- Increase enforcement of school compliance requirements

For FY 2009, SEVP will support the following initiatives:

- **School Recertification Program:** The budget request to fund additional positions to provide a recertification program capability for the Student and Exchange Visitor Program (SEVP) will enable SEVP to attain DHS' and ICE's strategic objectives to: 1) secure our borders against terrorists; 2) enforce immigration laws; and 3) serve the public effectively by facilitating lawful trade and immigration. We will attain these strategic objectives by using the requested increase to provide improved compliance enforcement through a comprehensive review of potential violation leads identified among foreign students and exchange visitors who have been authorized entry into the United States to participate in our academic programs.

ICE will use \$3.2 million of available revenue to fund 33 additional positions to provide a recertification program capability for the Student and Exchange Visitor Program (SEVP).

The requested increase will fund the following:

- 1 GS-0343-14 Management and Program Analyst
- 6 GS-0343-13 Management and Program Analysts
- 11 GS-0343-12/13 Management and Program Analysts
- 12 GS-0343-7/9/11 Management and Program Analysts
- 3 GS-0301-7 Program Assistants

Homeland Security Directive No. 2 requires DHS to conduct ongoing and periodic review of all educational institutions certified to accept nonimmigrant students. SEVP developed a certification process that educational institutions undergo to receive authorization to enroll

nonimmigrant students. This certification process includes an ongoing commitment by educational institutions to maintain current and accurate records in SEVIS on their nonimmigrant students.

The Enhanced Border Security and Visa Entry Reform Act of 2002 mandated that DHS conduct a recertification of certified educational institutions every two years. SEVP recertification is a review of an educational institution previously certified to affirm that the educational institutions remains eligible and is complying with regulatory recordkeeping, retention, and reporting requirements. The focus of recertification is past performance coupled with a review to ensure that the educational institution maintains its basic eligibility for initial certification. The process may include an on-site visit or review.

Approximately 8,900 educational institutions have been certified by SEVP, some for more than two years, but none have been recertified.

These positions and related support costs will provide improved compliance enforcement through a comprehensive review of potential violation leads identified among foreign students and exchange visitors who have been authorized entry into the United States to participate in our academic programs.

- **Liaison Officers:** The budget requests to fund the hiring and deployment of the Liaison Officers for the Student and Exchange Visitor Program (SEVP) will enable SEVP to improve its ability to effectively ensure optimal compliance by the academic community with immigration law, and thus support DHS' attainment of its' strategic goal to detect, deter and mitigate threats to our homeland through securing our borders against terrorists and enforcing our immigration laws.

ICE will use \$7.1 million in available revenue to fund 64 additional positions to support the Student and Exchange Visitor Program (SEVP). These positions and related support costs will provide support to educational institutions that desire to host foreign students and exchange visitors. By statute, these institutions require initial certification by SEVP and subsequent recertification every two years. Rather than educational institutions across the country dealing exclusively with SEVP headquarters in Washington, SEVP will locate Liaison Officers in 26 offices throughout the United States (co-located with ICE Special Agents in Charge) to provide more localized support and services to these educational institutions.

The requested increase will fund the following:

- 61 GS-0343-12/13 Management and Program Analysts
- 3 GS-0343-7/9/11 Management and Program Analysts

These Liaison Officers will be the eyes and ears of SEVP with educational institutions that are certified by SEVP. They will assist these institutions in achieving certification and recertification. They will perform recertification visits and train the institutions on using SEVIS and SEVIS II. They will provide a local face to these institutions for SEVP issues, follow up leads about potential institutional non-compliance, and be available to trouble-shoot individual student scenarios as requested by the institutions. In addition, these Liaison Officers will provide assistance and training to ICE agents who access SEVIS/SEVIS II data for compliance enforcement purposes and other government officers who locally need a SEVIS

expert to assist with training and compliance. The additional officer training would include system users from the US Customs and Border Protection and the US Citizenship and Immigration Services.

Educational institutions have difficulties with the requirements and controls that SEVP has instituted. SEVP has dealt openly and honestly with this community to defuse any problems, but the educational community wants more help in complying with SEVP requirements.

The initial fee rule for the SEVIS I-901 fee collected from foreign students and exchange visitors indicated that a portion of that fee would be for liaison activities. To date, SEVP has only been able to provide liaison from Washington headquarters. The result has been sometimes questionable data quality for information input into SEVIS by the educational institutions and little ability by SEVP to address the problems at 8,900 institutions located all over the country.

- **Compliance Enforcement:** The budget request to expand ICE's SEVIS compliance enforcement efforts are essential to support ICE and DHS' strategic objectives to prevent the unlawful exploitation of our nation's people and institutions by alien violating laws within the homeland, and to enforce alien compliance with our immigration, customs, and criminal laws.

ICE will use \$26.78 million of available revenue to fund 155 additional positions to support an expansion of ICE's SEVIS compliance enforcement efforts dealing with foreign students and criminal investigations into SEVIS certified institutions. The increase would provide an additional 155 positions to supplement the 79 positions contained in the funding within guidance. These positions and related support costs will provide improved compliance enforcement through a comprehensive review of potential violator leads identified among foreign students and exchange visitors who have been authorized entry into the United States. They will also increase ICE's ability to pursue criminal violations, including alien smuggling and fraud, conducted by SEVIS certified schools and programs.

The requested increase will fund the following:

- 10 GS-1811-14 Senior Special Agents
- 109 GS-1811-5/7/9/11/12/13 Special Agents
- 18 GS-0132-9/11 Intelligence Research Specialists
- 18 GS-1802-5/7/9 Investigative Assistants

The new Special Agents will be used to investigate administrative and criminal violations related to individual students, and schools certified by ICE to accept foreign students. The ICE Headquarters Compliance Enforcement Unit (CEU) identifies student status violators from data contained in SEVIS and assigns leads to ICE field offices for investigation by Special Agents. Those students determined to be in violation are arrested and placed into removal proceedings.

In addition, these Special Agents will conduct investigations of individuals and institutions that seek to exploit the student and exchange visitor visa programs through fraud. Such investigations may include instances where the student visa process has been abused to bring foreign nationals into the United States for financial gain. Violations that are investigated

include alien smuggling, visa fraud, false statements, mail fraud, wire fraud, and money laundering.

- **SEVIS II:** Fundamental to the attainment of any DHS and ICE strategic objective to detect and deter threats to our homeland through terrorist exploitation of legitimate student entry pathways into the Homeland is SEVP's ability to collect information and track legitimate non-immigrant students and certified schools. This tracking can only be accomplished through the SEVIS system; SEVIS II is the proposed newly configured deployment to SEVIS I which provides essential technologies.

ICE requests a total of \$26.3 million in FY 2009 to replace the current Student and Exchange Visitor information System (SEVIS). In FY 2007 and 2008, SEVP will use funding from available fee collections or fee collection carryover to ensure a quick start to this program. SEVP currently uses available funding within-guidance (fee collections) to support SEVIS operations. From FY 2007 to FY 2009, some of these resources will also provide limited support toward the development of SEVIS II. However, in FY 2008, \$12.5 million of carry forward fees will be provided by SEVP as part of the start-up cost for SEVIS II. Therefore, it is critical that the increased fees are approved.

**Unfunded Mandates and Performance Impact:** In light of recent intense interest by the Administration and Congress on student visa vulnerabilities and to better position ICE to control the interior enforcement of our border and promote lawful immigration; ICE is pursuing a re-engineering of SEVIS into a system that fully meets the needs of law enforcement, educational institutions, and other agencies, all of whom rely heavily on SEVIS data when making informed decisions.

The current SEVIS does not adequately meet the needs of the national security, law enforcement, and educational institution communities, all of whom rely heavily on SEVIS data and its interoperability. This inadequacy has been confirmed by a comprehensive and recently completed (January 2, 2007) feasibility study. SEVIS' shortcomings in the area of servicing national security and law enforcement agencies stem primarily from the fact that it was designed to track documents as opposed to individuals, thus creating the real possibility of an individual being identified by numerous different records within the system, and making it difficult to comprehensively track the activities of an individual. The current SEVIS configuration presents, among many, two especially critical vulnerabilities to national security that cannot be eliminated by altering or upgrading the current system.

The first shortcoming is that SEVIS cannot accommodate the use of biometric information to positively identify students. DHS agencies such as US Citizenship and Immigration Services (USCIS) are moving from record-based databases to individual-based systems, which provide improved historical tracking and enhanced fraud detection. A central component of this concept is the inclusion of biometric identifiers, namely the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) Fingerprint Identification Number (FIN) and a photographic image. Any transaction with respect to the student (e.g., I-20 issuance, change in status, reinstatements, and transfers) will be recorded as an event and tracked historically. Without SEVIS' capability to make use of biometric information to positively confirm students' identities, two vulnerabilities continue to exist: (1) individuals ineligible for entry into the United States can gain entrance because SEVIS limits searches and analysis of data to name-based checks and biographical information that can be thwarted by name changes or data entry errors; and (2) primary inspectors at the ports of entry are often unable to verify

the currency or legitimacy of members missing required documents because they can not definitively confirm the SEVIS identity and status of the individual standing before them.

The second shortcoming of SEVIS is that it has extremely limited search capability, making it difficult to interoperate with the tracking and monitoring systems of other key national security and law enforcement agencies. The result is that a student who has violated his/her status requirements in SEVIS sometimes clears the screenings of other agencies or programs (e.g., Department of State, USCIS, US-VISIT) because their changed status is not easily and quickly accessible to other agencies through their systems.

FY 2009 funding within the fee account will not be sufficient to cover the full cost of SEVIS II unless the increased fees are approved.

**Accomplishment and results to be gained from increased funding for SEVIS II:** SEVIS II initiative supports the DHS Strategic Goal of Prevention, Objective 2.2, Enforce Trade and Immigration Laws. It will meet the needs of the intelligence and enforcement communities increasing the ability to track and monitor individuals; integrate seamlessly with other intelligence systems; and provide real-time critical individual based information. The major accomplishments/results to be gained if SEVIS II is funded are to:

- Accommodate the use of biometric information to positively identify students and exchange visitors, inclusion of biometric identifiers.
- Search and analyze to name-based checks and biological information:
- Provides primary end users (port of entry and departure, and investigators) with the ability for real-time verification of data:
- Provide enhanced search capability, and tracking and monitoring systems of other key national nation security and law enforcement agencies:

A newly configured and deployed SEVIS II system that is based on tracking and monitoring individuals rather than records, and that is highly interoperable with all of our stakeholders, would eliminate critical vulnerabilities.

**Current Reform Initiatives under SEVIS:** The current SEVIS succeeded in eliminating much of the manual and paper intensive process that institutions were required to submit. It maintains the basic biographic information on students and exchange visitors, but it falls short of meeting the needs of the enforcement and intelligence communities. System shortcomings stem primarily from the fact that SEVIS was designed to track documents as opposed to individuals, making it difficult to monitor individuals without a backend process that is resource intensive.

**Schedule / Implementation plan / Capability increases / Timeline of deliverables:** The SEVIS II business case will be developed during FY 2007 and 2008. Available fee collections or fee collection carryover funding would support the \$2.7 million cost for the business case development.

In FY 2008, the SEVIS II Acquisition Strategy will result in a contract award by the second half for systems development. The total SEVIS II cost for FY 2008 is \$12.5 million. Available fee collections or fee collection carryover funding would support the \$12.5 million cost for the business case development.

FY 2009 will see the completion of systems development, continuation of program support, and SEVIS transition and data migration to SEVIS II, assuming increased fees are approved.

#### **IV. Program Justification of Changes**

Not applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Justification of Proposed Changes in Student and Exchange Visitor Program  
Appropriation Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Student and Exchange Visitor Program  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|---------------------------------------|-------------|------------|---------------|
| 2007 Actual.....                      | 135         | 121        | 44,653        |
| 2008 Enacted.....                     | 135         | 135        | 56,200        |
| <b>Adjustments-to-Base</b>            |             |            |               |
| Increases                             |             |            |               |
| Increase/Decrease in Collections..... | 252         | 126        | 63,380        |
| <b>Total Adjustments-to-Base.....</b> | <b>252</b>  | <b>126</b> | <b>63,380</b> |
| 2009 Current Services.....            | 387         | 261        | 119,580       |
| <br>                                  |             |            |               |
| 2009 Request.....                     | 387         | 261        | 119,580       |
| <br>                                  |             |            |               |
| 2008 to 2009 Total Change.....        | 252         | 126        | 63,380        |

### C. Summary of Requirements

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Student and Exchange Visitor Program**  
 Summary of Requirements  
 (Dollars in Thousands)

|                                  | 2009 Request |            |                |
|----------------------------------|--------------|------------|----------------|
|                                  | Perm. Pos.   | FTE        | Amount         |
| <b>2007 Actual</b>               | 135          | 121        | 44,653         |
| <b>2008 Enacted</b>              | 135          | 135        | 56,200         |
| Adjustments-to-Base              |              |            |                |
| Increase/Decrease in Collections | 252          | 126        | 63,380         |
| Total Adjustments-to-Base        | 252          | 126        | 63,380         |
| <b>2009 Current Services</b>     | <b>387</b>   | <b>261</b> | <b>119,580</b> |
| <b>2009 Total Request</b>        | <b>387</b>   | <b>261</b> | <b>119,580</b> |
| 2008 to 2009 Total Change        | 252          | 126        | 63,380         |

| Estimates by Program/Project Activity | 2008 Enacted |            |                 | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |            |            | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                 |
|---------------------------------------|--------------|------------|-----------------|--------------------------|------------|-----------------|---------------------|------------|------------|--------------|------------|------------------|---------------------------|------------|-----------------|
|                                       | Pos.         | FTE        | Amount          | Pos.                     | FTE        | Amount          | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount          |
| Student and Exchange Visitor Program  | 135          | 135        | \$56,200        | 252                      | 126        | \$63,380        | ---                 | ---        | ---        | 387          | 261        | \$119,580        | 252                       | 126        | \$63,380        |
| <b>Total</b>                          | <b>135</b>   | <b>135</b> | <b>\$56,200</b> | <b>252</b>               | <b>126</b> | <b>\$63,380</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>387</b>   | <b>261</b> | <b>\$119,580</b> | <b>252</b>                | <b>126</b> | <b>\$63,380</b> |

**D. Summary of Reimbursable Resources**

Not applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Student and Exchange Visitor Program**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-----------------|-----------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$6,657         | \$7,479         | \$24,239         | \$16,760              |
| 11.3 Other than full-time permanent                   | 221             | ---             | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | 147             | 84              | 254              | 170                   |
| 11.8 Special Service Pay                              | ---             | ---             | ---              | ---                   |
| 12.1 Benefits   | 2,271           | 3,628           | 7,841            | 4,213                 |
| 13.0 Benefits - former                                | ---             | ---             | ---              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$9,296</b>  | <b>\$11,191</b> | <b>\$32,334</b>  | <b>\$21,143</b>       |
| Other Object Classes:                                 |                 |                 |                  |                       |
| 21.0 Travel   | 674             | 463             | 1,437            | 974                   |
| 22.0 Transportation of things                         | 15              | 10              | 17               | 7                     |
| 23.1 GSA rent   | ---             | 10              | 17               | 7                     |
| 23.2 Other rent                                       | 35              | 243             | 406              | 163                   |
| 23.3 Communications, utilities, & other misc. charges | 109             | 629             | 1,084            | 455                   |
| 24.0 Printing and reproduction                        | ---             | ---             | ---              | ---                   |
| 25.1 Advisory and assistance services                 | 25,456          | 7,763           | 13,958           | 6,195                 |
| 25.2 Other services                                   | 5,635           | 7,719           | 10,623           | 2,904                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 20              | 526             | 907              | 381                   |
| 25.4 Operation & maintenance of facilities            | ---             | ---             | ---              | ---                   |
| 25.5 Research and development contracts               | ---             | ---             | ---              | ---                   |
| 25.6 Medical care                                     | ---             | ---             | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | 520             | 17,006          | 20,166           | 3,160                 |
| 25.8 Subsistence and support of persons               | 1,704           | ---             | ---              | ---                   |
| 26.0 Supplies and materials                           | 1,184           | 667             | 1,150            | 483                   |
| 31.0 Equipment  | ---             | 9,751           | 37,098           | 27,347                |
| 32.0 Land & structures                                | ---             | 222             | 383              | 161                   |
| 41.0 Grants/Subsidies/Contributions                   | ---             | ---             | ---              | ---                   |
| 42.0 Indemnity  | ---             | ---             | ---              | ---                   |
| 43.0 Interest & dividends                             | ---             | ---             | ---              | ---                   |
| 44.0 Refunds  | ---             | ---             | ---              | ---                   |
| 91.0 Unvouchered                                      | 5               | ---             | ---              | ---                   |
| 99.0 Other  | ---             | ---             | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$35,357</b> | <b>\$45,009</b> | <b>\$87,246</b>  | <b>\$42,237</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$44,653</b> | <b>\$56,200</b> | <b>\$119,580</b> | <b>\$63,380</b>       |
| Unobligated balance, start of year                    | (24,957)        | (24,957)        | (24,957)         | 0                     |
| Unobligated balance, end of year*                     | 24,957          | 24,957          | 24,957           | 0                     |
| Recoveries of prior year obligations                  | ---             | ---             | ---              | 0                     |
| <b>Total requirements</b>                             | <b>\$44,653</b> | <b>\$56,200</b> | <b>\$119,580</b> | <b>\$63,380</b>       |

\* SEVP anticipates some carryover at the end of each fiscal year. Much of SEVP collections are received during the latter half of each fiscal year; the carryover covers necessary expenses incurred at the beginning of the following fiscal year.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Student and Exchange Visitor Program  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---            | ---             | ---             | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 1              | 1               | 1               | ---                    |
| GS-14                            | 19             | 19              | 30              | 11                     |
| GS-13                            | 84             | 84              | 199             | 115                    |
| GS-12                            | 5              | 5               | 77              | 72                     |
| GS-11                            | 15             | 15              | 48              | 33                     |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 3              | 3               | 21              | 18                     |
| GS-8                             | 8              | 8               | 8               | ---                    |
| GS-7                             | ---            | ---             | 3               | 3                      |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>135</b>     | <b>135</b>      | <b>387</b>      | <b>252</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 135            | 135             | 387             | 252                    |
| <b>FTE</b>                       | <b>121</b>     | <b>135</b>      | <b>261</b>      | <b>126</b>             |
| Headquarters                     | 53             | 53              | 53              | ---                    |
| U.S. Field                       | 82             | 82              | 82              | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>135</b>     | <b>135</b>      | <b>135</b>      | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | ---                    |
| <b>Average GS Salary</b>         | \$ 93,574      | \$ 97,785       | \$ 101,696      | 3,911                  |
| <b>Average GS Grade</b>          | 12.51          | 13.42           | 13.42           | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justifications

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Student and Exchange Visitor Program  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: SEVP</b>       |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b> |  |                        |                         |                         |                                |
| 11.1                   | Perm Positions                             | \$6,657                | \$7,479                 | \$24,239                | \$16,760                       |
| 11.3                   | Other than perm                            | 221                    | ---                     | ---                     | ---                            |
| 11.5                   | Other per comp                             | 147                    | 84                      | 254                     | 170                            |
| 12.1                   | Benefits                                   | 2,271                  | 3,628                   | 7,841                   | 4,213                          |
| 13.0                   | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                   | Travel                                     | 674                    | 463                     | 1,437                   | 974                            |
| 22.0                   | Transportation of things                   | 15                     | 10                      | 17                      | 7                              |
| 23.1                   | GSA rent                                   | ---                    | 10                      | 17                      | 7                              |
| 23.2                   | Other rent                                 | 35                     | 243                     | 406                     | 163                            |
| 23.3                   | Communication, Utilities, and misc charges | 109                    | 629                     | 1,084                   | 455                            |
| 25.1                   | Advisory & Assistance Services             | 25,456                 | 7,763                   | 13,958                  | 6,195                          |
| 25.2                   | Other Services                             | 5,635                  | 7,719                   | 10,623                  | 2,904                          |
| 25.3                   | Purchase from Govt. Accts.                 | 20                     | 526                     | 907                     | 381                            |
| 25.7                   | Operation & maintenance of equipment       | 520                    | 17,006                  | 20,166                  | 3,160                          |
| 25.8                   | Subsistence & Support of persons           | 1,704                  | ---                     | ---                     | ---                            |
| 26.0                   | Supplies & materials                       | 1,184                  | 667                     | 1,150                   | 483                            |
| 31.0                   | Equipment                                  | ---                    | 9,751                   | 37,098                  | 27,347                         |
| 32.0                   | Land & Structures                          | ---                    | 222                     | 383                     | 161                            |
| 91.0                   | Unvouchered                                | 5                      | ---                     | ---                     | ---                            |
| <b>Total, SEVP</b>     |  | <b>\$44,653</b>        | <b>\$56,200</b>         | <b>\$119,580</b>        | <b>\$63,380</b>                |
| Full Time Equivalents  |  | 121                    | 135                     | 261                     | 126                            |

### PPA Mission Statement

The Student and Exchange Visitor Program (SEVP), which is a division of U.S. Immigration and Customs Enforcement (ICE), administers the School Certification Program and manages the Student and Exchange Visitor Information System (SEVIS), a web-based system for maintaining information on international students and exchange visitors (F, M, J visa classification) in the United States. SEVIS is designed to keep our nation safe while facilitating the participation of students and exchange visitors seeking to study in the United States.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$9,296       | \$11,191       | \$32,334       | \$21,143            |

Salaries and Benefits includes costs for 274 FTEs. The FY 2009 request includes an increase of \$21,143,000 for personnel compensation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$674         | \$463          | \$1,437        | \$974               |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$974,000.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$15          | \$10           | \$17           | \$7                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 includes a \$7,000 increase due to the additional positions requested in FY 2009.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$0           | \$10           | \$17           | \$7                 |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request shows a \$7,000 increase.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$35          | \$243          | \$406          | \$163               |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$163,000.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$109         | \$629          | \$1,084        | \$455               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$455,000 due to non-pay inflation and the additional positions requested in FY 2009.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$25,456      | \$7,763        | \$13,958       | \$6,195             |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$6,195,000. Of this amount, \$3,310,000 is for SEVIS II program support, and the balance of \$2,885,000 is due to non-pay inflation and additional SEVP activity.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$5,635        | \$7,719         | \$10,623        | \$2,904                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY2009 request includes an increase of \$2,904,000 for non-pay inflation and additional SEVP activity.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$20           | \$526           | \$907           | \$381                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$381,000 for non-pay inflation and additional SEVP activity.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$520          | \$17,006        | \$20,166        | \$3,160                |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$3,160,000 for non-pay inflation and additional SEVP activity.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$1,184        | \$667           | \$1,150         | \$483                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$483,000 to support increased SEVP activity due to the increase in staff.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$0            | \$9,751         | \$37,098        | \$27,347               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$27,347,000 which includes \$21,290,000 for SEVIS II acquisition and development and \$6,057,000 to support the needs of the additional staff.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$0            | \$222           | \$383           | \$161                  |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$161,000.

**I. Changes in FTE**

**Summary of FY2009 Budget Estimates by Appropriation and Program  
U.S. Immigration and Customs Enforcement  
Student Exchange Visitor Program  
Changes in Full Time Equivalent**

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|---|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | <b>24</b>      | <b>121</b>     | <b>135</b>     |
| <b>INCREASES</b>  |                |                |                |
| FY 2007 President's Budget Enhancements                                 | 14             | -              | -              |
| Annualization of FY 2007  | -              | 14             |                |
| FY 2008 President's Budget Enhancements                                 | -              | -              | -              |
| FY 2009 Request   | -              | -              | 126            |
| Attrition Hiring  | 89             | -              | -              |
| <b>Subtotal, Increases</b>  | <b>103</b>     | <b>14</b>      | <b>126</b>     |
| <b>DECREASES</b>  |                |                |                |
| Attrition Loses   | (6)            | -              | -              |
| <b>Subtotal, Decreases</b>  | <b>(6)</b>     | <b>-</b>       | <b>-</b>       |
| <b>Year-end Actual / Estimated FTEs</b>                                 | <b>121</b>     | <b>135</b>     | <b>261</b>     |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | <b>97</b>      | <b>14</b>      | <b>126</b>     |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Breached Bond Detention Fund*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. Immigration and Customs Enforcement Breached Bond Detention Fund

### **I. Appropriation Overview**

#### **A. Mission Statement for Breached Bond Detention Fund:**

The Breached Bond Detention Fund was authorized in Section 112 of the Department of Justice Appropriations Act of 1993 (P.L. 102-395). The Act amended Section 286 of the Immigration and Nationality Act (INA) of 1952, as amended, by establishing, in the General Fund of the Treasury, a separate account to be called the Breached Bond Detention Fund. The first \$8,000,000 in breached cash and surety bonds collected goes to the General Fund of the U.S. Treasury. All collections in excess of \$8,000,000 posted under the INA, which are recovered by the Department of Justice, are deposited as offsetting collections into this fund.

#### **B. Budget Activities:**

Amounts deposited into the fund, which remain available until expended, can be used for expenses incurred in the collection of breached bonds, bond management, litigation activities to obtain compliance from surety companies found to be delinquent in meeting their obligations, and for expenses associated with the detention of criminal and illegal aliens.

#### **C. Budget Request Summary:**

For FY 2009 ICE requests 63 positions, 63 FTE, and \$75,000,000. The total adjustment-to-base is 0 FTE and an \$11,200,000 increase in collections. This will allow for the funding of 2,040 detention beds.



## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Breached Bond Detention Fund**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                 |                 |            |                     |                 |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|-----------------|-----------------|------------|---------------------|-----------------|
|  |                   |                 |                    |                 |                    |                 | Total Changes                            |                 | Program Changes |            | Adjustments-to-Base |                 |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT          | FTE             | AMOUNT     | FTE                 | AMOUNT          |
| Breached Bond  | 63                | \$80,664        | 63                 | \$63,800        | 63                 | \$75,000        | ---                                      | \$11,200        | ---             | ---        | ---                 | \$11,200        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>63</b>         | <b>\$80,664</b> | <b>63</b>          | <b>\$63,800</b> | <b>63</b>          | <b>\$75,000</b> | <b>---</b>                               | <b>\$11,200</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>\$11,200</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                 |                    |                 |                    |                 |  |                 |                 |            |                     |                 |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |            |                     |                 |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |            |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>63</b>         | <b>\$80,664</b> | <b>63</b>          | <b>\$63,800</b> | <b>63</b>          | <b>\$75,000</b> | <b>---</b>                               | <b>\$11,200</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>\$11,200</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement (ICE)  
Breached Bond Detention Fund  
Program Performance Justification  
(Dollars in thousands)**

**PPA: Breached Bond Detention Fund**

|                              | <b>Perm.</b>     |            |               |
|------------------------------|------------------|------------|---------------|
|                              | <b>Positions</b> | <b>FTE</b> | <b>Amount</b> |
| <b>2007 Actual</b>           | <b>63</b>        | <b>63</b>  | <b>80,664</b> |
| <b>2008 Enacted</b>          | <b>63</b>        | <b>63</b>  | <b>63,800</b> |
| 2009 Adjustments-to-Base     |                  |            | 11,200        |
| <b>2009 Current Services</b> | <b>63</b>        | <b>63</b>  | <b>75,000</b> |
| 2009 Program Change          | -                | -          |               |
| <b>2009 Request</b>          | <b>63</b>        | <b>63</b>  | <b>75,000</b> |
| Total Change 2008-2009       | -                | -          | 11,200        |

U.S. Immigration and Customs Enforcement requests \$75 million of authority for this account. This is an increase of \$11.2 million over the FY 2008 enacted level for fee collections. Increased authority will allow ICE to fund an additional 200 detention beds.

The Breached Bond Detention Fund was authorized in Section 112 of the Department of Justice Appropriations Act of 1993 (P.L. 102-395). The Act amended Section 286 of the Immigration and Nationality Act (INA) of 1952, as amended, by establishing, in the General Fund of the Treasury, a separate account to be called the Breached Bond/Detention Fund. The first \$8,000,000 in breached cash and surety bonds collected goes to the General Fund of the U.S. Treasury.

All collections in excess of the first \$8,000,000 are deposited as offsetting collections into the Breached Bond Detention fund. Amounts deposited into the fund, which remain available until expended, are used for expenses incurred in the collection of breached bonds, bond management, litigation activities to obtain compliance from surety companies found to be delinquent in meeting their obligations, and for expenses associated with the detention of criminal and illegal aliens.

ICE uses these resources to support bed space and related staff. These resources will support an estimated 2,040 beds in FY 2009. These funds also support 63 staff including bond control specialists, immigration enforcement agents, and administrative personnel.

#### **IV. Program Justification of Changes**

Not Applicable

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Breached Bond Detention Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|---------------------------------------|-------------|------------|---------------|
| 2007 Actual.....                      | 63          | 63         | 80,664        |
| 2008 Enacted.....                     | 63          | 63         | 63,800        |
| <b>Adjustments-to-Base</b>            |             |            |               |
| Increase/Decrease in Collections..... |             |            | 11,200        |
| <b>Total Adjustments-to-Base.....</b> | ---         | ---        | <b>11,200</b> |
| 2009 Current Services.....            | 63          | 63         | 75,000        |
| 2009 Request.....                     | 63          | 63         | 75,000        |
| 2008 to 2009 Total Change.....        | ---         | ---        | 11,200        |

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Breached Bond Detention Fund  
Summary of Requirements  
(Dollars in Thousands)**

|                                  | 2009 Request |           |               |
|----------------------------------|--------------|-----------|---------------|
|                                  | Perm. Pos.   | FTE       | Amount        |
| <b>2007 Actual</b>               | <b>63</b>    | <b>63</b> | <b>80,664</b> |
| <b>2008 Enacted</b>              | <b>63</b>    | <b>63</b> | <b>63,800</b> |
| Adjustments-to-Base              |              |           |               |
| Increase/Decrease in Collections | ---          | ---       | 11,200        |
| Total Adjustments-to-Base        | ---          | ---       | 11,200        |
| <b>2009 Current Services</b>     | <b>63</b>    | <b>63</b> | <b>75,000</b> |
| <b>2009 Total Request</b>        | <b>63</b>    | <b>63</b> | <b>75,000</b> |
| 2008 to 2009 Total Change        | ---          | ---       | 11,200        |

| Estimates by Program/Project Activity | 2008 Enacted |           |               | 2009 Adjustments-to-Base |          |               | 2009 Program Change |          |          | 2009 Request |           |               | 2008 to 2009 Total Change |          |               |
|---------------------------------------|--------------|-----------|---------------|--------------------------|----------|---------------|---------------------|----------|----------|--------------|-----------|---------------|---------------------------|----------|---------------|
|                                       | Pos.         | FTE       | Amount        | Pos.                     | FTE      | Amount        | Pos.                | FTE      | Amount   | Pos.         | FTE       | Amount        | Pos.                      | FTE      | Amount        |
| Breach Bond Detention Fund            | 63           | 63        | 63,800        | -                        | -        | 11,200        |                     |          |          | 63           | 63        | 75,000        | -                         | -        | 11,200        |
| <b>Total</b>                          | <b>63</b>    | <b>63</b> | <b>63,800</b> | <b>-</b>                 | <b>-</b> | <b>11,200</b> | <b>-</b>            | <b>-</b> | <b>-</b> | <b>63</b>    | <b>63</b> | <b>75,000</b> | <b>-</b>                  | <b>-</b> | <b>11,200</b> |

**D. Summary of Reimbursable Resources**

Not applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Breached Bond Detention Fund**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$ 648            | \$ 2,742           | \$ 2,850           | \$ 108                |
| 11.3 Other than full-time permanent                   | \$ 19             | \$ 81              | \$ 81              | \$ -                  |
| 11.5 Other Personnel Compensation                     | \$ 151            | \$ 4,377           | \$ 4,410           | \$ 33                 |
| 11.8 Special Service Pay                              | \$ -              | \$ 13              | \$ 13              | \$ -                  |
| 12.1 Benefits   | \$ 293            | \$ 920             | \$ 920             | \$ -                  |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$1,111</b>    | <b>\$8,133</b>     | <b>\$8,274</b>     | <b>\$141</b>          |
| Other Object Classes:                                 |                   |                    |                    |                       |
| 21.0 Travel   | 342               | 65                 | 65                 | \$ -                  |
| 22.0 Transportation of things                         | 84                | 2                  | 2                  | \$ -                  |
| 23.1 GSA rent   | ---               | 351                | 351                | \$ -                  |
| 23.2 Other rent                                       | ---               | 4                  | 4                  | \$ -                  |
| 23.3 Communications, utilities, & other misc. charges | 3,816             | 32                 | 32                 | \$ -                  |
| 25.1 Advisory and assistance services                 | 2                 | 1,056              | 1,056              | \$ -                  |
| 25.2 Other services                                   | 9,870             | 11,630             | 12,030             | \$ 400                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 3                 | 551                | 551                | \$ -                  |
| 25.4 Operation & maintenance of facilities            | 49,044            | 23,078             | 29,678             | \$ 6,600              |
| 25.6 Medical care                                     | 13,695            | ---                | ---                | \$ -                  |
| 25.7 Operation and maintenance of equipment           | 4                 | 322                | 322                | \$ -                  |
| 25.8 Subsistence and support of persons               | 49                | 15,925             | 19,984             | \$ 4,059              |
| 26.0 Supplies and materials                           | 125               | 2,156              | 2,156              | \$ -                  |
| 31.0 Equipment  | 2,519             | 495                | 495                | \$ -                  |
| <b>Total, Other Object Classes</b>                    | <b>\$79,553</b>   | <b>\$55,667</b>    | <b>\$66,726</b>    | <b>\$11,059</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$80,664</b>   | <b>\$63,800</b>    | <b>\$75,000</b>    | <b>\$11,200</b>       |
| Unobligated balance, start of year                    | (23,792)          | (28,256)           | (28,256)           |                       |
| Unobligated balance, end of year                      | 28,256            | 28,256             | 28,256             |                       |
| Recoveries of prior year obligations                  |                   |                    |                    |                       |
| <b>Total requirements</b>                             | <b>\$85,128</b>   | <b>\$63,800</b>    | <b>\$75,000</b>    |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Breached Bond Detention Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|---------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total               |
| Total, SES                       | ---            | ---             | ---             | ---                 |
| Total, EX                        | ---            | ---             | ---             | ---                 |
| GS-15                            | ---            | ---             | ---             | ---                 |
| GS-14                            | ---            | ---             | ---             | ---                 |
| GS-13                            | ---            | ---             | ---             | ---                 |
| GS-12                            | ---            | ---             | ---             | ---                 |
| GS-14                            | 1              | 1               | 1               | ---                 |
| GS-12                            | 1              | 1               | 1               | ---                 |
| GS-11                            | 10             | 10              | 10              | ---                 |
| GS-10                            | ---            | ---             | ---             | ---                 |
| GS-9                             | 15             | 15              | 15              | ---                 |
| GS-8                             | ---            | ---             | ---             | ---                 |
| GS-7                             | 33             | 33              | 33              | ---                 |
| GS-6                             | ---            | ---             | ---             | ---                 |
| GS-5                             | 3              | 3               | 3               | ---                 |
| GS-4                             | ---            | ---             | ---             | ---                 |
| GS-3                             | ---            | ---             | ---             | ---                 |
| GS-2                             | ---            | ---             | ---             | ---                 |
| Other Graded Positions           | ---            | ---             | ---             | ---                 |
| Ungraded Positions               | ---            | ---             | ---             | ---                 |
| <b>Total Permanent Positions</b> | <b>63</b>      | <b>63</b>       | <b>63</b>       | <b>---</b>          |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                 |
| Total Perm. Employment EOY       | 63             | 63              | 63              | ---                 |
| <b>FTE</b>                       | <b>63</b>      | <b>63</b>       | <b>63</b>       | <b>---</b>          |
| Headquarters                     | 3              | 3               | 3               | ---                 |
| U.S. Field                       | 60             | 60              | 60              | ---                 |
| Foreign Field                    | ---            | ---             | ---             | ---                 |
| <b>Total Permanent Positions</b> | <b>63</b>      | <b>63</b>       | <b>63</b>       | <b>---</b>          |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | ---                 |
| <b>Average GS Salary</b>         | \$ 53,930      | \$ 53,930       | \$ 53,930       | ---                 |
| <b>Average GS Grade</b>          | 9.48           | 9.48            | 9.48            | ---                 |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA Budget Justification

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Breached Bond Detention Fund**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Breached Bond Detention Fund</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                     |  |                        |                         |                         |                                |
| 11.1                                       | Perm Positions                             | \$ 648                 | \$ 2,742                | \$ 2,850                | 108                            |
| 11.3                                       | Other than perm                            | \$ 19                  | \$ 81                   | \$ 81                   | 0                              |
| 11.5                                       | Other per comp                             | \$ 151                 | \$ 4,377                | \$ 4,410                | 33                             |
| 11.8                                       | Spec Srvc Pay                              | \$ -                   | \$ 13                   | \$ 13                   | 0                              |
| 12.1                                       | Benefits                                   | \$ 293                 | \$ 920                  | \$ 920                  | 0                              |
| 21.0                                       | Travel                                     | \$ 342                 | \$ 65                   | \$ 65                   | 0                              |
| 22.0                                       | Transportation of things                   | \$ 84                  | \$ 2                    | \$ 2                    | 0                              |
| 23.1                                       | GSA rent                                   | \$ -                   | \$ 351                  | \$ 351                  | 0                              |
| 23.2                                       | Other rent                                 | \$ -                   | \$ 4                    | \$ 4                    | 0                              |
| 23.3                                       | Communication, Utilities, and misc charges | \$ 3,816               | \$ 32                   | \$ 32                   | 0                              |
| 25.1                                       | Advisory & Assistance Services             | \$ 2                   | \$ 1,056                | \$ 1,056                | 0                              |
| 25.2                                       | Other Services                             | \$ 9,870               | \$ 11,630               | \$ 12,030               | 400                            |
| 25.3                                       | Purchase from Govt. Accts.                 | \$ 3                   | \$ 551                  | \$ 551                  | 0                              |
| 25.4                                       | Operation & maintenance of facilities      | \$ 49,044              | \$ 23,078               | \$ 29,678               | 6,600                          |
| 25.6                                       | Medical care                               | \$ 13,695              |                         |                         | 0                              |
| 25.7                                       | Operation & maintenance of equipment       | \$ 4                   | \$ 322                  | \$ 322                  | 0                              |
| 25.8                                       | Subsistence & Support of persons           | \$ 49                  | \$ 15,925               | \$ 19,984               | 4,059                          |
| 26.0                                       | Supplies & materials                       | \$ 125                 | \$ 2,156                | \$ 2,156                | 0                              |
| 31.0                                       | Equipment                                  | \$ 2,519               | \$ 495                  | \$ 495                  | 0                              |
| <b>Total, Breached Bond Detention Fund</b> |  | <b>\$80,664</b>        | <b>\$ 63,800</b>        | <b>\$75,000</b>         | <b>\$11,200</b>                |
| Full Time Equivalents                      |  | 63                     | 63                      | 63                      | ---                            |

### PPA Mission Statement

The Breached Bond Detention Fund was authorized in Section 112 of the Department of Justice Appropriations Act of 1993 (P.L. 102-395). The Act amended Section 286 of the Immigration and Nationality Act (INA) of 1952, as amended, by establishing, in the General Fund of the Treasury, a separate account to be called the Breached Bond/Detention Fund. The first \$8,000,000 in breached cash and surety bonds collected goes to the General Fund of the U.S. Treasury. All collections in excess of \$8,000,000 posted under the INA, which are recovered by the Department of Justice, are deposited as offsetting collections into this fund. Amounts deposited into the fund, which remain available until expended, can be used for expenses incurred in the collection of breached bonds, bond management, litigation activities to obtain compliance from surety companies found to be delinquent in meeting their obligations, and for expenses associated with the detention of criminal and illegal aliens.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$1,111        | \$8,133         | \$8,274         | \$141                  |

Salaries and Benefits includes costs for 63 FTEs. The FY 2009 request includes a \$141,000 pay increase.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$342          | \$65            | \$65            | \$0                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no changes.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$84           | \$2             | \$2             | \$0                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no changes.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$0            | \$351           | \$351           | \$0                    |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes no changes.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$0            | \$4             | \$4             | \$0                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no changes.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous</b> | \$3,816        | \$32            | \$32            | \$0                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes no changes.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$2            | \$1,056         | \$1,056         | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes no changes.

|                       | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|----------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$9,870</b> | <b>\$11,630</b> | <b>\$12,030</b> | <b>\$400</b>        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a \$400,000 increase.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$3</b>    | <b>\$551</b>   | <b>\$551</b>   | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes no change.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$49,044</b> | <b>\$23,078</b> | <b>\$29,678</b> | <b>\$6,600</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a \$6,600,000 increase.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$4</b>    | <b>\$322</b>   | <b>\$322</b>   | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no changes.

|   | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|---------------|-----------------|-----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$49</b>   | <b>\$15,925</b> | <b>\$19,984</b> | <b>\$4,059</b>      |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes a \$4,059,000 increase.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$125</b>  | <b>\$2,156</b> | <b>\$2,156</b> | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes no changes.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$2,519</b> | <b>\$495</b>   | <b>\$495</b>   | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes no changes.

**I. Changes in Full Time Equivalent**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Breached Bond Detention Fund  
Changes in Full Time Equivalents**

|   |  | <b>FY 2007</b> |  | <b>FY 2008</b> |  | <b>FY 2009</b> |
|---|--|----------------|--|----------------|--|----------------|
|   |  |                |  |                |  |                |
| <b>BASE: Year-end Actual from Prior Year</b>                            |  | 63             |  | 63             |  | 63             |
|   |  |                |  |                |  |                |
| <b>INCREASES</b>  |  |                |  |                |  |                |
|   |  |                |  |                |  |                |
| Attrition Hiring  |  | -              |  | -              |  | -              |
|   |  |                |  |                |  |                |
| Subtotal, Increases   |  | -              |  | -              |  | -              |
|   |  |                |  |                |  |                |
| <b>DECREASES</b>  |  |                |  |                |  |                |
|   |  |                |  |                |  |                |
| Attrition Losses  |  | -              |  | -              |  | -              |
|   |  |                |  |                |  |                |
| <b>Subtotal, Decreases</b>  |  | -              |  | -              |  | -              |
|   |  |                |  |                |  |                |
| <b>Year-end Actual / Estimated FTEs</b>                                 |  | 63             |  | 63             |  | 63             |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> |  | -              |  | -              |  | -              |

# Department of Homeland Security

*U.S. Immigration and Customs Enforcement*

*Immigration Inspection User Fees*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. Immigration and Customs Enforcement** **Immigration Inspection User Fees**

### **I. Appropriation Overview**

#### **A. Mission Statement for Immigration Inspection User Fees:**

The ICE Immigration User Fee account is a repository for fees collected from passengers arriving on commercial aircraft and vessels at U.S.-operated air and sea ports of entry as codified in 8 U.S.C. 1103, 1356, section 286, of the Immigration and Nationality Act. These fees are used to recover some of the costs of ICE operations to deter, detect, detain, adjudicate, and remove passengers attempting to make an unauthorized landing or to unlawfully bring aliens into the United States through air and sea ports. These ICE activities encompass: expanding, operating, and maintaining information systems for nonimmigrant control; detecting fraudulent documents used by passengers traveling to the United States; investigating and establishing the government's legal position regarding all detentions; providing detention and removal services for inadmissible aliens arriving on commercial aircraft or vessels and for any inadmissible alien who has attempted illegal entry into the United States through avoidance of immigration inspection at air or sea ports-of-entry; and providing training and technical assistance to commercial airline and vessel personnel regarding detection of fraudulent documents. All deposits into the Immigration User Fee account are available until expended.

#### **B. Budget Activities:**

The Immigration Inspection User Fee will fund 276 positions.

#### **C. Budget Request Summary:**

ICE requests 276 positions, 276 FTE, and \$117,600,000 for FY 2009. The increase of \$4,100,000 for FY 2009 over FY 2008 represents a projected increase in fee collections based on increased passenger volume and will allow for the funding of 2,075 detention beds.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Immigration Inspection User Fees**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                |                 |            |                     |                |
|---|-------------------|-----------------|--------------------|------------------|--------------------|------------------|--|----------------|-----------------|------------|---------------------|----------------|
|   |                   |                 |                    |                  |                    |                  | Total Changes                            |                | Program Changes |            | Adjustments-to-Base |                |
|   | FTE               | AMOUNT          | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT         | FTE             | AMOUNT     | FTE                 | AMOUNT         |
| Immigration Inspection User Fees                        | 159               | \$98,496        | 276                | \$113,500        | 276                | \$117,600        | ---                                      | \$4,100        | ---             | ---        | ---                 | \$4,100        |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>159</b>        | <b>\$98,496</b> | <b>276</b>         | <b>\$113,500</b> | <b>276</b>         | <b>\$117,600</b> | <b>---</b>                               | <b>\$4,100</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>\$4,100</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Immigration Inspection User Fees**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: Immigration Inspection User Fees**

|                              | <b>Perm.</b>     |            |                |
|------------------------------|------------------|------------|----------------|
|                              | <b>Positions</b> | <b>FTE</b> | <b>Amount</b>  |
| <b>2007 Actual</b>           | 178              | 159        | 98,496         |
| <b>2008 Enacted</b>          | 276              | 276        | 113,500        |
| 2009 Adjustments-to-Base     |                  |            | 4,100          |
| <b>2009 Current Services</b> | <b>276</b>       | <b>276</b> | <b>117,600</b> |
| 2009 Program Change          | -                | -          | -              |
| <b>2009 Request</b>          | <b>276</b>       | <b>276</b> | <b>117,600</b> |
| Total Change 2008-2009       | -                | -          | 4,100          |

U.S. Immigration and Customs Enforcement requests \$117.6 million for this activity. This is an increase of \$4.1 million over FY 2009. The increased authority will allow ICE to fund an additional 75 detention beds.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Immigration User Fee account was established as a repository for fees collected from arriving airline passengers for immigration inspection and fines imposed to prevent unauthorized landing and unlawful bringing of aliens into the United States, penalties for document fraud, and liquidated damages and expenses collected. The fees cover the cost of providing detention and removal services for inadmissible aliens arriving on commercial aircraft and vessels and for any inadmissible alien who has attempted illegal entry into the United States through avoidance of immigration inspection at air or sea ports-of-entry. All deposits into the Immigration User Fee account are available until expended.

#### **IV. Program Justification of Changes**

Not applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Immigration Inspection User Fees  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|--|-------------|------------|----------------|
| <b>FY 2007 Actual</b> .....            | <b>178</b>  | <b>159</b> | <b>98,496</b>  |
| <b>FY 2008 Enacted</b> .....           | <b>276</b>  | <b>276</b> | <b>113,500</b> |
| <b>Adjustments-to-Base</b>             |             |            |                |
| Increase/Decrease in Collections.....  | ---         | ---        | 4,100          |
| <b>Total Adjustments-to-Base</b> ..... | <b>---</b>  | <b>---</b> | <b>4,100</b>   |
| <b>2009 Current Services</b> .....     | <b>276</b>  | <b>276</b> | <b>117,600</b> |
| <br>                                   |             |            |                |
| <b>2009 Request</b> .....              | <b>276</b>  | <b>276</b> | <b>117,600</b> |
| <br>                                   |             |            |                |
| <b>2008 to 2009 Total Change</b> ..... | <b>---</b>  | <b>---</b> | <b>4,100</b>   |

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Immigration Inspection User Fees  
Summary of Requirements  
(Dollars in Thousands)**

|                              |  |  | <b>2009 Request</b> |            |                |
|------------------------------|--|--|---------------------|------------|----------------|
|                              |  |  | <b>Perm. Pos.</b>   | <b>FTE</b> | <b>Amount</b>  |
| <b>FY 2007 Actual</b>        |  |  | <b>178</b>          | <b>159</b> | <b>98,496</b>  |
| <b>2008 Enacted</b>          |  |  | <b>276</b>          | <b>276</b> | <b>113,500</b> |
| Adjustments-to-Base          |  |  |                     |            |                |
| Increase                     |  |  | -                   | -          | 4,100          |
| Total Adjustments-to-Base    |  |  | -                   | -          | 4,100          |
| <b>2009 Current Services</b> |  |  | <b>178</b>          | <b>159</b> | <b>117,600</b> |
| <b>2009 Total Request</b>    |  |  | <b>178</b>          | <b>159</b> | <b>117,600</b> |
| 2008 to 2009 Total Change    |  |  | -                   | -          | 4,100          |

| <b>Estimates by Program/Project Activity</b> | 2008 Enacted |            |                | 2009 Adjustments-to-Base |          |              | 2009 Program Change |          |          | 2009 Request |            |                | 2008 to 2009 Total Change |          |              |
|--|--------------|------------|----------------|--------------------------|----------|--------------|---------------------|----------|----------|--------------|------------|----------------|---------------------------|----------|--------------|
|  | Pos.         | FTE        | Amount         | Pos.                     | FTE      | Amount       | Pos.                | FTE      | Amount   | Pos.         | FTE        | Amount         | Pos.                      | FTE      | Amount       |
| Immigration Inspection User Fee              | 276          | 276        | 113,500        | -                        | -        | 4,100        | -                   | -        | -        | 276          | 276        | 117,600        | -                         | -        | 4,100        |
| <b>Total</b>                                 | <b>276</b>   | <b>276</b> | <b>113,500</b> | <b>-</b>                 | <b>-</b> | <b>4,100</b> | <b>-</b>            | <b>-</b> | <b>-</b> | <b>276</b>   | <b>276</b> | <b>117,600</b> | <b>-</b>                  | <b>-</b> | <b>4,100</b> |

**D. Summary of Reimbursable Resources**

Not applicable

## E. Summary of Requirement by Object Class

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Immigration Inspection User Fees**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008-2009<br>Change |
|---|-------------------|--------------------|--------------------|---------------------|
| 11.1 Total FTE & personnel compensation               | \$9,543           | \$18,389           | \$19,063           | \$674               |
| 11.3 Other than full-time permanent                   | 2                 | 363                | 376                | 13                  |
| 11.5 Other Personnel Compensation                     | 3,530             | 668                | 692                | 24                  |
| 12.1 Benefits   | 4,849             | 7,962              | 8,249              | 287                 |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$17,924</b>   | <b>\$27,382</b>    | <b>\$28,380</b>    | <b>\$998</b>        |
| Other Object Classes:                                 |                   |                    |                    |                     |
| 21.0 Travel   | 194               | 6                  | 6                  | 0                   |
| 22.0 Transportation of things                         | 8                 | 17                 | 18                 | 1                   |
| 23.1 GSA rent   |                   | 5,770              | 5,978              | 208                 |
| 23.3 Communications, utilities, & other misc. charges | 237               | 42                 | 44                 | 2                   |
| 25.1 Advisory and assistance services                 | 10,285            | 1,677              | 1,737              | 60                  |
| 25.2 Other services                                   | 25,039            | 14,716             | 15,246             | 530                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 14                | 480                | 497                | 17                  |
| 25.4 Operation & maintenance of facilities            | 39,158            | 31,579             | 32,716             | 1,137               |
| 25.8 Subsistence and support of persons               | 5                 | 26,686             | 27,647             | 961                 |
| 26.0 Supplies and materials                           | 194               | 4,019              | 4,164              | 145                 |
| 31.0 Equipment  | 2,066             | 1,126              | 1,167              | 41                  |
| <b>Total, Other Object Classes</b>                    | <b>\$80,572</b>   | <b>\$86,118</b>    | <b>\$89,220</b>    | <b>\$3,102</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$98,496</b>   | <b>\$113,500</b>   | <b>\$117,600</b>   | <b>\$4,100</b>      |
| Unobligated balance, start of year                    | (49,145)          | (56,460)           | (56,460)           | ---                 |
| Unobligated balance, end of year                      | 56,460            | 56,460             | 56,460             | ---                 |
| Recoveries of prior year obligations                  | ---               | ---                | ---                | ---                 |
| <b>Total requirements</b>                             | <b>\$105,811</b>  | <b>\$113,500</b>   | <b>\$117,600</b>   | <b>\$4,100</b>      |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Immigration and Customs Enforcement  
Immigration Inspection User Fees  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---            | ---             | ---             | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | ---            | ---             | ---             | ---                    |
| GS-14                            | 14             | 3               | 3               | ---                    |
| GS-13                            | 33             | 5               | 5               | ---                    |
| GS-12                            | 13             | 9               | 9               | ---                    |
| GS-11                            | 14             | 3               | 3               | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 62             | 67              | 67              | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | 29             | 84              | 84              | ---                    |
| GS-6                             | 1              |                 |                 | ---                    |
| GS-5                             | 10             | 105             | 105             | ---                    |
| GS-4                             | 1              | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | 1              | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>178</b>     | <b>276</b>      | <b>276</b>      | <b>---</b>             |
| Unfilled Positions EOY           | (98)           | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 276            | 276             | 276             | ---                    |
| <b>FTE</b>                       | <b>159</b>     | <b>276</b>      | <b>276</b>      | <b>---</b>             |
| Headquarters                     | 2              | 12              | 12              | ---                    |
| U.S. Field                       | 176            | 264             | 264             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | ---                    |
| <b>Average GS Salary</b>         | \$ 66,097      | \$ 69,072       | \$ 70,453       | 1,381                  |
| <b>Average GS Grade</b>          | 9.92           | 7.12            | 7.12            | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not applicable

## H. PPA by Budget Justification

**Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Immigration Inspection User Fees**  
**Funding Schedule**  
(Dollars in Thousands)

|  |  | 2007            | 2008             | 2009             | 2008 to 2009   |
|--|--|-----------------|------------------|------------------|----------------|
| <b>PPA: Immigration Inspection User Fees</b> |  | <b>Actual</b>   | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>  |
| <b>Object Classes:</b>                       |  |                 |                  |                  |                |
| 11.1   | Perm Positions                             | \$9,543         | \$18,389         | \$19,063         | \$674          |
| 11.3   | Other than perm                            | 2               | 363              | 376              | 13             |
| 11.5   | Other per comp                             | 3,530           | 668              | 692              | 24             |
| 12.1   | Benefits                                   | 4,849           | 7,962            | 8,249            | 287            |
| 21.0   | Travel                                     | 194             | 6                | 6                | 0              |
| 22.0   | Transportation of things                   | 8               | 17               | 18               | 1              |
| 23.1   | GSA rent                                   |                 | 5,770            | 5,978            | 208            |
| 23.2   | Other rent                                 | 5               |                  | ---              | 0              |
| 23.3   | Communication, Utilities, and misc charges | 237             | 42               | 44               | 2              |
| 25.1   | Advisory & Assistance Services             | 10,285          | 1,677            | 1,737            | 60             |
| 25.2   | Other Services                             | 25,039          | 14,716           | 15,246           | 530            |
| 25.3   | Purchase from Govt. Accts.                 | 14              | 480              | 497              | 17             |
| 25.4   | Operation & maintenance of facilities      | 39,158          | 31,579           | 32,716           | 1,137          |
| 25.6   | Medical care                               | 2,100           |                  | ---              | 0              |
| 25.7   | Operation & maintenance of equipment       | 1,267           |                  | ---              | 0              |
| 25.8   | Subsistence & Support of persons           | 5               | 26,686           | 27,647           | 961            |
| 26.0   | Supplies & materials                       | 194             | 4,019            | 4,164            | 145            |
| 31.0   | Equipment                                  | 2,066           | 1,126            | 1,167            | 41             |
| <b>Total, Immigration User Fees</b>          |  | <b>\$98,496</b> | <b>\$113,500</b> | <b>\$117,600</b> | <b>\$4,100</b> |
| Full Time Equivalents                        |  | 159             | 276              | 276              | 0              |

### PPA Mission Statement

The Immigration User Fee account was established as a repository for fees collected from arriving airline passenger for immigration inspection and fines imposed to prevent unauthorized landing and unlawful bringing of aliens into the United States, penalties for document fraud, and liquidated damages and expenses collected. The fees cover the cost of providing detention and removal services for inadmissible aliens arriving on commercial aircraft and vessels and for any inadmissible alien who has attempted illegal entry into the United States through avoidance of immigration inspection at air or sea ports-of-entry. All deposits into the Immigration User Fee account are available until expended.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$17,924               | \$27,382                | \$28,380                | \$998                          |

Salaries and Benefits includes costs for 276 FTEs. The FY 2009 request includes an increase of \$998,000 in personnel compensation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$194                  | \$6                     | \$6                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes no increases in non-pay inflation.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$8                    | \$17                    | \$18                    | \$1                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$1,000 in non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> |                        | \$5,770                 | 5,978                   | \$208                          |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$208,000 in non-pay inflation.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$237                  | \$42                    | 44                      | \$2                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes increases of \$2,000 in non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$10,285               | \$1,677                 | \$1,737                 | \$60                           |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$60,000 in non-pay inflation.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$25,039       | \$14,716        | \$15,246        | \$530                  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes increases of \$530,000 from increased collections.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$14           | \$480           | \$497           | \$17                   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$17,000 in non-pay inflation.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$39,158       | \$31,579        | \$32,716        | \$1,137                |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$1,137,000 from increased collections.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$5            | \$26,686        | \$27,647        | \$961                  |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes an increase of \$961,000 from increased collections.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$194          | \$4,019         | \$4,164         | \$145                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes increases of \$145,000 in non-pay inflation.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$2,066        | \$1,126         | \$1,167         | \$41                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$41,000 for equipment.

**I. Changes in Full Time Equivalent**

**Summary of FY 2009 Budget Estimates by Appropriation and Program  
U.S. Immigration and Customs Enforcement  
Immigration Inspection User Fees  
Changes in Full Time Equivalent**

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|---|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | 159            | 276            | 276            |
| <b>INCREASES</b>  |                |                |                |
| FY 2007 President's Budget Enhancements                                 | -              | -              | -              |
| Annualization of FY 2007 Enhancements                                   | -              | -              | -              |
| FY 2008 President's Budget Enhancements                                 | -              | -              | -              |
| Attrition Hiring  | 117            | 8              | 8              |
| <b>Subtotal, Increases</b>  | 117            | 8              | 8              |
| <b>DECREASES</b>  |                |                |                |
| Attrition Loses   | -              | (8)            | (8)            |
| <b>Subtotal, Decreases</b>  | -              | (8)            | (8)            |
| <b>Year-end Actual / Estimated FTEs</b>                                 | 276            | 276            | 276            |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | 117            | -              | -              |

# Department of Homeland Security

## *U.S. Immigration and Customs Enforcement* Strategic Context

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Fiscal Year 2009  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**U.S. Immigration and Customs Enforcement**

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## **A. Mission and Description of U.S. Immigration and Customs Enforcement**

U.S. Immigration and Customs Enforcement (ICE) is the largest investigative bureau within the Department of Homeland Security. ICE currently employs approximately 16,800 Federal law enforcement officers and civil servants throughout the United States and overseas.

ICE's mission is to protect America and uphold public safety by targeting the people, money, and materials that support terrorists and criminal activities. ICE fulfills this mission by investigating violations of immigration and customs laws

ICE's four main operations are detention, investigation, international enforcement, and protection.

The *Office of Detention and Removal Operations (DRO)* processes, detains, and removes criminal aliens, aliens residing illegally in the United States, and non-immigrants apprehended for infraction of immigration laws (including administrative violations). DRO is responsible for the safe and humane treatment of detained aliens while in ICE custody. This includes the safe and secure transportation from the point of apprehension through each phase of their immigration proceedings including removal of the alien from the United States. In addition to managing the detained alien population, the Criminal Alien Program (CAP) identifies criminal aliens who are incarcerated in Federal, State, and local facilities. CAP prepares criminal aliens for immigration proceedings and ensures that they are not released into the community. DRO also manages the ICE Fugitive Operations program that locates and captures aliens who have violated conditions of release and subsequently absconded.

The *Office of Investigations (OI)* enforces trade, immigration, and customs laws. OI investigates a wide range of criminal activities including: illegal immigration; weapons trafficking (including weapons of mass destruction and nuclear, biological, chemical, and radiological agents); narcotics and contraband smuggling; human smuggling and trafficking; money laundering and other financial crimes; fraudulent trade practices and intellectual property rights violations; child pornography; and child sex tourism.

The *Office of International Affairs (OIA)* enhances and promotes the ICE mission of protecting the United States by using an international, multi-faceted, law enforcement approach and partnering with foreign and domestic counterparts to combat criminal and terrorist activities.

The *Federal Protective Service (FPS)* reduces vulnerabilities to Federal facilities based on criminal and terrorist threats. FPS employs a mix of contract security guards and law enforcement officers to provide security and law enforcement coverage to all General Services Administration owned and leased Federal buildings, property, and personnel across the Nation.

## **B. Major Activities and Key Strategic Issues**

As ICE continues to move forward and maintain focus on changing threats, many strategic issues face the organization. One of the most comprehensive issues ICE faces is the Secure Border Initiative (SBI). The SBI focuses on two major immigration enforcement themes: controlling the border and interior enforcement within the United States. ICE's interior enforcement investigations and activities will eliminate vulnerabilities in the legal immigration process. As a result, violators are more likely to be criminally prosecuted and removed from the United States. ICE will strengthen efforts to combat document fraud, improve visa compliance, improve cooperation with State and local law enforcement and monitor worksites to ensure that employers who violate the law are punished. ICE also pursues both effective and efficient ways to enforce immigration and customs compliance – directing resources toward activities that present the greatest threats.

Once apprehended the Detention and Removal program ensures the physical custody of aliens pending completion of the removal process. ICE has created efficiencies to improve the management of the detention and removal process and ended the catch and release of non-Mexicans (OTMs) crossing the Southwest and Northern border.

**Detention and Removals Operations (DRO)** – In FY 2008 DRO received \$3,118 million:

- \$2,689 million in the five Detention and Removal budget activities within S&E;
- \$231.1 million for Legal Proceedings;
- \$16.5 million in Construction appropriation;
- \$63.8 million in Breached Bond Detention Fund account; and
- \$99.8 million in the Immigration User Fee account.
- \$17.8 million in the Automation account.

ICE will focus on the identification, process and removal of criminal aliens incarcerated at Federal, State and local institutions through the CAP program. The number of CAP teams will be expanded to increase the coverage throughout the United States in FY 2008. Upon completing their prison sentence, aliens who have been identified as removable via the CAP program are taken into ICE custody and expeditiously removed. After a criminal alien has been judged deportable, Fugitive Operation teams are tasked with ensuring compliance of the removal orders. Over the next five years, ICE plans to significantly increase its fugitive operations.

In FY 2007, DRO conducted a comprehensive study of all known jails and prisons (Federal, State and county) within the United States with the goal of achieving 100% screening in all facilities to determine nationality of incarcerated individuals. ICE used a risk based approach and assigned each facility a weighted score of risk. The plan is to develop and fund a program which will screen jails and prisons to enhance the methodology and process of identifying, prioritizing, and efficiently removing criminal aliens from the United States.

Additionally, in FY 2007, the total funded detention bed space was 27,500. The actual average daily population of detainees held in ICE custody in FY 2007 was 27,883. The FY 2008

Omnibus emergency funding provides for an additional 4,500 beds, for a total of 32,000. In FY 2009, ICE is requesting an additional 1,000 beds for a total of 33,000.

The detention strategy for adding more space historically has been through a combination of ICE-owned Service Processing Centers (SPCs), inter-governmental service agreements with State and local facilities, and fully contracted facilities. At the request of the Department, ICE is conducting a three-phase study to look into the feasibility, costs, and benefits of potentially transitioning the ownership of ICE SPCs to the private sector. In March 2007, ICE completed the first phase of the privatization study and is finalizing the second phase that addresses specific privatization issues, costs and benefits, and transition requirements on an individual facility basis.

### Key Accomplishments/Planned Accomplishments

In FY 2007, ICE:

- Fugitive Operation Teams (FOT) arrested 30,408 illegal aliens. Of the total aliens arrested, 18,324 were fugitive aliens, of which, 2,679 were criminal fugitive aliens. The remaining 12,084 arrests were comprised of non-fugitives, of which 2,755 were criminal aliens;
- Upgraded the Fugitive Case Management System (FCMS) 1.2 before the end of fiscal year, a comprehensive data collection system used to accurately track field statistics in support of the overall DRO mission. FCMS is also utilized to generate reports and measure FOT activity;
- Increased the number of operational FOTs deployed nationwide, from 50 to 75. These additional teams will help maximize the efficiency of ICE immigration enforcement efforts to locate, arrest, and remove fugitive aliens from the United States;
- Continued the expansion of the CAP to include the early identification and placement in immigration proceedings of criminal aliens incarcerated in Federal, State or local facilities to increase the ability to remove these aliens upon their release from incarceration;
- Issued 164,296 charging documents through the CAP program. This exceeds the CAP fiscal year 2006 total by over 140%;
- Presented 2,746 cases to the U.S. Attorney's office for criminal prosecution. Of those, 1,808 cases were accepted;
- Implemented a DRO Modernization (DROM) project, in order to better manage bed space, cases and overall DRO operations;
- Increased its use of expedited removal, a legal process that allows ICE to remove illegal aliens without a formal hearing before an immigration judge if the aliens have no credible claim to asylum or any other relief from deportation; and
- Removed 276,912 aliens.

In FY 2008, ICE will:

- Expand the Transportation Management program to remove the increased number of removable aliens because of increased border enforcement, the expansion of expedited removal operations, and implementation of a comprehensive CAP Program;

- Expand CAP teams by 30. The additional team enhancements will be used to increase CAP coverage throughout the United States. Each Immigration Enforcement Agent (IEA) will be responsible for conducting an estimated 600 interviews per year, and also be responsible for issuing 300 charging documents per year;
- Apprehend over 50,000 aliens within the United States with FOTs;
- Achieve 100% screening of all jails and prisons (Federal, State, and local.) ICE is utilizing a phased approach to bring all facilities to 100% screening as resources become available by using a risk based assessment; and
- Continue to engage other government agencies and embassies to accelerate and expedite the issuance of travel documents for aliens pending removal from the United States. In FY 2008, DRO received a \$44.0 million enhancement that includes \$17.6 million for Centralized Ticketing Operations and \$26.4 million for additional air transportation support, including the use of the Justice Prisoner and Alien Transportation System (JPATS) and leasing of aircrafts for alien removals. DRO will continue to develop and expand deployment of the Electronic Travel Document (eTD) system as well as encourage other foreign governments to use the system and increase its use of JPATS.

FY 2009 Projected Accomplishments:

- The efforts of the additional 29 FOTs received in FY 2008 will continue to enhance those already in existence in the reduction of the fugitive alien population. These teams in FY 2009 will continue to conduct over 90,000 enforcement activities designed to eliminate existing cases for the Fugitive Operations Program.
- Expand Web Services to allow the eTD application to communicate with other internal or external applications such as the JPATS scheduling tool, DHL (world-wide package company) web interface and the Enforce Alien Removal Module (EARM). This will enhance the end-user experience by consolidating services from multiple applications into the single eTD application;
- Allow for fee processing. The current eTD application facilitates the process for issuing travel documents between the United States and foreign governments. The fee processing enhancement will automate travel document processing fees to be transferred and administered electronically;
- Increase the number of correctional facilities with 100% screening of foreign-born inmates by 500 facilities with the use of technology, enhanced staffing and process improvement;
- Establish 287g or DRO/CAP on-site offices at correctional reception centers in all 50 states and in the 100 largest county or local correctional reception centers in the country;
- The Intensive Supervision Appearance Program (ISAP) will end during FY 2009. The Alternatives to Detention (ATD) program will conduct a study to see which type of program best suits the DHS mission (ISAP and/or Enhanced Supervision Reporting (ESR)) ;
- The ATD Unit is also researching piloting a program that would utilize “kiosk” type hardware like the U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program. With this technology, an alien could report according to a schedule by scanning their fingerprint and having their photo taken at a “kiosk”. This concept could potentially revolutionize the way ICE DRO supervises non-detained aliens; and
- Increase the number of inmates screened and processed by 57,600.

**Investigations (OI)** - ICE received \$1,739 million for Investigations activities in FY 2008:

- \$1,597.4 million in the Investigations budget activities within the Salaries and Expenses appropriation;
- \$59.7 million in the Intelligence PPA within the Salaries and Expenses appropriation;
- \$56.2 million in the Student Exchange Visitor Program (SEVP) account; and
- \$13.6 million in the Immigration User Fee account.
- \$12.9 million in the Automation account

Funds will be used to pursue investigations into a broad array of law enforcement, public safety, and national security issues, including: illegal imports and exports (components and precursors to weapons of mass destruction (WMD), munitions, weapons, and dual-use technologies); financial crimes; commercial fraud; human smuggling and trafficking; narcotics smuggling; child pornography and exploitation; document and benefit fraud; and visa fraud to include student and worker visas. This funding includes enhancements to expand targeted investigative efforts in worksite and compliance enforcement and increased support to State and local law enforcement through expanded 287(g) training. This funding will also enable ICE to combine efforts with U.S. Customs and Border Protection (CBP) and the Food and Drug Administration (FDA) to target, interdict, and investigate the importation of substandard, tainted, and counterfeit products being imported into the United States from the People's Republic of China (PRC).

ICE is also implementing many reform initiatives which will reduce operating costs and achieve economies of scale. OI has created Document and Benefit Fraud Task Forces, which build on existing partnerships to bring together the specific expertise of numerous law enforcement agencies and departments to collaborate in conducting and managing complex and cross-cutting investigations. This has increased ICE's ability to target high-impact investigations, resulting in significantly higher quality cases and enforcement results. The SEVP has created a Certification Review Process which has allowed SEVP to eliminate the backlog of all initial certification cases and identify more than 10,000 case files of Student and Exchange Visitor Information System (SEVIS)-approved schools to be centralized at ICE Headquarters.

Strategic issues and major challenges revolve around integrating enforcement authorities to detect and eliminate vulnerabilities that harm our citizens, national security, and the economy. ICE will continue aggressive enforcement activities against egregious employers of unauthorized workers to promote a healthier economy, reduce potential threats to critical infrastructure facilities, and reduce the demand for illegal workers. ICE will prioritize leads and expand investigative efforts to locate those out-of-status visitors who pose a potential threat to the safety and security of the United States using data from SEVIS and US-VISIT.

ICE will also expand the 287(g) program, delegating authority to more State and Local Law Enforcement Officers to enforce limited immigration functions. As of December 2007, there were 34 current and active 287(g) Memorandums of Agreement in place. The program uses certified instructors from the Federal Law Enforcement Training Facility (FLETC) in Glynco, Georgia to train the Task Force Officers (TFOs) and Jail Enforcement Officers (JEOs) from the participating jurisdictions. In FY 2008, ICE received a \$26 million increase for State and local immigration enforcement support. This funding will be used for training of State and Local Law

Enforcement Officers and computer equipment to facilitate communication between law enforcement agencies and ICE.

### Key Accomplishments/Planned Accomplishments

In FY 2007, ICE:

- Increased the number of large scale operations involving egregious violators or employers with significant numbers of unauthorized aliens, and in total for the year made 863 criminal arrests and 4,077 administrative arrests for all worksite investigations;
- Trained an additional 426 State and Local Law Enforcement Officers to enforce Federal immigration laws, who processed over 21,900 criminal aliens;
- Assumed administrative control of the Human Smuggling and Trafficking Center (HSTC);
- Continued WMD training and conducted Project Shield America visits to manufacturers/distributors/exporters of dual-use/military technology;
- Increased coordination with the Departments of State (DOS) and Defense and the Intelligence Community on export enforcement and national security programs;
- Expanded the worksite enforcement and compliance enforcement programs, ICE Mutual Agreement between Government and Employers (IMAGE), the Document and Benefits Fraud Task Forces, Operation Community Shield, Border Enforcement Security Task Force (BEST), participation in Joint Terrorism Task Force (JTTF), and training for 287(g) program participants; and
- Realigned overseas staffing levels to better address the increasing need to disrupt and dismantle human trafficking and smuggling organizations and other criminal organizations based in Eastern Europe.

In FY 2008, ICE will:

- Expand the BEST program to the Northern Border;
- Initiate export enforcement programs dedicated to specific dual-use and military technology;
- Develop an employer outreach training curriculum and deliver training to Special Agents in the field on the IMAGE program;
- Expand the IMAGE employer outreach program from the headquarters level to the field level through locally-delivered presentations and speeches from IMAGE officials;
- Expand IMAGE training to increase the IMAGE outreach to provide employers with the latest information available to assist them in hiring and maintaining an authorized workforce;
- Expand the Compliance Enforcement programs by hiring additional special agents, program managers and support staff;
- Expand Firewall Operations and outbound bulk cash smuggling operations for domestic and foreign locations;
- Expand 287(g) training and provide an annual 287(g) e-training refresher course;
- Expand worksite and gang enforcement activities; and
- Expand the network of Trade Transparency Unit (TTUs) with additional foreign governments.

FY 2009 Projected Accomplishments:

- Increase national security and critical infrastructure investigations, especially at ports of entry and other sensitive facilities that attract terrorists and/or illegal and undocumented workers;
- Identify, target, dismantle, and counter methods and vulnerabilities exploited by criminal organizations engaged in highly profitable trade crimes;
- Strengthen the security of the southwest border and targets border vulnerabilities along the entire U.S. border;
- Reduce vulnerabilities of drug activity along the southwest border that assists efforts to dismantle and disrupt drug smuggling and trafficking organizations;
- Reduce vulnerabilities by providing information and intelligence to assist efforts to dismantle and disrupt human smuggling and trafficking organizations;
- Identify and implement new technologies for conducting Internet intercepts and remote video over Internet protocol surveillance;
- Establish national and regional ICE digital forensic laboratories; and
- Support the administration and the operations of the HSTC which will allow the center to carry out the functions mandated under the Intelligence Reform and Terrorist Prevention Act (IRTPA) to serve as the Government focal point for all information relative to human smuggling, human trafficking and clandestine terrorist travel; and allow for significant analytical enhancement to the information collected.

**International Affairs-** ICE received \$110.3 million for International activities in FY 2008:

- 110.3 million for International budget activities within the Salaries and Expenses appropriation;

OIA is the largest international investigative component within DHS, and interacts with the international community on behalf of ICE through investigations of immigration and customs violations, representation with international organizations, conducting international training and guiding repatriation efforts. OIA also manages the Visa Security Program (VSP) and the International Visitor's Program. The Visa Security operations conduct targeted, in-depth vetting of individual visa applications and applicants prior to issuance, and make recommendations on denials or revocations of individual applications when warranted.

OIA's law enforcement presence overseas assists in the collaboration with foreign counterparts to combat criminal and terrorist activities. In FY 2008, OIA's funding will focus on realigning overseas staffing levels to address the need of disrupting human trafficking, smuggling and other criminal organizations in Eastern Europe. OIA will also work to assist in the creation of additional TTUs.

Key Accomplishments/Planned Accomplishments

In FY 2007 ICE:

- Established TTUs locations in Columbia, Paraguay, Argentina and Brazil. Currently, OIA is in the process of establishing a TTU in Mexico. As a result of these additional TTUs, closed investigations have increased by 15%;
- The International Law Enforcement Academies (ILEA), OIA coordinated training for approximately 1,154 participants in areas of human trafficking, financial crimes, commercial fraud, child exploitation, intellectual property rights, fraudulent documents, and arms trafficking. Participants included local and national police, customs and immigration officers, and prosecutors;
- Expanded VSP overseas deployment to nine posts in eight countries and trained more than 40 special agents to serve as visa security officers. ICE investigations through this program resulted in the denial of more than 750 visas and the initiation of more than 140 investigations;
- Worked with the Mexican government to rescue 15 victims of human trafficking, training approximately 250 law enforcement officers from different Mexican agencies in the different areas Global Trafficking in Persons Program (G-TIP) investigations, such as cyber crimes, electronic surveillance, trafficking investigations, and victim assistance;
- Provided export control and related border security training to authorities in 7 countries;
- Provided bulk cash smuggling operational training to customs and law enforcement personnel in the Philippines. This bulk cash smuggling enforcement initiative resulted in several cash seizures with the assistance of U.S. Government personnel and assets;
- Conducted multilateral bulk cash smuggling enforcement operation with United Kingdom (U.K.) and Pakistan law enforcement authorities. These operations resulted in thirteen currency seizures in the United States and the U.K.;
- Funded and managed the upgrade of IT systems at 47 international locations in support of creating a standard operating environment to perform ICE and OIA operational and administrative functions;
- Coordinated data sharing with the Overseas Building Operations/DOS to ensure accurate data was reported to calculate ICE's share of the embassy costs under the Capital Security Cost Sharing Program. This reconciliation process prevented OIA from being charged for other agency's positions;
- Utilized the International Bulk Cash Smuggling Training Program to (working closely with OI) OIA provided at least 6 overseas training courses to more than 255 foreign law enforcement officers in 34 countries;
- Identified and implemented 3 global OIA staffing actions to optimize the international investigative goals;
- Developed OIA as an individual component and identified standard operating procedures, processes, and tools to enhance operations at domestic and foreign offices;
- Completed 43 end-of-tour rotations of employees and dependents from overseas, and filled 70 positions in support of strategic and operational goals;
- Thirteen attaché positions were recruited under the new dual 1811/1801 announcements and are in the process of selection to deploy in FY 2008;
- OIA has deployed DDOs to 3 countries and will complete deployment to 6 additional overseas locations in early FY08; and

- Funded and managed the upgrade of IT systems at 47 international locations in support of creating a standard operating environment to perform ICE and OIA operational and administrative functions.

In FY 2008, ICE will:

- Realign overseas staffing levels to address the increasing need to disrupt and dismantle human trafficking and smuggling organizations and other criminal organizations in Eastern Europe;
- Increase overseas deployment of visa security officers according to risk-based assessments;
- Expedite task force efforts to identify and investigate (Politically Exposed Persons) (PEP) in coordination with foreign governments;
- Assist in the creation of additional TTUs with interested foreign governments;
- Continue to support all ICE and other DHS international enforcement efforts; and
- Continue to expand the VSP program to new sites, and expand the VSP role in the Security Advisory Opinion (SAO) Process.

FY 2009 Projected Accomplishments:

- Support ICE and other DHS law enforcement related programs overseas;
- Participate in efforts to establish formal TTUs;
- Continue to expand the VSP program, consistent with the 5-Year Expansion Plan, by opening two new VSP offices in Istanbul, Turkey and Beirut, Lebanon;
- Identify, disrupt, and dismantle organizations involved in circumventing established laws and procedures designed to stem systemic vulnerabilities;
- Continue task force efforts to identify and investigate PEPs in coordination with foreign governments;
- Assign officers to overseas visa-issuing posts to enhance visa security by vetting visa applicants, providing expert advice and training to DOS Consular Officers;
- Increase its coverage of the highest risk visa activity worldwide;
- Deter, dismantle, and disrupt human smuggling organizations in Eastern Europe; and
- Improve and expand the global reach in the investigative areas of human trafficking, anti smuggling, money laundering, child exploitation, fraud and sensitive technology investigations, as well as reduce the threat associated with foreign nationals transiting the United States;
- Support the DHS international mission.

**Federal Protective Service (FPS)** - In FY 2008, FPS received authority to collect \$613 million in basic security and building security fees in order to provide law enforcement and security within GSA-owned and operated Federal facilities nationwide. These funds will allow FPS to maintain current services and staff.

Key strategic issues and major challenges for FPS in FY 2008:

- FPS will transition to a new mission focus by realigning its workforce using a risk-based model;

- FPS will maximize resources and refocus some of its activities towards setting security standards and measuring compliance linked to the protection of Federal property.

### Key Accomplishments/Planned Accomplishments

#### In FY 2007, ICE:

- Provided significant and appropriate law enforcement and security services for approximately 9,000 facilities;
- Monitored alarm accounts daily for intrusion detection, fire, and personnel protection;
- Responded to alarm activations, incidents on Federal property, weapons and explosives incidents, demonstrations and disturbances, accident-related incidents, and fire-related incidents;
- Served as the Federal lead for the Government Facilities Sector under the National Infrastructure Protection Plan (NIPP), directly supporting DHS overall goals and objectives with regard to enhancing the protection of our Nation's critical infrastructures and key resources; and
- Realigned its mission, workforce and resources to strengthen Federal physical security policies, procedures and standards that apply to Federal buildings and enhance oversight and inspection capabilities.

#### In FY 2008, ICE will:

- Improve the strategic methods used in identifying and reducing real and/or perceived threats faced by customers;
- Continue intelligence and information sharing with organizations as appropriate, to include other DHS agencies, State and local law enforcement, and building management;
- Provide law enforcement and security services at national security events that pose increased threats at or in the vicinity of Federal facilities, including the Democratic National Convention, the Republican National Convention, the Inauguration, Presidential Transition, and any related demonstrations, and protests; and
- Strengthen security standards representing the key elements for reducing threat and vulnerability levels at Federal facilities.

#### FY 2009 Projected Accomplishments:

- Complete risk-based security standards tied to intelligence;
- Continue to conduct building security assessments at federal buildings based on risk;
- Continue to monitor agency compliance with security standards by conducting annual inspections to ensure agency compliance at level 3 and level 4 buildings and consistent with risk;
- Continue to improve contract management by hiring up to 70 contracting officers to award necessary contracts; and
- Continue to work with client agencies to strengthen business processes and service.

**Automation and Modernization** – Prior to FY 2008, Atlas (Infrastructure) was the sole program funded under ICE Automation Modernization. Beginning in FY 2008, the ICE Automation Modernization program is being expanded to include the DROM, Mobile IDENT/ENFORCE, and Immigration Enforcement Systems Upgrades. In FY 2009, the ICE

Automation Modernization program will be further expanded to include specific discreet IT initiatives, including Homeland Enforcement and Communications System (HECS), Atlas - Tactical Communications, and the replacement of Financial Systems.

The Automation Modernization program will allow ICE to improve information sharing with DHS and across ICE organizations, strengthen information availability, improve detainee tracking and preparation of travel documents, provide a fully secure IT environment, and enhance financial management and audit practices.

#### Key Accomplishments/Planned Accomplishments

From the inception of ICE's Automation Modernization appropriation in FY 2004 through FY 2007, ICE received \$104 million in non-expiring appropriations.

#### In FY 2007, ICE:

- Began establishing a stable, secure, integrated infrastructure as a foundation for all IT modernization efforts;
- Migrated ICE users to a common DHS-wide e-mail system;
- Deployed new desktops to 4,400 ICE users;
- Completed the migration of ICE sites to DHS OneNet;
- Prototyped an ICE data warehouse integrating information from disparate enforcement systems for enhanced reporting and decision support;
- Prototyped capability to rapidly share ICE information with other law enforcement agencies;
- Upgraded to the ICE Web application platform;
- Established a Single Sign On framework for applications supporting Active Directory authentication and enabled Single Sign On for ICE e-mail;
- Completed integration of the Architecture Engineering test lab; and
- Established program management oversight, including Independent Verification and Validation services.

#### In FY 2008, ICE will:

- Complete several initial infrastructure investments under Atlas – Infrastructure;
- Expand Automation Modernization to include DROM, Mobile IDENT/ENFORCE, and Immigration Enforcement Systems Upgrades;
- Expand the eTD system to include up to 25 participating countries and all non-participating countries (those countries who have not signed a Memorandum of Understanding (MOU) to use eTD for issuing electronic travel documents);
- Deploy EARM system to replace the Deportable Alien Control System (DACS) system and complete disposition procedures for the DACS system;
- Expand data sharing and integration with external agencies of the EARM system and implement enterprise reporting system for the DRO Executive Information Unit;
- Develop portable IDENT, a component of SBI, for use in the positive identification and processing of aliens in remote places; and

- Upgrade services (including systems design, development, and deployment) of new and enhanced IT systems that were needed to build out the ENFORCE infrastructure necessary to support multiple law enforcement communities, support initiatives such as SBI, and facilitate integration efforts such as the one between the Law Enforcement Service Center (LESC) and Office of Investigations.

FY 2009 Projected Accomplishments:

- Initiate the HECS program and the Financial System Replacement program.
- Develop HECS architecture and ICE high-level design, and establish Investigative Case Management development integration environment and testing environment;
- Integrate information from additional enforcement systems into the ICE data warehouse (Infrastructure); and upgrade the ICE tactical communications hub in preparation for full upgrade of ICE to federal standards for security and interoperability (Tactical Communications);
- Develop and deploy version one of the Detainee Location Tracking Module as part of the Bed Space and Transportation Management System, expand the ICE Data warehouse data capacity and reporting capability to support the DRO IT data, and expand Web Services to allow the Electronic Travel Document application to communicate with other internal or external applications; and
- Document processing of core financial functions that will be migrated to DHS Enterprise Solution, develop requirements to address functionality in current Federal Financial Management System (FFMS), and purchase software licenses.

**C. Resources Requested and Performance Impact**

ICE’s total budget request for FY 2009 is \$5,676 billion.

Enhancement Requests and Planned Achievements

ICE requests \$163.5 million in discretionary resources for program enhancements in the following key areas:

- **Additional Bed Space and Removal Costs.....\$46.0M (39 FTE)**  
This request provides 725 additional beds, staffing, and associated removal costs required to meet current demand and demand generated by increased enforcement activities. (275 additional beds will also be added through increased collections of the Immigration User Fee and through the Breached Bond Detention Fund.).
- **Cyber Crime .....\$5.7M (20 FTE)**  
This request funds positions within the Office of Cyber Crime Center (C3) and those programs directly supporting cyber crime investigations. With this staffing increase, ICE would increase investigations of cyber related crimes related to identity and benefit fraud, child exploitation, money laundering as well as supporting other investigations by providing digital forensics and electronic monitoring.

- **National Security/Critical Infrastructure Investigations.....\$11.8M (36 FTE)**  
 This request funds positions to increase national security and critical infrastructure investigations especially at ports of entry and other sensitive facilities that attract terrorists and/or illegal and undocumented workers.
- **Commercial Fraud/Intellectual Property Rights (IPR).....\$4.6M (14 FTE)**  
 This request funds positions for priority Commercial Fraud, IPR, TTU and requisite supporting investigative programs at the C3. These resources will be used to identify, target, counter, and dismantle methods and vulnerabilities exploited by criminal organizations engaged in highly profitable trade crimes, such as trafficking counterfeit merchandise and pharmaceuticals.
- **Outbound Enforcement.....\$1.0M (3 FTE)**  
 This request funds positions to increase outbound enforcement support that prevents arms and strategic technologies, deemed exports, contraband, and money from leaving the United States. This request will increase outbound enforcement investigations especially at Ports of Entry, the border, and sensitive facilities that are vulnerable to illegal procurement and export of sophisticated U.S. technology and weapons.
- **Visa Security Program.....\$3.4M (3 FTE)**  
 This request funds deployment of two additional overseas Visa Security Units in high-risk locations such as Istanbul, Turkey and Beirut, Lebanon.
- **Security Management Unit/ Workforce Integrity.....\$7.1M (19 FTE)**  
 This request would fund law enforcement positions and support staff within the Office of Professional Responsibility, including \$4.1M to support workforce integrity efforts and \$3M for positions in support of the Security Management Unit that is responsible for centralization, management, and operational oversight of ICE internal security functions.
- **State and Local Law Enforcement Support.....\$12.0M (7 FTE)**  
 The request funds \$2.67 M in initial training, training travel, and annual refresher training for 200 State and Local Law Enforcement Officers under the 287(g) program, which serves as a force multiplier for ICE immigration enforcement, with ICE training, certifying, and supervising State and Local Law Enforcement Officers. The request would also fund \$8M for necessary IT connectivity for state and local participants and \$1.33M for other costs within ICE to support program growth.
- **Automation Modernization..... \$57.0M (4 FTE)**  
 This request helps ICE build its information technology infrastructure, specifically efforts aimed at modernizing HECS – ICE’s portion of the DHS investigative case management system, ATLAS – Infrastructure and Tactical Communications, DROM, and ICE’s transition to the DHS financial system. Requested resources will advance efforts to replace outdated, unreliable systems that challenge IT information-sharing.
- **Co-Location of ICE Facilities..... \$12.3M (1 FTE)**

This request funds a portion of first-phase requirements to consolidate ICE core mission functions in cities where ICE currently occupies multiple locations. The initiative proposes to facilitate ICE-wide physical integration through co-location of facilities that provide safe, secure, and efficient workspace conducive to achieving the ICE mission.

- **Human Resource Workforce Increases ..... \$0.8M (5 FTE)**  
This funding will strengthen the Office of Human Capital to provide more customized service, confidence in information, and consistent handling of ICE-related personnel matters.
  
- **Training Consolidation and Integration ..... \$1.8M (14 FTE)**  
This funding will facilitate the consolidation of all ICE training coordination and oversight, including improved training delivery and support at both the ICE Academy and the Leadership Development Center.

**Summary of FY 2009 Enhancements (dollars in thousands):**

|   | Legal        | OI            | OIA          | Intel      | DRO           | Automation    | Total          |
|---|--------------|---------------|--------------|------------|---------------|---------------|----------------|
| Co-Location of ICE Facilities           | 918          | 6,166         | 196          | 280        | 4,740         |               | 12,300         |
| HR Workforce Increases                  | 60           | 401           | 13           | 18         | 308           |               | 800            |
| Training Consolidation and Integration  | 134          | 902           | 29           | 41         | 694           |               | 1,800          |
| Domestic Visa Security                  |              |               | 3,400        |            |               |               | 3,400          |
| Cyber Crime                             |              | 5,700         |              |            |               |               | 5,700          |
| Commercial Fraud/IPR                    |              | 4,600         |              |            |               |               | 4,600          |
| Critical Infrastructure                 |              | 11,800        |              |            |               |               | 11,800         |
| Outbound Enforcement                    |              | 1,000         |              |            |               |               | 1,000          |
| Workforce Integrity Investigations/ SMU | 530          | 3,557         | 113          | 162        | 2,738         |               | 7,100          |
| Additional Bed Space/Staffing           | 285          | 236           | 7            | 11         | 45,461        |               | 46,000         |
| 287(g)                                  | 1,065        | 7,348         | 135          | 193        | 3,259         |               | 12,000         |
| HECS (formerly TECS) Replacement        |              |               |              |            |               | 15,700        | 15,700         |
| Atlas                                   |              |               |              |            |               | 13,000        | 13,000         |
| Tactical                                |              |               |              |            |               | 10,000        | 10,000         |
| DRO IT Modernization                    |              |               |              |            |               | 11,300        | 11,300         |
| Financial System                        |              |               |              |            |               | 7,000         | 7,000          |
| <b>Total ICE Enhancements</b>           | <b>2,992</b> | <b>41,710</b> | <b>3,893</b> | <b>705</b> | <b>57,200</b> | <b>57,000</b> | <b>163,500</b> |

**Detention and Removals Operations (DRO)** – ICE requests \$3,002.8 million for DRO in FY 2009:

- \$2,579.6 million in the five Detention and Removal budget activities within S&E;
- \$241.5 million for Legal Proceedings;
- \$75.0 million in Breached Bond Detention Fund account; and
- \$103.5 million in the Immigration User Fee account.

The FY 2009 request will provide for 1,000 additional beds and improve detention management and IT systems. The funds will also enhance performance by:

- Maintaining the CAP teams from the emergency FY 2008 funding allocated in the following cities: Chicago, Dallas; El Paso; Houston; and San Antonio. This minimizes the need for DRO detention and enhances the ability to remove these aliens upon release from incarceration. These improvements will reduce the fugitive population and ensure aliens have full recourse of law during proceedings;

- Centralizing Ticketing Operations and increasing air transportation support. This includes the use of the JPATS and leasing of aircrafts for alien removals. These efforts will enhance the effectiveness and efficiency of ICE's removal operations; and
- Allowing DHS to hire personnel along the enforcement continuum in FYs 2007 and 2008, including Border Patrol Agents, Special Agents, Deportation Officers, and IEAs.

Much of ICE's FY 2009 request funds requirements included in Homeland Security Presidential Directives and legislation. The Department of Homeland Security's statutory mission as expressed in the Homeland Security Act of 2002, together with the statutory mandate to carry out corresponding functions transferred to ICE, include the prevention of terrorist attacks within the United States and the reduction of the vulnerability of the U.S. to terrorism, drug interdiction and trafficking. The ICE FY 2009 Budget accounts for needed enhancements to fulfill these agency obligations, including analyzing seized electronic devices and digital media using methods needed to handle and preserve that evidence for criminal prosecution, fulfilling obligations imposed by the USAPATRIOT Act to create laboratories and personnel to support the National Digital Forensic Laboratory, and protecting critical infrastructure through vigorous investigation of criminal and terrorist financial networks.

In addition to requesting new funds in FY 2009, ICE is also implementing some reform initiatives to increase operating and performance efficiencies. ICE began additional JPATS routes and charter flights to Central America, which are helping maximize the use of detention space and increase the flexibility of the charter and JPATS flight schedules. A Detention Operations Coordination Center was created to maximize the efficiency of air and ground transportation, and eTDs are now being used, which decrease detention times and costs by accelerating the travel document process.

**Office of Investigations (OI)** – ICE requests \$1,871.3 million for Investigations activities in FY 2009:

- \$1,679.2 million in the Investigations budget activities within the Salaries and Expenses appropriation;
- \$61.9 million in the Intelligence PPA within the Salaries and Expenses appropriation;
- \$119.6 million in the SEVP account; and
- \$14.1 million in the Immigration User Fee account.

OI will improve the enforcement of immigration and trade enforcement, enhancing homeland security and deterring terrorists and other criminals from entering the United States. OI will uproot the infrastructure within the criminal continuum that:

- Facilitates illicit transnational and domestic travel;
- Illegally manufactures, facilitates and sells fraudulent identity documents, facilitates the fraudulent acquisition of immigration benefits;
- Knowingly hires unauthorized workers;
- Exploits victims for the purpose of commercial sex or forced labor; and
- Launders criminal proceeds.

The FY 2009 request will be used to improve performance by:

- Strategically enhancing OI by requesting resources for a continuum of operations so there will be no strain on supporting programs;
- Training additional State and local law enforcement personnel under Section 287(g), and improve the LESC's response time to inquiries from State and local law enforcement personnel; and
- Supporting State and local law enforcement by aggressively investigating all aspects of local criminal behavior exploiting vulnerabilities at the border.

OI's primary measure for performance is the percentage of investigations that have resulted in an enforcement consequence. Annual targets for this measure were developed in FY 2003, based on data drawn from several data-reporting sources. OI transitioned to a new consolidated data system in FY 2004, making FY 2005 the first complete year of collecting data in a uniform manner through the use of a single source. However, in FY 2006, OI discovered that a number of investigative cases with an enforcement consequence had been affected by the unapproved inclusion of administrative arrest data into the criminal arrest database. OI initiated a certification process to correct the errant figures and targets for FY 2007 and beyond. An enhancement of the data system was also made to accommodate, and separately account for, both criminal and administrative arrests in the system.

**International Affairs** – ICE requests \$128.8 million for International activities in FY 2009:

- 128.8 million in the International budget activities within the Salaries and Expenses appropriation.

The VSP program extends the border overseas to prevent terrorists, criminals, and other ineligible applicants from receiving U.S. visas. The program is the first-line of defense in preventing terrorists and other criminals from gaining access to the United States through a legally obtained visa. The integration of experienced ICE law enforcement officers in the visa process maximizes its use as a counterterrorism tool through the generation of new watch list entries, intelligence reports, investigative leads, and identification of patterns in visa fraud.

OIA's long-term plan is to expand the Visa Security Units to the 32 highest-risk visa issuing posts. According to the plan, VSP will cover approximately 75% of the highest risk visa activity posts by 2013. The FY 2009 funding will allow OIA's planned deployments of two additional Visa Security Units in Istanbul, Turkey and Beirut Lebanon; both designated as high risk locations.

The OIA performance impact strengthens border security, interior enforcement, and screening coordination. Performance results include a reduction in visa issuance to malafide aliens, identification of "not yet known" threats to national security that traditional screening systems do not detect, and the initiation of important interior enforcement investigations that result from overseas VSP efforts. The VSP activities also prevent terrorist and criminals from obtaining legitimate travel document and denies immediately those who intend to do us harm from ever reaching the U.S. borders.

**Federal Protective Service (FPS)** – ICE requests 950 positions, 950 FTE, and the authority to spend its fees (estimated at \$616 million) for FY 2009.

The FY 2009 request provides for a basic security fee increase of \$3 million (or \$0.01 per square foot) to fund the FPS overhead costs. FPS will continue to implement and maintain the new billing system being established in FY 2008 that will enable client agencies to include these charges and reduce the use of individual reimbursable agreements to obtain these services. The building specific fee is charged to all building tenants based on the recurring security requirements specific to a particular building, and is based on the costs for contract security guards and security systems programs. The contract security guard program includes: (1) access control to facility entrances and exits; (2) employee and visitor identification checks; (3) monitoring security equipment; and (4) roving patrols of the interior and exterior of Federal facilities. The contract security guard represents the first line of defense against potential criminals and terrorists of Federal workplaces. The security system program includes the purchase, installation, and maintenance of security equipment, (cameras, alarms, magnetometers and x-ray machines). The security equipment is based on the identified mandatory projects in the security surveys and standard replacement schedules.

The FPS strategic goal continues to be the protection of Federal facilities and employees through a comprehensive law enforcement and security program. FPS security operations include regular building security assessments of Federal facilities, nationwide communications, alarm monitoring, and dispatching services, and administration of contract guards within Federal facilities.

**Automation Modernization** – ICE requests \$57 million and 7 positions for Automation Modernization in FY 2009:

- \$15.7 M for the HECS Replacement which supports the joint venture with CBP to replace the TECS system that complements the Investigative Case Management system and includes case file management, link analysis, evidence management, and other investigative capabilities;
- \$13.0 M for Atlas Infrastructure – Continues modernization of outdated ICE IT and its alignment with DHS Enterprise Architecture, resulting in improved workforce productivity and the enhanced ability to share ICE mission enforcement information with other law enforcement partners;
- \$10.0 M for Atlas Tactical Communications – Secures wireless communications for investigation and detention personnel to improve coordination both within ICE and between other law enforcement partners;
- \$11.3M for DROM – Implements bed space management, location tracking of aliens, and integrated removal applications to reduce average time that aliens are held in custody, thus saving time preparing travel documents, lowering detention costs, and accommodating increased deportation volumes; and
- \$7.0 M for Replacement of Financial System - Completes ICE's migration to the new DHS Financial System, referred to as the Transformation and Systems Consolidation (TASC) Baseline, and improve ICE's financial service.

The FY 2009 request will be used to improve performance within Automation Modernization by allowing ICE to build an information technology infrastructure which would support a more secure environment and foster better communication and information sharing between other law enforcement partners. ICE will also use these funds to migrate from outdated IT systems and also complete migrations to new financial system. One of ATLAS' primary performance indicators measures the percent of investigative and enforcement personnel with access to Decision Support System data marts. This ensures interoperability among ICE systems. The ATLAS Infrastructure will also continue it's modernization effort to ultimately allow ICE IT alignment with the DHS Enterprise Architecture.

**D. Program Performance Highlights, Resources and Alignment to Strategic Goals<sup>1</sup>**

*Note: The FY 2008 Enacted level includes \$526.9 million in emergency funding provided in P.L. 110-161.*

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars and FTE, and main performance measure/s are shown below. For many of the programs, more performance information may be found on the OMB web site Expectmore.gov (program names may differ slightly from those used in this document). (Note: FY 2007 dollar amounts in Section D are extracted from the Future Years Homeland Security Program (FYSHSP) and reflect revised enacted levels rather than actuals.)

|  |         |         |         |          |          |          |
|--|---------|---------|---------|----------|----------|----------|
| <b>Program: Automation Modernization</b>   |         |         |         |          |          |          |
| <b>Performance Goal:</b> Provide timely delivery of mission IT services in direct support of the ICE mission, goals, objectives, and programs. |         |         |         |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |         |         |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | None    | None    | \$15,000 | \$30,700 | \$57,000 |
| <b>FTE</b>   | None    | None    | None    | 7        | 7        | 11       |

<sup>1</sup> 1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent increase in ICE investigative and enforcement systems incorporated into ICE Decision Support System consolidated data marts.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Contributes to the Atlas Program goal to enhance security and protection of US citizens by improving investigative and intelligence capabilities to prevent terrorist and other criminal activities both domestically and internationally. Measure helps to ensure that ICE law enforcement personnel have access to and can retrieve enforcement information from a single integrated - source of enforcement data. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 8%      | 20%     | 36%     | 56%     |
| <b>Actual:</b>  | None    | None    | 22%     | 22%     | N/A     | N/A     |

|   |
|---|
| <b>Measure:</b> Percent of investigative and enforcement personnel with access to Decision Support System data marts (ensuring interoperability among ICE systems). |
|---|

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Description of Measure:</b> At present, ICE personnel have to query a large number of databases to gain access to the law enforcement information they need. This measure will serve as an indicator of the attainment of the Atlas goal to increase workforce productivity by giving ICE personnel easy, complete access to ICE consolidated enforcement data. More importantly, it helps to verify through increased usage that the consolidated data mart Decision Support System is meeting the requirements of the ICE investigative and enforcement communities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 14%     | 35%     | 63%     | 100%    |
| <b>Actual:</b>  | None    | None    | 14%     | 14%     | N/A     | N/A     |

|  |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Detention and Removal Operations</b>   |             |             |             |             |             |             |
| <b>Performance Goal:</b> Remove from the United States all aliens with a final order of removal. |             |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b>                        |             |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | \$1,377,528 | \$1,585,739 | \$1,749,457 | \$2,525,090 | \$3,103,587 | \$3,002,818 |
| <b>FTE</b>   | 4,940       | 4,798       | 5,140       | 6,735       | 7,744       | 8,310       |

<sup>1</sup> 1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Removals as a percentage of final orders issued.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> With certain exceptions, an alien in the United States is "removable" when an immigration judge issues a final order of removal or administrative orders are issued per statute. This measure indicates the number of aliens removed in a given year as a fraction of those ordered "removed" during the same year. The aliens removed in a given year are not necessarily the same aliens ordered to be removed in that year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | >100%   | 85%     | >100%   | >100%   |
| <b>Actual:</b>  | None    | None    | 124.37% | 226.14% | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Federal Protective Service</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> Ensure complete and continuous law enforcement and security services for federal facilities, their tenants, and the visiting public. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$424,993 | \$436,414 | \$487,000 | \$516,000 | \$613,000 | \$616,000 |
| <b>FTE</b>  | 1,222     | 1,367     | 1,300     | 1,295     | 950       | 950       |

<sup>1</sup> 1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

### Performance Plan Measures

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Effectiveness of Federal Protective Service (FPS) operations measured by the Federal Facilities Security Index.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The Federal Facilities Security Index quantifies the overall effectiveness of FPS operations in accomplishing annual performance measurement goals. The index is made up of three components: (1) how effective the FPS is in implementing security threat countermeasures (by comparing actual countermeasure implementation to planned implementation); (2) how well the countermeasures are working (by testing of countermeasures); |  |  |  |  |  |  |

and (3) how efficient FPS is in responding to incident calls for law enforcement by measuring response time. A security index of one (100%) or greater reflects accomplishment of, or exceeding, performance targets. A security index of less than one reflects failure to meet performance goals to protect government employees and the public from acts of terrorism and other illegal activities, and reduce infrastructure vulnerability from acts of terrorism or other criminal activity. FPS will undertake a review of its measures in FY 2007.

|                     |         |          |         |         |         |         |
|---------------------|---------|----------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005  | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | baseline | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | None    | 92%      | 66.5%   | 79%     | N/A     | N/A     |

**Program: International Affairs**

**Performance Goal:** Reduce international criminal and terrorist activities by partnering with foreign and domestic counterparts.

**DHS strategic objectives supported and % allocation of activities:**

|                     |           |           |           |           |           |           |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Fiscal Year:</b> | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b> | \$311,220 | \$415,295 | \$139,719 | \$140,791 | \$140,323 | \$159,930 |
| <b>FTE</b>          | None      | 2,343     | 391       | 441       | 441       | 445       |

<sup>1</sup> 1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

**Performance Plan Measures**

**Measure:** Number of visa application requests denied due to recommendations from the Visa Security Program.

**Description of Measure:** The Visa Security Program (VSP) has three primary mission objectives to enhance national security and public safety; 1) by extending the border of the U.S. overseas, Visa Security Officers (VSOs) work proactively to identify and counteract threats before they reach the United States; 2) through proactive law enforcement work, VSOs identify the not - yet - known threats to homeland security; 3) by utilizing all available tools and authorities, VSOs maximize the law enforcement and counterterrorism value of the visa process, taking it beyond the visa decision to address the underlying threat that the visa applicant potentially represents. This measure captures the instances in which a VSO provides input, advice, or information during adjudication that results in a consular officer's decision to deny a visa to an ineligible applicant.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | None    | None    | 762     | 770     |
| <b>Actual:</b>      | None    | None    | None    | 754     | N/A     | N/A     |

**Program: Investigations**

**Performance Goal:** Prevent the exploitation of systemic vulnerabilities in trade and immigration that allow foreign terrorists, other criminals, and their organizations to endanger the American people, property, and infrastructure.

**DHS strategic objectives supported and % allocation of activities:**

|                     |             |             |             |             |             |             |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Fiscal Year:</b> | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b> | \$1,042,462 | \$1,427,133 | \$1,528,794 | \$1,535,748 | \$1,693,606 | \$1,840,336 |
| <b>FTE</b>          | None        | 7,845       | 7,840       | 8,384       | 8,797       | 9,249       |

<sup>1</sup> 1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

**Performance Plan Measures**

|  |         |          |         |         |         |         |
|--|---------|----------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of closed investigations which have an enforcement consequence (arrest, indictment, conviction, seizure, fine or penalty).   |         |          |         |         |         |         |
| <b>Description of Measure:</b> More effective immigration and trade enforcement will contribute to enhanced homeland security as well as to greater deterrence. One method for measuring this effectiveness is to determine the extent to which criminal investigations are completed successfully, i.e., closed with an enforcement consequence. However, although many criminal cases arise that are worth pursuing, the potential of an investigation is not known at its inception; therefore, it is to be expected that many cases will be closed each year without an enforcement consequence when it is determined that the investigation is no longer viable. In addition to getting criminals off the street, successful investigations also expose and remove, or contribute to the elimination of, vulnerabilities in various aspects of trade and immigration, i.e., the ways in which criminals manage to evade safeguards that are supposed to prevent their illegal activity, and areas in which such safeguards are lax or do not exist. |         |          |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005  | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | Baseline | 38.5%   | 36.5%   | 36.6%   | 36.7%   |
| <b>Actual:</b>   | None    | 37.9%    | 36.4%   | 35.8%   | N/A     | N/A     |

**E. Digest Tables by Future Year Homeland Security Programs (FYHSP)**

*Note: The FY 2008 Enacted level includes \$526.9 million in emergency funding provided in P.L. 110-161.*

| DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM<br>(dollars in thousands) |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
|--|----------------|---------------------|-----------------|---------------------|-----------------|---------------------|--|------------------|-----------------|-------------------|---------------|---------------------|
| Budget Activity  | FY 2007 Actual |                     | FY 2008 Enacted |                     | FY 2009 Request |                     | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                   |               |                     |
|  | FTE            | AMOUNT              | FTE             | AMOUNT              | FTE             | AMOUNT              | Total Changes                            |                  | Program Changes |                   | Other Changes |                     |
|  |                |                     |                 |                     |                 |                     | FTE                                      | AMOUNT           | FTE             | AMOUNT            | FTE           | AMOUNT              |
| <b>SALARIES &amp; EXPENSES</b>   |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| Investigations   | 7,669          | \$ 1,480,239        | 8,794           | \$ 1,657,134        | 9,121           | \$ 1,741,039        | 327                                      | 83,905           | 102             | 42,416            | 225           | \$ 41,489           |
| DRO  | 6,415          | \$ 2,270,085        | 7,429           | \$ 2,920,105        | 7,995           | \$ 2,821,059        | 566                                      | (99,046)         | 56              | 60,192            | 510           | \$ (159,238)        |
| International Affairs  | 269            | \$ 115,592          | 275             | \$ 110,279          | 279             | \$ 128,808          | 4  | 18,529           | 3               | 3,892             | 1             | \$ 14,637           |
| <b>Subtotal S&amp;E</b>  | <b>14,353</b>  | <b>\$ 3,865,916</b> | <b>16,498</b>   | <b>\$ 4,687,517</b> | <b>17,395</b>   | <b>\$ 4,690,905</b> | <b>897</b>                               | <b>\$ 3,388</b>  | <b>161</b>      | <b>\$ 106,500</b> | <b>736</b>    | <b>\$ (103,112)</b> |
| <b>FPS</b>   |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| FPS  | 1,109          | \$ 516,011          | 950             | \$ 613,000          | 950             | \$ 616,000          | -  | 3,000            | -               | -                 | -             | \$ 3,000            |
| <b>AUTOMATION</b>  |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| Investigations   | -              | \$ 23,702           | -               | 12,894              |                 | \$ 23,940           | -  | 11,046           | -               | 23,940            | -             | \$ (12,894)         |
| DRO  | 7              | \$ 32,731           | 7               | 17,806              | 11              | \$ 33,060           | 4  | 15,254           | 11              | 33,060            | (7)           | \$ (17,806)         |
| <b>Subtotal Automation</b>   | <b>7</b>       | <b>\$ 56,433</b>    | <b>7</b>        | <b>\$ 30,700</b>    | <b>11</b>       | <b>\$ 57,000</b>    | <b>4</b>                                 | <b>\$ 26,300</b> | <b>11</b>       | <b>\$ 57,000</b>  | <b>(7)</b>    | <b>\$ (30,700)</b>  |
| <b>CONSTRUCTION</b>  |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| DRO  | 9              | \$ 50,173           | 9               | \$ 16,500           | 9               | \$ -                | -  | (16,500)         | -               | \$ -              | -             | \$ (16,500)         |
| <b>Subtotal Discretionary</b>  | <b>15,478</b>  | <b>\$ 4,488,533</b> | <b>17,464</b>   | <b>\$ 5,347,717</b> | <b>18,365</b>   | <b>\$ 5,363,905</b> | <b>901</b>                               | <b>\$ 16,188</b> | <b>172</b>      | <b>\$ 163,500</b> | <b>729</b>    | <b>\$ (147,312)</b> |
| <b>FEE ACCOUNTS</b>  |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| Detention and Removal  |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| Breach Bond  | 63             | \$ 80,664           | 63              | \$ 63,800           | 63              | \$ 75,000           | -  | 11,200           | -               | \$ -              | -             | \$ 11,200           |
| User Fee   | 140            | \$ 86,676           | 243             | \$ 99,880           | 243             | \$ 103,488          | -  | 3,608            | -               | \$ -              | -             | \$ 3,608            |
| Office of Investigations   |                |                     |                 |                     |                 |                     |  |                  |                 |                   |               |                     |
| SEVP   | 121            | \$ 44,653           | 135             | \$ 56,200           | 261             | \$ 119,580          | 126                                      | 63,380           | -               | \$ -              | 126           | \$ 63,380           |
| User Fee   | 19             | \$ 11,820           | 33              | \$ 13,620           | 33              | \$ 14,112           | -  | 492              | -               | \$ -              | -             | \$ 492              |
| <b>Subtotal Mandatory</b>  | <b>343</b>     | <b>\$ 223,813</b>   | <b>474</b>      | <b>\$ 233,500</b>   | <b>600</b>      | <b>\$ 312,180</b>   | <b>126</b>                               | <b>\$ 78,680</b> | <b>-</b>        | <b>\$ -</b>       | <b>126</b>    | <b>\$ 78,680</b>    |
| <b>Total</b>   | <b>15,821</b>  | <b>\$ 4,712,346</b> | <b>17,938</b>   | <b>\$ 5,581,217</b> | <b>18,965</b>   | <b>\$ 5,676,085</b> | <b>1,027</b>                             | <b>\$ 94,868</b> | <b>172</b>      | <b>\$ 163,500</b> | <b>855</b>    | <b>\$ (68,632)</b>  |

Note: S&E amounts include the programs' shared costs of Management, Administration, and Information Technology.

**i. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Transportation Security Administration  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Budget Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted <sup>1</sup> |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |               |                     |                  |
|--|-------------------|--------------------|---------------------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|---------------|---------------------|------------------|
|  | FTE               | AMOUNT             | FTE                             | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                  | Program Changes |               | Adjustments-to-Base |                  |
|  |                   |                    |                                 |                    |                    |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT        | FTE                 | AMOUNT           |
| Aviation Security  | 45,857            | \$4,826,360        | 48,897                          | \$4,808,741        | 49,697             | \$5,289,810        | 800                                      | \$481,069        | ---             | ---           | 800                 | 481,069          |
| Surface Transportation Security                                | 226               | 40,785             | 326                             | 46,613             | 230                | 37,000             | (96)                                     | (9,613)          | ---             | ---           | (96)                | (9,613)          |
| Transportation Threat Assessment & Credentialing               | 113               | 91,038             | 166                             | 168,490            | 183                | 170,018            | 17                                       | 1,528            | 32              | 62,000        | (15)                | (60,472)         |
| Transportation Security Support                                | 1,297             | 550,194            | 1,476                           | 523,515            | 1,332              | 926,000            | (144)                                    | 402,485          | ---             | ---           | (144)               | 402,485          |
| Federal Air Marshals   | ---               | 719,458            | ---                             | 769,500            | ---                | ---                | ---                                      | (769,500)        | ---             | ---           | ---                 | (769,500)        |
| <b>Subtotal, Enacted Appropriations &amp; Budget Estimates</b> |                   |                    |                                 |                    |                    |                    |  |                  |                 |               |                     |                  |
| <b>(Gross Discretionary)</b>                                   | <b>47,493</b>     | <b>6,227,835</b>   | <b>50,865</b>                   | <b>6,316,859</b>   | <b>51,442</b>      | <b>6,422,828</b>   | <b>577</b>                               | <b>105,969</b>   | <b>32</b>       | <b>62,000</b> | <b>545</b>          | <b>43,969</b>    |
| Aviation Security Capital Fund (ASCF)                          | ---               | 266,016            | ---                             | 250,000            | ---                | 676,000            | ---                                      | 426,000          | ---             | ---           | ---                 | 426,000          |
| Checkpoint Screening Security Fund (ASSF)                      | ---               | ---                | ---                             | 250,000            | ---                | 0                  | ---                                      | (250,000)        | ---             | ---           | ---                 | (250,000)        |
| Alien Flight School - Fee                                      | 6                 | 1,839              | 6                               | 3,000              | 6                  | 3,000              | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| <b>Subtotal, Enacted Appropriations &amp; Budget Estimates</b> |                   |                    |                                 |                    |                    |                    |  |                  |                 |               |                     |                  |
| <b>(Gross Budgetary Resources)</b>                             | <b>47,499</b>     | <b>6,495,690</b>   | <b>50,871</b>                   | <b>6,819,859</b>   | <b>51,448</b>      | <b>7,101,828</b>   | <b>577</b>                               | <b>281,969</b>   | <b>32</b>       | <b>62,000</b> | <b>545</b>          | <b>219,969</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>            |                   |                    |                                 |                    |                    |                    |  |                  |                 |               |                     |                  |
| <b>Aviation Security Fees - Discretionary</b>                  | ---               | <b>(2,284,632)</b> | ---                             | <b>(2,113,250)</b> | ---                | <b>(2,328,942)</b> | ---                                      | <b>(215,692)</b> | ---             | ---           | ---                 | <b>(215,692)</b> |
| Aviation Passenger Security - Fees (less ASCF and ASSF)        | ---               | (1,707,113)        | ---                             | (1,566,975)        | ---                | (1,880,667)        | ---                                      | (313,692)        | ---             | ---           | ---                 | (313,692)        |
| Aviation Security Infrastructure - Fee (ASIF)                  | ---               | (574,643)          | ---                             | (546,000)          | ---                | (448,000)          | ---                                      | 98,000           | ---             | ---           | ---                 | 98,000           |
| General Aviation at DCA - Fee                                  | ---               | (85)               | ---                             | (75)               | ---                | (75)               | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| Indirect Air Cargo - Fee                                       | ---               | (2,791)            | ---                             | (200)              | ---                | (200)              | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| <b>Credentialing Fees - Discretionary</b>                      | ---               | <b>(20,071)</b>    | ---                             | <b>(85,900)</b>    | ---                | <b>(37,000)</b>    | ---                                      | <b>48,900</b>    | ---             | ---           | ---                 | <b>48,900</b>    |
| Registered Traveler Program - Fee                              | ---               | (13,071)           | ---                             | (3,500)            | ---                | (10,000)           | ---                                      | (6,500)          | ---             | ---           | ---                 | (6,500)          |
| TWIC - Fee   | ---               | ---                | ---                             | (64,400)           | ---                | (9,000)            | ---                                      | 55,400           | ---             | ---           | ---                 | 55,400           |
| HAZMAT CDL - Fee   | ---               | (7,000)            | ---                             | (18,000)           | ---                | (18,000)           | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| <b>Less: Prior Year Rescission:</b>                            | ---               | <b>(66,712)</b>    | ---                             | <b>(4,500)</b>     | ---                | ---                | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| <b>Net, Discretionary Appropriations and Budget Estimates</b>  | <b>47,493</b>     | <b>3,856,420</b>   | <b>50,865</b>                   | <b>4,113,209</b>   | <b>51,442</b>      | <b>4,056,886</b>   | <b>577</b>                               | <b>(60,823)</b>  | <b>32</b>       | <b>62,000</b> | <b>545</b>          | <b>(122,823)</b> |
| <b>Aviation Fees - Mandatory</b>                               | ---               | <b>(250,000)</b>   | ---                             | <b>(500,000)</b>   | ---                | <b>(676,000)</b>   | ---                                      | <b>(176,000)</b> | ---             | ---           | ---                 | <b>(176,000)</b> |
| Aviation Security Capital Fund                                 | ---               | (250,000)          | ---                             | (250,000)          | ---                | (676,000)          | ---                                      | (426,000)        | ---             | ---           | ---                 | (426,000)        |
| Checkpoint Screening Security Fund                             | ---               | ---                | ---                             | (250,000)          | ---                | ---                | ---                                      | 250,000          | ---             | ---           | ---                 | 250,000          |
| <b>Credentialing Fees - Mandatory</b>                          | ---               | <b>(3,195)</b>     | ---                             | <b>(3,000)</b>     | ---                | <b>(3,000)</b>     | ---                                      | ---              | ---             | ---           | ---                 | ---              |
| Alien Flight School - Fee                                      | ---               | (3,195)            | ---                             | (3,000)            | ---                | (3,000)            | ---                                      | ---              | ---             | ---           | ---                 | ---              |

<sup>1</sup> Includes adjustments to fees.

ii. Homeland and Non-Homeland Allocation

Department of Homeland Security  
 Transportation Security Administration  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity  | 2007<br>Actual |                  |              |        |               |                  | 2008<br>Enacted <sup>1</sup> |                  |              |        |               |                  | 2009<br>Request |                  |              |        |               |                  |
|--|----------------|------------------|--------------|--------|---------------|------------------|------------------------------|------------------|--------------|--------|---------------|------------------|-----------------|------------------|--------------|--------|---------------|------------------|
|  | Homeland       |                  | Non-Homeland |        | Total         |                  | Homeland                     |                  | Non-Homeland |        | Total         |                  | Homeland        |                  | Non-Homeland |        | Total         |                  |
|  | FTE            | Amount           | FTE          | Amount | FTE           | Amount           | FTE                          | Amount           | FTE          | Amount | FTE           | Amount           | FTE             | Amount           | FTE          | Amount | FTE           | Amount           |
| <b>I. AVIATION SECURITY</b>  | <b>45,857</b>  | <b>4,826,360</b> | ---          | ---    | <b>45,857</b> | <b>4,826,360</b> | <b>48,897</b>                | <b>4,808,741</b> | ---          | ---    | <b>48,897</b> | <b>4,808,741</b> | <b>49,697</b>   | <b>5,289,810</b> | ---          | ---    | <b>49,697</b> | <b>5,289,810</b> |
| 1. Screening Partnership Program   | ---            | \$142,230        | ---          | ---    | ---           | 142,230          | ---                          | 143,385          | ---          | ---    | ---           | 143,385          | ---             | 151,272          | ---          | ---    | ---           | 151,272          |
| 2. Screener PC&B   | 42,592         | 2,444,455        | ---          | ---    | 42,592        | 2,444,455        | 45,438                       | 2,636,104        | ---          | ---    | 45,438        | 2,636,104        | 45,643          | 2,716,014        | ---          | ---    | 45,643        | 2,716,014        |
| 3. Screener Training & Other   | ---            | 228,821          | ---          | ---    | ---           | 228,821          | ---                          | 223,766          | ---          | ---    | ---           | 223,766          | 54              | 197,318          | ---          | ---    | 54            | 197,318          |
| 4. Human Resource Services   | ---            | 170,634          | ---          | ---    | ---           | 170,634          | ---                          | 182,234          | ---          | ---    | ---           | 182,234          | ---             | ---              | ---          | ---    | ---           | ---              |
| 5. Checkpoint Support  | ---            | 248,958          | ---          | ---    | ---           | 248,958          | ---                          | ---              | ---          | ---    | ---           | ---              | 40              | 127,683          | ---          | ---    | 40            | 127,683          |
| 6. EDS/ETD Procurement and Installation  | ---            | ---              | ---          | ---    | ---           | ---              | ---                          | 294,000          | ---          | ---    | ---           | 294,000          | 106             | 153,894          | ---          | ---    | 106           | 153,894          |
| 7. EDS/ETD Purchase  | ---            | 179,554          | ---          | ---    | ---           | 179,554          | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | ---              | ---          | ---    | ---           | ---              |
| 8. EDS/ETD Installation  | ---            | 147,676          | ---          | ---    | ---           | 147,676          | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | 0                | ---          | ---    | ---           | ---              |
| 9. Screening Technology Maintenance and Utilities                                      | ---            | 222,615          | ---          | ---    | ---           | 222,615          | ---                          | 264,000          | ---          | ---    | ---           | 264,000          | ---             | 310,625          | ---          | ---    | ---           | 310,625          |
| 10. Operation Integration  | 12             | 31,543           | ---          | ---    | 12            | 31,543           | 24                           | 25,000           | ---          | ---    | 24            | 25,000           | ---             | 21,481           | ---          | ---    | ---           | 21,481           |
| 11. Aviation Regulation <i>[and Other Enforcement]</i>                                 | 950            | 236,419          | ---          | ---    | 950           | 236,419          | 1,038                        | 255,953          | ---          | ---    | 1,038         | 255,953          | 1,407           | 209,991          | ---          | ---    | 1,407         | 209,991          |
| 12. Airport Management and Support<br><i>[Airport Management, IT and Support]</i>      | 1,984          | 679,745          | ---          | ---    | 1,984         | 679,745          | 2,045                        | 651,933          | ---          | ---    | 2,045         | 651,933          | 1,878           | 373,010          | ---          | ---    | 1,878         | 373,010          |
| 13. Federal Flight Deck Officer and Flight Crew Training                               | 19             | 21,367           | ---          | ---    | 19            | 21,367           | 25                           | 25,091           | ---          | ---    | 25            | 25,091           | ---             | ---              | ---          | ---    | ---           | ---              |
| 14. Air Cargo  | 292            | 64,238           | ---          | ---    | 292           | 64,238           | 325                          | 73,000           | ---          | ---    | 325           | 73,000           | ---             | ---              | ---          | ---    | ---           | ---              |
| 15. Airport Perimeter Security   | ---            | 4,914            | ---          | ---    | ---           | 4,914            | ---                          | 4,000            | ---          | ---    | ---           | 4,000            | ---             | ---              | ---          | ---    | ---           | ---              |
| 16. Implementing Requirements of 9/11 Act  | ---            | ---              | ---          | ---    | ---           | ---              | ---                          | 30,000           | ---          | ---    | ---           | 30,000           | ---             | ---              | ---          | ---    | ---           | ---              |
| 17. Federal Air Marshals   | ---            | ---              | ---          | ---    | ---           | ---              | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | 786,000          | ---          | ---    | ---           | 786,000          |
| 18. Law Enforcement  | ---            | ---              | ---          | ---    | ---           | ---              | ---                          | ---              | ---          | ---    | ---           | ---              | 567             | 242,247          | ---          | ---    | 567           | 242,247          |
| 19. Secure Flight  | ---            | 44               | ---          | ---    | ---           | 44               | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | ---              | ---          | ---    | ---           | ---              |
| 20. Registered Traveler  | 8              | 3,066            | ---          | ---    | 8             | 3,066            | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | ---              | ---          | ---    | ---           | ---              |
| 21. General Aviation at DCA - Fee  | ---            | ---              | ---          | ---    | ---           | ---              | ---                          | 75               | ---          | ---    | ---           | 75               | ---             | 75               | ---          | ---    | ---           | 75               |
| 22. Indirect Air Cargo - Fee   | ---            | 81               | ---          | ---    | ---           | 81               | 2                            | 200              | ---          | ---    | 2             | 200              | 2               | 200              | ---          | ---    | 2             | 200              |
| <b>II. SURFACE TRANSPORTATION SECURITY</b>   | <b>226</b>     | <b>40,785</b>    | ---          | ---    | <b>226</b>    | <b>40,785</b>    | <b>326</b>                   | <b>46,613</b>    | ---          | ---    | <b>326</b>    | <b>\$46,613</b>  | <b>230</b>      | <b>37,000</b>    | ---          | ---    | <b>230</b>    | <b>\$37,000</b>  |
| 1. Surface Transp Security Operations and Staffing                                     | 137            | 23,712           | ---          | ---    | 137           | 23,712           | 188                          | 24,485           | ---          | ---    | 188           | 24,485           | 134             | 25,397           | ---          | ---    | 134           | 25,397           |
| 2. Surface Transp Security Inspectors<br><i>[Rail Security Inspectors and Canines]</i> | 89             | 13,014           | ---          | ---    | 89            | 13,014           | 138                          | 22,128           | ---          | ---    | 138           | 22,128           | 96              | 11,603           | ---          | ---    | 96            | 11,603           |
| 3. HazMat Truck Tracking & Training  | ---            | 2,859            | ---          | ---    | ---           | 2,859            | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | ---              | ---          | ---    | ---           | ---              |
| 4. HazMat CDL Fees   | ---            | 1,200            | ---          | ---    | ---           | 1,200            | ---                          | ---              | ---          | ---    | ---           | ---              | ---             | ---              | ---          | ---    | ---           | ---              |
| <b>III. TRANSPORTATION THREAT ASSESSMENT &amp; CREDENTIALING</b>                       | <b>102</b>     | <b>79,181</b>    | ---          | ---    | <b>102</b>    | <b>79,181</b>    | <b>122</b>                   | <b>82,590</b>    | ---          | ---    | <b>122</b>    | <b>82,590</b>    | <b>139</b>      | <b>133,018</b>   | ---          | ---    | <b>139</b>    | <b>133,018</b>   |
| 1. Secure Flight   | 45             | 38,296           | ---          | ---    | 45            | 38,296           | 65                           | 50,000           | ---          | ---    | 65            | 50,000           | 74              | 82,211           | ---          | ---    | 74            | 82,211           |
| 2. Crew Vetting  | 34             | 16,911           | ---          | ---    | 34            | 16,911           | 42                           | 14,990           | ---          | ---    | 42            | 14,990           | ---             | ---              | ---          | ---    | ---           | ---              |
| 3. Other Vetting <i>[Screening Admin &amp; Ops]</i>                                    | 13             | 13,986           | ---          | ---    | 13            | 13,986           | 15                           | 9,500            | ---          | ---    | 15            | 9,500            | 65              | 50,807           | ---          | ---    | 65            | 50,807           |
| 4. TWIC Appropriated   | 10             | 9,988            | ---          | ---    | 10            | 9,988            | ---                          | 8,100            | ---          | ---    | ---           | 8,100            | ---             | ---              | ---          | ---    | ---           | ---              |
| <b>CREDENTIALING FEES</b>  | <b>11</b>      | <b>11,857</b>    | ---          | ---    | <b>11</b>     | <b>11,857</b>    | <b>44</b>                    | <b>85,900</b>    | ---          | ---    | <b>44</b>     | <b>85,900</b>    | <b>44</b>       | <b>37,000</b>    | ---          | ---    | <b>44</b>     | <b>37,000</b>    |
| 1. Registered Traveler Program -Fee  | ---            | 65               | ---          | ---    | ---           | 65               | 12                           | 3,500            | ---          | ---    | 12            | 3,500            | 12              | 10,000           | ---          | ---    | 12            | 10,000           |

| Budget Activity   | 2007<br>Actual |                    |              |        |               |                    | 2008<br>Enacted <sup>1</sup> |                    |              |        |               |                    | 2009<br>Request |                    |              |        |               |                    |
|---|----------------|--------------------|--------------|--------|---------------|--------------------|------------------------------|--------------------|--------------|--------|---------------|--------------------|-----------------|--------------------|--------------|--------|---------------|--------------------|
|   | Homeland       |                    | Non-Homeland |        | Total         |                    | Homeland                     |                    | Non-Homeland |        | Total         |                    | Homeland        |                    | Non-Homeland |        | Total         |                    |
|   | FTE            | Amount             | FTE          | Amount | FTE           | Amount             | FTE                          | Amount             | FTE          | Amount | FTE           | Amount             | FTE             | Amount             | FTE          | Amount | FTE           | Amount             |
| 2. TWIC - Fee   | ---            | ---                | ---          | ---    | ---           | ---                | 15                           | 64,400             | ---          | ---    | 15            | 64,400             | 15              | 9,000              | ---          | ---    | 15            | 9,000              |
| 3. HAZMAT CDL - Fee   | 11             | 11,792             | ---          | ---    | 11            | 11,792             | 17                           | 18,000             | ---          | ---    | 17            | 18,000             | 17              | 18,000             | ---          | ---    | 17            | 18,000             |
| <b>IV. TRANSPORTATION SECURITY SUPPORT</b>                                    | <b>1,297</b>   | <b>550,194</b>     | ---          | ---    | <b>1,297</b>  | <b>550,194</b>     | <b>1,476</b>                 | <b>523,515</b>     | ---          | ---    | <b>1,476</b>  | <b>523,515</b>     | <b>1,332</b>    | <b>926,000</b>     | ---          | ---    | <b>1,332</b>  | <b>926,000</b>     |
| 1. Intelligence   | 84             | 23,695             | ---          | ---    | 84            | 23,695             | 99                           | 21,000             | ---          | ---    | 99            | 21,000             | 92              | 21,961             | ---          | ---    | 92            | 21,961             |
| 2. Headquarters Administration  | 1,213          | 305,648            | ---          | ---    | 1,213         | 305,648            | 1,377                        | 293,191            | ---          | ---    | 1,377         | 293,191            | 938             | 213,135            | ---          | ---    | 938           | 213,135            |
| 3. Human Capital Services   | ---            | ---                | ---          | ---    | ---           | ---                | ---                          | ---                | ---          | ---    | ---           | ---                | 176             | 218,105            | ---          | ---    | 176           | 218,105            |
| 4. Information Technology   | ---            | 215,437            | ---          | ---    | ---           | 215,437            | ---                          | 209,324            | ---          | ---    | ---           | 209,324            | 126             | 472,799            | ---          | ---    | 126           | 472,799            |
| 5. Research & Development   | ---            | 5,414              | ---          | ---    | ---           | 5,414              | ---                          | ---                | ---          | ---    | ---           | ---                | ---             | ---                | ---          | ---    | ---           | ---                |
| <b>V. FEDERAL AIR MARSHALS</b>  | ---            | <b>719,458</b>     | ---          | ---    | ---           | <b>719,458</b>     | ---                          | <b>769,500</b>     | ---          | ---    | ---           | <b>769,500</b>     | ---             | ---                | ---          | ---    | ---           | ---                |
| 1. Management and Administration  | ---            | 635,968            | ---          | ---    | ---           | 635,968            | ---                          | 674,173            | ---          | ---    | ---           | 674,173            | ---             | ---                | ---          | ---    | ---           | ---                |
| 2. Travel and Training  | ---            | 81,940             | ---          | ---    | ---           | 81,940             | ---                          | 95,327             | ---          | ---    | ---           | 95,327             | ---             | ---                | ---          | ---    | ---           | ---                |
| 3. Air-To-Ground Communications   | ---            | 1,550              | ---          | ---    | ---           | 1,550              | ---                          | ---                | ---          | ---    | ---           | ---                | ---             | ---                | ---          | ---    | ---           | ---                |
| <b>Total Direct Appropriations and Budget Estimates (Gross Discretionary)</b> | <b>47,493</b>  | <b>6,227,835</b>   | ---          | ---    | <b>47,493</b> | <b>6,227,835</b>   | <b>50,865</b>                | <b>6,316,859</b>   | ---          | ---    | <b>50,865</b> | <b>6,316,859</b>   | <b>51,442</b>   | <b>6,422,828</b>   | ---          | ---    | <b>51,442</b> | <b>6,422,828</b>   |
| <b>MANDATORY FEES</b>   |                |                    |              |        |               |                    |                              |                    |              |        |               |                    |                 |                    |              |        |               |                    |
| Aviation Security Capital Fund (ASCF)   | ---            | 266,016            | ---          | ---    | ---           | 266,016            | ---                          | 250,000            | ---          | ---    | ---           | 250,000            | ---             | 676,000            | ---          | ---    | ---           | 676,000            |
| Checkpoint Screening Security Fund (ASSF)                                     | ---            | ---                | ---          | ---    | ---           | ---                | ---                          | 250,000            | ---          | ---    | ---           | 250,000            | ---             | ---                | ---          | ---    | ---           | ---                |
| Alien Flight School - Fee   | 6              | 1,839              | ---          | ---    | 6             | 1,839              | 6                            | 3,000              | ---          | ---    | 6             | 3,000              | 6               | 3,000              | ---          | ---    | 6             | 3,000              |
| <b>Total Budget Authority (Gross Budgetary Resources)</b>                     | <b>47,499</b>  | <b>6,495,690</b>   | ---          | ---    | <b>47,499</b> | <b>6,495,690</b>   | <b>50,871</b>                | <b>6,819,859</b>   | ---          | ---    | <b>50,871</b> | <b>6,819,859</b>   | <b>51,448</b>   | <b>7,101,828</b>   | ---          | ---    | <b>51,448</b> | <b>7,101,828</b>   |
| <b>FEE ACCOUNT OFFSET</b>   |                |                    |              |        |               |                    |                              |                    |              |        |               |                    |                 |                    |              |        |               |                    |
| <b>Discretionary Fees:</b>  | ---            | <b>(2,304,703)</b> | ---          | ---    | ---           | <b>(2,304,703)</b> | ---                          | <b>(2,199,150)</b> | ---          | ---    | ---           | <b>(2,199,150)</b> | ---             | <b>(2,365,942)</b> | ---          | ---    | ---           | <b>(2,365,942)</b> |
| Aviation Passenger Security Fees (less ASCF & ASSF)                           | ---            | (1,707,113)        | ---          | ---    | ---           | (1,707,113)        | ---                          | (1,566,975)        | ---          | ---    | ---           | (1,566,975)        | ---             | (1,880,667)        | ---          | ---    | ---           | (1,880,667)        |
| Aviation Security Infrastructure Fund   | ---            | (574,643)          | ---          | ---    | ---           | (574,643)          | ---                          | (546,000)          | ---          | ---    | ---           | (546,000)          | ---             | (448,000)          | ---          | ---    | ---           | (448,000)          |
| General Aviation at DCA - Fee   | ---            | (85)               | ---          | ---    | ---           | (85)               | ---                          | (75)               | ---          | ---    | ---           | (75)               | ---             | (75)               | ---          | ---    | ---           | (75)               |
| Indirect Air Cargo - Fee  | ---            | (2,791)            | ---          | ---    | ---           | (2,791)            | ---                          | (200)              | ---          | ---    | ---           | (200)              | ---             | (200)              | ---          | ---    | ---           | (200)              |
| Registered Traveler Program - Fee   | ---            | (13,071)           | ---          | ---    | ---           | (13,071)           | ---                          | (3,500)            | ---          | ---    | ---           | (3,500)            | ---             | (10,000)           | ---          | ---    | ---           | (10,000)           |
| TWIC - Fee  | ---            | ---                | ---          | ---    | ---           | ---                | ---                          | (64,400)           | ---          | ---    | ---           | (64,400)           | ---             | (9,000)            | ---          | ---    | ---           | (9,000)            |
| HAZMAT CDL - Fee  | ---            | (7,000)            | ---          | ---    | ---           | (7,000)            | ---                          | (18,000)           | ---          | ---    | ---           | (18,000)           | ---             | (18,000)           | ---          | ---    | ---           | (18,000)           |
| <b>Mandatory Fees:</b>  | ---            | <b>(253,195)</b>   | ---          | ---    | ---           | <b>(253,195)</b>   | ---                          | <b>(503,000)</b>   | ---          | ---    | ---           | <b>(503,000)</b>   | ---             | <b>(679,000)</b>   | ---          | ---    | ---           | <b>(679,000)</b>   |
| Aviation Security Capital Fund  | ---            | (250,000)          | ---          | ---    | ---           | (250,000)          | ---                          | (250,000)          | ---          | ---    | ---           | (250,000)          | ---             | (676,000)          | ---          | ---    | ---           | (676,000)          |
| Checkpoint Screening Security Fund (ASSF)                                     | ---            | ---                | ---          | ---    | ---           | ---                | ---                          | (250,000)          | ---          | ---    | ---           | (250,000)          | ---             | ---                | ---          | ---    | ---           | ---                |
| Alien Flight School - Fee   | ---            | (3,195)            | ---          | ---    | ---           | (3,195)            | ---                          | (3,000)            | ---          | ---    | ---           | (3,000)            | ---             | (3,000)            | ---          | ---    | ---           | (3,000)            |
| <b>RESCISSION OF PRIOR YEAR FUNDS</b>   | ---            | <b>(66,712)</b>    | ---          | ---    | ---           | <b>(66,712)</b>    | ---                          | <b>(4,500)</b>     | ---          | ---    | ---           | <b>(4,500)</b>     | ---             | ---                | ---          | ---    | ---           | ---                |
| <b>Net, Direct Appropriations and Budget Estimates</b>                        | <b>47,499</b>  | <b>3,871,080</b>   | ---          | ---    | <b>47,499</b> | <b>3,871,080</b>   | <b>50,871</b>                | <b>4,113,209</b>   | ---          | ---    | <b>50,871</b> | <b>4,113,209</b>   | <b>51,448</b>   | <b>4,056,886</b>   | ---          | ---    | <b>51,448</b> | <b>4,056,886</b>   |

<sup>1</sup> Includes adjustments to fees.

### iii. Status of Congressionally Requested Studies, Reports, and Evaluation

#### Department of Homeland Security Transportation Security Administration

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b> | <b>Requirement</b>   | <b>Status</b>   |
|--------------------|-----------------|---------------------------|--|---|
| 2006               | Quarterly       | C.Rpt 109-241             | ASIF Progress Report   | DHS rec'd 10/5/06   |
| 2007               | 11/15/2007      | PL 109-295 Sec 519        | 4th Air Cargo Quarterly  | DHS clearance -- Target delivery date to Congress is 12/31/07 |
| 2007               | 11/15/2007      | Classified Annex          | 4th Quarter FY 2007 FAMS Hiring                                      | DHS clearance -- Target delivery date to Congress is 12/31/07 |
| 2008               | 6/1/2008        | Omnibus Conference Report | Performance Accountability and Standards System (PASS)               | TSA drafting -- Target delivery date to DHS is 4/1/08         |
| 2008               | 4/1/2008        | Omnibus Conference Report | 9/11 Act Activities Expenditure Plan                                 | TSA drafting -- Target delivery date to DHS is 3/15/08        |
| 2008               | 8/1/2008        | Omnibus Conference Report | Airport Employee Screening Pilot Program                             | TSA drafting -- Target delivery date to DHS is 6/17/08        |
| 2008               | 5/1/2008        | Omnibus Conference Report | Airport Employee Screening Pilot Program Expenditure Plan            | TSA drafting -- Target delivery date to DHS is 3/1/08         |
| 2008               | 2/15/2008       | Omnibus Conference Report | 1st Quarter Screening Wait Times                                     | TSA drafting -- Target delivery date to DHS is 2/1/08         |
| 2008               | 5/15/2008       | Omnibus Conference Report | 2nd Quarter Screening Wait Times                                     | TSA drafting -- Target delivery date to DHS is 5/1/08         |
| 2008               | 8/15/2008       | Omnibus Conference Report | 3rd Quarter Screening Wait Times                                     | TSA drafting -- Target delivery date to DHS is 8/1/08         |
| 2008               | 11/15/2008      | Omnibus Conference Report | 4th Quarter Screening Wait Times                                     | TSA drafting -- Target delivery date to DHS is 11/1/08        |
| 2008               | 6/1/2008        | Omnibus Conference Report | Butane Lighters Prohibition  | TSA drafting -- Target delivery date to DHS is 4/1/08         |
| 2008               | 2/29/2008       | Omnibus Conference Report | Explosives Detection Systems and Checkpoint Support Expenditure Plan | TSA drafting -- Target delivery date to DHS is 2/1/08         |

|      |            |                           |  |  |
|------|------------|---------------------------|--|--|
| 2008 | 2/15/2008  | Omnibus Conference Report | 1st Quarter FY 2008 FAMS Hiring  | TSA drafting -- Target delivery date to DHS is 2/1/08          |
| 2008 | 5/15/2008  | Omnibus Conference Report | 2nd Quarter FY 2008 FAMS Hiring  | TSA drafting -- Target delivery date to DHS is 5/1/08          |
| 2008 | 8/15/2008  | Omnibus Conference Report | 3rd Quarter FY 2008 FAMS Hiring  | TSA drafting -- Target delivery date to DHS is 8/1/08          |
| 2008 | 11/15/2008 | Omnibus Conference Report | 4th Quarter FY 2008 FAMS Hiring  | TSA drafting -- Target delivery date to DHS is 11/1/08         |
| 2008 | 6/1/2008   | House Report              | Consolidating Checkpoint and Checked Baggage Screening at Smaller Airports | TSA drafting -- Target delivery date to DHS is 4/1/08          |
| 2008 | 6/1/2008   | Senate Report             | U.S. Bound Air Cargo Action Plan   | TSA drafting -- Target delivery date to DHS is 4/1/08          |
| 2008 | 2/15/2008  | House and Senate Reports  | 1st Quarter Air Cargo Statistics   | TSA drafting -- Target delivery date to DHS is 2/1/08          |
| 2008 | 5/15/2008  | House and Senate Reports  | 2nd Quarter Air Cargo Statistics   | TSA drafting -- Target delivery date to DHS is 5/1/08          |
| 2008 | 8/15/2008  | House and Senate Reports  | 3rd Quarter Air Cargo Statistics   | TSA drafting -- Target delivery date to DHS is 8/1/08          |
| 2008 | 11/15/2008 | House and Senate Reports  | 4th Quarter Air Cargo Statistics   | TSA drafting -- Target delivery date to DHS is 11/1/08         |
| 2008 | 6/1/2008   | House Report              | Secure Flight Assistant Secretary Certification Regarding the Watch List   | TSA drafting -- Target delivery date to DHS is 4/1/08          |
| 2008 | TBD        | Senate Engrossed          | Voluntary Provision of Emergency Services Program (VPESP)                  | Report is due 60 days after completion of a study on the VPESP |

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
Transportation Security Administration**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity  | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | FY 2009 Request  |
|--|----------------------------|------------------|---|------------------|
|  | Fiscal Year                | Amount           | Amount                                      | Amount           |
| <b>Aviation Security</b>                                   | <b>2011</b>                | <b>Such sums</b> | <b>N/A</b>                                  | <b>5,289,810</b> |
| - Screening Partnership Program                            | 2011                       | Such sums        | N/A   | 151,272          |
| - Passenger and Baggage PC&B                               | 2011                       | Such sums        | N/A   | 2,716,014        |
| - Passenger Screening PC&B                                 | 2011                       | Such sums        | N/A   | ---              |
| - Baggage Screening PC&B                                   | 2011                       | Such sums        | N/A   | ---              |
| - Screener Training and Other                              | 2011                       | Such sums        | N/A   | 197,318          |
| - Screener Training  | 2011                       | Such sums        | N/A   | ---              |
| - Passenger Screeners Other                                | 2011                       | Such sums        | N/A   | ---              |
| - Baggage Screeners Other                                  | 2011                       | Such sums        | N/A   | ---              |
| - Human Resource Services                                  | 2011                       | Such sums        | N/A   | ---              |
| - Checkpoint Support                                       | 2011                       | Such sums        | N/A   | 127,683          |
| - EDS/EDT Procurement and Installation                     | 2011                       | Such sums        | N/A   | 153,894          |
| - EDS/EDT Purchase   | 2011                       | Such sums        | N/A   | ---              |
| - EDS/EDT Installation                                     | 2011                       | Such sums        | N/A   | ---              |
| - Screening Technology [EDS/ETD] Maintenance and Utilities | 2011                       | Such sums        | N/A   | 310,625          |
| - Operations Integration                                   | 2011                       | Such sums        | N/A   | 21,481           |
| - Aviation Regulation [and Other Enforcement]              | 2011                       | Such sums        | N/A   | 209,991          |
| - Airport Management[, IT] and Support                     | 2011                       | Such sums        | N/A   | 373,010          |
| - Fed Flight Deck Officer and Flight Crew Training         | 2011                       | Such sums        | N/A   | ---              |
| - Air Cargo  | 2011                       | Such sums        | N/A   | ---              |
| - Airport Perimeter Security                               | 2011                       | Such sums        | N/A   | ---              |
| - Foreign and Domestic Repair Stations                     | 2011                       | Such sums        | N/A   | ---              |
| - Federal Air Marshals                                     | 2011                       | Such sums        | N/A   | 786,000          |
| - Law Enforcement  | 2011                       | Such sums        | N/A   | 242,247          |
| - General Aviation at DCA - Fee                            |                            |                  |   | 75               |
| - Indirect Air Cargo - Fee                                 |                            |                  |   | 200              |
| <b>Surface Transportation Security</b>                     | <b>2011</b>                | <b>N/A</b>       | <b>N/A</b>                                  | <b>37,000</b>    |
| - Surface Transportation Security Operations and Staffing  | 2011                       | N/A              | N/A   | 25,397           |
| - Rail Inspectors and Canines                              | 2011                       | N/A              | N/A   | 11,603           |
| <b>Transportation Threat Assessment and Credentialing</b>  | <b>2005</b>                | <b>Such sums</b> | <b>69,919</b>                               | <b>173,018</b>   |
| - Secure Flight <sup>1</sup>                               | 2005                       | Such sums        | 34,919                                      | 82,211           |
| - Crew Vetting <sup>1</sup>                                | 2005                       | Such sums        | 10,000                                      | ---              |
| - Other Vetting & Screening/Screening Admin & Ops          |                            |                  |   | 50,807           |
| - Registered Traveler Program - Fee                        | N/A                        | N/A              | N/A   | 10,000           |
| - TWIC - Fee   | N/A                        | N/A              | N/A   | 9,000            |
| - HAZMAT CDL - Fee   | N/A                        | N/A              | N/A   | 18,000           |
| - Registered Traveler Program <sup>1</sup>                 | 2005                       | Such sums        | 15,000                                      | ---              |
| - Alien Flight School - Fee <sup>2</sup>                   | 2005                       | Such sums        | 10,000                                      | 3,000            |
| <b>Transportation Security Support</b>                     | <b>N/A</b>                 | <b>N/A</b>       | <b>N/A</b>                                  | <b>926,000</b>   |
| - Intelligence   | N/A                        | N/A              | N/A   | 21,961           |
| - HQ Administration  | N/A                        | N/A              | N/A   | 213,135          |
| - Human Capital Services                                   | N/A                        | N/A              | N/A   | 218,105          |
| - Information Technology                                   | N/A                        | N/A              | N/A   | 472,799          |
| <b>Federal Air Marshal Service</b>                         | <b>2011</b>                | <b>Such sums</b> | <b>N/A</b>                                  | <b>---</b>       |
| - Management and Administration                            | 2011                       | Such sums        | N/A   | ---              |
| - Travel and Training                                      | 2011                       | Such sums        | N/A   | ---              |
| - Air-to-Ground Communications                             | 2011                       | Such sums        | N/A   | ---              |
| <b>Aviation Security Capital Fund<sup>2</sup></b>          | <b>2023</b>                | <b>Such sums</b> | <b>N/A</b>                                  | <b>676,000</b>   |
| <b>Total Direct Authorization/Appropriation</b>            |                            |                  |   | <b>7,101,828</b> |

<sup>1</sup>Through FY 2005, these programs were under the Aviation Program and were therefore authorized. The Transportation Threat Assessment and Credentialing Appropriation has not been authorized.

<sup>2</sup>P.L. 110-53 reauthorized the Aviation Security Capital Fund from FY 2008 through FY 2023.

# Department of Homeland Security

*Transportation Security Administration*

*Aviation Security*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## TRANSPORTATION SECURITY ADMINISTRATION AVIATION SECURITY APPROPRIATION

### I. Appropriation Overview

#### A. Mission:

The Aviation and Transportation Security Act (ATSA), Public Law 107-71, enacted on November 19, 2001, established the Transportation Security Administration (TSA) to protect the transportation system and ensure the freedom of movement for people and commerce. The Aviation Security Appropriation consists of programs whose primary focus is to secure aviation transportation. The path to achieving this mission has evolved in the years since the September 11th attacks. Enhancements in aviation security have included emphasis in explosives detection training and technology, modifications to the prohibited items list, and changes to TSA security screening protocols. The 9/11 Bill further strengthens Aviation Security through its authorization of extensive Air Cargo screening.

The FY 2009 request represents a continuation of the important initiatives commenced in FY 2007 and 2008, including annualization of FY 2007 Air Cargo programs, annualization of Visible Intermodal Protection and Response (VIPR) and Transportation Security Officer programs expanded in 2008. This includes the work of our Transportation Security Officers (TSOs) Behavior Detection Officers (BDOs), who utilize the Screening Passengers by Observation Techniques (SPOT), and Aviation Direct Access Screening Program (ADASP), that further bolsters aviation security through random and unpredictable screening of airport employees and facilities. In addition, TSA expects to make substantial progress in FY 2009 towards achieving 100 percent screening of cargo on passenger aircraft.

#### B. Budget Activities:

The Aviation Security appropriation includes two distinct components: TSO Operations and Equipment; Aviation Direction and Enforcement.

**TSO Operations and Equipment** - TSO Operations and Equipment includes the Programs, Projects and Activities (PPA's) that support the pay, training, outfitting, and operating costs for the TSO workforce. Funding is also included for checkpoint support, purchase, installation, and maintenance of screening equipment to include explosives detection systems (EDS) and explosives trace detection machines (ETD), and related operational integration activities.

**Aviation Direction and Enforcement** - Aviation Direction and Enforcement includes activities that ensure that TSA continues to build a strong security regulation and enforcement presence on-site at the nation's commercial airports. Funding requested under this decision unit supports air cargo and airport/airline regulation compliance through inspections, international programs, and reimbursements provided to State and local law enforcement for support provided at commercial airport checkpoints, as well as the airport management and direction staff and airport

administrative support. The FY 2009 request also eliminates the Federal Air Marshals Service (FAMS) appropriation as a separate funding entity and incorporates it as a single PPA within this decision unit.

### **C. Budget Request Summary:**

The Transportation Security Administration requests 52,244 positions, 49,697 FTE, and \$5,289,810,000 for Aviation Security in FY 2009. The total adjustment-to-base is minus 30 positions, plus 800 FTE and \$481,070,000. There is no program increase.

### **D. PPA Consolidation Proposal:**

The FY 2009 request is presented in a structure that more closely mirrors the current organization. As TSA's mission has grown, the budget structure has not been adjusted to accurately reflect the alignment of resources to functions. Putting like programs together into one PPA along with the supporting personnel will give a total picture of the cost of a program.

The FY 2009 request aligns operational program and personnel funding under the same PPA. In many cases, personnel and the supporting funds have been shifted out of the Headquarters Administration PPA and now reside with the program they support. For example, FTE associated with the training of screeners are now shown on the same line as the Screener Training and Other PPA. This provides a total picture of the cost of TSA programs and is structured much like the Transportation Threat Assessment and Credentialing (TTAC) appropriation.

Human Capital Services is a new PPA in the Transportation Security Support Appropriation that combines funding previously supporting HR Services (Aviation) and HR activities within HQ Administration (Transportation Security Support). Similarly, Information Technology activities previously funded under Airport Management, IT and Support (Aviation) have been combined with IT activities in the Support Appropriation.

TSA also proposes to consolidate two PPA's in the Aviation Security Appropriation budget – Aviation Regulation and Enforcement, and Air Cargo. This merger would recognize that the Air Cargo PPA is primarily regulatory in nature and would allow for funding the nearly 1,000 Aviation Security Inspectors (ASI) and Cargo Aviation Security Inspectors (CASI) in the same PPA and often share work space at the federal airports. Sourcing ASI and CASI payroll and operating expenses in the same PPA would give TSA a national response capability to respond to or focus on any national special security event, security incident, heightened security alerts, or natural disasters, with a cadre of trained aviation inspectors. It would also allow management the flexibility to shift the focus of these inspectors between cargo and general inspection duties while still maintaining the overall ASI-CASI workload implied in the current funding allocations. TSA would continue to provide inspection plans and capture ASI/CASI workload for display in traditional budget documents and reports. TSA will also continue to provide granularity on the specific pieces of the PPA's that were provided in past year budgets to support program accountability and external oversight of these activities.

The FY 2009 request also eliminates the Federal Air Marshals Service (FAMS) appropriation as a separate funding entity and incorporates it as a single PPA within TSA's Aviation Security

appropriation. This is an important step in fully implementing the goals, objectives and vision of the Department's Second Stage Review, and completes the integration of the FAMS into TSA's aviation security and enforcement missions. In addition, the realignment better reflects TSA's organization and management structure and will enable the agency to more rapidly apply its law enforcement and related resources to meet emerging threats.

II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity   | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  |                   |                    |                    |                    |                    |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Screening Partnership Program  | ---               | \$142,230          | ---                | 143,385            | ---                | 151,272            | ---                                      | 7,887            | ---             | ---        | ---                 | 7,887            |
| Passenger & Baggage PC&B   | 42,592            | 2,444,455          | 45,438             | 2,636,104          | 45,643             | 2,716,014          | 205                                      | 79,910           | ---             | ---        | 205                 | 79,910           |
| Screening Training and Other   | ---               | 228,821            | ---                | 223,766            | 54                 | 197,318            | 54                                       | (26,448)         | ---             | ---        | 54                  | (26,448)         |
| Human Resource Services  | ---               | 170,634            | ---                | 182,234            | ---                | ---                | ---                                      | (182,234)        | ---             | ---        | ---                 | (182,234)        |
| Checkpoint Support   | ---               | 248,958            | ---                | ---                | 40                 | 127,683            | 40                                       | 127,683          | ---             | ---        | 40                  | 127,683          |
| EDS/ETD Purchase/Install   | ---               | ---                | ---                | 294,000            | 106                | 153,894            | 106                                      | (140,106)        | ---             | ---        | 106                 | (140,106)        |
| EDS/ETD Purchase   | ---               | 179,554            | ---                | ---                | ---                | ---                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| EDS/ETD Installation   | ---               | 147,676            | ---                | ---                | ---                | ---                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| Screening Technology [EDS/ETD] Maintenance & Utilities                                     | ---               | 222,615            | ---                | 264,000            | ---                | 310,625            | ---                                      | 46,625           | ---             | ---        | ---                 | 46,625           |
| Operation Integration  | 12                | 31,543             | 24                 | 25,000             | ---                | 21,481             | (24)                                     | (3,519)          | ---             | ---        | (24)                | (3,519)          |
| Aviation Regulation [and Other Enforcement]  | 950               | 236,419            | 1,038              | 255,953            | 1,407              | 209,991            | 369                                      | (45,962)         | ---             | ---        | 369                 | (45,962)         |
| Airport Management, IT and Support   | 1,984             | 679,745            | 2,045              | 651,933            | 1,878              | 373,010            | (167)                                    | (278,923)        | ---             | ---        | (167)               | (278,923)        |
| Federal Flight Deck Officer and Flight Crew Training                                       | 19                | 21,367             | 25                 | 25,091             | ---                | ---                | (25)                                     | (25,091)         | ---             | ---        | (25)                | (25,091)         |
| Air Cargo  | 292               | 64,238             | 325                | 73,000             | ---                | ---                | (325)                                    | (73,000)         | ---             | ---        | (325)               | (73,000)         |
| Federal Air Marshal Service  | ---               | ---                | ---                | ---                | ---                | 786,000            | ---                                      | 786,000          | ---             | ---        | ---                 | 786,000          |
| Law Enforcement  | ---               | ---                | ---                | ---                | 567                | 242,247            | 567                                      | 242,247          | ---             | ---        | 567                 | 242,247          |
| Airport Perimeter Security   | ---               | 4,914              | ---                | 4,000              | ---                | ---                | ---                                      | (4,000)          | ---             | ---        | ---                 | (4,000)          |
| Implementation of 9/11 Act   | ---               | ---                | ---                | 30,000             | ---                | ---                | ---                                      | (30,000)         | ---             | ---        | ---                 | (30,000)         |
| Secure Flight  | ---               | 44                 | ---                | ---                | ---                | ---                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| Registered Traveler  | 8                 | 3,066              | ---                | ---                | ---                | ---                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| General Aviation at DCA - Fees   | ---               | ---                | ---                | 75                 | ---                | 75                 | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| Indirect Air Cargo - Fees  | ---               | 81                 | 2                  | 200                | 2                  | 200                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| <b>Subtotal, Enacted Appropriations &amp; Budget Estimates (Gross Discretionary)</b>       | <b>45,857</b>     | <b>4,826,360</b>   | <b>48,897</b>      | <b>4,808,741</b>   | <b>49,697</b>      | <b>5,289,810</b>   | <b>800</b>                               | <b>481,069</b>   | <b>---</b>      | <b>---</b> | <b>800</b>          | <b>481,069</b>   |
| Aviation Security Capital Fund   | ---               | 266,016            | ---                | 250,000            | ---                | 676,000            | ---                                      | 426,000          | ---             | ---        | ---                 | 426,000          |
| Checkpoint Screening Security Fund   | ---               | ---                | ---                | 250,000            | ---                | ---                | ---                                      | (250,000)        | ---             | ---        | ---                 | (250,000)        |
| Alien Flight School - Fee  | ---               | 1                  | ---                | ---                | ---                | ---                | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| <b>Subtotal, Enacted Appropriations &amp; Budget Estimates (Gross Budgetary Authority)</b> | <b>45,857</b>     | <b>5,092,377</b>   | <b>48,897</b>      | <b>5,308,741</b>   | <b>49,697</b>      | <b>5,965,810</b>   | <b>800</b>                               | <b>657,069</b>   | <b>---</b>      | <b>---</b> | <b>800</b>          | <b>657,069</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>  |                   |                    |                    |                    |                    |                    |  |                  |                 |            |                     |                  |
| <b>Aviation Security Fees - Discretionary</b>  | <b>---</b>        | <b>(2,284,632)</b> | <b>---</b>         | <b>(2,113,250)</b> | <b>---</b>         | <b>(2,328,942)</b> | <b>---</b>                               | <b>(215,692)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>(215,692)</b> |
| Aviation Passenger Security Fees (less ASCF in FY 07)                                      | ---               | (1,707,113)        | ---                | (1,566,975)        | ---                | (1,880,667)        | ---                                      | (313,692)        | ---             | ---        | ---                 | (313,692)        |
| Aviation Security Infrastructure Fee (ASIF)  | ---               | (574,643)          | ---                | (546,000)          | ---                | (448,000)          | ---                                      | 98,000           | ---             | ---        | ---                 | 98,000           |
| General Aviation @ DCA Fees  | ---               | (85)               | ---                | (75)               | ---                | (75)               | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| Air Cargo - Fees   | ---               | (2,791)            | ---                | (200)              | ---                | (200)              | ---                                      | ---              | ---             | ---        | ---                 | ---              |
| <b>Less: Prior Year Rescission:</b>  | <b>---</b>        | <b>(62,712)</b>    | <b>---</b>         | <b>(4,500)</b>     | <b>---</b>         | <b>---</b>         | <b>---</b>                               | <b>---</b>       | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>---</b>       |
| <b>Net, Discretionary Appropriations &amp; Budget Estimates</b>                            | <b>45,857</b>     | <b>2,479,016</b>   | <b>48,897</b>      | <b>2,690,991</b>   | <b>49,697</b>      | <b>2,960,868</b>   | <b>800</b>                               | <b>265,377</b>   | <b>---</b>      | <b>---</b> | <b>800</b>          | <b>265,377</b>   |
| <b>Aviation Fees - Mandatory</b>   | <b>---</b>        | <b>(250,000)</b>   | <b>---</b>         | <b>(500,000)</b>   | <b>---</b>         | <b>(676,000)</b>   | <b>---</b>                               | <b>(176,000)</b> | <b>---</b>      | <b>---</b> | <b>---</b>          | <b>(176,000)</b> |
| Aviation Security Capital Fund   | ---               | (250,000)          | ---                | (250,000)          | ---                | (676,000)          | ---                                      | (426,000)        | ---             | ---        | ---                 | (426,000)        |
| Checkpoint Screening Security Fund   | ---               | ---                | ---                | (250,000)          | ---                | ---                | ---                                      | 250,000          | ---             | ---        | ---                 | 250,000          |
| Alien Flight School - Fee  | ---               | ---                | ---                | ---                | ---                | ---                | ---                                      | ---              | 0               | 0          | ---                 | ---              |

<sup>1</sup>FY 2007 Revised Enacted includes adjustments to fees.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Program Performance Justification**

(Dollars in thousands)

#### TRANSPORTATION SECURITY OFFICER (TSO) STAFFING AND OPERATIONS

##### PPA: SCREENING PARTNERSHIP PROGRAM

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$142,230</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>143,385</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | 7,887            |
| <b>2009 Current Services</b> | ...                 | ...        | <b>151,272</b>   |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | <b>151,272</b>   |
| Total Change 2008-2009       | ...                 | ...        | 7,887            |

TSA requests \$151.3 million for this activity. This \$7.9 million increase includes a \$3.4 million realignment of TSO Pay, Compensation and Benefits (PC&B) to fund the deployment of the Travel Document Checker (TDC) program to SPP airports, \$2.0 million to annualize deployment of the Screening Passengers by Observation Techniques (SPOT) and Aviation Direct Access Screening Program (ADASP), and \$2.5 million for pay and non-pay COLA.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Screening Partnership Program (SPP) allows an airport operator to have screening services performed by a private screening company. The contractor must perform under federal oversight and the contracted screeners must perform to equal or higher performance levels than federal TSOs. TSA developed the SPP based on two year operational experience with the Private Screening Pilot Program (PP5), key lessons learned from evaluation studies, and input from internal subject matter experts and external stakeholders.

The original five PP5 airports (San Francisco International, Kansas City International, Greater Rochester International, Jackson Hole Airport, and Tupelo) elected to remain in the SPP with qualified contractors performing screening functions.

These additional airports have been awarded SPP contracts:

- Sioux Falls Joe Foss Field Regional Airport, SD (FSD)
- Key West International Airport (EYW) / Marathon Key Airport, FL
- 34<sup>th</sup> Street Heliport in New York City, NY
- Charles Schulz – Sonoma County Airport, CA (STS)
- Gallup Municipal Airport in Gallup, NM (GUP)
- Roswell Industrial Airport in Roswell, NM (ROW)

Marathon airport was being transitioned to the SPP program when the carrier decided to discontinue service. It was subsequently removed from the Key West contract.

Significant accomplishments in FY 2007 include:

- Streamlined the SPP acquisition process by eliminating the closed "Qualified Vendors List," making it easier for new vendors to compete for SPP contracts;
- Implemented a new Quality Assurance and Surveillance Plan with stronger performance measures;
- Transitioned EYW, STS, GUP, ROW, and 34th Street Heliport to private screening;
- Integrated ADASP, TDC, SPOT, and VIPR programs at SPP airports;
- Established DHS Safety Act Certification process for SPP contractors; and
- Coordinated with DHS to study air cargo security at San Francisco International Airport.

FY 2008 planned accomplishments include:

- Efficiently award contracts for airports applying to join SPP and ensure contractors deliver services per Aviation and Transportation Security Act (ATSA) requirements;
- Monitor the Quality Assurance Surveillance Plan and make modifications to ensure the objectivity of the metrics;
- Implement security requirements in existing contracts as changes are made to Standard Operating Procedures (SOP) or new security programs are developed; and
- Support the Department of Homeland Security Science and Technology office as they receive Safety Act Designation and Certification applications.

In FY 2009, TSA will continue FY 2008 planned accomplishments.

**PPA: PASSENGER AND BAGGAGE SCREENER PERSONNEL, COMPENSATION, AND BENEFITS**

|                              | <b>Perm</b>   |               |                    |
|------------------------------|---------------|---------------|--------------------|
|                              | <b>Pos</b>    | <b>FTE</b>    | <b>Amount</b>      |
| <b>2007 Actual</b>           | <b>43,771</b> | <b>42,592</b> | <b>\$2,444,455</b> |
| <b>2008 Enacted</b>          | <b>48,659</b> | <b>45,438</b> | <b>2,636,104</b>   |
| 2009 Adjustments-to-Base     | (650)         | 205           | 79,910             |
| <b>2009 Current Services</b> | <b>48,009</b> | <b>45,643</b> | <b>2,716,014</b>   |
| 2009 Program Change          | ...           | ...           | ...                |
| <b>2009 Request</b>          | <b>48,009</b> | <b>45,643</b> | <b>2,716,014</b>   |
| Total Change 2008-2009       | (650)         | 205           | ...                |

The Transportation Security Administration requests \$2.7 billion for this activity. This is an increase of \$79.9 million, of which \$37.8 million is for pay cost of living adjustments (COLA), and \$42.1 million to annualize full-year cost of the expansion of the Screening Passengers by Observation Techniques (SPOT) program (330 FTE) and the Aviation Direct Access Screening Program (ADASP) (375 FTE) for positions first appropriated in FY 2008. The overall 205 FTE increase represents the net of the annualizing of SPOT and ADASP and the FTE reduction for the final year of the original TSO career progression program started in FY 2007, and other efficiencies.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

Passenger and baggage screening protects commercial air travelers by preventing dangerous or deadly objects that individuals are attempting to smuggle onto aircraft either on themselves or in their carry-on or checked baggage. In FY 2007 the TSO workforce met the challenge of facing the additional threat of liquid explosives with great efficiency while maintaining security. This PPA funds 45,643 FTE comprised of approximately 46,909 TSOs, Lead TSOs, Supervisory TSOs, and approximately 1,100 Security Managers.

The TSA screening process must strike the appropriate balance between preventing security breaches and maintaining the efficient movement of law-abiding passengers through the security checkpoints. At the time of passenger check-in, TSOs use various types of electronic detection and imaging machines for this purpose, including X-ray machines, explosives trace detection equipment, walk-through metal detectors and hand-held metal detectors. At the checkpoints, TSOs may perform physical searches of carry-on baggage and pat-down searches of airline passengers, crew and airport employees, in conjunction with the use of behavior recognition techniques and the validation of travel documents.

By law all TSOs, both private and federal, are required to be U.S. citizens, pass a background investigation, and have a high school diploma, a general equivalency diploma, or experience that TSA has determined is sufficient to perform these duties. They must pass training, be certified to use the detection machines employed in their jobs and are also subject to periodic training and testing. Failure to pass any phase of training or a certification examination is grounds for termination of employment.

### **Career Progression**

FY 2007 saw the continuation of the Career Progression Program, which adds significant additional security while enabling widespread career growth and professional development opportunities for high-performing TSOs, which will also reduce attrition. The program:

- Added a new E Band to the TSO compensation scale above the existing entry-level D Band. TSOs are eligible based on a minimum of two year's experience, performance and additional training/duties.
- Implemented specialized technical career tracks – Master and Expert Transportation Security Officers – Master and Expert TSOs are Behavior Detection Officers (BDO) or Security Training Instructors (STI) compensated at higher band levels. BDOs screen passengers by observation techniques (SPOT) to identify potentially high-risk individuals based on involuntary physical and physiological reactions. STIs perform training instruction based on national and local training programs.
- Provided other new skill sets and training to TSOs which have dramatically increased their abilities. Programs such as the Aviation Direct Access Screening Program (ADASP), Visible Intermodal Protection and Response (VIPR), SPOT and the Travel Document Checker program (TDC) have enhanced TSOs' security expertise. TSOs are also eligible to apply for positions as Bomb Appraisal Officers (BAO), although the Explosive Ordnance Disposal (EOD) or civilian-equivalent training prerequisite of the program is met by few TSOs.

In FY 2008, TSA expects the Career Progression program will continue with the establishment of Equipment Maintenance Technicians and Coordination Center Officers. The Equipment

Maintenance Technician will enable TSOs with technical expertise to progress and will generate efficiencies by allowing TSA to rely less upon maintenance contracts and more quickly resolve basic maintenance issues. The Coordination Center Officers will facilitate smooth communications and will assist with analyzing information on threats and responding to crises.

As emerging threats are identified and new technical measures are implemented, this robust and scalable career path is essential to TSA's success and our efforts to improve aviation security. The career progression structure allows TSA to distinguish and retain the more experienced, top performing and better trained TSOs. Test results have shown a distinct connection between longevity and performance, including detection ability, screening efficiency and customer service. As threats evolve and increase in complexity, the advanced skills of our workforce are necessary to stay ahead of those threats.

TSA firmly supports the notion of maintaining a smaller, more capable workforce. When a shift in security programs due to threats becomes necessary or if further efficiencies are realized, TSA will look towards appropriate security enhancements, such as training a larger proportion of the TSO workforce in behavior detection techniques.

### **Workforce Initiatives**

TSA determines and allocates FTE to the airports through a process referred to as the Staffing Allocation Model (SAM). During the SAM process for the 2008 fiscal year, TSA was able to identify operational and efficiency gains through better scheduling, the increased use of part-time employees, technology improvements and management practices. These efficiencies led to expansions of workforce initiatives, most within existing resources, which have significantly strengthened transportation security. The workforce initiatives include:

- Implemented the TDC in over 250 smaller airports in FY 2007 without adding personnel. TSA will fund the expansion of this program to all airports in FY 2008 by utilizing both the efficiencies gained internally and using funds requested in the FY 2008 Budget. Specifically, through savings accrued through adjustments in the SAM 2008, TSA was able to fund 1,033 additional FTE for TDC. This program ensures only passengers with authentic boarding passes access the sterile areas of airports and aboard aircraft, adds an additional layer of aviation security while extending the span of control of the TSA checkpoints, and allows for Sensitive Security Information regarding threats, watch lists, etc., to be made available to TSOs in the document checking process.
- Completed planned deployment of BDOs in the SPOT program. This essential program adds an important layer of security in all areas of an airport. The program provides a non-intrusive means of identifying potentially high-risk individuals who exhibit behaviors indicative of inordinate levels of stress, fear and/or deception which could possibly suggest intentions of terrorism and/or criminal activity. Through the SAM allocation process, TSA has been able to almost triple the size of the SPOT program in FY 2008 within base resources, while also adding 660 positions/ 330 FTE in the FY 2008 appropriation.
- Completed planned deployment of the Bomb Appraisal Officer (BAO) program. BAOs are highly skilled individuals which have undergone training in the disposal of explosive ordnance. This program strengthens the security of the Nation's transportation systems

by providing frequent interaction and formal training to TSOs to increase their ability to recognize potential IEDs and IED components. This provides preventative measures against Improvised Explosive Devices (IEDs) while also reducing costly airport delays and closures. The BAO Program was formally implemented to 107 airports in FY 2007.

- Launched wide deployment of Visible Intermodal Protection and Response (VIPR) Teams. These teams consist of TSOs, BDOs, Transportation Security Inspectors (TSIs) and Federal Air Marshals (FAMS). Their duty is to screen passengers, look for suspicious behavior and act as a visible deterrent in multiple transportation sectors, including buses, mass transit and airports.
- Implemented the Aviation Direct Access Screening Program (ADASP). The objective of ADASP is to establish uniform procedures and standards for TSOs, to screen individuals, their accessible property and vehicles upon entering a direct access point screening location, and conduct visual inspections of aircraft with the following goals:
  - Screen and inspect for the presence of explosives, incendiaries, weapons, and other prohibited items, improper airport ID media, and items identified through specific intelligence information
  - Conduct screening on a random and unpredictable basis varying location, type of procedures and duration

The ADASP program is measured in terms of effort, not individual positions. By examining scheduling practices and using part-time employees, TSA was able to generate FTE efficiencies through its allocation process and fund the approximately 900 ADASP FTE program within its base resources, which was further augmented by the FY 2008 appropriation that will add 750 additional FTE by FY 2009.

- Implemented the Aviation Screening Assessment Program (ASAP) nation-wide. The mission of ASAP is to measure TSO screening performance using realistic and standardized test scenarios to improve aviation security and achieve a national TSO assessment measurement. This national baseline measurement will be achieved by conducting a total of 4,800 annual tests. ASAP test results will provide critical information to TSA leadership that will help with the improvement of aviation security and the identification of vulnerabilities across screening operations. Through continuous data analysis, recommendations, courses of actions and potential impacts will be provided to various stakeholders in the organization.

### **Other Accomplishments**

TSA has also accomplished or plans on accomplishing the following:

- Conduct an airport employee screening pilot program at seven airports in accordance with the FY2008 Appropriations Bill;
- Reduce overtime usage significantly, resulting in the re-alignment of funding and FTE to specialized screening programs listed above;
- Increase over 800 FTE of work hours dedicated for training through the SAM '08 efficiencies;

- Establish a TSO Referral system to attract TSO candidates and facilitate recruitment and increase retention. This program was based on an idea from TSA's employee-driven Idea Factory;
- Increased the use of part-time employees from 14 percent in FY 2006 to 24 percent in FY 2008, which significantly increased the overall efficiency of the workforce;
- Continued TSA's innovative and successful PASS pay for performance system;
- Provided all part-time employees with full-time equivalent health benefits. TSA is one of a small number of federal agencies that offer this unique benefit;
- Reduced full-time and part-time voluntary attrition for the third straight year. Full-time attrition decreased from 13.6 percent in 2004 to 11.6 percent in 2007; part-time attrition from 57.8 percent in 2004 to 37.2 percent in 2007;
- Adjusted TSA's Payband compensation system in FY2007 to more closely parallel FAA's and indexed it to the annual federal cost of living adjustment;
- Utilized 'Split-Shifts' rotations for optimal efficiency; and
- Provided special incentives at airports in exceptional geographic or economic situations to aid with recruitment and retention.

### **Annualization of FY 2008 Initiatives**

In FY 2009, TSA will expand the recently established security programs to further enhance aviation security. TSA requests:

- The annualization 330 FTE for the 660 BDO positions appropriated in FY 2008, which will enhance security by covering every category of airport.
- The annualization of 375 FTE for the 750 ADASP positions appropriated in FY 2008, which will allow TSA to allocate ADASP FTE to every category of airport.

### **Workers Compensation**

In FY 2009 TSA will continue to pay worker's compensation payments from the TSO PC&B account, indicative that U.S. Department of Labor Office of Worker's Compensation Program (OWCP) payments are most appropriately part of the TSO compensation base. TSA continues to aggressively reduce OWCP costs through strategies of prevention, education, case management, and nurse intervention. TSA field operations are required to develop a local safety program targeted at inspections, hazard recognition and analysis, hazard abatement, and injury documentation. The Office of Occupational Safety, Health and Environment (OSHE) provided field support to assist 150 airports develop their safety programs. Eleven safety courses aimed at injury prevention are posted on TSA's Online Learning Center. TSA implemented a national nurse case management program at 21 airports which has successfully assisted TSOs in returning to employment in a shorter time.

In addition the President's Safety, Health, and Return to Employment Initiative (SHARE) requires Federal agencies to reduce the Total Case Rate (TCR) and Lost Time Case Rate (LTCR) by 3 percent each Fiscal Year from the FY 2003 baseline. TSA has exceeded this goal by reducing the total number of TSO injuries and illnesses from 8,042 in FY 2006 to 6,254 in FY 2007, resulting in a 15.36 percent reduction in TCR to 13.93 per 200,000 work hours. The TSO injuries and illnesses that resulted in lost time have decreased from 4,367 in FY 2006 to 3,228 in FY 2007, resulting in a 19.55 percent reduction in the LTCR to 7.19 per 200,000 work hours.

These initiatives have led to a \$3.3 million decrease in OWCP costs between FY 2008 and FY 2009 (from \$58.8 million for FY 2008 to \$55.5 million for FY 2009). TSA anticipates that these efforts will mitigate injuries and further reduce costs in the out-years.

PPA: SCREENER TRAINING AND OTHER

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$228,821</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>223,766</b>   |
| 2009 Adjustments-to-Base     | 56                  | 54         | (26,448)         |
| <b>2009 Current Services</b> | <b>56</b>           | <b>54</b>  | <b>197,318</b>   |
| 2009 Program Change          | ...                 | ...        |                  |
| <b>2009 Request</b>          | <b>56</b>           | <b>54</b>  | <b>197,318</b>   |
| Total Change 2008-2009       | 56                  | 54         | (26,448)         |

The Transportation Security Administration requests \$197.3 million for this activity. These funds will support new and recurring training requirements for Transportation Security Officers including the Screening Passengers by Observation Techniques (SPOT), Aviation Direct Access Screening Program (ADASP), and Travel Document Checker (TDC) programs. The FY 2009 Request also includes funding for general operating expenses and reflects adjustments for COLA and efficiencies, a base realignment to the Checkpoint Support PPA, and a base realignment of 56 training positions from the Transportation Security Support appropriation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

(dollars in millions)

|                                       | <b>FY 2009</b> |
|---------------------------------------|----------------|
| TSO Training                          | \$99.3         |
| Screener Supplies/Janitorial/Uniforms | 45.5           |
| National Deployment Office            | 34.3           |
| Environmental Program                 | 12.1           |
| Model Workplace Program               | 2.0            |
| Tort Claims                           | 4.1            |
| Total                                 | \$197.3        |

**Transportation Security Officer (TSO) Training:** TSO training is comprised of a compendium of courses that includes basic training for initial hires, On-the-Job Training (OJT), Lead and Supervisor technical training, recurrent training, advanced technical skills training, remedial training, and return-to-duty training. All new hires receive a combination of instructor-lead, hands-on, and web-based training. Recurrent and specialized training courses are provided by either classroom instruction or the TSA On-Line Learning Center (OLC).

FY 2007 significant accomplishments included:

- Over 11,000 new TSO hires trained;
- Training for the initial deployment of Behavior Detection Officers (BDO);
- Certification of Bomb Appraisal Officers (BAO) for placement at 76 airports; and

- Development of a monthly recurrent training plan for all TSOs.

FY 2008 planned accomplishments include:

- Launch of new Recurrent Training Program;
- Provide Security Training Instructor (STI) training and certification;
- Certification of BAOs at remaining 31 airports;
- Develop and implement BAO Recurrent Training Program; and
- Certification of additional BDOs

New Hire Training (NHTP): The majority of TSO Training funding provides classroom instruction on checkpoint procedures, including travel document checking and/or checked baggage, for all new hires depending upon duty assignment. NHTP provides web-based training, 40 hours of instructor-led training, and hands-on equipment-specific labs at the home/hub airport.

Several NHTP lessons were deployed as part of Phase One. Phase One consisted of 8 web-based training courses: 1) airport overview, 2) alternative screenings, 3) checkpoint and checked baggage, 4) customer-focused security, 5) professional screener, 6) screener safety and awareness, 7) TSA overview and welcome, and 8) TSA introduction. The NHTP Phase One also provided an improved and highly interactive course on Persons with Disabilities. A new X-Ray lesson was also included in the NHTP Phase One. This lesson complimented the implementation of the Threat Image Projection X-Ray (TRX) simulator test utility. The new testing platform features automated adaptive learning so that as a TSO reviews X-Ray bag sets, errors made in identifying threats are recorded and additional practice is provided for similar threats to strengthen TSOs skill level.

The new NHTP curriculum includes the baseline Improvised Explosive Device (IED) training that had been previously offered as a stand-alone course, with hands-on opportunities for practice with new IED Kits. NHTP has built-in options to provide checked baggage, Explosive Detection System (EDS) and On-Screen Alarm Resolution Protocol (OSARP) as a single course. OSARP training will continuously be updated to reflect new EDS equipment procurement and upgrades to ensure the training matches operational equipment.

All operational equipment training will continue with changes and upgrades to keep up with technology and new threats. This technical training will aid in maximizing TSOs performance and ability to detect and mitigate threats.

Recurrent Training: These courses are a requirement for TSOs to maintain proficiency of skills learned during basic training. This curriculum aims to keep TSOs up-to-date with procedural changes, as well as, new technology, equipment, and new threat items and is often delivered on a weekly basis. Recurrent training is used to target the TSOs' individual training needs (e.g. X-ray Image Interpretation). Concurrent with TSO Career Progression, additional recurrent training courses were developed and implemented in FY 2007 for Behavior Detection Officers (BDO), Bomb Appraisal Officers (BAO) and the Travel Document Checker (TDC) programs.

As part of this curriculum, TSOs are provided courses aimed at improving interaction with the traveling public by achieving the right tone to put passengers at ease. This is essential to driving maximum effectiveness especially in hostile intent detection programs and to minimize disruption at the checkpoint. Training TSOs to interact with passengers in a calm, confident tone

will lead to higher throughput and better environment for hostile intent observations. TSO training includes approaches to passenger communication, managing disruptive passengers, and identifying hostile intent by reading passenger behavior, as well as, other key skills.

Behavior Detection Officers (BDO) Program: This curriculum provides training in behavior observation and analysis at the checkpoint for the purpose of identifying passengers exhibiting behaviors indicative of stress, fear and deception. This program, known as Screening Passengers by Observation Techniques (SPOT), is performed by BDOs at all major airports. The curriculum for this program will continue to be upgraded to include additional requirements in behavior detection and reflect new techniques in deception prevention.

Bomb Appraisal Officers (BAO) Program: The need for Bomb Appraisal Officers in all major airports requires specialized security training for those individuals selected to perform this duty. These in-house explosives experts provide rapid response for advanced resolution of alarms and instruction to TSOs to better identify potential Improvised Explosive Devices (IED) and IED components.

Security Training Instructor (STI): Developed and implemented in FY 2008, this training supports the creation of a permanent TSA in-house instructor certification program. In the past, TSOs performed instructor functions as a collateral duty under the TSA Approved Instructors (TAI) program. The STI program provides more stability and consistency in that these TSOs become virtually full time instructors while creating a career progression opportunity. The Security Training Instructor (STI) will perform instructional duties 80% of their time and perform security screening duties the remaining 20%.

Supervisor Technical Training: The technical and leadership competence of TSO supervisors is a critical component of workforce effectiveness and retention. TSA will develop and deploy both refresher and advanced training for experienced supervisors and managers to keep pace with the ever changing work environment, security threats, and requirements for leading a security workforce.

New Types of Training Aids/Training Tools: Due to the ever changing threat from terrorism and the terrorist adaptation to security and screening procedures, TSA is constantly developing and updating training and training aids. Additionally, many of the existing IED Training Tool Sets will be due for rotation from the field for upgrading. The Liquid Explosives Training Kit distributed in FY 2008 will be expanded in FY 2009 to include an increased number of liquid explosive stimulants as the intelligence community provides information on the terrorists' technological advancements. As the terrorists broaden their attack methodologies and capabilities much of the existing training and many of the training aids and approximately 7,500 tool sets will have to be upgraded to address the evolving threat. As a direct result of the IED checkpoint drills data, we concluded we must increase our training on Sheet explosives which has proven very difficult to detect using both technology and experience.

TSA employs a variety of automated training and testing tools to enhance TSO skills, including computer based courses, training videos, and Threat Image Projection – where new threats are flashed on the computer screen at checkpoints to test a TSO's ability to detect them. In addition, new technology is deployed like Whole Body Imager (WBI), the Explosives Trace Portal (ETP – nicknamed the "Puffer") and FIDO Handheld Explosives Detection to enhance TSO explosive detection. TSA continues to use the latest cutting edge technologies to provide sophisticated

scenario based training. TSA also provides an on-going, up-to-date “Threat in the Spotlight” training specifically for TSOs and their supervisors which describes and shows actual pictures of threats found by TSOs at airports or from other intelligence resources.

Emerging Technologies: TSA employs a variety of automated training and testing tools to enhance TSO skills, including computer based courses, training videos, etc. TSA is constantly researching and evaluating new training methodologies to better equip the TSO workforce.

In FY 2009, TSA will test new technology for passenger and baggage screening including: Whole Body Imagers, the new reduced-size EDS, millimeter wave portal technology, and advanced technology X-ray. As this new technology is tested, new training modules will be developed and related existing training will be updated to ensure TSOs are knowledgeable and prepared.

Training Evaluation: TSA uses a measurement and evaluation process to ensure that training programs meet established objectives and standards. Training effectiveness is assessed using a four-level model measuring trainee reaction, learning, behavior, and results. TSA also conducts assessments to ensure that a high level of instructional quality is maintained.

Performance Reviews: All TSOs, Lead and Supervisory TSOs must participate in an Annual Proficiency Review to ensure that they meet all of the qualifications and performance standards required to perform their duties as set forth under ATSA. TSOs will continue to be certified annually based on their overall annual performance as defined by the Performance Accountability and Standards System (PASS). In 2007, PASS Technical Proficiency testing focused on Standard Operating Procedure (SOP) knowledge, image recognition, proper screening techniques, and the ability to identify, detect, and locate prohibited items. Technical proficiency will be measured in the following ways:

- Measuring SOP/Job Knowledge - Four SOP/Job Knowledge quizzes per year administered quarterly using the test software that has been used for the past two years for Recertification.
- Measuring Image Proficiency - Four image quizzes per year administered quarterly using the Test Administration System (TAS) software that has been used for the past two years for Recertification. On Screen Alarm Resolution Protocol (OSARP) certified TSOs will take two OSARP quizzes per year.
- Measuring Practical Skills - Airport personnel will conduct three Skill Observations/Demonstrations per year. Contract assessors will conduct one Practical Skills Evaluation, including the detection of prohibited items, of all TSOs per year.

As in the past, airport personnel conducted remediation and "re-evaluation" as necessary to ensure that poor performers are able to attain the “Achieves Standard” level or higher. Employees unable to perform at or above PASS Achieves Standards level after receiving documented remediation are subject to termination.

**Transportation Security Officer (TSO) Other Costs:** In addition to compensation and benefits, TSA incurs other direct costs associated with TSO operations. These include operational support such as consumable supplies, checkpoint janitorial services, travel for the TSO National Deployment Force (NDF), a uniform allowance, hazardous materials disposal, and optimization and safety mitigation (which moves to the Checkpoint Support PPA in FY 2009).

Supplies/ Janitorial/ Uniforms: The \$45.5 million of consumable supplies are critical materials used by TSOs to ensure consistently effective checked baggage security levels. These consumable supplies include:

- Disposable gloves;
- Sample swabs or traps;
- Sample wands;
- Daily calibration tokens;
- Sticks or traps;
- Moisture removers;
- Filters, printer paper, and ribbons;
- Reactant materials;
- Special solutions;
- Label seals to identify bags inspected by TSOs;
- TSA logo inspected tape to reseal cardboard boxes and packages after inspection; and
- Baggage inserts to notify passengers that TSA has opened their bag for inspection and providing contact information in the event the passenger believes there is a problem.

In FY 2007, TSA issued bottled liquids scanning equipment to nine airports. This equipment requires a sensing element in order to detect traces of certain chemical agents. In FY 2008, TSA continued its roll out of this equipment to over 70 airports and has increased the need to keep a steady supply of sensing elements at the checkpoints.

In FY 2009, the bottled liquids scanning equipment will be rolled out to additional airports. The consumables supply sensing elements will be increased accordingly.

TSA janitorial services contracts for passenger checkpoint and baggage screening areas ensure a safe, debris free work environment for TSOs and convey a positive image of TSA work areas to the traveling public.

National Deployment Office (NDO): The FY 2009 request of \$34.3 million provides funding for operational expenses of the NDO, which provides rapid and cost-effective deployment of the National Deployment Force (NDF), formerly known as the National Screening Force (NSF). The NDF provides additional Transportation Security Officers (TSOs) to airports for screening support for crisis response and recovery, seasonal demands, special events or other activities that require higher than current staffing levels. Each request for NDO support is analyzed from a cost/benefit/risk perspective to ensure the optimal use of limited resources. The NDOs responsibilities include deploying TSOs, Transportation Security Inspectors (TSIs) and Behavior Detection Officers (BDOs) in support of Voluntary Inter-modal Protection Response (VIPR) Teams. VIPR teams deploy to enhance and augment local transportation security operations in the non-aviation modes of rail, mass transit, bus and/or ferry modes. For disaster response operations, the NDO is responsible for deploying nine Transportation Security Advance Teams (TSAT) which include 126 personnel, and 24 Transportation Security Forward Teams (TSFT) which include 600 personnel. TSA continues to review methods for reducing costs associated with the NDO program.

In FY 2007, NDO decentralized its structure by transferring administrative support for the NDF TSOs to their home airports, while retaining centralized control of NDF operations within the NDO Program Office.

In FY 2008, NDO will replace the current MS Access/flat file system of managing the NDF workforce and the NDF deployment assignment process with an end-to-end web based NDO Manpower Management Model.

In FY 2009, the program will continue to support the movement of security operations personnel in support of the Office of Inspections, the Voluntary Inter-model Protection Response Teams, the TSA Approved Evaluator Program, non-aviation security pilot programs, disaster response operations and other emerging operational requirements.

The FY 2009 request provides funding that ensures all Transportation Security Officers receive a sufficient uniform allotment to purchase and replace uniform items. TSOs are required to wear the TSA uniform in the performance of their duties. Uniforms allow TSOs to maintain a professional appearance and instill confidence, as well as serve as a deterrent to would-be-terrorists.

In FY 2007, TSA changed the Transportation Security Officer uniform based on the recommendation of the TSA's National Advisory Council. A Board was established to redesign the uniform based on input and research. Changes were made to improve fit, comfort, durability, safety, image, and add a number of other elements including a new metal shield and shoes. TSA began issuing new uniforms to TSOs the end of FY 2007 with a planned completion by the end of FY 2008.

In FY 2009, TSA will continue to provide uniforms to new hires as well as provide replacement uniforms to all TSOs through the annual allowance program

Environmental Program: The FY 2009 request for \$12.1 million provides funding for the Environmental Management Program which includes the maintenance of the environmental management system, the disposition of hazardous materials and abandoned personal property collected by TSA at airport security checkpoints. TSA has an extensive and complex effort to safely and securely identify, sort, store, protect assets, as well as remove and dispose of hazardous and voluntarily abandoned property. With over 448 airports, it is not cost effective for each airport to individually handle hazardous material disposal. TSA's national hazardous materials disposal program protects the traveling public from exposure to hazardous materials and complies with Federal, State, and Local environmental regulations and laws.

FY 2007 significant accomplishments include:

- Completed full implementation of the environmental management system at Headquarters, two facilities, and 128 airports. In February 2004, TSA leadership established the Environmental Management Program within the Office of Occupational Safety, Health and Environment (OSHE). Since then the Environment and Energy Branch has taken a proactive approach to assessing the environmental risk associated with TSA activities. To ensure environmental stewardship was integrated into TSA's mission and activities, OSHE developed and implemented an environmental management system (EMS) to satisfy regulatory requirements, ensure environmental responsibilities are carried out, and to minimize the potential for environmental incidents.
- Received the Federal Electronic Challenge Silver Award and the DHS Environmental Stewardship award for the environmentally friendly replacement, reuse, and recycle of all TSA laptop and desktop computers.

- Received the DHS environmental Stewardship Award for completing the Bio-based Alcohol Substitute pilot and making these available to airport screener operations.
- Trained 120 airport operations personnel on environmental management issues: safely handling, storing, and disposing of materials.

In FY 2008, TSA will:

- Complete and evaluate the waste minimization pilot for the disposal of aerosols at selected TSA airports.
- Participate in the Federal Electronic Challenge at the gold level incorporating all three major phases of the acquisition process, including mentoring other Federal agencies.
- Complete an environmental management review of the Federal Air Marshal training and field operations.
- In coordination with the Environmental Protection Agency, establish protocols for the inspections of airport operations by State environmental inspectors.

Model Workplace Program: The FY 2009 request of \$2.0 million provides funding for a program that supports TSA's most important resource - its employees. In order to support its employees and enable them to perform at the highest level, TSA has established the Model Workplace Program Office (MWP), which identifies supports, and accelerates implementation of the best employment ideals and practices to make TSA an employer of choice. The cornerstone of the Model Workplace Program is TSA's Integrated Conflict Management System (ICMS).

The ICMS is a national management system built for all employees. It is the foundation for a Model Workplace because it is about how agency personnel treat each other, solve problems, and make decisions. The system provides skills, structure, and support to develop a positive workplace culture through a common language and skill set, as well as a commitment to cooperative problem solving necessary for good relationships, teamwork, and organizational effectiveness. The ICMS supports better-informed and more strategic decision making by focusing on how decisions are made and communicated. Illustratively, the MWP Office is developing training that combines the principles and practices of cooperative problem solving with tools and data driven decisions based on clear analytical framework. As the ICMS matures, the MWP Office will help to promote and reinforce standards for ICMS implementation. It is also increasing capacity within TSA for conflict management beyond the basic level by including more sophisticated applications and the development of internal practitioners to facilitate addressing issues and concerns proactively.

A significant accomplishment in FY 2007 was the development, implementation, and deployment of the national ICMS Knowledge Management System to 135 sites nationwide.

In FY 2008, MWP Office plans to roll out ICMS training for TSA Headquarters staff, implement an integrated decision making process for high level decisions, and integrate ICMS competencies into all curriculum and training programs.

In FY 2009, MWP will develop internal practitioners to continue development of core competencies in conflict management, cooperative problem solving to all organizational levels, and integrate competencies into all Human Resources processes.

Tort Claims: The FY 2009 request of \$4.1 million provides funding for substantiated claims by travelers of loss or damage to their property during screening. TSA currently screens over 50 million bags per month and over 35 million passengers per month. Occasionally, during the screening process, a screener may damage or misplace passenger's property. TSA reimburses passengers that have experienced loss or damage due to the negligence of a TSA employee.

PPA: HUMAN RESOURCE SERVICES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$170,634</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>182,234</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | (182,234)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...              |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | ...              |
| Total Change 2008-2009       | ...                 | ...        | (182,234)        |

The Transportation Security Administration requests this PPA be realigned into a new PPA - Human Capital Services - in the Support appropriation, thus removing this PPA and \$182.2 million from the Aviation Security appropriation.

PPA: CHECKPOINT SUPPORT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$248,958</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>0</b>         |
| 2009 Adjustments-to-Base     | 41                  | 40         | 127,683          |
| <b>2009 Current Services</b> | <b>41</b>           | <b>40</b>  | <b>127,683</b>   |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | <b>41</b>           | <b>40</b>  | <b>127,683</b>   |
| Total Change 2008-2009       | 41                  | 40         | 127,683          |

The Transportation Security Administration requests \$127.7 million for Checkpoint Support activities - this is an increase of \$127.7 million from FY 2008 discretionary levels, but an overall decrease of \$122.3 million from total FY 2008 funding, which included \$250 million in mandatory funds from the Checkpoint Support Capital Fund. The FY 2009 request also consolidates TSA's checkpoint operating and personnel funds into one PPA. The adjustments-to-base include the realignment of safety hazard and optimization funds previously in the Screener Training and Other PPA and the realignment of 31 FTE previously funded in the Headquarters Administration PPA annualizes the 10 FTE funded by the FY 2007 Checkpoint Supplemental and includes a lapse rate decrease of 1 FTE.

**PROGRAM DESCRIPTION**

TSA's activities related to checkpoint support provide the resources required to test, evaluate, integrate, and deploy passenger screening and carry-on baggage screening technologies, training, checkpoint reconfigurations, closed circuit television surveillance equipment, and provide safety and optimization services at approximately 2,100 passenger checkpoint lanes in our Nation's airports. TSA is developing a strategic plan to enhance screening through improved checkpoint technology which will refine passenger security for aviation. This initiative extends beyond the airport Checkpoint and considers the end-to-end passenger experience to improve security and increase efficiency. Focus is on three key elements: improved explosive detection, enhanced hostile intent detection and extended presence in the passenger journey.

Current technologies that have been deployed include Threat Image Protection (TIP) Ready X-Ray machines (TRX), which replaced a previously manually intensive search, allowing faster bag throughput and increased threat detection capability; enhanced walk-through metal detectors (WTMD) that screen persons for metallic weapons such as guns or knives; explosives trace detectors (ETD), which are used to test for explosive residue on selected carry-on items; explosives trace portals (ETP), which screen persons to detect trace amounts of explosives; bottled liquid scanners (BLS), which screen bottles to determine if they contain explosives or benign liquids; and advanced technology systems (AT), which are X-ray systems with advanced visual detection capabilities, using multi-view capabilities or automated explosives detection capabilities.

FY 2007 significant accomplishments include the piloting of Advanced Technology Systems (AT), Automated EDS for carry-on, BLS, and Cast and Prosthesis Imagers (CPI).

The piloting and deployment of Whole Body Imagers (WBI) and the expanded deployment of AT, BLS, and CPI are planned in FY 2008. Checkpoint elements will be piloted first in order to

develop a design template that can be applied to additional airports in FY 2009. They will be deployed in coordination with TSO training in passenger interaction.

The following table provides the components of this PPA.

(dollars in millions)

|                                 | <b>FY 2009</b> |
|---------------------------------|----------------|
| Checkpoint Technology           | \$91.7         |
| Checkpoint Reconfiguration      | 11.5           |
| Electronic Surveillance Systems | 11.0           |
| Safety Hazard and Optimization  | 13.5           |
| Total                           | \$127.7        |

Checkpoint Technology: This request includes \$91.7 million to procure and deploy advanced technology systems to further extend explosives and prohibited item detection coverage at Category X and I checkpoints. This request includes funds to test, purchase, and install new screening equipment and update existing equipment. These funds will also be used for program, engineering, technical support and travel, original equipment manufacturer training, warehousing, disposal, consumables, and refurbishing equipment, to provide functionality and performance enhancements as well as for life-cycle replacements for units reaching the end of their useful life. In addition, this component will fund 41 FTEs that were previously funded from the Headquarters PPA.

Equipment purchases may include AT, WBI, BLS, CPI, shoe scanner systems, technology integration solutions, and additional units or upgrades to legacy equipment. This equipment will enable TSA to detect a greater range of threats more quickly and with greater accuracy than existing equipment. Purchases may also include communication tools to facilitate interaction both among TSOs and between TSOs and passengers, as well as technologies that assist in recognition of anomalous behavior. The following outlines emerging technologies planned for possible deployment in FY 2009.

| <b>Emerging Technology</b>  | <b>Description</b>  | <b>Average Unit Costs</b> |
|-----------------------------|---|---------------------------|
| Advanced Technology Systems | X-ray systems with advanced visual detection capabilities, which may be multi view capabilities or some automated explosives detection capabilities.              | \$199,845                 |
| Whole Body Imagers          | Imaging capability to inspect for concealed weapons and some explosives on passengers bodies in place of a metal detection wand inspection and physical pat-down. | \$256,872                 |
| Bottled Liquids Scanners    | This is a new detection capability to discriminate explosives or flammable liquids from common benign liquids carried by passengers in their carry-on baggage.    | \$42,419                  |
| Cast and Prosthesis Imagers | Imaging capability to inspect passengers with limb casts or limb prosthesis for concealed weapons and some explosives.  | \$56,567                  |

\* The "Average unit cost" includes estimated costs for installation, integration, engineering support, and OEM training.

The chart below outlines the quantity of emerging technologies planned for deployment in FY 2009

| <b>Technology</b>                     | <b>Cumulative # of Units Deployed</b> | <b>Cumulative Coverage</b>        |
|---------------------------------------|---------------------------------------|-----------------------------------|
| Advanced Technology Systems           | 932                                   | 60% lanes at Cat X & I airports   |
| Whole Body Imagers                    | 236                                   | 15% lanes at Cat X & I airports * |
| Bottled Liquids Scanners              | 250                                   | 65% lanes at Cat X & I airports   |
| Cast and Prosthesis Screening Systems | 87                                    | 25% Cat X & I checkpoints         |

\* Systems currently being piloted in operational environment. Full cumulative coverage is dependent on final concept of operations and operational throughput.

Checkpoint Reconfiguration: The growth in passenger traffic, the evolution of the airline industry, and the need to deploy emerging technology fuels the requirement for checkpoint reconfiguration funding in FY 2009. Funding of \$11.5 million will support the optimization and reconfiguration of additional lanes to accommodate anticipated airport growth and maintain throughput at the busiest checkpoints. This effort will incorporate, as appropriate, alternative configurations that improve security and throughput while reducing congestion at "soft target" locations like airport lobbies. These enhancements may include remote screening centers, improved divestiture and reorganization zones, or special lanes for no/single carry-on baggage.

Electronic Surveillance Systems: In FY 2009, \$11 million of funding will be used to continue the installation of closed circuit television equipment and other electronic surveillance systems at

approximately 15 additional airports. The systems' cameras will detect theft or improper behavior during the screening process by TSOs or baggage handlers and provide a fast visual identification of those committing infractions. These cameras will provide an additional means of security by allowing a quick response to disruption in operations.

Safety, Hazard and Optimization: The \$13.5 million request supports critical safety projects to correct and/or mitigate existing safety hazards in public and non-public TSA screening areas that contribute to a significant number of on-the-job injuries among TSA TSOs.

A related program called Safety Optimization is also funded in this PPA. Optimization is targeted at identifying expedited improvements that simultaneously address safety issues and improve operational efficiency while maintaining or enhancing transportation security. These efforts involve both passenger checkpoints and checked baggage screening areas. Both initiatives may involve moving equipment, small scale construction, HVAC, and/or related mechanical and electrical work. Funds may also be used to purchase any ancillary equipment such as roller tables, lift carts and fatigue mats needed for a particular project. Airports receiving optimization or safety work are prioritized based on a weighted multi-metric ranking that includes overtime, head count, average peak passenger screening wait time at the airport, peak throughput for passengers and baggage, injury rates, lost time, and costs. The weighted multi-metric ranking is periodically updated as new data is collected and analyzed.

The long-term goal of optimization work is to enable airports to optimize their own operations. This will be accomplished through the development of tools and best practices on the layout and design of passenger and baggage screening areas, efficient management of screening processes, TSO staffing and scheduling, and injury reduction and injury claim management. In addition, modeling tools are being developed to allow easy visualization of the pros and cons of various screening designs and processes, and to enable the potential impact of proposed changes to be evaluated. Roll out of these tools began in November 2006.

PPA: EDS/ETD PURCHASE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$179,554</b> |
| <b>2008 Enacted</b>          | ...                 | ...        |                  |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...              |
| <b>2009 Current Services</b> | ...                 | ...        | ...              |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | ...              |
| Total Change 2008-2009       | ...                 | ...        | ...              |

PPA: EDS/ETD INSTALLATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$147,676</b> |
| <b>2008 Enacted</b>          | ...                 | ...        |                  |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...              |
| <b>2009 Current Services</b> | ...                 | ...        | ...              |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | ...              |
| Total Change 2008-2009       | ...                 | ...        | ...              |

PPA: EDS/ETD PURCHASE AND INSTALLATION (includes information from charts above)

|                                 | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|---------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b> <sup>1</sup> | ...                 | ...        | <b>\$327,230</b> |
| <b>2008 Enacted</b>             | ...                 | ...        | <b>294,000</b>   |
| 2009 Adjustments-to-Base        | 111                 | 106        | (140,106)        |
| <b>2009 Current Services</b>    | 111                 | 106        | <b>153,894</b>   |
| 2009 Program Change             | ...                 | ...        | ...              |
| <b>2009 Request</b>             | 111                 | 106        | <b>153,894</b>   |
| Total Change 2008-2009          | 111                 | 106        | (140,106)        |

<sup>1</sup> Combines EDS Purchase and Install for display purposes.

The Transportation Security Administration requests \$153.9 million for this activity. The FY 2009 request consolidates purchase and installation funds into one PPA, along with the FTE that support the program. This request is a decrease of \$140.1 million in discretionary funding from the FY 2008 enacted level, but an overall increase of \$285.9 million due to \$426 million in additional mandatory funds generated by a four-year \$0.50 surcharge on the passenger security fee (PSF) for a total of \$3.00 per enplanement, up to a maximum of \$6.00 one way. This surcharge would be deposited into the Aviation Security Capital Fund (ASCF) to fund the purchase, installation, and recapitalization of checked baggage explosive detection systems (EDS) and in-line systems resulting in \$676 million of mandatory funding; this will provide \$829.9 million of total purchase and installation funding in FY 2009. The adjustment-to-base also includes an increase of \$12.3 million to realign 93 FTE previously funded in the Operational Integration and Headquarters Administration PPA, offset by a reduction of \$48 million needed to accommodate higher maintenance requirements in FY 2009. This request also annualizes the 17 FTE funded by the FY 2007 EDS Supplemental.

TSA's activities related to purchasing and installing EDS and ETD systems consists of some or all of the following, depending on the equipment and specific location: 1) operational testing, 2) equipment purchase 3) site survey and design, 4) site preparation, 5) facility modification, 6) warehousing and shipping, 7) independent verification and validation testing, and 8) program support. This additional funding would address concerns regarding recapitalization of EDS machines and would accelerate implementation of the EDS Strategic Plan. The authorization request for this mandatory surcharge will be forwarded in a separate legislative proposal.

**PROGRAM DESCRIPTION:**

The following table provides the components of this PPA.

(dollars in millions)

|                                       | <b>FY 2009</b> |
|---------------------------------------|----------------|
| Purchase of Checked Baggage Equipment | \$224.35       |
| Installation                          | 605.57         |
| Total                                 | \$829.92       |

Includes mandatory funding of \$676M

TSA requests \$829.92 million to support the purchase and installation of additional in-line systems for airports selected in accordance with the EDS Strategic Plan. TSA has made steady progress in deploying systems at high priority airports in the past several years. By the end of calendar year 2009, it is projected that 61 airports will have operational in-line systems. Supplemental funds received in FY 2007 will allow TSA to initiate work at some of the highest priority airports; these projects will continue into FY 2009.

In 2006, TSA developed a Strategic Plan for achieving optimal screening solutions at the top 250 commercial airports. Implementation of these optimal solutions will provide for decreased life cycle costs for the EDS program. This plan uses a top-down prioritization model to perform a systematic, comprehensive assessment of screening alternatives at airports and prioritizes projects by balancing security and economic factors. These results feed into a deployment model that identifies the optimal schedule for deploying equipment to airports given funding, equipment availability and other key assumptions. These continuing system deployment efforts are required to maintain compliance as passenger traffic increases and circumstances at airports change.

In-line EDS screening systems provide more reliable baggage delivery, greater efficiency, and increased flexibility to accommodate traffic growth. TSA benefits from operational improvements associated with this type of automation. For instance, working conditions for screeners improve with in-line systems. Alarms can be resolved in quieter, dedicated spaces properly designed for the alarm resolution function. On-the-job injuries are reduced as a result of better-designed alarm resolution areas since fewer alarms mean fewer bags are lifted by TSOs. These are just some examples of the broad reaching benefits of in-line systems.

FY 2007 significant accomplishments include:

- 23 additional in-line systems became operational in airports
- the purchase of 92 and deployment of 44 reduced-size EDS next generation equipment. The remaining 48 will be deployed in FY 08.
- completion of LOI reimbursements
- formalized and published application process for checked baggage in-line and stand alone systems
- published planning and design guidelines for baggage handling systems associated with in-line EDS to contain cost and share best practices.

FY 2008 planned accomplishments include:

- procure 114 EDS units in support of 12 inline systems

- testing and limited deployment of high volume EDS (projected throughput of 1,000 bags per hour)
- certify reduced-size EDS that achieves more than 200 bags per hour

A total of \$224.35 million is requested in FY 2009 to support the purchase of electronic baggage screening equipment for deployment in our nation's airports. Purchases in FY 2009 are planned in support of projects begun with supplemental funds in FY 2007 as well as FY 2008 projects.

The FY 2009 request includes \$605.57 million to support the installation of electronic baggage screening equipment in our Nation's airports. Installation costs, along with purchase costs, are a component of the total cost of equipment deployment. The cost of installing EDS and ETD systems consist of some or all of the following, depending on the equipment and specific location: 1) site survey and design, 2) site preparation/ facility modification, 3) warehousing and shipping, 4) testing, and 5) program support.

### **EDS**

EDS is the main technology used in the checked baggage screening process. This equipment automates what was previously a manually-intensive baggage inspection, allowing faster bag throughput (up to 300 percent) and improved threat detection capabilities. EDS machines are the largest and most expensive security screening equipment in the TSA inventory.

Most of the currently deployed EDS technology developed prior to the Aviation and Transportation Security Act (ATSA) was based on standards set forth by Congress in the Aviation Security Improvement Act of 1990. Since large-scale deployment of EDS systems by TSA in 2002 and 2003, manufacturers have made improvements to lower alarm rates and increase throughput capacity for this equipment. The Next Generation (NexGen) EDS program saw two products in production and deployed in 2007, including improvements to the Reveal CT-80 and L-3 6600. Newly entrant EDS machines and significant upgrades to existing EDS technology are under development. These include high throughput machines that can operate at up to 1,000 bags per hour, which are scheduled for commissioning in 2009.

These technologies will offer a variety of enhancements that will improve screening capabilities, increase throughput, and reduce equipment footprint. Engineering and economic modeling of dynamic risk-based AT-EDS hybrid systems are in process. Additionally, TSA efforts to contain costs by using reduced size EDS to combine checkpoint and checked baggage operations at low efficiency/high cost airports are being explored. In 2009, TSA will procure and deploy equipment offering significant improvements to screening efficiency.

### **ETD**

ETD machines are used both as a primary screening method and a secondary screening method (i.e., resolving EDS alarms). ETDs are the second largest component of equipment cost within the program. ETDs are designed to detect explosives residue left on an item and/or bag. Since the enactment of the Aviation and Transportation Security Act (ATSA) in November 2001, TSA has implemented the 100 percent checked baggage screening requirement; however some solutions in place may not be sustainable as passenger loads increase. TSA plans to replace 100 percent ETD checked baggage screening solutions with EDS or reduced sized dual use EDS where appropriate. These changes are planned to begin in FY 2008.

PPA: SCREENING TECHNOLOGY MAINTENANCE & UTILITIES

|                                 | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|---------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b> <sup>1</sup> | ...                 | ...        | <b>\$222,615</b> |
| <b>2008 Enacted</b>             | ...                 | ...        | <b>264,000</b>   |
| 2009 Adjustments-to-Base        | ...                 | ...        | 46,625           |
| <b>2009 Current Services</b>    | ...                 | ...        | <b>310,625</b>   |
| 2009 Program Change             | ...                 | ...        | ...              |
| <b>2009 Request</b>             | ...                 | ...        | <b>310,625</b>   |
| Total Change 2008-2009          | ...                 | ...        | 46,625           |

<sup>1</sup> The actual amount for FY 2007 does not include \$39.7 million for Passenger Checkpoint Equipment Maintenance. That amount is shown in the Checkpoint Support PPA.

The Transportation Security Administration requests \$310.6 million for this activity. This is a \$46.6 million increase over FY 2008 to maintain TSA’s screening technology. This increase includes an inflationary adjustment for maintenance contracts that escalate higher than standard cost-of-living adjustments.

**PROGRAM DESCRIPTION:**

The following table provides the components of this PPA.

(dollars in millions)

|                                       | <b>FY 2009</b> |
|---------------------------------------|----------------|
| Checked Baggage Equipment Maintenance | \$261.7        |
| Checkpoint Equipment Maintenance      | 43.9           |
| Utilities                             | 5.0            |
| <b>Total</b>                          | <b>\$310.6</b> |

This funding supports the maintenance and associated utilities of security technology equipment in our Nation’s airports. Investment in preventative and corrective maintenance, system sustainment, and utility costs are critical for TSA to continue in order to ensure operational capability, logistics management compliance, and supportability over the life of the equipment.

The majority of TSA’s maintenance activity is provided by contractor Field Service Technicians (FST) working for EBSP Original Equipment Manufacturers (OEM) and a 3<sup>rd</sup> party Maintenance Service Provider (MSP). FST perform monthly, quarterly, and annual preventative maintenance for equipment no longer covered under warranty. Corrective maintenance support is provided 24 hours a day, 7 days a week to perform unplanned corrective repairs in the field. Repair parts (e.g., condenser tubes, belts) required for all preventative and corrective maintenance are included in these contracts.

**Checked Baggage Equipment Maintenance:** This request includes \$261.7 million for the preventative and corrective maintenance activities that TSA must incur to maintain the operation of deployed checked baggage screening systems.

TSA’s Request in FY 2009 will support maintenance requirements of approximately 2,084 EDS and 5,864 ETD units deployed to over 448 airports nationwide.

Below is a breakout of EDS and ETD maintenance and utilities for baggage screening equipment in FY 2009. In the cases where the fiscal year spans two periods of performance, the “Unit Cost to Maintain” for EDS units in the table is a blend of the maintenance rates that will be in effect during FY 2009. Additionally, the EDS “Field Cost to Maintain” is based on a time-phased cost which incorporates planned deployment schedules.

| Equipment   | Quantity | Unit Cost to Maintain | Field Cost to Maintain |
|---|----------|-----------------------|------------------------|
| <b>EDS</b>  |          |                       |                        |
| CTX-2500  | 149      | \$67,997              | \$10,131,522           |
| CTX-5500  | 545      | \$78,995              | \$43,013,563           |
| CTX-9000  | 436      | \$102,994             | \$42,220,443           |
| e6000   | 671      | \$106,515             | \$70,606,004           |
| Reveal  | 258      | \$53,444              | \$13,254,056           |
| AN6400  | 10       | \$106,515             | \$1,065,148            |
| High Speed  | 15       | \$187,740             | \$709,812              |
| <b>ETD</b>  |          |                       |                        |
| 400B  | 3,482    | \$10,236              | \$35,641,752           |
| Itemiser-W  | 2,382    | \$9,228               | \$21,981,096           |
| <b>Other</b>  |          |                       |                        |
| Consumables per ETD                                 | 5,864    | \$700                 | \$4,104,800            |
| e6000 X-Ray Tubes                                   | 75       | \$27,500              | \$2,062,500            |
| Call Center/Environment Issues/Excepted Maintenance |          |                       | \$9,950,000            |
| <b>Checked Baggage Equipment Maintenance</b>        |          |                       | <b>\$254,740,696</b>   |
| Support   |          |                       | \$7,000,000            |
| <b>Total FY09 Maintenance Requirement</b>           |          |                       | <b>\$261,740,696</b>   |

**Checkpoint Equipment Maintenance:** This request includes \$43.9 million for the preventative and corrective maintenance activities for currently deployed passenger screening security equipment. This request funds both in warranty and out of warranty checkpoint equipment, which includes both preventative and corrective maintenance, as well as spare parts and replacement pieces (e.g., condenser tubes, monitors) for checkpoint equipment. Minor preventative maintenance is performed by TSO personnel on a daily and weekly basis. FSTs from support contractors and original equipment manufacturers perform monthly, quarterly, and annual servicing as required. Checkpoint equipment comes with a 1 year manufacturer warranty from the site acceptance date. Out of warranty equipment maintenance ranges from 12 – 22 percent of the equipment’s purchase cost.

Below is a breakout of the passenger screening systems needing maintenance in FY 2009:

| <b>Equipment</b>                                     | <b>Quantity</b> | <b>Unit Cost to Maintain</b> | <b>Field Cost to Maintain</b> |
|--|-----------------|------------------------------|-------------------------------|
| <b>ETD</b>   |                 |                              |                               |
| IonScan 400B   | 871             | \$10,236                     | \$8,915,556                   |
| Itemiser-W   | 596             | \$9,228                      | \$5,499,888                   |
| Consumables per ETD                                  | 1467            | \$700                        | \$1,026,900                   |
| <b>EMD</b>   |                 |                              |                               |
| Ceia   | 1583            | \$649                        | \$1,027,367                   |
| Metorex  | 164             | \$800                        | \$131,200                     |
| Garrett  | 237             | \$719                        | \$170,403                     |
| <b>TRX</b>   |                 |                              |                               |
| Rapiscan   | 900             | \$8,554                      | \$7,698,600                   |
| Smiths   | 950             | \$8,293                      | \$7,878,350                   |
| <b>ETP</b>   |                 |                              |                               |
| Smiths   | 30              | \$28,700                     | \$861,000                     |
| GE   | 64              | \$28,700                     | \$1,836,800                   |
| <b>AT Systems</b>                                    |                 |                              |                               |
| TBD  | 255             | \$14,000                     | \$3,570,000                   |
| <b>WBI</b>   |                 |                              |                               |
| TBD  | 36              | \$13,000                     | \$468,000                     |
| <b>Bottled Liquids Scanners</b>                      |                 |                              |                               |
| TBD  | 200             | \$3,000                      | \$600,000                     |
| <b>Cast and Prosthesis Screening Imagers</b>         |                 |                              |                               |
| TBD  | 40              | \$10,000                     | \$400,000                     |
| <b>Checkpoint Equipment Maintenance</b>              |                 |                              | <b>\$40,884,064</b>           |
| Support  |                 |                              | \$3,000,000                   |
| <b>Total FY09 Checkpoint Maintenance Requirement</b> |                 |                              | <b>\$43,884,064</b>           |

**Utilities:** This request includes \$5 million in utility payments associated with operation of the equipment and is a recurring cost borne by TSA. These costs include consumables for ETDs, transportation, sustaining engineering, data management, configuration management, safety, occupational health, environmental management functions, and disposal.

PPA: OPERATION INTEGRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>24</b>           | <b>12</b>  | <b>\$31,543</b> |
| <b>2008 Enacted</b>          | <b>24</b>           | <b>24</b>  | <b>25,000</b>   |
| 2009 Adjustments-to-Base     | (24)                | (24)       | (3,519)         |
| <b>2009 Current Services</b> | ...                 | ...        | <b>21,481</b>   |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | ...                 | ...        | <b>21,481</b>   |
| Total Change 2008-2009       | (24)                | (24)       | (3,519)         |

The Transportation Security Administration requests \$21.5 million for this activity. The adjustment-to-base includes a decrease of 24 FTE and \$3.4 million that has been realigned to the EDS Purchase/Installation and Checkpoint Support PPAs in FY 2009.

**PROGRAM DESCRIPTION:**

TSA requests \$21.5 million to evaluate the impact of new security technologies, procedures, and policies. TSA analyzes integration of new technologies into existing systems to ensure operational effectiveness and suitability before full system production and deployment. The purpose of this work is to test, evaluate, and analyze pre-production or production representative systems under realistic conditions, including operation by those who will use the equipment in the field in a variety of environmental conditions. The division conducts:

- Operational test and evaluation as part of the acquisition process for items procured by TSA
- Operational test and evaluation in support of regulatory and policy decisions in areas such as air cargo
- Pilots, demonstrations, and field experimentation in support of mission area analyses, concept of operations development and workforce characterization.

This program includes aviation security programs covering passenger, baggage, cargo, and airport infrastructure as well as a program addressing surface transportation protection. The following table provides the components of this PPA.

(dollars in millions)

|                     | <b>FY 2009</b> |
|---------------------|----------------|
| Passenger Screening | \$4.3          |
| Checked Baggage     | 4.7            |
| Cargo               | 4.6            |
| Infrastructure      | 2.2            |
| Surface             | 5.7            |
| <b>Total</b>        | <b>\$21.5</b>  |

FY 2007 significant accomplishments include:

- Passenger screening: testing and evaluation of several new technologies including bottle liquid screening equipment, cast screening equipment, Automated Carry-on Explosives Detection System (Auto EDS), Whole Body Imagers (WBI), Advanced Technology(AT) Systems, and document authentication devices.
- Checked baggage: completed testing of CTX 9400, Reveal CT-80XL EDS, and iScreen checked baggage management tool.
- Air cargo screening: evaluated EDS and Explosives Trace Detectors (ETD) systems through the Cargo Extended Field Test program; continued evaluation of Hardened Unit Load Devices (HULDs); evaluated EDS express delivery/counter to counter cargo operational utility; planned and integrated activities to conduct an operational evaluation of the concept for screening break-bulk cargo utilizing an existing in-line checked baggage screening system; and conducted a cargo composition and characterization study providing essential information on the distribution and makeup of cargo transported on both commercial and all-cargo aircraft.
- Airport Infrastructure: evaluated personal biometric devices to authenticate truck drivers on airport property.
- Surface: established and maintained a chemical/biological program; established a portal where local transit agencies can access product information regarding technologies, created best practices and procedures, developed specifications and standards for operationally effective technologies; incorporated additional sensor fusion from onboard vehicle technologies; planned for explosive testing and assessment of passenger rail car vulnerabilities; conducted hazmat rail car vulnerability assessment; and characterized the catastrophic failure of a chlorine tank car resulting from an intentional assault.

FY 2008 planned accomplishments include:

- Passenger screening: completion of test activities for existing technology systems and new technologies emerging from S&T R&D programs such as test and evaluation of ETD technology to expand current list of qualified products.
- Checked baggage screening: test several emerging EDS systems including GE CTX 9800, King Cobra, Stationary Gantry systems, dual use Auto EDS, and Analogic XLB.
- Cargo screening: continue FY 2008 projects to evaluate technologies for air cargo screening including continued characterization studies and counter-to-counter initiatives.
- Surface: Continue operational integration field testing and pilot activities to improve the Chemical/Biological program, develop technologies for use in the mass transit and passenger rail environment including Bus Communication and Control project and rail car vulnerability assessments, evaluate systems to detect/deter vehicle born improvised explosives devices, and evaluate technologies to remotely detect explosives or anomalies on passengers/carry on items in a maritime environment.

In FY 2009, assessments will continue on new technologies in support of passenger, baggage, cargo, and surface screening. TSA will also continue to evaluate technologies planned for checkpoint, improvements to existing screening technologies, and products emerging from DHS S&T R&D program.

PPA: AVIATION REGULATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b>   | <b>Amount</b>    |
|------------------------------|---------------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>977</b>          | <b>950</b>   | <b>\$236,419</b> |
| <b>2008 Enacted</b>          | <b>1098</b>         | <b>1038</b>  | <b>255,953</b>   |
| 2009 Adjustments-to-Base     | 378                 | 369          | (45,962)         |
| <b>2009 Current Services</b> | <b>1,476</b>        | <b>1,407</b> | <b>209,991</b>   |
| 2009 Program Change          | ...                 | ...          | ...              |
| <b>2009 Request</b>          | <b>1,476</b>        | <b>1,407</b> | <b>209,991</b>   |
| Total Change 2008-2009       | 378                 | 369          | (45,962)         |

TSA requests \$210.0 million for this activity. The request reflects realigning enforcement functions into a law enforcement PPA and combining Air Cargo activities into this PPA resulting in a net transfer of \$46.0 million. The requested increase funds for pay and non-pay inflation, annualizes 320 FTP and operating expenses enacted in the 2007 supplemental appropriation and 2008 budget amendment, re-aligns funds to establish 3 additional TSA Representatives (TSAR) positions, 2 additional International Principle Security Inspectors (IPSI), and 4 positions to support planning and regulatory analysis.

**PROGRAM DESCRIPTION:**

Aviation Regulation is responsible for providing law enforcement and regulatory presence at airports to ensure compliance with required security measures and respond to security incidents. It also provides an international component to foster consistency in worldwide security requirements. Air Cargo activities were added to this PPA to more effectively align aviation regulatory functions. The following table provides the components of this PPA.

(dollars in millions)

|  | <b>FY 2009</b> |
|--|----------------|
| Regulatory Inspections                   | \$88.6         |
| Air Cargo                                | 86.3           |
| International Programs                   | 29.0           |
| Transportation Sector Network Management | 6.1            |
| <b>Total</b>                             | <b>\$210.0</b> |

**Regulatory Inspections -- \$88.6M:** TSA exercises regulatory authority to ensure implementation of security measures throughout the aviation domain. This inspection mission is broad and involves the evaluation of the security integrity of more than 1,000 airports (over 450 of which are located in the U.S.), more than 1,500 domestic and international carriers operating in the U.S., and over 7,500 indirect air carriers subject to periodic inspection. In FY 2008 additional canine teams will be added to the highest risk airports and mass transit systems across the nation; of which 46 of these will be led by Transportation Security Inspectors (TSIs).

TSIs monitor and enforce compliance with security regulations through inspection and outreach programs. Inspectors play a key role in formulating local risk-based annual inspection plans. TSIs review and approve industry security plans implemented in support of TSA's regulatory mandate and ensure that aviation employees and individuals with access to secured areas are

subjected to fingerprint-based criminal history records checks and other security assessments performed pursuant to Federal law and TSA direction. Transportation Security Inspectors investigate incidents related to violations of TSA regulation, security directives, and approved security programs and prepare enforcement actions for adjudication. Inspectors deliver technical briefings and assist the aviation industry in interpreting agency policies to ensure effective compliance with rules.

TSIs provide on-site evaluations of security countermeasures by checking the integrity of access control systems, gates, fences, alarms, security lighting, and biometric devices used to restrict public access and to ensure that only authorized persons are able to access passenger-carrying and cargo aircraft. Areas of emphasis for inspection and/or assessment include: automated access control systems, security identification systems, surveillance systems, law enforcement response capabilities, and physical security of aviation facilities and aircraft.

In FY 2007, TSIs completed the following accomplishments:

- Participated in 3,500 Aviation Screening Assessment Program (ASAP) tests
- Participated in multiple VIPR activities
- Successful roll-out of Aviation Direct Access Screening Program (ADASP) at all airports
- Completed over 1,800 airport inspections to ensure compliance with current requirements with a Compliance rate of over 95%
- Created and released the FY08 Regulatory Activities Plan
- Conducted the first "Airport Strikes" at Miami and Los Angeles
- Took part in 10 OIG Audits/Inspections and 6 GAO Audits/Inspections
- Conducted 20 site visits to address Compliance issues
- Deployed "Tiger Team" to Anchorage Int'l Airport (ANC) to assist FSD
- Received Behavior Recognition training
- Worked with multiple agencies to address co-mingling problems in Guam
- Led the effort to pilot and deploy new technology for aircraft screening using Sabre 4000 equipment domestically and overseas

In FY 2008, TSA received additional funding to increase the number of inspector positions. These additional positions will be allocated and deployed to high volumes airports and to those airports where aviation operations pose a higher degree of risk. This will allow for increases in the frequency of airport strikes and the number of covert tests and expand inspector participation in VIPR activities. In addition to increased inspections, the 46 proprietary canine teams will be added to the highest risk airports. Transportation Security Inspectors will also:

- Increase the frequency and number of airport/aircraft operator inspections at domestic airports
- Continue support of the ASAP, ADASP, OIG, GAO and Office of Inspections operations

TSIs will continue these efforts in FY 2009. TSA expects full year operations of the additional domestic inspectors provided in FY 2008 which will accomplish an increased number of compliance inspections. Inspectors will continue to schedule, oversee, and record the TSA ASAP program as well as actively participate in VIPR activities. Airport strikes will be expanded in order to include more testing protocols as well as 100% audit of specific airport badging offices. Additional covert testing protocols will be done for testing of all regulated entities.

While resources will continue to support participation in VIPRs, the FY 2009 Request consolidates the VIPR team funding in the Law Enforcement PPA in Aviation Security.

**Air Cargo -- \$86.3M:** This program is responsible for securing the air cargo supply chain including cargo, conveyances, and people. An estimated 23 billion pounds of air cargo is annually shipped within the United States. About three-quarters of this amount is transported via all-cargo aircraft, while the remainder travels aboard passenger aircraft. The program encompasses compliance activities, policy initiatives and technology implementation. Since safeguarding the nation's critical air cargo transportation infrastructure is a shared public and private sector responsibility, significant regulatory and outreach effort is required. TSA has implemented a threat-based risk management approach for prioritizing efforts and focusing resources. The Air Cargo Strategic Plan outlines an approach for securing the air cargo transportation system based on two threats: introduction of an explosive device on a passenger aircraft, and the hijacking of an all-cargo aircraft resulting in its use as a weapon of mass destruction.

In FY 2007, the Air Cargo program:

- Conducted over 20,000 inspections of foreign and domestic air carriers and indirect air carriers (IACs).
- Cargo Inspectors participated in monthly "cargo strike" surges at domestic, high cargo volume airports which resulted in more than 2,300 inspections of IACs and air carriers as well as more than 1,300 findings of non-compliance during the inspections.
- Expanded the frequency of the covert testing program for air cargo; more than 1,000 covert tests were conducted in FY 2007.
- Thorough and aggressive air cargo oversight program also resulted in security program revocation of four IACs who were either unwilling or unable to comply with TSA air cargo security requirements.
- Participated in nationwide VIPR activities.
- Routinely screened express parcel shipments at over 250 airports.
- Published and implemented the Air Cargo Final Rule to further strengthen security.
- Began preliminary planning for the Certified Shipper program as a method to achieve 100% screening of air cargo on passenger aircraft.
- Continued improvements in other risk-based systems including a pre-system operational test of the Freight Assessment System (FAS) initiated to target high risk freight for further screening.
- Indirect Air Carrier Management System (IACMS) became fully operational and received data to conduct 170,000 security threat assessments of employees handling air cargo.
- Launched the Known Shipper Management System to vet shippers who currently utilize the passenger air cargo supply chain.
- Completed more than 20,000 air cargo compliance inspections at domestic airports
- Conducted monthly "cargo strike" surges at the largest domestic airports
- Hired and trained 150 additional domestic cargo inspectors
- Developed and implemented the TSA proprietary canine team program

In FY 2008, TSA will complete the hiring and training of 150 additional cargo inspectors, bringing the total inspector workforce to 460. These additional inspectors will be allocated and deployed to high volumes airports and to those airports where cargo operations pose a higher

degree of risk. TSA anticipates the new cargo inspectors will conduct an additional 3,500 inspections in FY 2008. This will also enable the increase in the frequency of cargo strikes and the number of covert tests. During surge and periods of elevated threat, cargo Inspectors will also continue to participate in VIPR activities.

In addition to increased inspections, the Air Cargo program will deploy 170 canine-teams, including 85 proprietary, to screen known shipper air cargo and cargo at high volume airports. These teams will be located at 20 airports with the greatest volume of passenger air cargo. The canine will focus their efforts on screening large, bulk configurations as well as individual cargo pieces when appropriate. Canine teams will also participate in surge and high-visibility activities in and around the airport environment.

In FY 2008, the Air Cargo program will also:

- Conduct 10 vulnerability assessments of Category X airports
- Implement the Certified Shipper Program in an effort to achieve 100% screening of passenger air cargo in 2010.
- Complete pre-system operational test of the FAS system and begin full implementation.

FY 2009 will be the first full year of the expanded workforce and additional canine teams for Air Cargo inspection. With 460 fully trained and operational cargo inspectors, this program will accomplish a greater level of compliance inspections, including:

- Increased oversight of the Certified Shipper program;
- Development of additional covert testing protocols in order to include the testing of critical air cargo security measures;
- Expansion of Cargo strikes in order to evaluate of new requirements;
- Completion of the remaining 14 vulnerability assessments for the 27 Category X airports will be completed;
- Deployment of Certified Shipper to establish full supply chain security of entrants in the program; and
- Deployment of a full complement of 170 TSA canine teams, providing considerable screening capabilities for air cargo while making significant progress toward achieving 100% screening of all passenger air cargo by 2010.

**International Programs -- \$29.0M:** TSA strives to lead worldwide improvements in transportation security using a three-layered approach, which includes:

- 21 TSA representatives responsible for liaison activity and representation with over 100 foreign governments;
- On-site liaison activity and representation in 14 foreign countries;
- Non-stop assessment activity by approximately 75 International Aviation Security Inspectors verifying security measures of U.S. and foreign air carriers and compliance with International Civil Aviation Organization standards at more than 500 foreign airports;
- Assessment activity in the near future at nearly 700 foreign and 4,500 domestic repair stations; and
- Active leadership within the regional and international community that comprises the world's transportation security expertise and policy development.

TSA promotes alignment and consistency between the security requirements of the U.S. and foreign governments. TSA takes a leadership role as a permanent U.S. member in the regional and international organizations concerned with transportation security [e.g., International Civil Aviation Organization (ICAO), the Arab Civil Aviation Commission (ACAC), the European Civil Aviation Conference (ECAC), the International Multi-Modal (IMM) Transportation Security, and the Asian Pacific Economic Cooperation (APEC)]. Through interaction with foreign officials at the regional level, best practices in transportation security can be advanced to achieve TSA's vision of a secure, global transportation system.

TSA Representatives (TSARs) serve as on-site coordinators for the TSA response to terrorist incidents and threats to U.S. assets at foreign transportation modes. The TSARs serve as principal advisors on transportation security affairs to U.S. Ambassadors and other embassy officials responsible for transportation issues to ensure the safety and security of the transportation system. In FY 2007 TSA reviewed overseas positions and worked with the State Department on approval to establish additional TSAR positions in Amman, Jordan, and New Delhi, India as well as shifting the TSAR for Eastern Europe into Warsaw, Poland to enable more support to portfolio countries, and moving the TSAR for Germany from Frankfurt to Berlin to be co-located with the relevant transportation ministry.

Also during FY 2007, the TSAR Program accomplished the following:

- Maintained in-depth contact with host government transportation authorities in all countries that provide direct service to the United States. Established and continued contact with over 30% of the countries with no service, many of which had not previously received assistance from TSA.
- Established a WebBoard for disseminating information to civil aviation authorities around the world who are charged with transportation security. Through this board, TSA is able to assist over 100 countries in enhancing security for aviation, rail, mass transit, and pipelines.
- Developed and implemented a tracking tool for monitoring progress of each assessed foreign airport in implementing improvements identified during the Foreign Airport Assessment Program visits. This tool enables TSA to monitor trends and anomalies regionally and by portfolio, and ensures that progress in resolving non-compliance is carefully tracked.
- Drafted an Incident Management Protocol for events that occur in foreign location and shared the document with other responsible offices in TSA. This document establishes the chain of command for incident response, identifies logistics requirements, and notes lessons learned from previous events.
- Implemented a regime of TSAR regional conferences in which strengths and weaknesses were reported and discussed throughout the Area of Responsibility, thereby identifying opportunities for harmonization and capacity building, respectively. These quarterly meetings have resulted in identification of a better distribution of countries assigned to each TSAR, leveraging existing relationships and avoiding adversarial situations between the portfolio governments.

During FY 2008, the TSAR Program intends to implement an aggressive program of capacity building initiatives with those governments needing transportation security assistance. Through identification of threats and vulnerabilities in each country, the TSARs intend to work with regional leaders to harmonize training, assistance, and information exchange opportunities to

better capitalize on organic resources. The greatest emphasis will be placed on Africa and the Pacific, in light of the exponential increases in traffic from these regions to the United States and the concomitant concerns about security of U.S. passengers and goods. The TSAR Program will focus, too, on the expansion of Air Cargo security initiatives in the international realm, predominantly for goods carried onboard passenger aircraft but with a growing emphasis on all-cargo operations, as well. As a result of funding increase in FY09, TSA will staff three new TSAR positions – one each in Brasilia, Brazil; Pretoria, South Africa; and Nassau, The Bahamas to address the increasing air traffic, harmonization and/or capacity building efforts, and potential risks noted in each region.

TSA implements the Foreign Air Carrier Program (FACP), in accordance with 49 CFR Part 1546, which requires non-U.S. air carriers, landing or taking off in the United States, to adopt and carry out a security program for each scheduled and public operation meeting specific seating capacity and/or airport access criteria. Such non-U.S. air carriers are assigned an International Principal Security Inspector (IPSI). TSA IPSIs coordinate the sharing of aviation security related requirements, intelligence, incidents; and/or threat information affecting passengers, air carriers, the United States, and civil aviation worldwide. In FY 2009, TSA will staff two new overseas IPSI positions in Beijing and Dubai, United Arab Emirates.

The Foreign Airport Assessment Program and Air Carrier Inspection Program at foreign airports differ significantly from domestic compliance operations. During airport assessments conducted in foreign countries, International Aviation Security Inspectors (IASIs) focus on application of International Standards and Recommended Practices (SARPs) defined by the International Civil Aviation Organization, to which nearly 190 countries are signatories. TSA is congressionally mandated under 49 United States Code 44907 to assess all airports against these SARPs from which there is service to/from the United States. Because of the thoroughness of the assessment, each foreign airport assessment conducted requires approximately four weeks to complete in its entirety. IASIs also inspect the operations of both domestic and foreign air carriers with U.S. service from these airports to insure compliance with TSA security directives and emergency amendments. Carrier inspections can occur up to two times annually with airport assessments occurring at least once every three years and more frequently on risk based scheduling.

**Transportation Security Network Management (TSNM) -- \$6.1M:** This funding provides 42 positions to coordinate aviation security efforts with airlines, airports, and within the general aviation community.

TSNM serves as a “one-stop” shop for all general aviation (GA) security matters and is responsible for all matters concerning GA security. The program uses a threat based and risk management approach to develop strategies, policies, and programs to reduce the security risks and vulnerabilities associated with GA operations. Security issues include aircraft corporate operators, recreational aircraft, and charter operators; private and public use of general aviation airports; airmen; and airspace. The program works collaboratively with the stakeholders to develop creative methods to enhance security and develop, disseminate, and consistently apply a framework of appropriate Federal security standards.

In accordance with TSA/TSNM organizational goals and strategies, GA has developed specific strategies for FY 2008 and 2009. TSA will develop security action items for Fixed Based Operators (FBO) and aircraft operators and updating GA airport guidance

In an effort to build meaningful relationships with the commercial airport industry, TSA/TSNM oversees the development of policies and programs that enhance security at the Nation's commercial airports. The program works to develop national airport security programs that guide security plans by regulated entities. The program also ensures a robust communications system for relaying TSA guidance and information to transportation security stakeholders

For FY 2008 and 2009, commercial airports are planning strategies and key activities to support TSA/TSNM organizational goals. This includes encouraging officials from commercial airports to attend national/international conferences on aviation security. The program also develops new policy, as well as reviews existing policy and provides interpretations and clarifications of TSA security programs and regulations. The program also maintains a network of partners to ensure security information is shared on a regular basis.

The Commercial Airlines office includes 15 Principal Security Inspectors (PSIs) assigned to between one and 16 airlines each. They provide regulatory oversight of commercial airlines including management of the Aircraft Operator Standard Security Program, the Private Charter Program and associated security directives. PSIs provide the industry with supporting interpretations, clarification and assessments of the regulations and the level of carrier compliance. The PSI is the designated TSA representative for accepting, evaluating and coordinating amendments to the Program. The PSIs conduct over 250 comprehensive audits each fiscal year covering all mandated security requirements implemented system-wide by the airlines corporate office. Included in the audits are reviews of security training programs provided to flight deck and cabin crew and ground security coordinators.

As the number of commercial airlines increase each year, PSIs will also increase the number of comprehensive audits covering all security requirements, including the training programs during FYs 2008 and 2009.

In FY 2009, TSA will re-align base resources to support 4 additional positions for the General Aviation, commercial airports and commercial airlines functions. These will assist with increasing requirements in implementing the Aviation Security Strategy.

PPA: AIRPORT MANAGEMENT AND SUPPORT

|                              | <b>Perm</b>  |              |                  |
|------------------------------|--------------|--------------|------------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>2,300</b> | <b>1,984</b> | <b>\$679,745</b> |
| <b>2008 Enacted</b>          | <b>2,130</b> | <b>2,045</b> | <b>651,933</b>   |
| 2009 Adjustments-to-Base     | (173)        | (167)        | (278,923)        |
| <b>2009 Current Services</b> | <b>1,957</b> | <b>1,878</b> | <b>373,010</b>   |
| 2009 Program Change          |              |              |                  |
| <b>2009 Request</b>          | <b>1,957</b> | <b>1,878</b> | <b>373,010</b>   |
| Total Change 2008-2009       | (173)        | (167)        | (278,923)        |

The Transportation Security Administration requests \$373.0 million for this activity. This is a decrease of \$279 million and 167 FTE from FY 2008. The requested level includes adjustments-to-base for pay (\$24.7 million) and non-pay (\$252 million). Other adjustments-to-base include inflationary adjustments and for pay and non-pay COLA (\$2.3 million). The adjustments are based on the realignment of FTP/FTE from Airport Management IT to combine IT in one PPA in the Transportations Security Support Appropriation.

**PROGRAM DESCRIPTION:**

(dollars in millions)

|  | <b>FY 2009</b> |
|--|----------------|
| FSD Staff and OSO HQ PC&B                  | \$216.7        |
| Airport Rent and Furniture                 | 105.1          |
| Airport Parking and Transit Benefits       | 17.5           |
| FSD Staff Non PC&B                         | 23.2           |
| Electronic Time, Attendance and Scheduling | 10.5           |
| Total                                      | \$373.0        |

**FSD Staff and OSO HQ PC&B and Non PC&B:** In FY 2009, \$216.7 million of the request supports the payroll of 1,957 positions and \$23.2 million of related operating expenses. Of these positions approximately 1,825 comprise the staff of the 122 Federal Security Directors (FSDs) and the remainder is headquarters positions that direct the policy, analysis, and administration of aviation screening. These positions are critical to supporting the front line operations of our TSOs.

This funding supports the salaries and benefits of these positions, as well as travel, training, and contract requirements to support the staff. To streamline the administrative operations and gain efficiency at the airports, larger airports have been designated as hubs. These hubs provide security direction, administrative support, and staffing/personnel as needed to smaller, lower staffed airports (spokes). For example, Boston-Logan International Airport is the hub for 7 spoke airports (Bedford-Hanscom, Barnstable, Martha’s Vineyard, Nantucket, Provincetown, Westover and Worcester airports). FSD and staff travel frequently between the hubs and spoke airports. Funding of airport management and staff will provide the proper direction, support, and staff at the spokes to ensure efficient and effective operations.

Airport management and staff have developed operational strategies to make the screening process more efficient for the traveling public especially during peak travel seasons. They will continue to be the central reference point on policy development, information technology, training, performance management, finance, and human resources to support the mission of TSA.

TSA will adapt to a dynamic and changing environment with industry accepted scheduling and modeling programs, such as the Sabre Streamline Suite of applications. These applications will allow TSA to efficiently determine and schedule the TSO workforce at the nation's diverse airports. By accurately predicting, executing and measuring the number of TSO's required, TSA ensures that the public has a positive experience while maintaining the proper number of TSO's at each airport.

**Electronic Time, Attendance and Scheduling:** The Electronic, Time, Attendance and Scheduling (eTAS) Program will build upon the current SABRE scheduling program to integrate and automate the TSO scheduling and time reporting process, as well as build a seamless integration with the National Finance Center (NFC) for payroll processing. \$10.5 million of base resources will continue to fund the eTAS development and deployment efforts.

**Airport Parking and Transit Benefits:** The Employee Parking Assistance Program (EPAP) provides parking, shuttle service, and fee collection for TSA employees participating in this program. The services required must be able to provide sufficient parking for TSA employees at the airport, provide parking spaces that are available on a 24 hour basis, provide shuttle service to and from the terminal and provide fee collection services from participants. Significant Employee Parking Assistance Program (EPAP) accomplishments for FY 2007 include the following:

- Change in individual employee enrollment forms from using six digit social security numbers to four digit social security numbers due to increased security requirements.
- Addition of two airports for collection of fees from employees to enable a one time payment for parking at Phoenix (PHX) and West Palm Beach (PBI)
- \$34K payment to Chicago Mini-bus contractor to cover Dept of Labor mandatory salary requirements for employees based on standard labor rates. Covered under program funding.

EPAP FY 2008 priorities include the following:

- Expansion of the requirement for full payment of parking costs for Dulles International Airport (IAD). Current TSO staffing level is 614, however the target is at minimum 725.
- Expansion of the requirement to extend full payment of parking costs to McCarran International Airport (LAS) for approximately 750 screeners.

In FY 2009 the EPAP will continue to support collections and payments for the 26 airports which currently fall under the program.

The remainder of the \$17.5 million will enable TSA to maintain a fleet of vehicles and provide transit and parking benefits for field office employees.

**Airport Rent and Furniture:** \$105.1 million is requested for rent payments and furniture for TSA’s field offices (including FSD and TSO staff locations). Significant accomplishments in FY 2007 include the following:

- Implementation of the new furniture initiative to reduce the annual cost of rental furniture through targeted furniture buy-outs and rental replacements; and
- Implementation of the real estate customer service initiative which is based on field customer feedback and surveys. This initiative earned TSA the “best-practices” agency in real estate services within DHS.

In FY 2008, TSA will conduct a thorough review and update the program of requirements for field space and furniture, involving field customers and Security Operations as prime stakeholders. Additionally, while the aviation business model changes and discount airlines continue to grow, TSA must be able to provide support as the airports expand. TSA will be a valuable partner in the planning and design of security at airports through assistance with checkpoint redesigns and perimeter security. FSD and staff will continue to build relationships with airport officials, airlines, local law enforcement, and Joint Terrorism Task Force officials.

**PPA: FEDERAL FLIGHT DECK OFFICER (FFDO) AND FLIGHT CREW TRAINING**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>25</b>           | <b>19</b>  | <b>\$21,367</b> |
| <b>2008 Enacted</b>          | <b>25</b>           | <b>25</b>  | <b>25,091</b>   |
| 2009 Adjustments-to-Base     | (25)                | (25)       | (25,091)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...             |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | ...                 | ...        | ...             |
| Total Change 2008-2009       | (25)                | (25)       | (25,091)        |

The Transportation Security Administration requests to realign the funding in this PPA into the Law Enforcement PPA in the Aviation Security appropriation, thus decreasing this PPA by \$25.091 million and 25 FTE.

PPA: AIR CARGO

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>335</b>          | <b>292</b> | <b>\$64,238</b> |
| <b>2008 Enacted</b>          | <b>335</b>          | <b>325</b> | <b>73,000</b>   |
| 2009 Adjustments-to-Base     | (335)               | (325)      | (73,000)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...             |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | ...                 | ...        | ...             |
| Total Change 2008-2009       | (335)               | (325)      | (73,000)        |

The Transportation Security Administration requests to realign this PPA into the Aviation Regulation PPA, thus reducing this PPA by 335 FTP, 325 FTE and \$73.0 million.

PPA: LAW ENFORCEMENT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...            |
| <b>2008 Enacted</b>          | ...                 | ...        | ...            |
| 2009 Adjustments-to-Base     | 591                 | 567        | \$242,247      |
| <b>2009 Current Services</b> | <b>591</b>          | <b>567</b> | <b>242,247</b> |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | <b>591</b>          | <b>567</b> | <b>242,247</b> |
| Total Change 2008-2009       | 591                 | 567        | 242,247        |

The Transportation Security Administration proposes a new PPA to reflect law enforcement activities and re-aligns funds from former PPAs as noted in the table below. TSA requests \$242.2 million for this activity in FY 2009.

**PROGRAM DESCRIPTION:**

This program consolidates the responsibilities of TSA's security and cooperative law enforcement activities into one PPA. These components provide law enforcement capabilities, canine presence in multiple transportation modes, operational coordination, and ensure the internal security of TSA. The following table provides the components of this PPA:

| <b>PPA Element</b>   | <b>FY 2009</b> | <b>Prior PPA(s)</b>  |
|--|----------------|--|
| Airport Law Enforcement & Assessments  | \$79.1M        | Aviation Regulation & Enforcement                                  |
| National Explosive Detection Canine Team Program                                     | \$54.5M        | Rail Inspectors/K-9s; Aviation Regulation & Enforcement; Air Cargo |
| Federal Flight Deck Officer and Crew Member Self Defense Programs                    | \$24.9M        | FFDO   |
| Transportation Security Operations Center and Continuity of Operations and Emergency | \$23.4M        | Airport Mgmt, IT, and Other Support; Surface Ops & Staffing        |

|  |                 |  |
|--|-----------------|--|
| Preparedness Programs                    |                 |  |
| Physical and Personnel Security Programs | \$30.3M         | HQ Admin; Airport Mgmt, IT, and Other Support;           |
| Permanent VIPR Teams                     | \$30.0M         | Aviation Regulation & Enforcement ; Rail Inspectors/K-9s |
| <b>FY 2009 Program Total</b>             | <b>\$242.2M</b> |  |

**Airport Law Enforcement & Assessments -- \$79.1M:** In accordance with the Aviation and Transportation Security Act (ATSA) of 2001, TSA established reimbursable agreements with state and local law enforcement agencies to provide uniformed officers at passenger security checkpoints under the flexible response authorities granted to TSA. These agreements provide financial assistance to partially reimburse airports at screening points throughout the U.S for post 9/11 law enforcement hours. They ensure consistent law enforcement presence is always available to deter suspicious activity and respond quickly in the event of a breach of security at checkpoints. In addition to these agreements, 80 airports have Assistant Federal Security Directors (AFSDs) for Law Enforcement to coordinate TSA's security efforts with local law enforcement.

In FY 2007, TSA funded 271 reimbursable agreements (RA) that included the following LEO patrol and response hours:

**Hours of Airport LEO Services Funded in FY 2007:**

| <b>Airport Category</b> | <b>Hours</b>     |
|-------------------------|------------------|
| <b>Cat I</b>            | 452,235          |
| <b>Cat II</b>           | 259,387          |
| <b>Cat III</b>          | 353,868          |
| <b>Cat IV</b>           | 449,213          |
| <b>Cat X</b>            | 615,573          |
| <b>Total</b>            | <b>2,130,276</b> |

The program was re-structured during FY 2006/07 and transitioned to a Cooperative Agreement (CA) process, which commenced in FY 2008. The new CA process offers a number of benefits over the previous RA system in that it expanded eligibility, maximized reimbursement rates, and enhanced the local/federal relationship. Under the CAs, TSA plans to reimburse approximately \$68M to the nation's airports in FY 2008.

Through the CA process and adjusting allocations to account for prior year expenditures, TSA has been able to significantly increase the number of airports participating in the LEO program (271 in FY 2007 to 343 in FY 2008) while maintaining the existing level of base program resources. TSA has also instituted more effective program management and oversight as a more efficient means of ensuring that the resources awarded best meet the program's intended purpose of improving the level of security at the nation's airports.

In FY 2009, TSA will continue to gain program efficiencies to maximize available funds.

**National Explosives Detection Canine Team Program (NEDCTP) -- \$54.5M:** The NEDCTP exists to deter and detect the introduction of explosives devices into the transportation system. Bomb threats cause disruption of air, land, and sea commerce and pose an unacceptable danger

to the traveling public which should be resolved quickly. Explosives detection canine teams are proven and reliable resources to detect explosives and are a key component in a balanced counter-sabotage program. The use of highly trained explosives detection canine teams is also a proven deterrent to terrorism directed towards transportation systems and provides a timely and mobile response to support facilities, rail stations, airports, passenger terminals, seaports, and surface carriers. The Canine program fosters partnerships throughout the Federal government, state and local law enforcement community, and throughout the world.

In FY 2007, TSA provided partial funding for over 450 canine teams through agreements with over 80 state and local agencies. TSA also provided explosives detection canines to law enforcement agencies across the country through its National Breeding and Development Center. TSA funded canine teams screened over 2 billion pounds of air cargo in FY 2007 and screened mass transit and airport facilities for the remaining 75 percent of their operating hours.

In FY 2008, the Canine program will expand considerably. The FY 2007 supplemental appropriation will fund 170 additional teams to focus on air cargo screening, half of which will be led by TSA inspectors for the first time. TSA will establish 45 teams in mass transit systems and ferries across the country through agreements with state and local agencies. An additional 92 teams will be added to the highest risk airports and mass transit systems across the nation; of which, 46 will be TSA led teams.

The FY 2009 Request continues the program at 2008 levels.

**Federal Flight Deck Officer (FFDO) -- \$24.9M:** TSA is mandated to provide a FFDO program to deputize qualified airline pilots as Federal law enforcement officers in order to defend the flight decks of aircraft against acts of criminal violence or air piracy. This voluntary program provides law enforcement training in firearms proficiency, self-defense tactics, authority, use-of-force, and decision making to defend the flight decks of both commercial and cargo aircraft.

In FY 2007, TSA trained 1,800 new volunteer FFDOs, provided approximately 16,000 firearms re-qualifications, and established a required two-day FFDO recurrent training program at the FAMS Atlantic City Training facility. Recurrent training is required to not only maintain perishable law enforcement skills, but to fulfill a five-year FFDO deputation training requirement.

In FY 2008, TSA plans to provide basic FFDO training to approximately 2,000 new volunteers, provide approximately 18,000 firearms re-qualifications for active volunteers, and provide approximately 2,200 recurrent training opportunities for FFDOs in their fourth and fifth year of deputation. A regional recurrent training facility will be established in Dallas, TX to enable increased recurrent training requirements and to provide better access for those volunteers in the West and Midwest. The FFDO program continues to actively engage FFDOs through scheduled regional meetings and regular communication.

In FY 2009, TSA will continue to provide basic and recurrent training for FFDOs between 3-5 years of service at the Atlantic City, NJ and Dallas, TX facilities. The program will provide approximately 22,000 firearms re-qualifications and initial training to new FFDOs.

In addition, TSA conducts the Crew Member Self-Defense Training Program to familiarize crew members with basic self defense concepts and techniques. In FY 2007, TSA began exporting the training to airlines' training facilities to increase the opportunity for participation. In FY 2008, TSA intends to expand participation in exportable training. The FY 2009 request continues this training capacity, and TSA will evaluate the utility of an intermediate level course to offer more advanced self-defense techniques and scenario training.

**Transportation Security Operations Center (TSOC) -- \$23.4M:** The TSOC is located at TSA's Freedom Center in Northern Virginia. TSOC serves as TSA's 24/7 operations center (command center) for transportation security-related operations, incidents, or crises. The TSOC correlates and fuses real-time intelligence and operational information, ensuring unity of command and action in the prevention of and response to terrorist-related incidents across transportation modes. The TSOC is co-located and closely aligned with TSA's Continuity of Operations and Emergency Preparedness (COOP) activities.

In FY 2007, TSA enhanced its incident management team with an increased capability to respond to security events across all modes of transportation by coordinating with numerous aviation, surface, law enforcement, and intelligence agencies such as the Federal Aviation Administration, National Geospatial-Intelligence Agency, Highway and Rail Information Sharing Analysis Center, and USTRANSCOM (U.S. Transportation Command). Facility renovations were initiated at two alternate operating sites while maintaining a readiness level to support TSA's Continuity of Operations and incident management activities.

In FY 2008, TSA plans to field a common operating picture throughout TSA to enable information sharing and support WebEOC as TSA's primary incident management tool. Emphasis on operational outreach will continue, to include more multi-modal entities.

The FY 2009 Request continues to improve capability and capacity through the use of existing base resources.

**Physical and Personnel Security -- \$30.3M:** TSA's Office of Security is responsible for agency-wide physical, personnel, and internal security policies and procedures to ensure a safe and secure environment and administer the pre-employment suitability of TSA's workforce, to include contractors.

In FY 2007, TSA completed adjudication of over 17,000 TSO applicants, making 10,000 eligible for entry on duty. All background investigations for the screener population were processed using the Electronic Questionnaires for Investigations Processing System (e-QIP). The Office of Security established a comprehensive information security (INFOSEC) training program for all TSA employees as well as a training program for Classified Security Custodians.

In FY 2008, TSA will begin implementing a program to acquire, field and integrate the TSA Personal Identity Verification (PIV) Card agency-wide in compliance with HSPD-12 and DHS policies and procedures. TSA plans to begin issuing PIV cards in mid-2008. TSA's goal for initial completion of PIV issuance is by the end of FY 2009.

The FY 2009 Request continues these services with continued improvements expected in background investigation cycle time and security technologies aimed at reducing the risk of unauthorized access at airports and other TSA facilities.

**VIPR Teams -- \$30.0M:** In FY 2007, TSA increased its random and visible presence in aviation and other modes of transportation through the participation in Visible Intermodal Protective Response (VIPR) operations. This program was developed in response to the need for a visible security presence in other modes of transportation, outside the aviation environment. VIPR teams can be deployed as needed to work with local law enforcement departments and transportation authorities to enhance security within their transit systems. These VIPR teams typically include Surface Transportation Security Inspectors (STSIs), TSA Canine teams, Aviation Security Inspectors (ASIs), Transportation Security Officers (TSOs), FAMs (both overt and covert) as well as local law enforcement officers. To date, TSA has deployed over 100 VIPR teams in mass transit systems and airports around the country. These deployments significantly improved our awareness of security within these facilities while establishing closer relationships with transit law enforcement agencies.

The FY 2008 appropriation provided TSA \$20 million and 225 FTP to create ten permanent VIPR teams. These additional teams greatly increase TSA’s ability to protect all modes of transportation by enabling these additional resources to be funneled to the more vulnerable modes of the transportation sector. This will accelerate the program of screening passengers, looking for suspicious behavior, and acting as a visible deterrent in multiple transportation sectors, including buses, mass transit and airports.

The FY 2009 Request annualizes and consolidates the effort and program funding into the Law Enforcement PPA.

**PPA: IMPLEMENTING REQUIREMENTS OF P.L. 110-53**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...             |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>\$30,000</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (30,000)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...             |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | ...                 | ...        | ...             |
| Total Change 2008-2009       | ...                 | ...        | (30,000)        |

In FY 2008, Congress appropriated \$30.0 million to implement the provision of Public Law 110-53, the Implementing the 9/11 Commission Recommendations Act of 2007. The FY 2009 request does not include additional funding.

**PROGRAM DESCRIPTION:**

These funds will be used to support multiple programs within the Transportation Security Administration appropriations as directed by the FY 2008 appropriation language. TSA will provide a report to the Committees on Appropriations 90 days after the date of enactment of this Act on the proposed allocation of these funds at the account and PPA level.

PPA: FEDERAL AIR MARSHAL SERVICE (FAMS)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...            |
| <b>2008 Enacted</b>          | ...                 | ...        | ...            |
| 2009 Adjustments-to-Base     | ...                 | ...        | \$786,000      |
| <b>2009 Current Services</b> | ...                 | ...        | <b>786,000</b> |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | ...                 | ...        | <b>786,000</b> |
| Total Change 2008-2009       | ...                 | ...        | 786,000        |

The Transportation Security Administration (TSA) requests \$786.0 million in FY 2009. This request eliminates the FAMS appropriation as a separate funding entity and incorporates it as a single PPA within TSA's Aviation Security appropriation. The overall request includes an increase of \$16.5 million over the FY 2008 FAMS appropriation. The increase includes the annualization of the FY 2008 enacted increase and adjustments for cost of living increases. \$9.5 million is re-aligned into the proposed Law Enforcement PPA to consolidate the VIPR program.

This consolidation of FAMS into Aviation Security is an important step in fully implementing the goals, objectives and vision of the Department's Second Stage Review, and completes the integration of the FAMS into TSA's aviation security and enforcement missions. In addition, the realignment better reflects TSA's organization and management structure and will enable the agency to more rapidly apply its law enforcement and related resources to meet emerging threats.

**PROGRAM DESCRIPTION:**

The FAMS promotes public confidence in our Nation's civil transportation systems through the effective, risk-based, strategic deployment of Federal Air Marshals in both air and land based mission assignments. The Service's primary focus is to detect, deter, and defeat terrorist or other criminal hostile acts targeting U.S. air carriers, airports, passengers, crew and, when necessary, other transportation modes within the Nation's general transportation systems.

Performance of the FAMS' mission demands a host of critical planning, operational and support programs to protect the public from the threat of a terrorist attack or other criminal activity. As a result, this PPA encompasses an array of vital operational, training and infrastructure components to include:

- Continuous international and domestic flight/mission coverage and surveillance detection
- Joint Terrorism Task Force (JTTF) participation and investigations
- Tactical Information Sharing and Mission Scheduling and Notification Systems
- Specialized air marshal and law enforcement training programs and a dedicated training center
- Participation and support in Visible Intermodal Protective Response (VIPR) deployments targeting potential threats to rail, mass transit and land based transportation systems while in non-mission time, which does not reduce mission flights
- Workforce sustainment

During the course of operations, Federal Air Marshals are continually deployed (24/7) using a comprehensive, risk-based strategy to protect key flights within the United States and internationally. A sophisticated flight/mission scheduling and notification system enables the assignment of Federal Air Marshals to planned flights, while enabling the Service to quickly adapt mission tempo and flight selection/coverage to meet emerging threats

In FY 2007, FAMS mission coverage on critical international flights was accelerated amid heightened concerns about potential terrorism threats originating from Britain and other areas of Europe. Increased international deployments followed a series of unsuccessful terrorist plots involving two foiled car bombs in London and an attack at the Glasgow, Scotland airport. In addition to providing a deterrent to potential terrorists, publicly increasing mission coverage reassured flight crews and the traveling public in the safety of flying during the tense days following the terrorist incidents.

In FY 2008, FAMS intends to continue assigning FAMS to targeted critical domestic and international flights using a risk-based methodology. Similarly, per Congressional direction and as authorized in the 9/11 bill, the Service will continue participation in VIPRs during non-mission hours and coordination with other TSA assets, other federal agencies, and state and local authorities as required to best protect the United States and its interests from terrorist and criminal threats. This program is expected to continue into FY 2009.

The major cost components of this program are:

(dollars in millions)

|                                    | <b>FY 2009</b> |
|------------------------------------|----------------|
| Payroll, Compensation and Benefits | \$597.5        |
| Information Technology             | 28.4           |
| Operations Infrastructure          | 68.0           |
| Travel                             | 73.9           |
| Training                           | 18.2           |
| <b>Total</b>                       | <b>\$786.0</b> |

**Payroll/OWCP -- \$597.5M:** This component, which amounts to 76 percent of the Federal Air Marshal Service budget, covers all pay, compensation and benefits costs for the Service’s Federal Air Marshal and civilian work force. The missions that Federal Air Marshals perform every day represent the Service’s core capability and effort in achieving its goal of detecting, deterring, and preventing hostile acts with the aviation and transportation domains. Funding includes resources for pay, compensation and benefits, overtime, Law Enforcement Availability Pay (LEAP), awards, workers’ compensation, and a portion of the overall resources required for Permanent Change of Station (PCS) expenses. FAMS personnel are arrayed throughout the country and provide the manpower necessary to conduct the Service’s full range of operations.

**Information Technology (IT) – \$28.4M:** The FAMS IT Systems are critical for providing the Service and individual Federal Air Marshals with the vital automated tools, systems and computer security technology to ensure accomplishment of its mission.

In addition to funding a critical IT network needed for managing the FAMS enforcement and business operations, essential program elements of this component include the Mission

Scheduling and Notification System (MSNS). MSNS is a collection of sub-systems that provide the automated means for mission planning, mission scheduling, and for notifying Federal Air Marshals (FAMs) of their mission schedules. The MSNS uses a risk-based process that selects from among over 28,000 daily U.S. commercial airline flights to prioritize deployments of thousands of FAMs worldwide. The core of the MSNS consists of SABRE Air Crews and SABRE QIKRES Reservations systems, modified for use by the FAMS, with data being stored in Oracle Databases. The MSNS is critical to the accomplishment of the FAMS' mission inasmuch as its loss, or even an extended interruption, would cause a deterioration of mission coverage noticeable to the airlines, the public and to our enemies.

In FY 2007, FAMS implemented Real Time Flight Display (RTFD), which is a real time situational decision support tool providing access to planned and actual arrival/departure times. In addition, MSNS Field Automation was also deployed which provides an integrated web suite for field users to access various types of scheduling information. In 2008, the FAM will release the next version of RTFD which will integrate and automate various Mission Operations Center (MOC) activities.

**Operations Infrastructure -- \$68.0M:** The Operations Infrastructure component funds critical operations infrastructure program areas including, but not limited to, Permanent Change of Station (PCS), rent and utilities, facility build out, telecommunications, human resource services, background investigations, and supply management.

**Travel -- \$73.9M:** This component funds all travel necessary to perform domestic and international mission coverage, mission essential training and other business related travel in support of FAMS operations and program goals. The FAMS schedules coverage of high-risk flights according to a concept of operations that incorporates threat and intelligence, consequence, and vulnerability.

**Training -- \$18.2M:** Upon entry into the FAMS Training program, Federal Air Marshal trainees undergo an intensive 15-week training program conducted by the Federal Law Enforcement Training Center (FLETC) in Artesia, New Mexico and the FAMS Training Center located in Atlantic City, New Jersey. The training program provides for all associated training requirements such as FLETC costs, role player contracts, hotel lodging contracts for Atlantic City classes, training supplies, firing range fees, training gear, equipment, and clothing. Once assigned to a field office, FAMs undergo recurrent in-service training to maintain their skills to meet law enforcement requirements and firearms certification levels on a quarterly basis.

This PPA component also provides required professional training for FAMS technical professionals and support staff. Examples of Professional/Technical training include mandated annual explosives technical training for re-qualification and re-certification, mandated annual contracts/warrant officer training, mandated FAMS instructor training, leadership/management training, and professional/career development courses.

PPA: AIRPORT PERIMETER SECURITY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$4,914</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>4,000</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | (4,000)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...            |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | ...                 | ...        | ...            |
| Total Change 2008-2009       | ...                 | ...        | (4,000)        |

The Transportation Security Administration does not request funding for this activity in FY 2009.

FEE: AVIATION SECURITY FEE (includes airline security passenger fee and aviation security infrastructure fee)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$2,284,632</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>2,113,250</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | 215,692            |
| <b>2009 Current Services</b> | ...                 | ...        | <b>2,328,942</b>   |
| 2009 Program Change          | ...                 | ...        | ...                |
| <b>2009 Request</b>          | ...                 | ...        | <b>2,328,942</b>   |
| Total Change 2008-2009       | ...                 | ...        | 215,692            |

The Transportation Security Administration requests \$2.329 billion for this activity, the same amount as FY 2008.

<sup>1/</sup> FY 2008 enacted includes adjustments to fees.

FEE: AVIATION SECURITY CAPITAL FUND

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$266,016</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>250,000</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | 426,000          |
| <b>2009 Current Services</b> | ...                 | ...        | <b>676,000</b>   |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | <b>676,000</b>   |
| Total Change 2008-2009       | ...                 | ...        | 426,000          |

The Aviation Security Capital Fund (ASCF) was extended by the 9/11 Bill and is authorized through 2028.

The Transportation Security Administration requests \$676.0 million, an increase of \$426.0 million in additional mandatory funds generated by a temporary, four-year \$0.50 surcharge on the passenger security fee (PSF) for a total of \$3.00 per enplanement, up to a maximum of \$6.00 one way. This surcharge would be deposited into the ASCF to fund the purchase, installation, and recapitalization of checked baggage explosive detection systems (EDS) and in-line systems.

FEE: CHECKPOINT SCREENING SECURITY FUND

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...              |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>\$250,000</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (250,000)        |
| <b>2009 Current Services</b> | ...                 | ...        | ...              |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | ...              |
| Total Change 2008-2009       | ...                 | ...        | (250,000)        |

The Transportation Security Administration does not request funding for this activity in FY 2009.

FEE: GENERAL AVIATION AT RONALD REAGAN NATIONAL AIRPORT (DCA)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...           |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>\$75</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...           |
| <b>2009 Current Services</b> | ...                 | ...        | <b>75</b>     |
| 2009 Program Change          | ...                 | ...        | ...           |
| <b>2009 Request</b>          | ...                 | ...        | <b>75</b>     |
| Total Change 2008-2009       | ...                 | ...        | ...           |

This offsetting collection supports General Aviation flights into DCA as provided by the Vision 100 Act. TSA levies a \$15 fee for each person onboard the flight for security threat assessments and flight authorization services. In addition, a \$296 fee per roundtrip is charged to flight operators for the screening personnel and equipment used to support such flights at DCA. These fee collections cover program costs associated with the legislated mandate requiring the establishment of a security program to allow General Aviation flights into and out of DCA.

FEE: INDIRECT AIR CARGO

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$81</b>   |
| <b>2008 Enacted</b>          | 3                   | 2          | <b>200</b>    |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...           |
| <b>2009 Current Services</b> | 3                   | 2          | <b>200</b>    |
| 2009 Program Change          | ...                 | ...        | ...           |
| <b>2009 Request</b>          | 3                   | 2          | <b>200</b>    |
| Total Change 2008-2009       | ...                 | ...        | ...           |

This program change provides for the fee collection supporting security threat assessments of security workers in the air cargo supply chain. TSA levies a \$28 per assessment fee to offset costs of the assessments and program management costs. The total annual collections from these fees are estimated to be \$200,000. This fee is collected in accordance with the Final Rule on Air Cargo Security Requirements and as authorized by the FY 2004 DHS Appropriations Act (Public Law 108-90).

**IV. Program Justification of Changes - Not applicable.**

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Transportation Security Administration  
Justification of Proposed Changes in Aviation Security  
Appropriation Language**

For necessary expenses of the Transportation Security Administration related to providing civil aviation security services pursuant to the Aviation and Transportation Security Act (Public Law 107-71; 115 Stat. 597; 49 U.S.C. 40101 note), [\$4,808,691,000] **\$5,289,810,000**, to remain available until September 30, [2009] **2010**, of which not to exceed \$10,000 shall be for official reception and representation expenses: Provided, That of the total amount made available under this heading, not to exceed [\$3,768,489,000] **\$3,678,287,000** shall be for screening operations, of which [\$294,000,000] **\$486,000,000** shall be available [only] for [procurement and installation of checked baggage] explosive detection systems; and not to exceed [\$1,009,977,000] **\$825,248,000** shall be for aviation security direction and enforcement; **and not to exceed \$786,000,000 shall be for the Federal Air Marshals**: *Provided further*, That security service fees authorized under section 44940 of title 49, United States Code, shall be credited to this appropriation as offsetting collections and shall be available only for aviation security: *Provided further*, That any funds collected and made available from aviation security fees pursuant to section 44940(i) of title 49, United States Code, may, notwithstanding paragraph (4) of such section 44940(i), be expended for the purpose of improving screening at airport screening checkpoints, which may include the purchase and utilization of emerging technology equipment; the refurbishment and replacement of current equipment; the installation of surveillance systems to monitor checkpoint activities; the modification of checkpoint infrastructure to support checkpoint reconfigurations; and the creation of additional checkpoints to screen aviation passengers and airport personnel: [Provided further, That of the amounts provided under this heading, \$30,000,000 may be transferred to the ``Surface Transportation Security"; ``Transportation Threat Assessment And Credentialing"; and ``Transportation Security Support" appropriations in this Act for the purpose of implementing regulations and activities authorized in Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53):] *Provided further*, That the sum appropriated under this heading from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year [2008] **2009**, so as to result in a final fiscal year appropriation from the general fund estimated at not more than [\$2,598,466,000] **\$2,960,868,000**: *Provided further*, That any security service fees collected in excess of the amount made available under this heading shall become available during fiscal year [2009] **2010**: [Provided further, That Members of the United States House of Representatives and United States Senate, including the leadership; and the heads of Federal agencies and commissions, including the Secretary, Under Secretaries, and Assistant Secretaries of the Department of Homeland Security; the United States Attorney General and Assistant Attorneys General and the United States attorneys; and senior members of the Executive Office of the President, including the Director of the Office of Management and Budget; shall not be exempt from Federal passenger and baggage screening.] **Provided further, That any security service fees collected in excess of the amount made available under this heading shall become available during fiscal year 2010: Provided further, That notwithstanding section 44923 of**

**title 49, United States Code, the share of the cost of the Federal Government for a project shall not exceed 90 percent, and all funding provided by section 44923(h) of title 49, United States Code, may be distributed in any manner deemed necessary to ensure aviation security.**  
(FY 2008 Omnibus Appropriation Act)

Explanation of Change:

No substantive changes proposed.

## B. FY 2008 to FY 2009 Budget Change

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
FY 2008 to FY 2009 Budget Change**

|   | <u>Pos.</u>   | <u>FTE</u>    | <u>Amount</u>    |
|---|---------------|---------------|------------------|
| <b>2007 Actual</b>  | <b>47,444</b> | <b>45,857</b> | <b>4,826,360</b> |
| <b>2008 Enacted</b>   | <b>52,274</b> | <b>48,897</b> | <b>4,808,741</b> |
| <b>Adjustments-to-Base</b>  |               |               |                  |
| Realignments to and from other accounts: <i>(Hide if there are none)</i>    |               |               |                  |
| SPP: Realign TDC portion from TSO PC&B                                      |               |               | 3,400            |
| Screener Training & Other: Realign from HQ Admin                            | 56            | 56            | 8,300            |
| Checkpoint Spt: Realign optimization from Screener Training & Other         |               |               | 13,000           |
| Checkpoint Spt: Realign ops funding from HQ Admin                           | 25            | 25            | 3,251            |
| Checkpoint Spt: Realign ops funding from Ops Integration                    | 6             | 6             | 863              |
| EDS/ETD Purchase/Install: Realign ops funding from HQ Adm                   | 75            | 75            | 9,752            |
| EDS/ETD Purchase/Install: Realign ops funding from Ops Inte                 | 18            | 18            | 2,590            |
| Scr Tech Maint: Realign for increased costs from EDS/ETD Purchase           |               |               | 5,000            |
| Scr Tech Maint: Realign for increased costs from EDS/ETD Install            |               |               | 29,000           |
| Avn Reg: Realign Air Cargo into Avn Reg                                     | 335           | 325           | 73,000           |
| FAMS: Realign this Approp into Avn Security as 1 PPA                        |               |               | 769,500          |
| LE: Realign backgr Invest/Phys Sec from HQ Admin                            | 1             | 1             | 21,687           |
| LE: Realign K-9 from Avn Reg  | 77            | 77            | 26,320           |
| LE: Realign LE/LEO from Avn Reg   | 80            | 80            | 80,653           |
| LE: Realign TSOC/COOP from Airport Mgmt                                     | 132           | 128           | 28,927           |
| LE: Realign FFDO  | 25            | 25            | 25,091           |
| LE: Realign Air Cargo K-9 from Air Cargo                                    |               |               | 7,000            |
| LE: Realign K-9 from Surface Rail   |               |               | 5,500            |
| LE: Realign OSO function from Support Intel                                 | 3             | 3             | 1,194            |
| LE: Realign TSNM from Avn Reg   | 8             | 8             | 546              |
| LE: Realign TSOC/COOP from Surface Ops & Staffing                           | 13            | 13            | 1,488            |
| LE: Realign FAMS VIPRs into LE  | 75            | 38            | 9,500            |
| LE: Realign VIPRs from Avn Reg  | 75            | 38            | 5,300            |
| LE: Realign VIPRs from Surface Rail   | 75            | 38            | 5,200            |
| LE: Realign FY 08 Omnibus K9 from Avn Reg                                   |               |               | 5,097            |
| TSO PC&B: Realign TDC portion to SPP  |               |               | (3,400)          |
| Screener Training & Other: Realign optimization to Ckpt                     |               |               | (13,000)         |
| Screener Training & Other: Realign for FY 08 Omnibus to Human Capital       |               |               | (12,700)         |
| Screener Training & Other: Realign for FY 08 Omnibus to Support: IT         |               |               | (338)            |
| Screener Training & Other: Realign for FY 08 Omnibus to Support: HQ Admin   |               |               | (253)            |
| HR Services: Realign to new PPA under Support                               |               |               | (182,234)        |
| Ops Integration: Realign ops to Ckpt Spt                                    | (6)           | (6)           | (863)            |
| Ops Integration: Realign ops to EDS/ETD Purchase                            | (18)          | (18)          | (2,590)          |
| EDS/ETD Purchase/Install: Realign to support increased Scr Tech Maint.      |               |               | (5,000)          |
| EDS/ETD Purchase/Installation: Realign to support increased Scr Tech Maint. |               |               | (29,000)         |
| Air Cargo: Realign into Avn Reg PPA   | (335)         | (325)         | (73,000)         |
| Avn Reg: Realign from K-9 to Avn Security LE                                | (77)          | (77)          | (26,320)         |
| Avn Reg: Realign from LE/LEO to Avn Security LE                             | (80)          | (80)          | (80,653)         |
| Avn Reg: Realign from TSNM to Avn Security LE                               | (8)           | (8)           | (546)            |
| Avn Reg: Realign \$7M K-9 from Air Cargo to Avn Security LE                 |               |               | (7,000)          |
| Avn Reg: Realign K9 teams from FY 08 Omnibus to Avn Security LE             |               |               | (5,097)          |
| Avn Reg: Realign VIPRs from FY 08 Omnibus to Avn Security                   | (75)          | (38)          | (5,300)          |
| Arpt Mgmt: Realign IT to Support  | (41)          | (39)          | (251,286)        |
| Arpt Mgmt: Realign SSI to Support   |               |               | (1,300)          |
| Arpt Mgmt: Realign TSOC/COOP to Avn Security LE                             | (132)         | (128)         | (28,927)         |
| Arpt Mgmt: FY 08 Omnibus decreased IT by \$4 resulting in increase for PPA  |               |               | 4,000            |
| FFDO: Realign LE functions to Avn Security LE                               | (25)          | (25)          | (25,091)         |
| FAMS: Realign VIPRs to LE   |               |               | (9,500)          |
| Total Realignments:   | 282           | 210           | 381,761          |

|   |               |               |                  |
|---|---------------|---------------|------------------|
| Increases   |               |               |                  |
| Pay Annualization   |               |               | 31,691           |
| Pay COLA  |               |               | 78,775           |
| NonPay COLA   |               |               | 30,359           |
| SPP: Expanded Screener mission (BAO/SPOT)                                 |               |               | 2,000            |
| TSO PC&B: FY 08 Amendment Annualization                                   |               | 705           | 42,100           |
| Checkpoint Support: FY 07 Supplemental Annualization                      | 10            | 10            | 1,345            |
| Checkpoint Support: Adjust funding level from Enacted                     |               |               | 108,903          |
| EDS/ETD Purchase/Install: FY 07 Supplemental Annualization                | 18            | 17            | 2,288            |
| Screening Technology: Rebalance to meet current needs                     |               |               | 6,665            |
| Avn Reg: FY 07 Suppl Annualization  | 274           | 263           | 38,284           |
| Avn Reg: FY 08 Amendment annualization K9s                                |               | 21            | 4,757            |
| Avn Reg: Support TSAR requirements  | 3             | 3             | 1,624            |
| Avn Reg: Support IPSI requirements  | 2             | 2             | 958              |
| Avn Reg: Support for various Aviation Programs                            | 4             | 4             | 479              |
| Arpt Mgmt: Increase for airport rent above 2% COLA (actual COLA is 6.49%) |               |               | 4,500            |
| FAMS: Restore operational base incl OWCP, rent & weapons base             |               |               | 11,493           |
| FAMS: FY 08 Amendment annualization                                       |               |               | 17,000           |
| LE: Support HSPD-12 requirements  | ---           | ---           | 500              |
| LE: FY 07 Supplemental Annualization                                      | 27            | 26            | 10,800           |
| LE: FY 08 Amend Annualization for VIPRS                                   |               | 102           | 10,387           |
| LE: FY 08 Amend Annualization for K9s                                     |               |               | 757              |
| Total Increases   | 338           | 1,153         | 405,665          |
| Decreases   |               |               |                  |
| Efficiency  |               |               | (88,443)         |
| Lapse Rate (applied as increase to other PPAs)                            |               | (63)          | (16,413)         |
| TSO PC&B: Career Progression & General Efficiencies                       | (650)         | (500)         |                  |
| Screener Training & Other: FY 08 Amendment Annualization                  |               |               | (8,000)          |
| EDS/ETD Purchase/Install: Rebalance to meet current needs                 |               |               | (121,004)        |
| Operation Integration: Rebalance to meet current needs                    |               |               | (497)            |
| Avn Reg: FY 08 Amend Annualization decrease for LE Coop Agreements        |               |               | (3,000)          |
| Avn Reg: FY 08 Amend Annualization decrease for GA                        |               |               | (14,000)         |
| Air Cargo: Decrease program from FY 08 Enacted level                      |               |               | (4,000)          |
| Implement 9/11 Bill: Decrease program from FY 08 Enacted level            |               |               | (30,000)         |
| FAMS: Rebalance to meet current needs                                     |               |               | (21,000)         |
| Total Decreases   | (650)         | (563)         | (306,357)        |
| <b>Total Adjustments-to-Base</b>  | <b>(30)</b>   | <b>800</b>    | <b>481,069</b>   |
| <b>2009 Current Services</b>  | <b>52,244</b> | <b>49,697</b> | <b>5,289,810</b> |
| <b>Program Changes</b>  |               |               |                  |
| Program Increases   |               |               |                  |
| <b>Total Program Changes</b>  | <b>---</b>    | <b>---</b>    | <b>---</b>       |
| <b>2009 Request</b>   | <b>52,244</b> | <b>49,697</b> | <b>5,289,810</b> |
| <b>2008 to 2009 Total Change</b>  | <b>(30)</b>   | <b>800</b>    | <b>481,069</b>   |

## C. Summary of Requirements

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request  |               |                  |
|--|---------------|---------------|------------------|
|  | Perm. Pos.    | FTE           | Amount           |
| <b>2007 Actual</b>   | <b>47,444</b> | <b>45,857</b> | <b>4,826,360</b> |
| <b>2008 Enacted</b>  | <b>52,274</b> | <b>48,897</b> | <b>4,808,741</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |               |               |                  |
| Realignments   | 282           | 210           | 381,761          |
| Increases  | 338           | 1,153         | 405,665          |
| Decreases  | (650)         | (563)         | (306,357)        |
| Total Adjustments-to-Base  | (30)          | 800           | 481,069          |
| <b>2009 Current Services</b>   | <b>52,244</b> | <b>49,697</b> | <b>5,289,810</b> |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---           | ---           | ---              |
| <b>2009 Total Request</b>  | <b>52,244</b> | <b>49,697</b> | <b>5,289,810</b> |
| 2008 to 2009 Total Change  | (30)          | 800           | 481,069          |

| Estimates by Program/Project Activity          | 2008 Enacted  |               |                    | 2009 Adjustments-to-Base |            |                  | 2009 Program Change |            |            | 2009 Request  |               |                  | 2008 to 2009 Total Change |            |                |
|--|---------------|---------------|--------------------|--------------------------|------------|------------------|---------------------|------------|------------|---------------|---------------|------------------|---------------------------|------------|----------------|
|  | Pos.          | FTE           | Amount             | Pos.                     | FTE        | Amount           | Pos.                | FTE        | Amount     | Pos.          | FTE           | Amount           | Pos.                      | FTE        | Amount         |
| 1 Screening Partnership Program                | ---           | ---           | 143,385            | ---                      | ---        | 7,887            | ---                 | ---        | ---        | ---           | ---           | 151,272          | ---                       | ---        | 7,887          |
| 2 Passenger and Baggage PC&B                   | 48,659        | 45,438        | 2,636,104          | (650)                    | 205        | 79,910           | ---                 | ---        | ---        | 48,009        | 45,643        | 2,716,014        | (650)                     | 205        | 79,910         |
| 3 Screener Training & Other                    | ---           | ---           | 223,766            | 56                       | 54         | (26,448)         | ---                 | ---        | ---        | 56            | 54            | 197,318          | ---                       | ---        | (26,448)       |
| 4 Human Resource Services                      | ---           | ---           | 182,234            | ---                      | ---        | (182,234)        | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | (182,234)      |
| 5 Checkpoint Support                           | ---           | ---           | ---                | 41                       | 40         | 127,683          | ---                 | ---        | ---        | 41            | 40            | 127,683          | ---                       | ---        | 127,683        |
| 6 EDS/ETD Purchase/Install                     | ---           | ---           | 294,000            | 111                      | 106        | (140,106)        | ---                 | ---        | ---        | 111           | 106           | 153,894          | ---                       | ---        | (140,106)      |
| 7 EDS/ETD Purchase                             | ---           | ---           | ---                | ---                      | ---        | ---              | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | ---            |
| 8 EDS/ETD Installation                         | ---           | ---           | ---                | ---                      | ---        | ---              | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | ---            |
| 9 EDS/ETD Maintenance                          | ---           | ---           | 264,000            | ---                      | ---        | 46,625           | ---                 | ---        | ---        | ---           | ---           | 310,625          | ---                       | ---        | 46,625         |
| 10 Operation Integration                       | 24            | 24            | 25,000             | (24)                     | (24)       | (3,519)          | ---                 | ---        | ---        | ---           | ---           | 21,481           | ---                       | ---        | (3,519)        |
| 11 Aviation Regulation [and Other Enforcement] | 1,098         | 1,038         | 255,953            | 378                      | 369        | (45,962)         | ---                 | ---        | ---        | 1,476         | 1,407         | 209,991          | 378                       | 369        | (45,962)       |
| 12 Airport Management, IT and Support          | 2,130         | 2,045         | 651,933            | (173)                    | (167)      | (278,923)        | ---                 | ---        | ---        | 1,957         | 1,878         | 373,010          | (173)                     | (167)      | (278,923)      |
| 13 Federal Flight Deck Ofcr. & Flt. Crew Trng. | 25            | 25            | 25,091             | (25)                     | (25)       | (25,091)         | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | (25,091)       |
| 14 Air Cargo                                   | 335           | 325           | 73,000             | (335)                    | (325)      | (73,000)         | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | (73,000)       |
| 15 Federal Air Marshal Service                 | ---           | ---           | ---                | ---                      | ---        | 786,000          | ---                 | ---        | ---        | ---           | ---           | 786,000          | ---                       | ---        | 786,000        |
| 16 Law Enforcement                             | ---           | 0             | \$0                | 591                      | 567        | 242,247          | ---                 | ---        | ---        | 591           | 567           | 242,247          | 591                       | 567        | \$242,247      |
| 17 Airport Perimeter Security                  | ---           | ---           | 4,000              | ---                      | ---        | (4,000)          | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | (4,000)        |
| 18 Implementation of 9/11 Act                  | ---           | ---           | 30,000             | ---                      | ---        | (30,000)         | ---                 | ---        | ---        | ---           | ---           | ---              | ---                       | ---        | (30,000)       |
| 19 General Aviation at DCA Fee                 | ---           | ---           | 75                 | ---                      | ---        | ---              | ---                 | ---        | ---        | ---           | ---           | 75               | ---                       | ---        | ---            |
| 20 Indirect Air Cargo Fees                     | 3             | 2             | 200                | ---                      | ---        | ---              | ---                 | ---        | ---        | 3             | 2             | 200              | ---                       | ---        | ---            |
| <b>Total</b>                                   | <b>52,274</b> | <b>48,897</b> | <b>\$4,808,741</b> | <b>(30)</b>              | <b>800</b> | <b>\$481,069</b> | <b>---</b>          | <b>---</b> | <b>\$0</b> | <b>52,244</b> | <b>49,697</b> | <b>5,289,810</b> | <b>(30)</b>               | <b>800</b> | <b>481,069</b> |

## D. Summary of Reimbursable Resources

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source                 | 2007 EOY Projected Actual |     |              | 2008 Request |     |               | 2009 Request |     |              | Increase/Decrease |     |                |
|---------------------------------------|---------------------------|-----|--------------|--------------|-----|---------------|--------------|-----|--------------|-------------------|-----|----------------|
|                                       | Pos.                      | FTE | Amount       | Pos.         | FTE | Amount        | Pos.         | FTE | Amount       | Pos.              | FTE | Amount         |
| S&T (DHS-S&T,R&D Support Functions)   | ---                       | --- | 3,624        | ---          | --- | 4,000         | ---          | --- | 500          | ---               | --- | (3,500)        |
| CBP - Human Capital                   | ---                       | --- | 4,582        | ---          | --- | 1,600         | ---          | --- | ---          | ---               | --- | (1,600)        |
| FAA (Safe Skies)                      | ---                       | --- | 11           | ---          | --- | 400           | ---          | --- | 400          | ---               | --- | ---            |
| DOS/International Affairs             | ---                       | --- | 4            | ---          | --- | 250           | ---          | --- | 250          | ---               | --- | ---            |
| ICAO / Training                       | ---                       | --- | 23           | ---          | --- | 150           | ---          | --- | 150          | ---               | --- | ---            |
| OAS / Technical Assistance & Training | ---                       | --- | ---          | ---          | --- | 300           | ---          | --- | 300          | ---               | --- | ---            |
| Transport Canada                      | ---                       | --- | ---          | ---          | --- | 500           | ---          | --- | 500          | ---               | --- | ---            |
| USSS - Presidential Candidates        | ---                       | --- | ---          | ---          | --- | 1,500         | ---          | --- | ---          | ---               | --- | (1,500)        |
| DHS Watchlist                         | ---                       | --- | ---          | ---          | --- | 1,800         | ---          | --- | 1,800        | ---               | --- | ---            |
| DOT / RITA/ BTS                       | ---                       | --- | ---          | ---          | --- | ---           | ---          | --- | 262          | ---               | --- | 262            |
| <b>Total Budgetary Resources</b>      | ---                       | --- | <b>8,244</b> | ---          | --- | <b>10,500</b> | ---          | --- | <b>4,162</b> | ---               | --- | <b>(6,338)</b> |

| Obligations by Program/Project Activity   | 2007 EOY Projected Actual |     |              | 2008 Request |     |               | 2009 Request |     |              | Increase/Decrease |     |                |
|---|---------------------------|-----|--------------|--------------|-----|---------------|--------------|-----|--------------|-------------------|-----|----------------|
|   | Pos.                      | FTE | Amount       | Pos.         | FTE | Amount        | Pos.         | FTE | Amount       | Pos.              | FTE | Amount         |
| Screeners PC&B                            | ---                       | --- | ---          | ---          | --- | 1,500         | ---          | --- | ---          | ---               | --- | (1,500)        |
| Human Resource Services                   | ---                       | --- | 4,582        | ---          | --- | 1,600         | ---          | --- | ---          | ---               | --- | (1,600)        |
| Operation Integration                     | ---                       | --- | 3,624        | ---          | --- | 4,500         | ---          | --- | 1,000        | ---               | --- | (3,500)        |
| Aviation Regulation and Other Enforcement | ---                       | --- | 38           | ---          | --- | 800           | ---          | --- | 1,062        | ---               | --- | 262            |
| Airport, Management, IT and Support       | ---                       | --- | ---          | ---          | --- | 2,100         | ---          | --- | 2,100        | ---               | --- | ---            |
| <b>Total Obligations</b>                  | ---                       | --- | <b>8,244</b> | ---          | --- | <b>10,500</b> | ---          | --- | <b>4,162</b> | ---               | --- | <b>(6,338)</b> |

## E. Summary of Requirements By Object Class

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | 2007 Actual        | 2008 Enacted       | 2009 Request       | 2008 - 2009 Change |
|---|--------------------|--------------------|--------------------|--------------------|
| 11.1 Total FTE & personnel compensation               | \$1,405,729        | \$1,754,063        | \$2,175,269        | \$421,206          |
| 11.3 Other than full-time permanent                   | \$220,061          | \$185,546          | \$204,424          | 18,878             |
| 11.5 Other Personnel Compensation                     | \$307,856          | \$347,044          | \$454,742          | 107,697            |
| 11.6 Pay Differential (Sunday/Night)                  | \$0                | \$0                | \$0                | ---                |
| 11.8 Special Service Pay                              | \$534              | \$466              | \$1,619            | 1,153              |
| 12.1 Benefits   | \$752,568          | \$700,218          | \$902,918          | 202,700            |
| 13.0 Benefits - former                                | \$15,142           | \$73,903           | \$61,286           | (12,617)           |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$2,701,890</b> | <b>\$3,061,240</b> | <b>\$3,800,258</b> | <b>\$739,018</b>   |
| <b>Other Object Classes:</b>                          |                    |                    |                    |                    |
| 21.0 Travel   | \$80,498           | \$82,716           | \$157,099          | 74,383             |
| 22.0 Transportation of things                         | \$8,499            | \$1,441            | \$9,000            | 7,559              |
| 23.1 GSA rent   | \$76,000           | \$96,250           | \$103,000          | 6,750              |
| 23.2 Other rent                                       | \$7,521            | \$7,288            | \$19,000           | 11,712             |
| 23.3 Communications, utilities, & other misc. charges | \$155,249          | \$135,365          | \$23,549           | (111,816)          |
| 24.0 Printing and reproduction                        | \$606              | \$596              | \$2,000            | 1,404              |
| 25.1 Advisory and assistance services                 | \$92,333           | \$132,061          | \$159,000          | 26,940             |
| 25.2 Other services                                   | \$1,033,431        | \$1,092,471        | \$1,088,764        | (3,707)            |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$33,477           | \$35,837           | \$22,000           | (13,836)           |
| 25.4 Operation & maintenance of facilities            | \$79,401           | \$86,565           | \$12,000           | (74,564)           |
| 25.5 Research and development contracts               | \$21               | \$28               | \$0                | (28)               |
| 25.6 Medical care                                     | \$4                | \$4                | \$2,000            | 1,996              |
| 25.7 Operation and maintenance of equipment           | \$259,000          | \$268,392          | \$305,000          | 36,609             |
| 25.8 Subsistence and support of persons               | \$3,743            | \$270              | \$2,000            | 1,730              |
| 26.0 Supplies and materials                           | \$47,999           | \$52,043           | \$53,000           | 957                |
| 31.0 Equipment  | \$321,309          | \$195,479          | \$113,137          | (82,341)           |
| 32.0 Land & structures                                | \$12,966           | \$90               | \$0                | (90)               |
| 41.0 Grants/Subsidies/Contributions                   | \$19,494           | \$29,563           | \$94,000           | 64,437             |
| 42.0 Indemnity  | \$1,774            | \$1,044            | \$999              | (45)               |
| 43.0 Interest & dividends                             | \$0                | \$0                | \$0                | ---                |
| 44.0 Refunds  | \$0                | \$0                | \$0                | ---                |
| 91.0 Unvouchered                                      | \$0                | \$0                | \$0                | ---                |
| 99.0 Other  | \$0                | \$30,000           | \$0                | (30,000)           |
| <b>Total, Other Object Classes</b>                    | <b>\$2,233,325</b> | <b>2,247,501</b>   | <b>\$2,165,551</b> | <b>(\$81,950)</b>  |
| <b>Total, Direct Obligations</b>                      | <b>\$4,935,215</b> | <b>\$5,308,741</b> | <b>\$5,965,809</b> | <b>\$657,068</b>   |
| <sup>1</sup> Unobligated balance, start of year       |                    |                    |                    |                    |
| Unobligated balance, end of year                      |                    |                    |                    |                    |
| Recoveries of prior year obligations                  |                    |                    |                    |                    |
| <b>Total requirements</b>                             | <b>\$4,935,215</b> | <b>\$5,308,741</b> | <b>\$5,965,809</b> | <b>\$657,068</b>   |

<sup>1</sup> A portion of the unobligated balance from the start of year for FY 2007 will be used to cover TSA's ADA and FY 2007 rescission. Since there has not been a final decision for the use of these balances to cover the ADA, the amount is shown here as a non add and the obligations presented are consistent with the President's Budget.

## F. Permanent Positions by Grade

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Permanent Positions by Grade**

| Grades and Salary Ranges                | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
|   | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                              | 76             | 76              | 76              | ---                    |
| L Band                                  | 12             | 12              | 12              | ---                    |
| K Band                                  | 376            | 397             | 397             | ---                    |
| J Band                                  | 634            | 671             | 671             | ---                    |
| I Band                                  | 1,110          | 1,172           | 1,199           | 27                     |
| H Band                                  | 1,200          | 1,267           | 1,399           | 132                    |
| G Band                                  | 4,691          | 4,954           | 5,410           | 456                    |
| F Band                                  | 6,695          | 7,075           | 7,237           | 162                    |
| E Band                                  | 19,920         | 24,446          | 24,645          | 199                    |
| D Band                                  | 12,728         | 12,202          | 11,196          | (1,006)                |
| C Band                                  | 2              | 2               | 2               | ---                    |
| B Band                                  | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b>        | <b>47,444</b>  | <b>52,274</b>   | <b>52,244</b>   | <b>(30)</b>            |
| Unfilled Positions EOY                  | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY              | ---            | ---             | ---             | ---                    |
| <b>FTE</b>                              | <b>45,857</b>  | <b>48,897</b>   | <b>49,697</b>   | <b>800</b>             |
| Headquarters                            | 285            | 285             | 285             | ---                    |
| U.S. Field                              | 46,539         | 51,364          | 51,334          | (30)                   |
| Foreign Field                           | 620            | 625             | 625             | ---                    |
| <b>Total Permanent Positions</b>        | <b>47,444</b>  | <b>52,274</b>   | <b>52,244</b>   | <b>(30)</b>            |
| <b>Average ES Salary</b>                | \$ 153,265     | \$ 158,629      | \$ 163,388      | \$ 4,759               |
| <b>Average Salary, Banded Positions</b> | \$ 37,206      | \$ 38,508       | \$ 39,663       | \$ 1,155               |
| <b>Average Band</b>                     | <b>F</b>       | <b>F</b>        | <b>F</b>        |                        |

\*\*includes Permanent & Temporary Positions

\*\*Headquarters= Washington, DC Standard Metropolitan Statistical Areas

**G. Capital Investment and Construction Initiative Listing**

**TRANSPORTATION SECURITY ADMINISTRATION  
AVIATION SECURITY APPROPRIATION**

| INITIATIVE NAME  | FY 2009 FUNDING REQUEST (\$000) |                |             | FUNDING FROM:     |   |
|--|---------------------------------|----------------|-------------|-------------------|---|
|  | Current Services Level          | New Initiative | Total       | Budget Activity   | Program's Name  |
| Initiative #1<br>Electronic Baggage Screening Program (EBSP) | \$687,075                       | 426,000        | \$1,113,075 | Aviation Security | - EDS / ETD Purchase And Install<br>- Screening Technology Maintenance and Utilities<br>- Operation Integration |
| Initiative #2<br>Passenger Screening Program                 | \$176,583                       | \$0            | \$176,583   | Aviation Security | - Checkpoint Support<br>- Screening Technology Maintenance and Utilities  |
| Total Non-IT Investments                                     | \$863,658                       | \$426,000      | \$1,289,658 |                   |   |
| Total of IT Investments                                      | \$0                             | \$0            | \$0         |                   |   |
| Total all IT and Non-IT Investments                          | \$863,658                       | \$426,000      | \$1,289,658 |                   |   |

**INITIATIVE #1  
TSA – ELECTRONIC BAGGAGE SCREENING PROGRAM (EBSP)**

**1. Project Description, Justification and Scope**

The Electronic Baggage Screening Program (EBSP) implements a national checked-baggage screening system to protect against criminal and terrorist threats, while minimizing transportation industry and traveling public burdens. TSA provides life-cycle procurement, deployment, integration, and maintenance of security equipment at over 450 U.S. airports. This program includes: (1) maintaining first generation Explosives Detection Systems (EDS), and Explosives Trace Detection (ETD) devices deployed after 9/11; (2) improving efficiency and effectiveness by acquiring and deploying next generation inline explosive detection technology, and by relocating lobby equipment at some airports;

and (3) Efforts to establish operational, functional, performance and integration requirements for TSA security screening equipment.

While the Congressionally-mandated requirement for 100 percent screening of aviation-checked baggage by electronic or other approved means has been achieved, the program must continue to research, evaluate, and deploy refinements to EDS and ETD technology and associated systems, that allow for improvements in: (1) throughput (checked bags per hour), (2) false alarm rate, (3) system availability, and (4) total cost of ownership for baggage screening (cost per checked bag). Equipment must be also be relocated from airport lobby areas to baggage room areas.

The following programs are funded under EBSP:

a) The Air Cargo Security Program: The Air Cargo Security Program provides short, medium, and long term technology readiness information for the security and protection of screening cargo. The program generates requirements for innovative technologies for DHS (S&T) to test, and performs Operational Testing on the systems that pass DHS testing for inclusion in a Qualified Products List.

b) The Infrastructure Protection Program: The Infrastructure Protection Program supports TSA in providing public and private operators of aviation and surface transportation infrastructure the knowledge and standards to assess and reduce vulnerability to attack.

c) The Conveyance Program: The Conveyance Program focuses on enhancing the survivability of commercial transportation vehicles, (e.g. aircraft, rail cars, trucks, vessels, buses, etc.); preventing misuse of commercial vehicles as delivery systems for terrorist weapons, reducing likelihood of death or injury to passengers and bystanders, and maintaining to the maximum extent possible the normal flow of commerce and passengers.

## **2. Significant Changes**

The President's budget proposes a near doubling of TSA's baggage screening program to accelerate the implementation of optimal EDS systems.

### 3. Project Schedule

| Projects  | Fiscal Quarter and Year |                |               |                  | Total Estimated Completion Cost (\$000) | Total Project Cost (\$000) |
|---|-------------------------|----------------|---------------|------------------|---|----------------------------|
|   | Work Initiated          | Work Completed | Project Start | Project Complete |   |                            |
| Program initiation (MNS, draft ConOps); Deployed NEXGEN units; Deployed LOI systems; Developed Strategic Program Plan   | N/A                     | N/A            |               | Q4 2005          | 1,541,130                               | 1,541,130                  |
| Deployed NEXGEN to improve system detection capabilities and improve throughput; Expedited EDS deployment in accordance with Strategic Plan; Deployed LOI systems; Updated Strategic Plan, LCCE, CBA, Deployment Schedule | N/A                     | N/A            |               | Q4 2006          | 706,024                                 | 693,428                    |
| Perform program management, system deployment, operations and maintenance, and tech management in accordance with draft final deployment plan   | N/A                     | N/A            | Q1 2007       | Q4 2007          | 774,400                                 | 527,943                    |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2008       | Q4 2008          | 789,000                                 | 0,000                      |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2009       | Q4 2009          | 1,113,075                               | 0,000                      |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2010       | Q4 2010          | 728,342                                 | 0,000                      |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2011       | Q4 2011          | 743,715                                 | 0,000                      |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2012       | Q4 2012          | 758,578                                 | 0,000                      |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | N/A                     | N/A            | Q1 2013       | Q4 2013          | 768,226                                 | 0,000                      |
| <b>Total</b>  |                         |                |               |                  | <b>7,922,490</b>                        | <b>2,762,501</b>           |

**4. Schedule of Project Funding  
(Dollars in Thousands)**

| <b>Projects (Appropriation: Aviation Security)</b>   | <b>Prior</b>     | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b>   | <b>Total</b>     |
|--|------------------|----------------|----------------|------------------|------------------|
| Program initiation (MNS, draft ConOps); Deployed NEXGEN units; Deployed LOI systems; Developed Strategic Program Plan; Deployed NEXGEN to improve system detection capabilities and improve throughput; Expedited EDS deployment in accordance with Strategic Plan; Deployed LOI systems; Updated Strategic Plan, LCCE, CBA, Deployment Schedule | 2,247,024        |                |                |                  | 2,247,024        |
| Perform program management, system deployment, operations and maintenance, and tech management in accordance with draft final deployment plan  |                  | 527,943        |                |                  | 527,943          |
| Perform program management, system deployment, operations and maintenance, and tech management in accordance with draft final deployment plan  |                  |                | 796,000        |                  | 796,000          |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan  |                  |                |                | 1,113,075        | 1,113,075        |
| <b>Total Project Expenditures</b>  | <b>2,247,024</b> | <b>527,943</b> | <b>796,000</b> | <b>1,113,075</b> | <b>4,684,042</b> |

## 5. Cost Estimate Detail and Changes (Dollars in Thousands)

| Description of Milestone  | Initial Total Cost (\$mil) | Planned Total Cost (\$mil) | Actual Total Cost (\$mil) | Explanation of Difference Between Current and Previous Estimate           |
|---|----------------------------|----------------------------|---------------------------|---|
| Program initiation (MNS, draft ConOps); Deployed NEXGEN units; Deployed LOI systems; Developed Strategic Program Plan   | 1,541,130                  | 1,541,130                  | 1,541,130                 | Previous year actual was 1,558.930 but not consistent with 300 submission |
| Deployed NEXGEN to improve system detection capabilities and improve throughput; Expedited EDS deployment in accordance with Strategic Plan; Deployed LOI systems; Updated Strategic Plan, LCCE, CBA, Deployment Schedule | 706,024                    | 706,024                    | 693,428                   | Airport scheduling delays slowed deployment of equipment.                 |
| Perform program management, system deployment, operations and maintenance, and tech management in accordance with draft final deployment plan   | 774,400                    | 774,400                    | 527,943                   | Airport scheduling delays slowed deployment of equipment.                 |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 796,000                    | 796,000                    | 0.000                     |   |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 1,113,075                  | 1,113,075                  | 0.000                     |   |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 715,753                    | 715,753                    | 0.000                     |   |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 730,874                    | 730,874                    | 0.000                     |   |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 745,481                    | 745,781                    | 0.000                     |   |
| Perform program management, system deployment, operations and maintenance, and tech management utilizing final strategic plan   | 768,226                    | 768,226                    | 0.000                     |   |

## 6. Method of Performance

EBSP is a 20 year program. Expenditures are approved based on an overall strategic plan that is submitted to Congress annually.

Operational performance will be measured based on the following criteria:

- 100 percent electronic screening of checked baggage for explosives at all commercial airports nationwide.
- Number of airports with integrated in-line systems
- Cost per bag screened
- Number of false alarms on Electronic Detection Systems

**7. Related Annual Funding Requirements  
(Dollars in Thousands)**

|  | FY 2009          |                   |
|--|------------------|-------------------|
|  | Current Estimate | Previous Estimate |
| N/A (All operations and maintenance are included in program cost estimates.) | N/A              | N/A               |
| <b>Total</b>   | <b>N/A</b>       | <b>N/A</b>        |

**8. Budget Allocation to Programs**

| Program  | Allocated Budget (\$000) |                  |
|--|--------------------------|------------------|
|  | FY 2008                  | FY 2009          |
| EDS/ETD Purchase & Install                     | 544,000                  | 829,894          |
| Screening Technology Maintenance & Utilities** | 227,000                  | 261,700          |
| Operation Integration                          | 25,000                   | 21,481           |
| <b>Total</b>                                   | <b>796,000</b>           | <b>1,113,075</b> |

\*Screening Technology, Maintenance and Utilities are combined into one PPA in FY08.

**9. Compliance with applicable Public Laws, Regulations, Standards and Executive Orders**

This program is mandated under the Aviation and Transportation Security Act (PL No. 107-71) which requires screening of checked baggage by EDS.

**Initiative #2**

***TSA – PASSENGER SCREENING PROGRAM (PSP)***

**1. Project Description, Justification and Scope**

The Passenger Screening Program provides the resources required to deploy and maintain passenger screening and carry-on baggage screening equipment and processes at approximately 2,100 passenger checkpoint lanes at airports nationwide, in order to minimize the risk of injury or death of people, or damage of property due to acts of terrorism. The Passenger Screening Program’s role consists of the identification, evaluation, field testing, procuring, deploying, integrating, maintaining, disposing and replacing of existing and emerging technologies necessary to meet those requirements. The ever-changing threat environment necessitates investment in new and improved technology to increase threat detection capabilities needed to provide the traveling public with optimal security screening benefits.

After the attacks on 9/11 Congress directed TSA to screen all passengers and their carry-on articles for explosives and components of weapons of mass destruction, as well as other prohibited items. At the time choices in technology were limited to legacy systems, namely metal detectors and basic x-ray equipment, all of which had significant shortfalls in the detection of explosives and non-metallic threats on people and in their carry-in articles. Since then, the Passenger Screening

Program has replaced the legacy systems with Enhanced Metal Detectors and TIP Ready X-ray systems, providing an expanded level of security and threat detection at the checkpoint. Explosives Trace Detector usage was expanded to more sites and higher quantities and recently, Explosives Trace Portals, Bottled Liquids Scanners, and Advanced Technology Systems have been deployed, providing additional levels of explosives security at the checkpoints. The Passenger Screening Program continues evaluating and deploying the next generation of detection systems that address existing weaknesses in detection capabilities, detect new threats, and reduce false alarm rates.

## **2. Significant Changes**

No significant changes in these programs from the information provided in the 2009 Congressional Justification.

### 3. Project Schedule

| Projects                                 | Fiscal Quarter and Year |                |               |                  | Total Estimated Completion Cost (\$000) | Total Project Cost (\$000) |
|--|-------------------------|----------------|---------------|------------------|---|----------------------------|
|  | Work Initiated          | Work Completed | Project Start | Project Complete |   |                            |
| 2.0 Concept and Technology Development   |                         |                |               | Q4 2006          | 0,000                                   | 0,000                      |
| 2.1 Program Management                   |                         |                |               | Q4 2006          | 9,800                                   | 9,750                      |
| 3.1 Program Management                   |                         |                |               | Q4 2006          | 13,900                                  | 13,900                     |
| 4.3 Hardware                             |                         |                |               | Q4 2006          | 56,800                                  | 55,000                     |
| 5.0 Operations and Support (Maintenance) |                         |                |               | Q4 2006          | 38,500                                  | 38,500                     |
| 2.1 Program Management                   |                         |                | Q1 2007       | Q4 2007          | 9,900                                   | 10,250                     |
| 3.1 Program Management                   |                         |                | Q1 2007       | Q4 2007          | 14,200                                  | 13,727                     |
| 4.3 Hardware                             |                         |                | Q1 2007       | Q4 2007          | 184,900                                 | 181,600                    |
| 5.0 Operations and Support (Maintenance) |                         |                | Q1 2007       | Q4 2007          | 40,000                                  | 39,250                     |
| 2.1 Program Management                   |                         |                | Q1 2008       | Q4 2008          | 15,657                                  |                            |
| 3.1 Program Management                   |                         |                | Q1 2008       | Q4 2008          | 29,187                                  |                            |
| 4.3 Hardware                             |                         |                | Q1 2008       | Q4 2008          | 205,156                                 |                            |
| 5.0 Operations and Support (Maintenance) |                         |                | Q1 2008       | Q4 2008          | 37,000                                  |                            |
| 2.1 Program Management                   |                         |                | Q1 2009       | Q4 2009          | 11,500                                  |                            |
| 3.1 Program Management                   |                         |                | Q1 2009       | Q4 2009          | 17,000                                  |                            |
| 4.3 Hardware                             |                         |                | Q1 2009       | Q4 2009          | 99,200                                  |                            |
| 5.0 Operations and Support (Maintenance) |                         |                | Q1 2009       | Q4 2009          | 43,900                                  |                            |
| 2.1 Program Management                   |                         |                | Q1 2010       | Q4 2010          | 12,000                                  |                            |
| 3.1 Program Management                   |                         |                | Q1 2010       | Q4 2010          | 17,200                                  |                            |
| 4.3 Hardware                             |                         |                | Q1 2010       | Q4 2010          | 100,902                                 |                            |
| 5.0 Operations and Support (Maintenance) |                         |                | Q1 2010       | Q4 2010          | 46,000                                  |                            |
| <b>Total</b>                             |                         |                |               |                  | <b>1,002,702</b>                        | <b>361,977</b>             |

### 4. Schedule of Project Funding (Dollars in Thousands)

| Projects ( <i>Appropriation: Aviation Security</i> ) | Prior          | FY 2007        | FY 2008        | FY 2009        | Total          |
|--|----------------|----------------|----------------|----------------|----------------|
| 2.0 Concept and Technology Development               |                |                |                |                |                |
| 2.1 Program Management                               | 9,750          | 10,250         | 15,657         | 11,500         | 51,307         |
| 3.1 Program Management                               | 13,900         | 13,727         | 29,187         | 17,000         | 114,914        |
| 4.3 Hardware   | 55,000         | 181,600        | 205,156        | 99,200         | 524,456        |
| 5.0 Operations and Support (Maintenance)             | 38,500         | 39,250         | 37,000         | 43,900         | 129,900        |
| <b>Total Project Expenditures</b>                    | <b>117,150</b> | <b>244,827</b> | <b>287,000</b> | <b>171,600</b> | <b>820,577</b> |

## 5. Cost Estimate Detail and Changes (Dollars in Thousands)

| Description of Milestone |  | Initial Total Cost (\$mil) | Planned Total Cost (\$mil) | Actual Total Cost (\$mil) | Explanation of Difference Between Current and Previous Estimate                   |
|--------------------------|--|----------------------------|----------------------------|---------------------------|---|
| FY06                     | 2.0 Concept and Technology Development   | 0,000                      | 0,000                      | 0,000                     |   |
| FY06                     | 2.1 Program Management                   | 10,000                     | 9,800                      | 9,750                     | Program Management contracted at lower than expected cost                         |
| FY06                     | 3.1 Program Management                   | 14,000                     | 13,900                     | 13,900                    | Program Management contracted at lower than expected cost                         |
| FY06                     | 4.3 Hardware                             | 57,000                     | 56,800                     | 55,000                    | Deployment slowed due to slower than anticipated emerging technology development. |
| FY06                     | 5.0 Operations and Support (Maintenance) | 38,700                     | 38,500                     | 38,500                    | Slower deployment resulted in lower operation and maintenance costs.              |
| FY07                     | 2.1 Program Management                   | 10,000                     | 9,900                      | 10,250                    | Added resources and scope to include emerging requirements                        |
| FY07                     | 3.1 Program Management                   | 14,200                     | 14,200                     | 13,727                    |   |
| FY07                     | 4.3 Hardware                             | 58,000                     | 113,500                    | 112,000                   | Emerging technology awarded   |
| FY07                     | 5.0 Operations and Support (Maintenance) | 55,800                     | 40,000                     | 39,250                    | Replacement of ETD for lifecycle  |
| FY08                     | 2.1 Program Management                   | 10,000                     | 15,657                     | 0,000                     |   |
| FY08                     | 3.1 Program Management                   | 14,500                     | 29,187                     | 0,000                     |   |
| FY08                     | 4.3 Hardware                             | 60,000                     | 205,156                    | 0,000                     |   |
| FY08                     | 5.0 Operations and Support (Maintenance) | 81,800                     | 37,000                     | 0,000                     |   |
| FY09                     | 2.1 Program Management                   | 10,500                     | 11,500                     | 0,000                     |   |
| FY09                     | 3.1 Program Management                   | 15,000                     | 17,000                     | 0,000                     |   |
| FY09                     | 4.3 Hardware                             | 61,000                     | 99,200                     | 0,000                     |   |
| FY09                     | 5.0 Operations and Support (Maintenance) | 59,000                     | 43,900                     | 0,000                     |   |
| FY10                     | 2.1 Program Management                   | 10,500                     | 12,000                     | 0,000                     |   |
| FY10                     | 3.1 Program Management                   | 15,000                     | 17,200                     | 0,000                     |   |
| FY10                     | 4.3 Hardware                             | 62,000                     | 100,902                    | 0,000                     |   |
| FY10                     | 5.0 Operations and Support (Maintenance) | 60,000                     | 46,000                     | 0,000                     |   |

## 6. Method of Performance

Expenditures are approved based on an overall strategic plan that is submitted to Congress annually.

Operational performance will be measured based on the following criteria:

- Cost per passenger screened
- Availability of fielded screening systems successfully detecting threats at specified levels

**7. Related Annual Funding Requirements  
(Dollars in Thousands)**

|  | FY 2009          |                   |
|--|------------------|-------------------|
|  | Current Estimate | Previous Estimate |
| N/A (All operations and maintenance are included in program cost estimates.) | N/A              | N/A               |
| <b>Total</b>   | <b>N/A</b>       | <b>N/A</b>        |

**8. Budget Allocation to Programs**

| Program  | Allocated Budget (\$000) |                |
|--|--------------------------|----------------|
|  | FY 2008                  | FY 2009        |
| Checkpoint Support                                 | 250,000                  | 127,683        |
| Screening Technology<br>Maintenance and Utilities* | 37,000                   | 48,900         |
| <b>Total</b>                                       | <b>287,000</b>           | <b>176,583</b> |

\*Screening Technology, Maintenance and Utilities are combined into one PPA in FY08.

**9. Compliance with applicable Public Laws, Regulations, Standards and Executive Orders**

This program is mandated under the Aviation and Transportation Security Act (PL No. 107-71) which requires screening of all passengers and property including carry-on baggage and other articles that will be carried aboard a passenger aircraft.

## H. PPA Budget Justifications

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Screening Partnership Program  
Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Screening Partnership Program</b>   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>                 |                        |                         |                         |                                |
| 21.0 Travel                                 | \$38                   |                         |                         | \$0                            |
| 25.2 Other Services                         | 142,192                | 143,385                 | 151,272                 | 7,887                          |
| <b>Total, Other Object Classes</b>          | <b>142,230</b>         | <b>143,385</b>          | <b>151,272</b>          | <b>7,887</b>                   |
| <b>Total, Screening Partnership Program</b> | <b>\$142,230</b>       | <b>\$143,385</b>        | <b>\$151,272</b>        | <b>\$7,887</b>                 |
| Full Time Equivalents                       | ---                    | ---                     | ---                     | ---                            |

### PPA Mission Statement

The Screening Partnership Program (SPP) allows an airport operator to submit an application to have screening carried out by a qualified private screening company. The contractor must perform under federal oversight and the contracted screeners must perform at the same or at higher performance levels as federal TSOs.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other Services</b> | <b>\$142,192</b>       | <b>\$143,385</b>        | <b>\$151,272</b>        | <b>\$7,887</b>                |

The FY 2009 request shows an increase of \$7,887,000, which includes a \$3.4 million realignment of TSO PC&B to fund the deployment of additional security programs, including Screening Passengers by Observation Techniques (SPOT) and Travel Document Checkers (TDC) to SPP airports, as well as pay and non-pay COLA.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Passenger and Baggage Screener PC&B**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Passenger/Baggage Screener PC&amp;B</b>   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                            |                        |                         |                         |                                |
| 11.1 Perm Positions                               | \$1,274,259            | \$1,454,744             | \$1,498,843             | \$44,099                       |
| 11.3 Other than perm                              | 215,644                | 181,813                 | 187,325                 | 5,511                          |
| 11.5 Other per comp                               | 291,342                | 331,073                 | 341,109                 | 10,036                         |
| 12.1 Benefits                                     | 662,243                | 608,990                 | 627,451                 | 18,461                         |
| 13.0 Benefits-former                              | 280                    | 59,483                  | 61,286                  | 1,803                          |
| <b>Total, Personnel Comp &amp; Benefit</b>        | <b>2,443,768</b>       | <b>2,636,104</b>        | <b>2,716,014</b>        | <b>79,910</b>                  |
| <b>Other Object Classes</b>                       |                        |                         |                         |                                |
| 25.2 Other Services                               | 10                     | 0                       | 0                       | 0                              |
| 42.0 Indemnity                                    | 677                    | 0                       | 0                       | 0                              |
| <b>Total, Other Object Classes</b>                | <b>687</b>             | <b>0</b>                | <b>0</b>                | <b>0</b>                       |
| <b>Total, Passenger/Baggage Screener PC&amp;B</b> | <b>\$2,444,455</b>     | <b>\$2,636,104</b>      | <b>\$2,716,014</b>      | <b>\$79,910</b>                |
| Full Time Equivalents                             | 42,592                 | 45,438                  | 45,643                  | 205                            |

**PPA Mission Statement**

Includes all Transportation Security Officer (TSO), TSO Lead, TSO Supervisor, and TSO Manager salaries, benefits and compensation, and net effects of federal pay raise assumptions, transfers out of personnel and annualizations. Includes funds to pay worker's compensation payments.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$2,443,768</b>     | <b>\$2,636,104</b>      | <b>\$2,716,014</b>      | <b>\$79,910</b>               |

Salaries and Benefits includes an increase of \$79,910,000 over FY 2008 for pay cost of living adjustments and new security programs. TSO FTE will increase by 205 for a net of the annualization of expanded security requirements (SPOT and ADASP) and a decrease of FTE due to career progression and other efficiencies.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Screener Training & Other**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: TSO Training &amp; Other</b>            | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             |                        |                         | \$5,341                 | \$5,341                        |
| 11.5 Other per comp                             | 14                     |                         |                         | 0                              |
| 12.1 Benefits                                   | 1                      | 0                       | 1,976                   | 1,976                          |
| <b>Total, Personnel Comp &amp; Benefits</b>     | <b>15</b>              | <b>0</b>                | <b>7,317</b>            | <b>7,317</b>                   |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     | 54,622                 | 53,418                  | 51,754                  | (1,664)                        |
| 22.0 Transportation of things                   | 573                    | 560                     | 69                      | (491)                          |
| 23.2 Other rent                                 | 505                    | 494                     | 5                       | (489)                          |
| 23.3 Communication, Utilities, and misc charges | 559                    | 547                     | 533                     | (14)                           |
| 24.0 Printing                                   | 604                    | 590                     | 576                     | (15)                           |
| 25.1 Advisory & Assistance Services             | 13,062                 | 12,774                  | 10,881                  | (1,893)                        |
| 25.2 Other Services                             | 93,365                 | 91,309                  | 77,284                  | (14,025)                       |
| 25.3 Purchase from Govt. Accts.                 | 3,426                  | 3,351                   | 3,265                   | (85)                           |
| 25.4 Operation & maintenance of facilities      | 9,150                  | 8,949                   | 8,721                   | (227)                          |
| 25.7 Operation & maintenance of equipment       | 60                     | 59                      | 57                      | (2)                            |
| 26.0 Supplies & materials                       | 36,558                 | 35,752                  | 33,404                  | (2,348)                        |
| 31.0 Equipment                                  | 15,255                 | 14,919                  | 2,434                   | (12,485)                       |
| 42.0 Indemnity                                  | 1,067                  | 1,044                   | 1,017                   | (27)                           |
| <b>Total, Other Object Classes</b>              | <b>228,806</b>         | <b>223,766</b>          | <b>190,001</b>          | <b>(33,765)</b>                |
| <b>Total, TSO Training &amp; Other</b>          | <b>\$228,821</b>       | <b>\$223,766</b>        | <b>\$197,318</b>        | <b>(\$26,448)</b>              |
| Full Time Equivalents                           | ---                    | ---                     | 54                      | 54                             |

**PPA Mission Statement**

Provides the ATSA-mandated and discretionary training to new TSO hires and the current TSO workforce. Provides all the operational support, such as consumables, uniforms, supplies, claims, checkpoint janitorial services, and checkpoint hazardous material disposal to maintain the TSO Workforce.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$15</b>            | <b>\$0</b>              | <b>\$7,317</b>          | <b>\$7,317</b>                |

Salaries and benefits include the costs associated with the realignment of 56 FTP and \$7,317,000 from the Transportation Security Support Appropriation to consolidate the staff of the Office Technical Training under one PPA. Costs reflect the FY 2008 annualization and FY 2009 pay increase (\$213,000).

|               | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 - 2009</b> |
|---------------|-----------------|-----------------|-----------------|--------------------|
|               | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>      |
| <b>Travel</b> | <b>\$54,622</b> | <b>\$53,418</b> | <b>\$51,754</b> | <b>(\$1,664)</b>   |

Travel includes all costs for full accommodations and fare for TSOs for required training. This amount also reflects the cost of the travel and per diem for the National Deployment Force. The FY 2009 decrease represents the non-recur of FY 2008 screener hiring for BDOs and ADASP.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Transportation of Things</b> | <b>\$573</b>  | <b>\$560</b>   | <b>\$69</b>    | <b>(\$491)</b>     |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 decrease reflects the rebasing of the Optimization program to the Checkpoint Support PPA.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Communication, Utilities, and misc charges</b> | <b>\$559</b>  | <b>\$547</b>   | <b>\$533</b>   | <b>(\$14)</b>      |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 decrease reflects the rebasing of the Optimization program to the Checkpoint Support PPA.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Printing</b> | <b>\$604</b>  | <b>\$590</b>   | <b>\$576</b>   | <b>(\$15)</b>      |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. This object class includes expenditures for the reproduction and distribution of TSO training materials. The FY 2009 decrease represents the non-recur of FY 2008 screener hiring for BDOs and ADASP.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 - 2009</b> |
|---|-----------------|-----------------|-----------------|--------------------|
|   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | <b>\$13,062</b> | <b>\$12,774</b> | <b>\$10,881</b> | <b>(\$1,893)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Included within this classification are expenditures for the development and delivery of training courses as well as program management and data analysis activities required to evaluate training effectiveness. The FY 2009 decrease represents the rebasing of the Optimization program to the Checkpoint PPA.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 - 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|--------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>      |
| <b>Other Services</b> | <b>\$93,365</b> | <b>\$91,309</b> | <b>\$77,284</b> | <b>(\$14,025)</b>  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Base funds support the continuance of contracts that provide logistical and programmatic support for TSO training and workforce career progression programs. These funds also provide for training courses sponsored by the Model Workplace program. The FY 2009 decrease represents the non-recur of FY 2008 screener hiring for BDOs and ADASP and the rebasing of the Optimization program to the Checkpoint PPA.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$3,426        | \$3,351         | \$3,265         | (\$85)                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 decrease represents the non-recur of FY 2008 screener hiring for BDOs and ADASP.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$9,150        | \$8,949         | \$8,721         | (\$227)               |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 decrease reflects adjustments from efficiencies.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$36,558       | \$35,752        | \$33,404        | (\$2,348)             |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. This object class includes Improvised Explosive Device (IED) kits used to train TSO in recognition and resolution of alarms associated with IED devices. Mannequins used for screening instruction are also funded in this object class. Consumable supplies such as disposable gloves, TSA logo inspected tape, and serialized label seals and plastic strip seals to reseal bags opened for inspection comprise the major expenditures in this category. The FY 2008 decrease represents the rebasing of the Optimization program to the Checkpoint PPA.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$15,255       | \$14,919        | \$2,434         | (\$12,485)            |

This category is comprised primarily of training equipment used to demonstrate equipment use and to test the capabilities of TSOs. The FY 2008 decrease represents the rebasing of the Optimization program to the Checkpoint PPA and the non-recur of FY 2008 screener hiring for BDOs and ADASP.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Grants/Subsidies/Contributions</b> | \$0            | \$0             | \$0             | \$0                   |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Human Resource Services**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Human Resource Services</b>         | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |                        |                         |                         |                                |
| 13.0 Benefits-former                        | \$14,432               | \$14,420                | \$0                     | (14,420)                       |
| <b>Total, Personnel Comp &amp; Benefits</b> | <b>14,432</b>          | <b>14,420</b>           | <b>---</b>              | <b>(14,420)</b>                |
| <b>Other Object Classes</b>                 |                        |                         |                         |                                |
| 21.0 Travel                                 | 917                    | 985                     |                         | (985)                          |
| 22.0 Transportation of things               | 6                      | 6                       |                         | (6)                            |
| 24.0 Printing                               | 2                      | 2                       |                         | (2)                            |
| 25.1 Advisory & Assistance Services         | 6,491                  | 66,975                  |                         | (66,975)                       |
| 25.2 Other Services                         | 147,130                | 98,068                  |                         | (98,068)                       |
| 25.3 Purchase from Govt. Accts.             | 1,498                  | 1,609                   |                         | (1,609)                        |
| 25.6 Medical care                           | 4                      | 4                       |                         | (4)                            |
| 26.0 Supplies & materials                   | 154                    | 165                     |                         | (165)                          |
| <b>Total, Other Object Classes</b>          | <b>156,202</b>         | <b>167,814</b>          | <b>---</b>              | <b>(167,814)</b>               |
| <b>Total, HR Services</b>                   | <b>\$170,634</b>       | <b>\$182,234</b>        | <b>\$0</b>              | <b>(\$182,234)</b>             |
| Full Time Equivalents                       | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

Human Resources (HR) Services -- HR Services develops and manages human resources, payroll, personnel policies, programs, and systems. This PPA is being realigned to the new Human Capital Services PPA under the Transportation Security Support Appropriation.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$14,432</b>        | <b>\$14,420</b>         | <b>\$0</b>              | <b>(\$14,420)</b>             |

Salaries and benefits include payments for Unemployment Compensation. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$917</b>           | <b>\$985</b>            | <b>\$0</b>              | <b>(\$985)</b>                |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Printing</b> | \$2           | \$2            | \$0            | (\$2)              |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Apprpriation. This PPA is being realigned to the new Human Capital Services PPA under the Transportation Security Support Appropriation.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | \$6,491       | \$66,975       | \$0            | (\$66,975)         |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------------|---------------|----------------|----------------|--------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Services</b> | \$147,130     | \$98,068       | \$0            | (\$98,068)         |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. This category includes contracts for recruitment and assessment of TSO and processing of all TSA personnel activity. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|---------------|----------------|----------------|--------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Purchase from Government Accounts</b> | \$1,498       | \$1,609        | \$0            | (\$1,609)          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|                     | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------|---------------|----------------|----------------|--------------------|
|                     | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Medical Care</b> | \$4           | \$4            | \$0            | (\$4)              |

Medical Care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Supplies &amp; Materials</b> | \$154         | \$165          | \$0            | (\$165)            |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 decrease reflects the realignment of HR Services PPA to the Support Appropriation.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Checkpoint Support**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Checkpoint Support</b>                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             | \$6,643                | \$0                     | \$4,216                 | \$4,216                        |
| 11.5 Other per comp                             | 0                      | 0                       | 222                     | 222                            |
| 12.1 Benefits                                   | 0                      | 0                       | 1,110                   | 1,110                          |
| <b>Total, Personnel Comp &amp; Benefits</b>     | <b>6,643</b>           | <b>0</b>                | <b>5,548</b>            | <b>5,548</b>                   |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     | 769                    | 0                       | 1,570                   | 1,570                          |
| 22.0 Transportation of things                   | 1,046                  | 0                       | 937                     | 937                            |
| 23.2 Other rent                                 | 1,103                  | 0                       | 401                     | 401                            |
| 23.3 Communication, Utilities, and misc charges | 2,555                  | 0                       | 0                       | 0                              |
| 25.1 Advisory & Assistance Services             | 26,235                 | 0                       | 99,531                  | 99,531                         |
| 25.2 Other Services                             | 94,719                 | 0                       | 10,726                  | 10,726                         |
| 25.7 Operation & maintenance of equipment       | 35,509                 | 0                       | 0                       | 0                              |
| 25.8 Subsistence & Support of persons           | 714                    | 0                       | 0                       | 0                              |
| 26.0 Supplies & materials                       | 1,137                  | 0                       | 0                       | 0                              |
| 31.0 Equipment                                  | 78,528                 | 0                       | 8,970                   | 8,970                          |
| <b>Total, Other Object Classes</b>              | <b>242,315</b>         | <b>0</b>                | <b>122,135</b>          | <b>122,135</b>                 |
| <b>Total, Checkpoint Support</b>                | <b>\$248,958</b>       | <b>\$0</b>              | <b>\$127,683</b>        | <b>\$127,683</b>               |
| Full Time Equivalents                           | ---                    | ---                     | 40                      | 40                             |

**PPA Mission Statement**

The Checkpoint Support PPA provides the resources required to deploy passenger screening, carry-on baggage screening and electronic surveillance equipment. This equipment is a vital component of TSA's efforts to secure our nation's air transportation. FY 2008 enacted reflects the lack of direct budget authority in 2008, with funding having occurred in the Checkpoint Screening Security Fund. Checkpoint spending was funded by The FY 2009 request reflects an increase to support the implementation of the evolving strategy to improve detection capability for weapons and explosives, and to further develop the capability to detect hostile intent.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$6,643</b>         | <b>\$0</b>              | <b>\$5,548</b>          | <b>\$5,548</b>                 |

Salaries and Benefits includes costs for 40 FTEs, which includes realignment of operating and personnel funds. The FY 2009 request reflects a slight increase from the activity funded in the Checkpoint Screening Security Fund PPA in 2008 due to the proposed pay increase, and decreases for lapse rate and efficiencies.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | <b>\$769</b>  | <b>\$0</b>     | <b>\$1,570</b> | <b>\$1,570</b>     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects a slight increase from the activity funded in the Checkpoint Screening Security Fund PPA in 2008 due to inflationary increases in per diem rates and transportation costs.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Transportation of Things</b> | <b>1,046</b>  | <b>\$0</b>     | <b>\$937</b>   | <b>\$937</b>       |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request reflects a slight increase from the activity funded in the Checkpoint Screening Security Fund PPA in 2008 due to inflationary increases in transportation costs.

|                   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-------------------|----------------|----------------|----------------|--------------------|
|                   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Rent</b> | <b>\$1,103</b> | <b>\$0</b>     | <b>\$401</b>   | <b>\$401</b>       |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects an increase of \$401,000.

|   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 - 2009</b> |
|---|-----------------|----------------|-----------------|--------------------|
|   | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | <b>\$26,235</b> | <b>\$0</b>     | <b>\$99,531</b> | <b>\$99,531</b>    |

Advisory and assistance services includes services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects an increase of \$99,531,000 which is associated with implementation of Electronic Surveillance Systems. It also includes some costs associated with the field testing of emerging technology screening equipment.

|                       | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 - 2009</b> |
|-----------------------|-----------------|----------------|-----------------|--------------------|
|                       | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>      |
| <b>Other Services</b> | <b>\$94,719</b> | <b>\$0</b>     | <b>\$10,726</b> | <b>\$10,726</b>    |

Other services includes report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. These expenditures consist primarily of program management support and contract support for reconfiguration of checkpoint equipment. The FY 2009 request reflects an increase of \$10,726,000 which will fund additional program management support.

|                  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|-----------------|----------------|----------------|--------------------|
|                  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$78,528</b> | <b>\$0</b>     | <b>\$8,970</b> | <b>\$8,970</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects an increase of \$8,970,000. This funding will permit the continued acquisition and deployment of Advanced Technology Systems, Whole Body Imagers, Bottle Liquid Scanners, Cast and Prosthetics Scanners, as well as the initial production of new emerging technologies to be purchased and field tested and other operational testing needed for the advancement of checkpoint security.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
EDS/ETD Purchase and Installation**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: EDS/ETD Purchase/Installation</b>   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |                        |                         |                         |                                |
| 11.1 Perm Positions                         | \$0                    | \$0                     | \$11,322                | \$11,322                       |
| 11.5 Other per comp                         | 0                      | 0                       | 596                     | 596                            |
| 12.1 Benefits                               | 0                      | 0                       | 2,980                   | 2,980                          |
| <b>Total, Personnel Comp &amp; Benefits</b> | <b>0</b>               | <b>0</b>                | <b>14,898</b>           | <b>14,898</b>                  |
| <b>Other Object Classes</b>                 |                        |                         |                         |                                |
| 21.0 Travel                                 | 0                      | 402                     | 190                     | -212                           |
| 23.2 Other rent                             | 0                      | 1,792                   | 847                     | (945)                          |
| 25.2 Other Services                         | 0                      | 137,914                 | 65,202                  | (72,712)                       |
| 31.0 Equipment                              | 0                      | 153,892                 | 72,756                  | (81,136)                       |
| <b>Total, Other Object Classes</b>          | <b>0</b>               | <b>294,000</b>          | <b>138,996</b>          | <b>(155,004)</b>               |
| <b>Total, EDS/ETD Purchase Installation</b> | <b>\$0</b>             | <b>\$294,000</b>        | <b>\$153,894</b>        | <b>(140,106)</b>               |
| Full Time Equivalents                       | ---                    | ---                     | 106                     | 106                            |

**PPA Mission Statement**

EDS/ETD Purchase and Installation is the purchase of electronic baggage screening equipment for deployment and the installation of electronic baggage screening equipment in our nations airports. The deployment of this equipment is a key component of TSA's ability to ensure the security of the air transportation system. Installation is an integral cost associated with the deployment of equipment that enhances the security of our air transportation system.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$0</b>              | <b>\$14,898</b>         | <b>\$14,898</b>                |

Salaries and Benefits includes costs for 106 FTEs to reflect the realignment of operating and personnel funds. The FY 2009 request reflects an increase of \$14,898,000 due to the realignment of funding into this PPA as well as proposed pay increase, and decreases for lapse rate and efficiencies.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | <b>\$0</b>    | <b>\$402</b>   | <b>\$190</b>   | <b>(\$212)</b>     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 decrease is due to a fee increase for purchase and installation in the Aviation Security Capital Fund (ASCF).

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-------------------|---------------|----------------|----------------|--------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Rent</b> | <b>\$0</b>    | <b>\$1,792</b> | <b>\$847</b>   | <b>(\$945)</b>     |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 decrease is due to a fee increase for purchase and installation in the Aviation Security Capital Fund (ASCF).

|                       | <b>2007</b>   | <b>2008</b>      | <b>2009</b>     | <b>2008 - 2009</b> |
|-----------------------|---------------|------------------|-----------------|--------------------|
|                       | <b>Actual</b> | <b>Enacted</b>   | <b>Request</b>  | <b>Change</b>      |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$137,914</b> | <b>\$65,202</b> | <b>(\$72,712)</b>  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 decrease is due to a fee increase for purchase and installation in the Aviation Security Capital Fund (ASCF).

|                  | <b>2007</b>   | <b>2008</b>      | <b>2009</b>     | <b>2008 - 2009</b> |
|------------------|---------------|------------------|-----------------|--------------------|
|                  | <b>Actual</b> | <b>Enacted</b>   | <b>Request</b>  | <b>Change</b>      |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$153,892</b> | <b>\$72,756</b> | <b>(\$81,136)</b>  |

Equipment includes all costs for the purchases of property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 decrease is due to a fee increase for purchase and installation in the Aviation Security Capital Fund (ASCF).

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
EDS/ETD Purchase**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: EDS/ETD Purchase</b>       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>        |                        |                         |                         |                                |
| 21.0 Travel                        | \$0                    | \$0                     | \$0                     | \$0                            |
| 25.2 Other Services                | 20,560                 | 0                       | 0                       | 0                              |
| 31.0 Equipment                     | 158,994                | 0                       | 0                       | 0                              |
| <b>Total, Other Object Classes</b> | <b>179,554</b>         | <b>0</b>                | <b>0</b>                | <b>0</b>                       |
| <b>Total, EDS/ETD Purchase</b>     | <b>\$179,554</b>       | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents              | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

EDS/ETD Purchase funds the purchase of electronic baggage screening equipment for deployment in our nations airports. The deployment of this equipment is a key component of TSA's ability to ensure the security of the air transportation system.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
EDS/ETD Installation**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: EDS/ETD Installation</b>              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>                   |                        |                         |                         |                                |
| 21.0 Travel                                   | \$305                  | \$0                     | \$0                     | \$0                            |
| 22.0 Transportation of things                 | 5,600                  | 0                       | 0                       | 0                              |
| 23.2 Other rent                               | 925                    | 0                       | 0                       | 0                              |
| 23.3 Communication, Utilities, and misc charg | 2,265                  | 0                       | 0                       | 0                              |
| 25.2 Other Services                           | 111,341                | 0                       | 0                       | 0                              |
| 25.8 Subsistence & Support of persons         | 2,816                  | 0                       | 0                       | 0                              |
| 31.0 Equipment                                | 24,424                 | 0                       | 0                       | 0                              |
| <b>Total, Other Object Classes</b>            | <b>147,676</b>         | <b>0</b>                | <b>0</b>                | <b>0</b>                       |
| <b>Total, EDS/ETD Installation</b>            | <b>\$147,676</b>       | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents                         | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

EDS/ETD Installation funds the installation of electronic baggage screening equipment in our nations airports. Installation is an integral cost associated with the deployment of equipment that enhances the security of our air transportation system.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Screening Technology [EDS/ETD] Maintenance and Utilities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Screening Technology Maintenance &amp; Utilities</b> | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>                                  |                        |                         |                         |                                |
| 21.0 Travel  | \$93                   | \$175                   | \$206                   | \$31                           |
| 23.3 Communication, Utilities, and misc charges              | 5,095                  | 5,000                   | 5,883                   | 883                            |
| 25.2 Other Services  | 3,784                  | 2,182                   | 2,567                   | 385                            |
| 25.7 Operation & maintenance of equipment                    | 206,671                | 251,406                 | 295,807                 | 44,401                         |
| 26.0 Supplies & materials                                    | 0                      | 5,237                   | 6,162                   | 925                            |
| 31.0 Equipment   | 6,972                  | 0                       | 0                       | 0                              |
| <b>Total, Other Object Classes</b>                           | <b>222,615</b>         | <b>264,000</b>          | <b>310,625</b>          | <b>46,625</b>                  |
| <b>Total, Direct Obligations</b>                             | <b>\$222,615</b>       | <b>\$264,000</b>        | <b>\$310,625</b>        | <b>\$46,625</b>                |
| Full Time Equivalents  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

Screening Technology Maintenance and Utilities funds the maintenance and associated utilities of passenger and baggage screening equipment in our nation's airports. This funding is essential to ensure that all security screening equipment is operationally ready and supportable over its anticipated lifetime.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$93</b>            | <b>\$175</b>            | <b>\$206</b>            | <b>\$31</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is a required part of program implementation allowing personnel to collect and evaluate information to develop requirements and monitor implementation of projects. The FY 2009 Request reflects an increase of \$31,000 to cover the cost of employee travel required to implement and monitor maintenance programs.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and misc charges</b> | <b>\$5,095</b>         | <b>\$5,000</b>          | <b>\$5,883</b>          | <b>\$883</b>                   |

Communications, utilities, and miscellaneous charges includes all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 Request reflects an increase of \$883,000 for utilities for EDS/ETD checked baggage screening facilities including the cost of the base services and the cost of supplying utilities to newly installed equipment.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$3,784</b> | <b>\$2,182</b> | <b>\$2,567</b> | <b>\$385</b>        |

Other services includes report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. This included contractual support for Integrated Logistics Support program to sustain the Security Equipment deployed and utilized by TSA. The FY 2009 Request reflects an increase of \$385,000 to support costs of newly deployed equipment.

|   | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---|------------------|------------------|------------------|---------------------|
|   | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$206,671</b> | <b>\$251,406</b> | <b>\$295,807</b> | <b>\$44,401</b>     |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Maintenance cost increases from approximately 3% to about 15% of original purchase cost as equipment warranties expire. The FY 2009 Request reflects an increase of \$44,401,000 for maintenance of EDS and ETD baggage and checkpoint equipment.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>    | <b>\$5,237</b> | <b>\$6,162</b> | <b>\$925</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 Request reflects an increase of \$925,000 to support the additional requirements associated with newly deployed equipment.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Operation Integration  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Operation Integration</b>           | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |                        |                         |                         |                                |
| 11.1 Perm Positions                         | \$1,319                | \$2,242                 | \$0                     | (\$2,242)                      |
| 11.5 Other per comp                         | 90                     | 153                     | 0                       | (\$153)                        |
| 12.1 Benefits                               | 622                    | 1,057                   | 0                       | (\$1,057)                      |
| <b>Total, Personnel Comp &amp; Benefits</b> | <b>2,031</b>           | <b>3,453</b>            | <b>0</b>                | <b>(3,453)</b>                 |
| <b>Other Object Classes</b>                 |                        |                         |                         |                                |
| 21.0 Travel                                 | 225                    | 100                     | 100                     | 0                              |
| 25.1 Advisory & Assistance Services         | 11,730                 | 15,802                  | 15,754                  | (48)                           |
| 25.2 Other Services                         | 15,841                 | 5,645                   | 5,628                   | (17)                           |
| 31.0 Equipment                              | 1,216                  | 0                       | 0                       | 0                              |
| 41.0 Grants/Subsidies/Contributions         | 500                    | 0                       | 0                       | 0                              |
| <b>Total, Other Object Classes</b>          | <b>29,512</b>          | <b>21,547</b>           | <b>21,481</b>           | <b>(66)</b>                    |
| <b>Total, Operation Integration</b>         | <b>\$31,543</b>        | <b>\$25,000</b>         | <b>\$21,481</b>         | <b>(3,519)</b>                 |
| Full Time Equivalents                       | 12                     | 24                      | ---                     | (24)                           |

**PPA Mission Statement**

Operation Integration supports efforts to develop technology requirements and perform operational integration on new security equipment, including passenger, baggage and cargo screening equipment, infrastructure security systems and conveyance security technologies.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$2,031</b>         | <b>\$3,453</b>          | <b>\$0</b>              | <b>(\$3,453)</b>              |

Salaries and Benefits includes salary and benefits costs of personnel supporting both the passenger and checkpoint technology programs. The FY 2009 Request reflects a decrease of \$3.4 million due to the realignment of FTE to the EDS Purchase/Installation PPA.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$225</b>           | <b>\$100</b>            | <b>\$100</b>            | <b>\$0</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is a required part of program implementation allowing personnel to collect and evaluate information to develop requirements and monitor implementation of projects.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 - 2009</b> |
|---|-----------------|-----------------|-----------------|--------------------|
|   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | <b>\$11,730</b> | <b>\$15,802</b> | <b>\$15,754</b> | <b>(\$48)</b>      |

Advisory and assistance services includes services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 Request reflects a decrease of \$48,000 due to the realignment of all FTE to the EDS Purchase/Installation PPA.

|                       | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------------|-----------------|----------------|----------------|--------------------|
|                       | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Services</b> | <b>\$15,841</b> | <b>\$5,645</b> | <b>\$5,628</b> | <b>(\$17)</b>      |

Other services includes contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 Request reflects a decrease of \$17,000 due to the realignment of all FTE to the EDS Purchase/Installation PPA.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Aviation Regulation [*& Other Enforcement*]**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Aviation Reg &amp; Other Enforcement</b>   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                             |                        |                         |                         |                                |
| 11.1 Perm Positions                                | \$101,423              | \$88,576                | \$122,522               | \$33,945                       |
| 11.3 Other than perm                               | 556                    | \$486                   | 672                     | 186                            |
| 11.5 Other per comp                                | 6,083                  | \$5,313                 | 7,348                   | 2,036                          |
| 11.8 Spec Srvc Pay                                 | 534                    | \$466                   | 645                     | 179                            |
| 12.1 Benefits                                      | 23,960                 | \$20,925                | 28,944                  | 8,019                          |
| <b>Total, Personnel Comp &amp; Benefits</b>        | <b>132,556</b>         | <b>115,766</b>          | <b>160,131</b>          | <b>44,365</b>                  |
| <b>Other Object Classes</b>                        |                        |                         |                         |                                |
| 21.0 Travel  | 8,596                  | 12,474                  | 15,520                  | 3,045                          |
| 22.0 Transportation of things                      | 646                    | 872                     | 1,368                   | 496                            |
| 23.1 GSA rent                                      | 153                    | 750                     | 1,000                   | 250                            |
| 23.2 Other rent                                    | 36                     | 49                      | 76                      | 28                             |
| 23.3 Communication, Utilities, and misc charges    | 936                    | 2,527                   | 3,246                   | 719                            |
| 24.0 Printing                                      | 0                      | ---                     | ---                     | ---                            |
| 25.1 Advisory & Assistance Services                | 454                    | 1,851                   | 2,152                   | 301                            |
| 25.2 Other Services                                | 4,844                  | 13,076                  | 13,894                  | 817                            |
| 25.3 Purchase from Govt. Accts.                    | 5,000                  | 6,749                   | 6,884                   | 135                            |
| 25.4 Operation & maintenance of facilities         | 68,253                 | 75,618                  | 324                     | (75,294)                       |
| 25.5 Research & Development                        | 21                     | 28                      | 44                      | 16                             |
| 25.7 Operation & maintenance of equipment          | 104                    | 140                     | 220                     | 80                             |
| 25.8 Subsistence & Support of persons              | 200                    | 270                     |                         | (270)                          |
| 26.0 Supplies & materials                          | 1,585                  | 2,139                   | 3,781                   | 1,642                          |
| 31.0 Equipment                                     | 963                    | 1,300                   | 1,350                   | 50                             |
| 32.0 Land & Structures                             | 67                     | 90                      |                         | (90)                           |
| 41.0 Grants/Subsidies/Contributions                | 12,005                 | 22,254                  |                         | (22,254)                       |
| <b>Total, Other Object Classes</b>                 | <b>103,863</b>         | <b>140,187</b>          | <b>49,860</b>           | <b>(90,328)</b>                |
| <b>Total, Aviation Reg &amp; Other Enforcement</b> | <b>\$236,419</b>       | <b>\$255,953</b>        | <b>\$209,991</b>        | <b>(\$45,963)</b>              |
| Full Time Equivalents                              | 950                    | 1,038                   | 1,407                   | 369                            |

**PPA Mission Statement**

The purpose of Aviation Regulation and Other Enforcement is to provide activities that ensure that TSA continues to build a strong security regulation and enforcement presence on-site at the nation's commercial airports. Funding requested under this decision unit supports airport regulation compliance through domestic and international inspections, K-9 units, international outreach programs to ensure alignment and consistency in security requirements of the United States and those of the other nations to ensure transportation system integrity; and reimbursements provided to State and local law enforcement for support provided at commercial airport checkpoints. In FY 2009, TSA proposes a new PPA to reflect law enforcement activities by realigning funds from Aviation, Regulation and Enforcement, Rail Inspectors/K-9s, Air Cargo, and the Federal Flight Deck Officer program.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|---------------|----------------|----------------|--------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | \$132,556     | \$115,766      | \$160,131      | \$44,365           |

Salaries and Benefits provides funding for 1476 positions including an increase of 378 positions from the realignment of the Air Cargo program into this PPA. Funding is also provided for annualization and the proposed FY 2009 pay raise.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | \$8,596       | \$12,474       | \$15,520       | \$3,045            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Transportation of Things</b> | \$646         | \$872          | \$1,368        | \$496              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>GSA rent</b> | \$153         | \$750          | \$1,000        | \$250              |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-------------------|---------------|----------------|----------------|--------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Rent</b> | \$36          | \$49           | \$76           | \$28               |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous ch</b> | \$936          | \$2,527         | \$3,246         | \$719                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$454          | \$1,851         | \$2,152         | \$301                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$4,844        | \$13,076        | \$13,894        | \$817                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$5,000        | \$6,749         | \$6,884         | \$135                 |

Purchases from Government Accounts include costs for purchases from other Government agencies or accounts that are not otherwise classified. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$68,253       | \$75,618        | \$324           | (\$75,294)            |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 decrease reflects the rebasing of law enforcement activities and canines into the new Law Enforcement PPA.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Research and Development</b> | \$21           | \$28            | \$44            | \$16                  |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$200</b>  | <b>\$270</b>   | <b>\$0</b>     | <b>(\$270)</b>     |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 decrease reflects the rebasing of law enforcement activities and canines into the new Law Enforcement PPA.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|----------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Supplies &amp; materials</b> | <b>\$1,585</b> | <b>\$2,139</b> | <b>\$3,781</b> | <b>\$1,642</b>     |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|---------------|----------------|----------------|--------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$963</b>  | <b>\$1,300</b> | <b>\$1,350</b> | <b>\$50</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 increase reflects the rebasing of Air Cargo into this PPA.

|                                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------------|-----------------|-----------------|----------------|--------------------|
|                                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>      |
| <b>Grants/Subsidies/Contributions</b> | <b>\$12,005</b> | <b>\$22,254</b> | <b>\$0</b>     | <b>(\$22,254)</b>  |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. Funding supports reimbursable agreements for law enforcement officers as well as canine cooperative agreements. The FY 2009 decrease reflects the rebasing of law enforcement activities and canines into the new Law Enforcement PPA.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Airport Management and Support**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Airport Management and Support</b>      | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             | \$158,153              | \$180,011               | \$161,841               | (\$18,170)                     |
| 11.3 Other than perm                            | 1,837                  | 3,132                   | \$2,823                 | (309)                          |
| 11.5 Other per comp                             | 9,090                  | 8,921                   | \$8,042                 | (879)                          |
| 12.1 Benefits                                   | 58,374                 | 60,008                  | 54,096                  | (5,912)                        |
| 13.0 Benefits-former                            | 430                    | 0                       |                         | 0                              |
| <b>Total, Personnel Comp &amp; Benefits</b>     | <b>227,884</b>         | <b>252,072</b>          | <b>226,803</b>          | <b>(25,269)</b>                |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     | 11,811                 | 11,811                  | 9,573                   | (2,238)                        |
| 22.0 Transportation of things                   | 620                    | ---                     |                         | ---                            |
| 23.1 GSA rent                                   | 75,847                 | 95,500                  | 100,000                 | 4,500                          |
| 23.2 Other rent                                 | 4,952                  | 4,952                   | 2,378                   | (2,574)                        |
| 23.3 Communication, Utilities, and misc charges | 143,839                | 127,291                 | 3,744                   | (123,547)                      |
| 25.1 Advisory & Assistance Services             | 17,039                 | 17,039                  | 1,568                   | (15,471)                       |
| 25.2 Other Services                             | 111,620                | 80,121                  | 5,880                   | (74,241)                       |
| 25.3 Purchase from Govt. Accts.                 | 18,147                 | 18,147                  | 6,746                   | (11,401)                       |
| 25.4 Operation & maintenance of facilities      | 1,998                  | 1,998                   | 1,189                   | (809)                          |
| 25.7 Operation & maintenance of equipment       | 15,279                 | 15,279                  | 5,680                   | (9,599)                        |
| 25.8 Subsistence & Support of persons           | 13                     | 0                       |                         | 0                              |
| 26.0 Supplies & materials                       | 6,718                  | 6,718                   | 2,448                   | (4,270)                        |
| 31.0 Equipment                                  | 31,049                 | 21,005                  | 7,000                   | (14,005)                       |
| 32.0 Land & Structures                          | 12,899                 | ---                     |                         | ---                            |
| 42.0 Indemnity                                  | 30                     | ---                     |                         | ---                            |
| <b>Total, Other Object Classes</b>              | <b>451,861</b>         | <b>399,861</b>          | <b>146,207</b>          | <b>(253,654)</b>               |
| <b>Total, Airport Management and Support</b>    | <b>\$679,745</b>       | <b>\$651,933</b>        | <b>\$373,009</b>        | <b>(\$278,924)</b>             |
| Full Time Equivalents                           | 1,984                  | 2,045                   | 1,878                   | (167)                          |

**PPA Mission Statement**

This PPA supports approximately 1,886 FTE at the airports and HQ, including the staff of the 153 Federal Security Directors (FSDs) and approximately 189 FTE that direct the policy, analysis, and administration of aviation screening. FSD staffs and Security Operations positions are critical to supporting the front line operations of our TSOs.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|---------------|----------------|----------------|--------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | \$227,884     | \$252,072      | \$226,803      | (\$25,269)         |

Salaries and Benefits includes a net decrease of \$25,269,000. This total includes a lapse rate pay \$5,149,000, an annualization of \$1,049,000, 2009 COLA of \$2,606,000, and realignment of the PPA .

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | \$11,811      | \$11,811       | \$9,573        | (\$2,238)          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 Request decreased travel by \$2,238,000 due to projected requirements.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>GSA rent</b> | \$75,847      | \$95,500       | \$100,000      | \$4,500            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services and includes an additional \$4,500,000 for rent increases above COLA.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-------------------|---------------|----------------|----------------|--------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Rent</b> | \$4,952       | \$4,952        | \$2,378        | (\$2,574)          |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 Request changed due to PPA realignment.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|---------------|----------------|----------------|--------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$143,839     | \$127,291      | \$3,744        | (\$123,547)        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 Request includes a net reduction of \$123,547,000 associated with realignment of IT to the Support PPA and movement of approximately 173 FTE.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | \$17,039      | \$17,039       | \$1,568        | (\$15,471)         |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 Request was reduced by \$15,471,000 per the PPA realignment.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$111,620      | \$80,121        | \$5,880         | (\$74,241)            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. FY 2009 Request was reduced by \$74,241,000 due to PPA realignment

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$18,147       | \$18,147        | \$6,746         | (\$11,401)            |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 Request was reduced by \$11,401,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$1,998        | \$1,998         | \$1,189         | (\$809)               |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 Request change due to projected realignment requirements.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$15,279       | \$15,279        | \$5,680         | (\$9,599)             |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 Request was reduced by \$9,599,000 due to realignment of PPA.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$6,718        | \$6,718         | \$2,448         | (\$4,270)             |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Some software purchases and computer supplies are included in this object class. FY 2009 Request was reduced by \$4,270,000 due to the realignment of the PPA.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$31,049       | \$21,005        | \$7,000         | (\$14,005)            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. Software and computers are also purchased in this object class. The FY 2009 Request was reduced by \$14,005,000 due to PPA realignment.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Federal Flight Deck Officer (FFDO) & Flight Crew Training**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: FFDO &amp; Flight Crew Training</b>   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                        |                        |                         |                         |                                |
| 11.1 Perm Positions                           | \$1,670                | \$2,757                 | \$0                     | (\$2,757)                      |
| 11.3 Other than perm                          | 14                     | 29                      | 0                       | (29)                           |
| 11.5 Other per comp                           | 190                    | 312                     | 0                       | (312)                          |
| 12.1 Benefits                                 | 643                    | 1,060                   | 0                       | (1,060)                        |
| 13.0 Benefits-former                          | 0                      | 0                       | 0                       | 0                              |
| <b>Total, Personnel Comp &amp; Benefit</b>    | <b>2,517</b>           | <b>4,158</b>            | <b>0</b>                | <b>(4,158)</b>                 |
| <b>Other Object Classes</b>                   |                        |                         |                         |                                |
| 21.0 Travel                                   | 220                    | 251                     | 0                       | (251)                          |
| 22.0 Transportation of things                 | 8                      | 1                       |                         | (1)                            |
| 25.1 Advisory & Assistance Services           | 5,837                  | 6,489                   | 0                       | (6,489)                        |
| 25.2 Other Services                           | 1,113                  | 1,235                   | 0                       | (1,235)                        |
| 25.3 Purchase from Govt. Accts.               | 5,291                  | 5,861                   | 0                       | (5,861)                        |
| 25.7 Operation & maintenance of equipment     | 1,177                  | 1,298                   | 0                       | (1,298)                        |
| 26.0 Supplies & materials                     | 1,631                  | 1,821                   | 0                       | (1,821)                        |
| 31.0 Equipment                                | 3,573                  | 3,977                   | 0                       | (3,977)                        |
| <b>Total, Other Object Classes</b>            | <b>18,850</b>          | <b>20,933</b>           | <b>---</b>              | <b>(20,933)</b>                |
| <b>Total, FFDO &amp; Flight Crew Training</b> | <b>\$21,367</b>        | <b>\$25,091</b>         | <b>\$0</b>              | <b>(\$25,091)</b>              |
| Full Time Equivalents                         | 19                     | 25                      | ---                     | (25)                           |

**PPA Mission Statement**

TSA is mandated to provide the Federal Flight Deck Officer (FFDO) and Flight Crew Training programs to deputize qualified airline pilots as federal law enforcement officers and to train flight crew members to defend the flight decks and cabins of aircraft against acts of criminal violence or air piracy. This voluntary program provides training in firearms proficiency, self-defense tactics, authorities, and decision making to defend the cockpit.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|---------------|----------------|----------------|--------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | \$2,517       | \$4,158        | \$0            | (\$4,158)          |

Salaries and Benefits include annualize the prior year pay raise. The decrease of \$4,158,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | \$220         | \$251          | \$0            | (\$251)            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The decrease of \$251,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Transportation of Things</b> | \$8           | \$1            | \$0            | (\$1)              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The decrease of \$1,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | \$5,837       | \$6,489        | \$0            | (\$6,489)          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The decrease of \$6,489,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------------|---------------|----------------|----------------|--------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Services</b> | \$1,113       | \$1,235        | \$0            | (\$1,235)          |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The decrease of \$1,235,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|----------------|----------------|----------------|--------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Purchase from Government Accounts</b> | <b>\$5,291</b> | <b>\$5,861</b> | <b>\$0</b>     | <b>(\$5,861)</b>   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The decrease of \$5,861,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|----------------|----------------|----------------|--------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$1,177</b> | <b>\$1,298</b> | <b>\$0</b>     | <b>(\$1,298)</b>   |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The decrease of \$1,298,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|----------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Supplies &amp; materials</b> | <b>\$1,631</b> | <b>\$1,821</b> | <b>\$0</b>     | <b>(\$1,821)</b>   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The decrease of \$1,821,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|----------------|----------------|----------------|--------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$3,573</b> | <b>\$3,977</b> | <b>\$0</b>     | <b>(\$3,977)</b>   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The decrease of \$3,977,000 is attributed to a realignment of funds to the new Law Enforcement PPA under the Aviation Security appropriation.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Air Cargo**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Air Cargo</b>                           | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             | \$20,415               | \$25,601                |                         | (\$25,601)                     |
| 11.3 Other than perm                            | 68                     | 85                      |                         | (85)                           |
| 11.5 Other per comp                             | 1,007                  | 1,263                   |                         | (1,263)                        |
| 11.6 Pay Differential (Sunday/Night)            |                        | ---                     |                         | 0                              |
| 11.8 Spec Srvc Pay                              |                        | ---                     |                         | 0                              |
| 12.1 Benefits                                   | 6,474                  | 8,118                   |                         | (8,118)                        |
| 13.0 Benefits-former                            | ---                    | ---                     |                         | ---                            |
| <b>Total, Personnel Comp &amp; Benefits</b>     | <b>27,964</b>          | <b>35,067</b>           | <b>---</b>              | <b>(35,067)</b>                |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     | 2,855                  | 2,986                   |                         | (2,986)                        |
| 22.0 Transportation of things                   |                        | 2                       |                         | (2)                            |
| 23.2 Other rent                                 |                        | 2                       |                         | (2)                            |
| 23.3 Communication, Utilities, and misc charges |                        | 0                       |                         | (0)                            |
| 24.0 Printing                                   |                        | 3                       |                         | (3)                            |
| 25.1 Advisory & Assistance Services             | 10,644                 | 11,131                  |                         | (11,131)                       |
| 25.2 Other Services                             | 14,991                 | 15,677                  |                         | (15,677)                       |
| 25.3 Purchase from Govt. Accts.                 | 115                    | 120                     |                         | (120)                          |
| 25.7 Operation & maintenance of equipment       | 200                    | 209                     |                         | (209)                          |
| 26.0 Supplies & materials                       | 201                    | 210                     |                         | (210)                          |
| 31.0 Equipment                                  | 279                    | 284                     |                         | (284)                          |
| 41.0 Grants/Subsidies/Contributions             | 6,989                  | 7,309                   |                         | (7,309)                        |
| <b>Total, Other Object Classes</b>              | <b>36,274</b>          | <b>37,933</b>           | <b>---</b>              | <b>(37,933)</b>                |
| <b>Total, Air Cargo</b>                         | <b>\$64,238</b>        | <b>\$73,000</b>         | <b>\$0</b>              | <b>-\$73,000</b>               |
| Full Time Equivalents                           | 292                    | 325                     | ---                     | (325)                          |

**PPA Mission Statement**

This program has been realigned to the Aviation Regulation and Enforcement PPA under the Aviation Security appropriation.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | \$27,964               | \$35,067                | \$0                     | (\$35,067)                    |

Salaries and Benefits FY 2009 decrease of \$35,067,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | \$2,855                | \$2,986                 | \$0                     | (\$2,986)                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. FY 2009 decrease of \$2,986,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Printing</b> | \$0                    | \$3                     | \$0                     | (\$3)                         |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The printing provides educational materials, training aids, and regulatory guidance. FY 2009 decrease of \$3,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Advisory and Assistance Services</b> | \$10,644               | \$11,131                | \$0                     | (\$11,131)                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. These services support the Air Cargo Systems development, operation, and support Known Shipper Management System, Indirect Air Carrier Management System and Air Cargo Risk Based Targeting. FY 2009 decrease of \$11,131,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other Services</b> | \$14,991               | \$15,677                | \$0                     | (\$15,677)                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. FY 2009 decrease of 15,677,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Supplies &amp; materials</b> | \$201                  | \$210                   | \$0                     | (\$210)                       |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. FY 2009 decrease of \$210,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|---------------|----------------|----------------|--------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$279</b>  | <b>\$284</b>   | <b>\$0</b>     | <b>(\$284)</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. FY 2009 decrease of \$284,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

|                                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------------|----------------|----------------|----------------|--------------------|
|                                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Grants/Subsidies/Contributions</b> | <b>\$6,989</b> | <b>\$7,309</b> | <b>\$0</b>     | <b>(\$7,309)</b>   |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. FY 2009 decrease of \$7,309,000 is attributed to the realignment of this program to the Aviation Regulation and Enforcement PPA.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**Federal Air Marshal Service**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Law Enforcement</b>                     | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---|------------------|------------------|------------------|---------------------|
| <b>Object Classes:</b>                          | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| 11.1 Perm Positions                             | \$306,443        | \$319,309        | \$323,990        | 4,681               |
| 11.3 Other than perm                            | 12,978           | 12,816           | 13,300           | 484                 |
| 11.5 Other per comp                             | 89,046           | 90,516           | 93,869           | 3,353               |
| 11.6 Pay Differential (Sunday/Night)            | \$1,016          | ---              |                  | ---                 |
| 11.8 Spec Srvc Pay                              | \$159,019        | 953              | 974              | 21                  |
| 12.1 Benefits                                   |                  | 163,228          | 165,419          | 2,191               |
| <b>Total, Personnel Comp &amp; Benefits</b>     | <b>568,502</b>   | <b>586,821</b>   | <b>597,552</b>   | <b>10,731</b>       |
| <b>Other Object Classes</b>                     |                  |                  |                  |                     |
| 21.0 Travel                                     | 74,834           | 79,764           | 73,876           | (5,888)             |
| 22.0 Transportation of things                   | 1,504            | 4,723            | 6,277            | 1,554               |
| 23.1 GSA rent                                   | 2,186            | 2,675            | 2,661            | (14)                |
| 23.2 Other rent                                 | 13,232           | 14,790           | 14,760           | (30)                |
| 23.3 Communication, Utilities, and misc charges | 9,987            | 11,848           | 11,932           | 84                  |
| 24.0 Printing                                   | 13               | 10               | 10               | ---                 |
| 25.1 Advisory & Assistance Services             | 3,219            | 21,292           | 26,876           | 5,584               |
| 25.2 Other Services                             | 17,891           | 23,275           | 26,348           | 3,073               |
| 25.3 Purchase from Govt. Accts.                 | 8,860            | 4,982            | 4,688            | (294)               |
| 25.4 Operation & maintenance of facilities      | 2,839            | 2,935            | 2,935            | ---                 |
| 25.5 Research & Development                     | 5                | ---              | ---              | ---                 |
| 25.6 Medical care                               | 29               | 1,879            | 1,238            | (641)               |
| 25.7 Operation & maintenance of equipment       | 5,501            | 27               | 1,423            | 1,396               |
| 25.8 Subsistence & Support of persons           | 343              | 8                | 780              | 772                 |
| 26.0 Supplies & materials                       | 5,025            | 6,762            | 6,691            | (71)                |
| 31.0 Equipment                                  | 5,443            | 7,702            | 7,952            | 250                 |
| 42.0 Indemnity                                  | 45               | ---              | ---              | ---                 |
| <b>Total, Other Object Classes</b>              | <b>150,956</b>   | <b>182,671</b>   | <b>188,447</b>   | <b>5,776</b>        |
| <b>Total, FAMS</b>                              | <b>\$719,458</b> | <b>\$769,492</b> | <b>\$785,999</b> | <b>\$16,507</b>     |
| Full Time Equivalents                           | ---              | ---              | ---              | ---                 |

<sup>1</sup> FY 2007 and FY 2008 represent the entire FAMS appropriation (Management and Administration, Travel and Training PPAs) consolidated in this PPA.

**PPA Mission Statement**

The FAMS promotes public confidence in our Nation's civil transportation systems through the effective, risk-based, strategic deployment of Federal Air Marshals in both air and land based mission assignments. The Service's primary focus is to detect, deter, and defeat terrorist or other criminal hostile acts targeting U.S. air carriers, airports, passengers, crew and, when necessary, other transportation modes within the Nation's general transportation systems.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|---------------|----------------|----------------|--------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | \$568,502     | \$586,821      | \$597,552      | \$10,731           |

Salaries and Benefits includes an increase of \$8,126,000 to re-align funds in this PPA. It also annualizes the prior year pay raise and provides for the proposed 2009 COLA. Funding for OWCP is also included in the FY 2009 Request.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|----------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | \$74,834      | \$79,764       | \$73,876       | (5,888)            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 Request includes a decrease of \$5,888,000 to reflect the expected mission profile.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Transportation of Things</b> | \$1,504       | \$4,723        | \$6,277        | \$1,554            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 Request includes an increase of \$1,554,000 for increased PCS requirements.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>GSA rent</b> | \$2,186       | \$2,675        | \$2,661        | (\$14)             |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 Request includes a decrease of \$14,000 for efficiencies.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-------------------|---------------|----------------|----------------|--------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Rent</b> | \$13,232      | \$14,790       | \$14,760       | (\$30)             |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 Request includes a decrease of \$30,000 for efficiencies.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and Miscellaneous charges</b> | \$9,987        | \$11,848        | \$11,932        | 84                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FAMS uses this object class series for PDA and cell phone air time and general office utilities such as metered gas, electric, water usage, etc. The FY 2009 increase of \$84,000 realigns funding for this PPA.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>Printing</b> | \$13           | \$10            | \$10            | \$0                   |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The printing provides educational materials, training aids, and regulatory guidance.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$3,219        | \$21,292        | \$26,876        | 5,584                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. FAMS instructor contract costs are included in this object class. The FY 2009 Request includes an increase of \$3,387,000 to support the Air to Ground Communications System (AGCS), an increase of \$2,261,000 for IT security enhancements and a decrease of \$64,000 for efficiencies.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$17,891       | 23,275          | \$26,348        | 3,073                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.1. The FAMS uses this series for additional support for the Mission Scheduling and Notification System, support services for other elements (including contractors supporting contracting/procurement efforts) within the Service as well as for FLETC costs, hotel lodging contracts for training and field recurring range fees for Federal Air Marshals' quarterly requalifications. The FY 2009 Request includes \$9,000 for AGCS, \$1,092,000 for increased background investigations, \$870,000 for the increased international airtime and the remainder for non-pay COLA.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | 8,860          | 4,982           | \$4,688         | (\$294)               |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 decrease of \$294,000 reflects savings from one time costs in FY 2008.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | 2,839          | 2,935           | \$2,935         | \$0                   |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Research and Development</b> | 5              | \$0             | \$0             | \$0                   |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Medical Care</b> | 29             | 1,879           | \$1,238         | (\$641)               |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 Request includes a decrease of \$641,000 for object class realignments of program resources.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | 5,501          | 27              | \$1,423         | \$1,396               |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 Request includes an increase of \$1,396,000 for background investigations and IT Security enhancements.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Subsistence &amp; Support of Persons</b> | 343            | \$8             | \$780           | \$772                 |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 Request includes an increase of \$772,000 due to the shifting of existing PCS base program resources.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$5,025        | \$6,762         | \$6,691         | (71)                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FAMS uses this series for IT supplies and materials, office supplies and fuel as well as for medical supplies, ammunition, armory supplies and training supplies. The FY 2009 Request includes a decrease of \$71,000 for efficiencies.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$5,443        | \$7,702         | \$7,952         | 250                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 increase is for non-pay COLA.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Indemnity</b> | \$45           | \$0             | \$0             | \$0                   |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Law Enforcement  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Law Enforcement</b>                     | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             |                        |                         | \$47,063                | \$47,063                       |
| 11.3 Other than perm                            |                        |                         | 304                     | 304                            |
| 11.5 Other per comp                             |                        |                         | 3,545                   | 3,545                          |
| 12.1 Benefits                                   |                        |                         | 20,884                  | 20,884                         |
| <b>Total, Personnel Comp &amp; Benefits</b>     | ---                    | ---                     | <b>71,795</b>           | <b>71,795</b>                  |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     |                        |                         | 12,592                  | 12,592                         |
| 22.0 Transportation of things                   |                        |                         | 699                     | 699                            |
| 23.3 Communication, Utilities, and misc charges |                        |                         | 1,139                   | 1,139                          |
| 24.0 Printing                                   |                        |                         | 504                     | 504                            |
| 25.1 Advisory & Assistance Services             |                        |                         | 2,000                   | 2,000                          |
| 25.2 Other Services                             |                        |                         | 48,109                  | 48,109                         |
| 25.3 Purchase from Govt. Accts.                 |                        |                         | 3,782                   | 3,782                          |
| 25.6 Medical care                               |                        |                         | 599                     | 599                            |
| 25.7 Operation & maintenance of equipment       |                        |                         | 2,183                   | 2,183                          |
| 25.8 Subsistence & Support of persons           |                        |                         | 1,467                   | 1,467                          |
| 26.0 Supplies & materials                       |                        |                         | 5,619                   | 5,619                          |
| 31.0 Equipment                                  |                        |                         | 2,717                   | 2,717                          |
| 41.0 Grants/Subsidies/Contributions             |                        |                         | 89,042                  | 89,042                         |
| <b>Total, Other Object Classes</b>              | ---                    | ---                     | <b>170,452</b>          | <b>170,452</b>                 |
| <b>Total, Law Enforcement</b>                   | <b>\$0</b>             | <b>\$0</b>              | <b>\$242,247</b>        | <b>\$242,247</b>               |
| Full Time Equivalent                            | ---                    | ---                     | 567                     | 567                            |

**PPA Mission Statement**

To provide law enforcement capabilities, canine presences in multiple transportation modes, operational coordination, and ensure the internal security of TSA. This PPA includes Law Enforcement Officers, the National Explosive Detection Canine Training Program, Federal Flight Deck Officer and Crew Member Self Defense Programs, Transportation Security Operations Center and COOP Programs, and Physical and Personal Security Programs.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$0                     | \$71,795                | \$71,795                      |

Salaries and Benefits includes an increase of \$71,795,000 to re-align pay funds into this PPA and annualize permanent VIPRs. It also annualizes the prior year pay raise and for the proposed 2009 pay raise.

|               | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|---------------|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Travel</b> | \$0                          | \$0                           | \$12,592                      | \$12,592                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 increase of \$12,592,000 re-aligns funding for program travel into this PPA.

|                                 | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|---------------------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Transportation of Things</b> | \$0                          | \$0                           | \$699                         | \$699                               |

Transportation of things includes all costs associated with the care of such things while in process of being transported, and other services incident to the transportation of things. FY 2009 increase of \$699,000 re-aligns funding for transportation into this PPA.

|  | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|--|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Communication, Utilities, and Miscellaneous charges</b> | \$0                          | \$0                           | \$1,139                       | \$1,139                             |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 increase of \$1,139,000 realigns funding for this purpose into this PPA.

|                 | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|-----------------|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Printing</b> | \$0                          | \$0                           | \$504                         | \$504                               |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The printing provides educational materials, training aids, and regulatory guidance. The FY 2009 increase of \$504,000 realigns funding for this purpose into this PPA.

|   | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|---|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Advisory and Assistance Services</b> | \$0                          | \$0                           | \$2,000                       | \$2,000                             |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 increase of \$2,000,000 re-aligns funding for this purpose into this PPA.

|                       | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|-----------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Other Services</b> | \$0                          | \$0                           | \$48,109                      | \$48,109                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 increase of \$48,109,000 realigns funding for this purpose into this PPA.

|  | <u>2007</u><br><u>Actual</u> | <u>2008</u><br><u>Enacted</u> | <u>2009</u><br><u>Request</u> | <u>2008 - 2009</u><br><u>Change</u> |
|--|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| <b>Purchase from Government Accounts</b> | \$0                          | \$0                           | \$3,782                       | \$3,782                             |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 increase of \$3,782,000 realigns funding for this purpose into this PPA.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0            | \$0             | \$2,183         | \$2,183               |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 increase of \$2,183,000 realigns funding for this purpose into this PPA.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$0            | \$0             | \$1,467         | \$1,467               |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 increase of \$1,467,000 realigns funding for this purpose into this PPA.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$0            | \$0             | \$5,619         | \$5,619               |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 increase of \$5,619,000 realigns funding for this purpose into this PPA.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$0            | \$0             | \$2,717         | \$2,717               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 increase of \$2,717,000 realigns funding for this purpose into this PPA.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Grants/Subsidies/Contributions</b> | \$0            | \$0             | \$89,042        | \$89,042              |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 level includes reimbursable agreement funding realigned from other PPAs.

**Department of Homeland Security**  
**Airport Perimeter**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Law Enforcement</b>        | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>        |                        |                         |                         |                                |
| 21.0 Travel                        | \$0                    | \$40                    | \$0                     | (\$40)                         |
| 25.2 Other Services                | 4,914                  | 3,960                   | 0                       | (3,960)                        |
| <b>Total, Other Object Classes</b> | <b>4,914</b>           | <b>4,000</b>            | <b>0</b>                | <b>(4,000)</b>                 |
| <b>Total, Airport Perimeter</b>    | <b>\$4,914</b>         | <b>\$4,000</b>          | <b>\$0</b>              | <b>-\$4,000</b>                |
| Full Time Equivalents              |                        |                         |                         |                                |

**PPA Mission Statement**

This funding supports technologies that provide perimeter security capabilities or significantly enhance current technology based capabilities. Responsive projects may include perimeter sensors, intelligent camera systems, biometric devices, technologies to detect and track potential intruders, and communication capabilities to provide appropriate alarm and response notification. TSA will utilize the results of this project to continue to develop processes, procedures, technical requirements, and standards for perimeter security.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$40</b>             | <b>\$0</b>              | <b>(\$40)</b>                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. No funds are requested in FY 2009.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other Services</b> | <b>\$4,914</b>         | <b>\$3,960</b>          | <b>\$0</b>              | <b>(\$3,960)</b>              |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. No funds are requested in FY 2009.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Implement 9/11 Act  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Implementing Requirements of P.L. 110-53</b> | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>                          |                        |                         |                         |                                |
| 99.0 Other   |                        | 30,000                  |                         | (30,000)                       |
| <b>Total, Other Object Classes</b>                   | ---                    | <b>30,000</b>           | ---                     | <b>(30,000)</b>                |
| <b>Total, Implementing Reqmts of P.L. 110-53</b>     | <b>\$0</b>             | <b>\$30,000</b>         | <b>\$0</b>              | <b>-\$30,000</b>               |
| Full Time Equivalents                                | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

This program will be used to implement certain provisions of Public Law 110-53, the Implementing the 9/11 Commission Recommendations Act of 2007.

**Summary Justification and Explanation of Changes**

|              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other</b> | <b>\$0</b>             | <b>\$30,000</b>         | <b>\$0</b>              | <b>(\$30,000)</b>             |

The FY 2008 enacted level pends further breakout based on a spend plan that will be provided Congress. The FY 2009 decrease is due to the spend plan's continued development.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security Appropriation**  
**General Aviation at DCA Fees & Indirect Air Cargo Fees**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Gen Avn @ DCA Fees &amp; Indirect AirCargo Fees</b>              | <b>2007 Actual</b> | <b>2008 Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|--|--------------------|---------------------|---------------------|----------------------------|
| <b>Object Classes:</b>   |                    |                     |                     |                            |
| 11.1 Perm Positions  |                    | \$131               | \$131               | \$0                        |
| 11.3 Other than perm   |                    | 1                   | 1                   | 0                          |
| 11.5 Other per comp  |                    | 10                  | 10                  | 0                          |
| 12.1 Benefits  |                    | 58                  | 58                  | 0                          |
| <b>Total, Personnel Comp &amp; Benefits</b>                              | <b>---</b>         | <b>200</b>          | <b>200</b>          | <b>---</b>                 |
| <b>Other Object Classes</b>  |                    |                     |                     |                            |
| 25.2 Other Services  | 81                 | 75                  | 75                  | -                          |
| <b>Total, Other Object Classes</b>                                       | <b>81</b>          | <b>75</b>           | <b>75</b>           | <b>-</b>                   |
| <b>Total, General Aviation at DCA Fees &amp; Indirect Air Cargo Fees</b> | <b>\$81</b>        | <b>\$275</b>        | <b>\$275</b>        | <b>\$0</b>                 |
| Full Time Equivalents  | ---                | 2                   | 2                   | ---                        |

**PPA Mission Statement**

This funding is the fee collection supporting General Aviation flights into DCA as provided by the Vision 100 Act and the fee collection supporting security threat assessments of security workers in the air cargo supply chain.

**Summary Justification and Explanation of Changes**

|                              | <b>2007 Actual</b> | <b>2008 Enacted</b> | <b>2009 Request</b> | <b>2008 - 2009 Change</b> |
|------------------------------|--------------------|---------------------|---------------------|---------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>         | <b>\$200</b>        | <b>\$200</b>        | <b>\$0</b>                |

Salaries and Benefits includes payroll for FTE tied to the fee.

|                       | <b>2007 Actual</b> | <b>2008 Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|-----------------------|--------------------|---------------------|---------------------|----------------------------|
| <b>Other Services</b> | <b>\$81</b>        | <b>\$75</b>         | <b>\$75</b>         | <b>\$0</b>                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The \$75,000 reflects the collection of fees for these activities in FY 2009.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Aviation Security Capital Fund**

**Funding Schedule**

(Dollars in Thousands)

| PPA: Aviation Security Capital Fund (ASCF) | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|--|------------------|------------------|------------------|------------------------|
| <b>Other Object Classes:</b>               |                  |                  |                  |                        |
| 21.0 Travel                                | \$39             | \$37             | \$99             | \$62                   |
| 25.2 Other services                        | 265,923          | 249,912          | 675,764          | 425,852                |
| 31.0 Equipment                             | 54               | 51               | 137              | 86                     |
| <b>Total, Other Object Classes</b>         | <b>266,016</b>   | <b>250,000</b>   | <b>676,000</b>   | <b>426,000</b>         |
| <b>Total, ASCF</b>                         | <b>\$266,016</b> | <b>\$250,000</b> | <b>\$676,000</b> | <b>\$426,000</b>       |
| Full Time Equivalents                      | ---              | ---              | ---              | ---                    |

**PPA Mission Statement**

This funding supports the installation of optimal screening systems.

**Summary Justification and Explanation of Changes**

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$39</b>    | <b>\$37</b>     | <b>\$99</b>     | <b>\$62</b>            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is a required part of program implementation allowing personnel to collect and evaluate information to develop requirements and monitor implementation of projects. The FY 2009 Request reflects an increase of \$62,000 due to increased fee collection.

|                       | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|-----------------------|------------------|------------------|------------------|------------------------|
| <b>Other Services</b> | <b>\$265,923</b> | <b>\$249,912</b> | <b>\$675,764</b> | <b>\$425,852</b>       |

The FY 2009 increase of \$425,852,000 is attributed to the re-authorization of the ASCF to support the purchase, installation, and recapitalization of checked baggage explosive detection systems (EDS) and in-line systems. The FY 2009 Request of \$676,000,000 will be deposited into the ASCF.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | <b>\$54</b>    | <b>\$51</b>     | <b>\$137</b>    | <b>\$86</b>            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 Request reflects an increase of \$86,000 due to increased fee collection.

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Checkpoint Screening Security Fund**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Aviation Security Capital Fund (ASCF)</b> | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes:</b>                      |                        |                         |                         |                                |
| 21.0 Travel                                       | \$0                    | \$37                    | \$0                     | (\$37)                         |
| 25.2 Other services                               | -                      | 249,912                 | -                       | (249,912)                      |
| 31.0 Equipment                                    | -                      | 51                      | -                       | (51)                           |
| <b>Total, Other Object Classes</b>                | -                      | <b>250,000</b>          | -                       | <b>(250,000)</b>               |
| <b>Total, CSSF</b>                                | <b>\$0</b>             | <b>\$250,000</b>        | <b>\$0</b>              | <b>(\$250,000)</b>             |
| Full Time Equivalents                             | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

This funding supports the purchase, deployment, installation, research, and development of equipment to improve the ability of security screening personnel at screening checkpoints to detect explosives.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$37</b>             | <b>\$0</b>              | <b>(\$37)</b>                  |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is a required part of program implementation allowing personnel to collect and evaluate information to develop requirements and monitor implementation of projects. No funds are requested in FY 2009.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | <b>\$0</b>             | <b>\$249,912</b>        | <b>\$0</b>              | <b>(\$249,912)</b>             |

Other services includes report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 decrease of \$249,912,000 is attributed to the authorization of collection of fees in FY 2008 for the purchase, deployment, installation, research, and development of equipment to improve the ability of security screening personnel at screening checkpoints to detect explosives. No funds are requested in FY 2009.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | <b>\$0</b>             | <b>\$51</b>             | <b>\$0</b>              | <b>(\$51)</b>                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. No funds are requested in FY 2009.

**Department of Homeland Security**  
**Secure Flight**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA:</b>                        | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>             |                        |                         |                         |                                |
| <b>Other Object Classes</b>        |                        |                         |                         |                                |
| 21.0 Travel                        | 2                      |                         |                         | ---                            |
| 25.2 Other Services                | 25                     |                         |                         | ---                            |
| 26.0 Supplies & materials          | 15                     |                         |                         | ---                            |
| 31.0 Equipment                     | 2                      |                         |                         | ---                            |
| <b>Total, Other Object Classes</b> | <b>44</b>              | ---                     | ---                     | ---                            |
| <b>Total, Secure Flight</b>        | <b>\$44</b>            | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents              |                        |                         |                         |                                |

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation  
Registered Traveler**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA:</b>                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| 11.3 Other than perm                        | \$971                  |                         |                         | 0                              |
| 11.5 Other per comp                         | 20                     | ---                     | ---                     | ---                            |
| 11.6 Pay Differential (Sunday/Night)        |                        |                         |                         | 0                              |
| 11.8 Spec Srvc Pay                          |                        |                         |                         | 0                              |
| 12.1 Benefits                               | 251                    |                         |                         | 0                              |
| <b>Total, Personnel Comp &amp; Benefits</b> | <b>1,242</b>           | <b>---</b>              | <b>---</b>              | <b>---</b>                     |
| <b>Other Object Classes</b>                 |                        |                         |                         |                                |
| 21.0 Travel                                 | 6                      |                         |                         | -                              |
| 25.1 Advisory & Assistance Services         | 840                    |                         |                         | -                              |
| 25.2 Other Services                         | 978                    |                         |                         | -                              |
| <b>Total, Other Object Classes</b>          | <b>1,824</b>           | <b>-</b>                | <b>-</b>                | <b>-</b>                       |
| <b>Total, Registered Traveler</b>           | <b>\$3,066</b>         | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalentents                    | 8                      | ---                     | ---                     | ---                            |

**Department of Homeland Security  
 Transportation Security Administration  
 Aviation Security Appropriation  
 Alien Flight School Fees**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA:</b>                         | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Object Classes</b>         |                        |                         |                         |                                |
| 25.1 Advisory & Assistance Services | 1                      |                         |                         | ---                            |
| <b>Total, Other Object Classes</b>  | <b>1</b>               | <b>---</b>              | <b>---</b>              | <b>---</b>                     |
| <b>Total, Alien Flight School</b>   | <b>\$1</b>             | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents               |                        |                         |                         |                                |

## I: Changes in Full-Time Equivalents

**Department of Homeland Security**  
**Transportation Security Administration**  
**Aviation Security**  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 45,476  | 45,857  | 48,897  |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:<br>Description: Realignment of FTE between PPAs and other increases to support programs. |         | 158     | 302     |
| Increase #2:<br>FY07 Supplemental and Annualization   |         | 33      | 316     |
| Increase #3:<br>FY08 Amendment and Annualization  |         | 88      | 123     |
| Increase #4<br>TSO Hiring/TDC Initiative/Employee Screening/Amend                                     | 381     | 2,846   | 205     |
| Sub-Total Increases   | 381     | 3,125   | 946     |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1:<br>Description: Lapse rate   |         | 85      | (146)   |
| Sub-Total Decreases   |         | 85      | (146)   |
| Year-end Actual/Estimated FTEs  | 45,857  | 48,897  | 49,697  |
| Net Change from prior year base to Budget Year Estimate:  |         |         | 800     |

**J. FY 2008 Schedule of Working Capital Fund by Program / Project Activity**

**Department of Homeland Security  
Transportation Security Administration  
Aviation Security Appropriation**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity           | FY 2007         | FY 2008         | FY 2009         | Increase / Decrease |
|------------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                    | Anticipated     | Anticipated     | Anticipated     | for FY 2008         |
|                                    | AMOUNT          | AMOUNT          | AMOUNT          | AMOUNT              |
| Airport Management, IT and Support | 13,206          | 12,634          | 16,199          | 3,565               |
| <b>Total Working Capital Fund</b>  | <b>\$13,206</b> | <b>\$12,634</b> | <b>\$16,199</b> | <b>\$3,565</b>      |

# Department of Homeland Security

*Transportation Security Administration*

*Surface Transportation Security*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## TRANSPORTATION SECURITY ADMINISTRATION SURFACE TRANSPORTATION SECURITY

### I. Appropriation Overview

#### A. Mission Statement for Surface Transportation Security:

TSA is mandated to protect the surface transportation system and ensure the freedom of movement for people and commerce. This mission is accomplished largely by a consortium of Federal, State, local, and private entities optimizing resources in a risk-based approach to security. In addition to coordination, TSA provides surface inspectors and other screening and detection programs.

These combined efforts play an essential role in DHS's mission to prevent terrorist acts within the U.S., to reduce vulnerability to terrorism, and to minimize the damage from potential attacks. The surface domain includes:

- Approximately 775 million passengers traveling on buses each year and over 9 billion passenger trips on mass transit per year.
- Over 140,000 miles of railroad track (of which 120,000 miles are privately owned); 3.8 million miles of roads (46,717 miles of Interstate highway and 114,700 miles of National Highway System roads); 582,000 bridges over 20 feet of span; 54 tunnels over 500 meters in length, and nearly 2.2 million miles of pipeline.
- Nearly 800,000 shipments of hazardous materials transported every day (95 percent by truck).
- The Marine Transportation System (MTS) consists of waterways, ports, and their connections. Commercial and recreational vessels, vehicles, and system users such as importers and exporters. It is geographically vast, with 95,000 miles of shoreline, 25,000 miles of rivers and canals.

There is a very real ongoing threat to transportation security, particularly involving the mass transit mode, as evidenced by the bombings in Madrid during the summer of 2004, London in July 2005 and Mumbai, India in 2006. Given this threat, TSA, its government partners, industry owners, and operators have increased their vigilance by continuing to exchange real time information and by focusing on threat detection and preparedness measures to improve security and resilience of the transportation system. In addition, TSA plays a pivotal role in the President's Executive Order to Strengthen Surface Transportation Security through identification of security gaps and development of appropriate security guidelines and requirements to mitigate these gaps.

#### B. Budget Activities:

This appropriation includes two major programs – Surface Transportation Security Operations and Staffing and Surface Transportation Security Inspectors.

**Surface Transportation Security Operations and Staffing** - Provides coordination among all surface security stakeholders to implement a regulatory framework and Administration policy,

identify best practices through pilot programs and evaluation of system assessments, and use this information to assess risk and assist with prioritization of security resources.

**Surface Transportation Security Inspectors [Formerly Rail Security Inspectors and Canines]**

- Employs a cadre of inspectors to provide compliance, outreach, and security efforts in the surface transportation system. These inspectors interact daily within the transportation network to enhance security measures and are available for surge operations during times of heightened security.

**C. Budget Request Summary:**

The Transportation Security Administration requests 240 positions, 230 FTE, and \$37,000,000 in FY 2009 for Surface Transportation Security.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity

**Department of Homeland Security**  
**Transportation Security Administration**  
**Surface Transportation Security**  
**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                                      | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|---|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|------------------|-----------------|------------|---------------------|------------------|
|   |                   |                 |                    |                 |                    |                 | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|   | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Surface Transportation Security Operations and Staffing       | 137               | \$23,712        | 188                | \$24,485        | 134                | \$25,397        | (54)                                     | \$912            | ---             |            | (54)                | \$912            |
| Surface Transportation Security Security Inspectors           | 89                | 13,014          | 138                | 22,128          | 96                 | 11,603          | (42)                                     | (10,525)         | ---             |            | (42)                | (10,525)         |
| <i>[Rail Security Inspectors and Canines]</i>                 |                   |                 |                    |                 |                    |                 |  |                  |                 |            |                     |                  |
| HazMat Truck Track Training                                   |                   | \$2,859         |                    |                 |                    |                 |  |                  |                 |            |                     |                  |
| HAZMAT CDL - Fees   |                   | \$1,200         |                    |                 |                    |                 |  |                  |                 |            |                     |                  |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>  | <b>226</b>        | <b>\$40,785</b> | <b>326</b>         | <b>\$46,613</b> | <b>230</b>         | <b>\$37,000</b> | <b>(96)</b>                              | <b>(\$9,613)</b> | <b>---</b>      | <b>\$0</b> | <b>(96)</b>         | <b>(\$9,613)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>           |                   |                 |                    |                 |                    |                 |  |                  |                 |            |                     |                  |
|   |                   |                 |                    |                 |                    |                 |  |                  |                 |            |                     |                  |
| <b>Net, Discretionary Appropriations and Budget Estimates</b> | <b>226</b>        | <b>\$40,785</b> | <b>326</b>         | <b>\$46,613</b> | <b>230</b>         | <b>\$37,000</b> | <b>(96)</b>                              | <b>(\$9,613)</b> | <b>---</b>      | <b>\$0</b> | <b>(96)</b>         | <b>(\$9,613)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
Surface Transportation Security  
Program Performance Justification**  
(Dollars in Thousands)

PPA: SURFACE TRANSPORTATION SECURITY OPERATIONS AND STAFFING

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>188</b>          | <b>137</b> | <b>\$23,712</b> |
| <b>2008 Enacted</b>          | 188                 | 188        | <b>\$24,485</b> |
| 2009 Adjustments-to-Base     | (48)                | (54)       | 912             |
| <b>2009 Current Services</b> | <b>140</b>          | <b>134</b> | <b>\$25,397</b> |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | <b>140</b>          | <b>134</b> | <b>\$25,397</b> |
| Total Change 2008-2009       | (48)                | (54)       | 912             |

The Transportation Security Administration requests \$25.4 million for this activity. This is an increase of \$912 thousand over FY 2008. The decrease of 48 FTP and 54 FTE consists of a re-alignment of \$1.5 million and 13 FTP/FTE from Transportation Security Operations Center to the Law Enforcement PPA in the Aviation Security appropriation; a technical correction of 35 FTP/FTE to align with funding levels for FY 2008 and FY 2009; and a \$747 thousand and 6 FTE decrease for lapse rate reduction.

Amounts have been shifted from pay to accurately reflect the current organization structure and program requirements. Also included in the adjustments to base are pay and non-pay cost of living adjustments; and, re-alignment of \$1.5 million of base funds from other appropriations to support an increase in awareness activities, information sharing, planning, and regulatory analysis.

**PROGRAM DESCRIPTION:**

TSA, in accordance with Aviation and Transportation Security Act (ATSA), is responsible for assessing the risk of terrorist attacks to all surface transportation modes, issuing regulations to improve these modes' security, and enforcing those regulations to ensure that each transportation mode is protected. The objective of these efforts is to establish best practices and national standards, develop security plans and regulations, better assess security vulnerabilities, and identify needed security enhancements for surface transportation modes and related infrastructure. The key strategic plans driving TSA's security efforts are the Executive Order to Strengthen Surface Transportation, the National Strategy for Transportation Security, the National Infrastructure Protection Plan and the DHS Strategic Plan. Specific personnel and activities included in this PPA are:

**Surface Personnel:** Funding for this PPA supports 140 FTP and 134 FTE to coordinate security efforts in non-aviation modes including Pipelines, Maritime, Mass Transit, Rail,

Highway and Motor Carrier and Postal and Shipping sectors to carry out transportation security activities. In FY 2006, TSA assumed the responsibility for providing subject matter expertise to the then Preparedness Directorate within DHS to evaluate and approve grant applications for bus, trucks, ports, mass transit, and passenger rail systems including ferry systems. TSA has continued to provide programmatic support to the National Preparedness Division at Federal Emergency Management Agency (FEMA) for the transportation grants program. Under TSA's leadership, the grants are awarded based on risk while working collaboratively with the transportation systems to ensure that the selected projects are focused on increasing security. Funding for 13 positions supporting the Transportation Security Operations Center (TSOC) has been re-aligned to the Law Enforcement PPA in Aviation Security.

**Corporate Security Reviews:** TSA conducts Corporate Security Reviews (CSRs) in multiple modes of transportation to establish baseline data against which to evaluate minimum-security standards and identify coverage gaps in reviewed systems. CSRs allow TSA and the system operators to develop first hand knowledge of security planning and execution at critical systems, establish communication between key security personnel, identify and share smart practices, and make recommendations for security improvements. In carrying out CSRs, teams of TSA modal experts evaluate and collect physical and operational preparedness information, critical assets, key point-of-contact lists, review emergency procedures, security plans, domain awareness training, and provide an opportunity to share security practices.

**Pipeline:** In FY 2007, TSA conducted 13 CSRs in the pipeline mode. To date, 71 CSRs have been completed. CSRs will continue in FY 2008 and FY 2009, with a goal of one major Pipeline System per month, or 12 total for each fiscal year. These on-site security reviews of transportation companies allow TSA to develop first-hand knowledge of security planning and execution at critical pipeline sites, establish communication with key pipeline security personnel, and identify and provide security best practices, and make recommendations for security improvements.

**Highway:** In addition, TSA has performed 113 CSRs on Highway transportation organizations. These include trucking companies, state Departments of Transportation (DOTs), transportation authorities, school districts (buses), and motor coach companies. CSRs will continue in FY 2008 and 2009 at both previously unvisited corporations and at critical corporations where revisits are justified by high threat or vulnerability situations.

**Freight Rail:** In FY 2007 TSA conducted CSRs on all seven Class I Railroads. Class I railroads are rail carriers with an annual operating revenue of \$319 million or more. The Freight Rail Division will use the results from the CSRs to develop standards for security plans. TSA will revisit each rail carrier every two years to ensure security levels are maintained. In FY 2008, TSA will begin CSRs on short line and regional railroads that carry materials toxic by inhalation and continue in FY 2009 and beyond.

**Cross-border Pipeline Security Assessments:** Canada is one of the world's largest producers and exporters of energy and is consistently among the top sources for U.S. oil imports, and the largest source of U.S. natural gas imports. To illustrate the magnitude of this energy trade, in 2006 Canada exported to the United States 2.3 million barrels per day (bbl/d) of oil and petroleum products (11 percent of U.S. supply) and 3.6 trillion cubic feet of natural gas (16 percent of U.S. supply). This energy is overwhelmingly moved by pipeline.

Recognizing the importance of securing the energy movement between the two countries, TSA performed an in-depth analysis on a cross-border pipeline system, as part of a team that included Natural Resources Canada, Argonne National Laboratory, and private industry. These pipeline cross-border vulnerability assessments were initiated under the provisions of the Smart Border Accord and have continued as part of the Security and Prosperity Partnership Agreement. Assessment teams of Canadian and U.S. subject matter experts in pipeline operations, control systems, infrastructure interdependencies, and assault planning visit critical cross-border pipeline infrastructure, identify security gaps, and recommend protective measures to mitigate those gaps. Pipeline companies have utilized the assessment results to target improvements to the security of their system. Six pipeline systems have been reviewed by a joint U.S./Canadian team.

**High Threat Urban Area (HTUA) Vulnerability Assessments:** TSA leads a DHS/DOT task force to conduct vulnerability assessments of High Threat Urban Area (HTUA) rail corridors. These on-site assessments consist of a detailed examination of the railroad(s) operations and procedures within the HTUA. Assessments lead to security enhancements and mitigation strategies to address the handling and protection of Toxic Inhalation Hazards (TIH) rail shipments through Huts. These assessments will continue in FY 2008 and FY 2009. TSA has completed assessments on eight rail corridors, and has scheduled one large scale assessment in FY 2008 of the Philadelphia rail corridor. TSA is currently restructuring the program to allow for compressed assessments at the remaining 34 HTUA rail corridors, which will begin in FY 2008 and continue through FY 2009.

**Security Standards Development:** Two initiatives are ongoing in this area and will continue in FY 2009. First, the Federal Government is engaging with the American Public Transportation Association (APTA) Security Standards Policy and Planning Committee to develop security standards. APTA is bringing together security professionals from the public transportation industry, business and research partner representatives, and the Federal Government (DHS, TSA, FEMA, Federal Transit Administration (FTA), and Federal Railroad Administration (FRA)) in a collaborative effort to develop consensus-based standards to enhance security in transit systems. Working groups are established to focus on specific security areas and concerns, including mass transit and passenger rail systems, facilities and operations. Working groups have also been formed and are beginning efforts to collaboratively develop standards for two additional areas: risk assessments and emergency drills and exercises. Federal participation in the consensus-based efforts is effected through the Government Coordinating Council/ Sector

Coordinating Council (GCC/SCC) framework and Critical Infrastructure Protection Advisory Council (CIPAC) process. The approved standards are then put forth as "recommended practices" and supported by the American Public Transportation Association for voluntary adoption by the transit industry. Published standards in multiple areas will occur throughout FY 2008.

The second initiative focuses on the development of standards for security technologies. The joint Federal-transit community effort aims to develop consensus-based standards for security technologies suitable for employment in mass transit and passenger rail environments. The DHS Standards Executive and the American National Standards Institute co-lead this initiative. The initial standards are anticipated for publication in FY 2008.

TSA is also developing voluntary Security Action Items (SAI) or security practices for the highway transportation of specific hazardous materials based on the results of the CSR program, review of industry security practices, and discussions with Federal agencies (DHS, DOT, Federal Motor Carrier Safety Administration (FMCSA), Pipeline and Hazardous materials Safety Administration (PHMSA), Federal Highway Administration (FHWA), Department of Defense, Department of Energy, and the Federal Bureau of Investigation). These SAIs are expected to be integrated into security plans required under 49 CFR 172.800 where a vulnerability analysis has identified a security gap.

**Consequence Analysis and Validation:** This project will identify a methodology that can be used to predict the behavior and subsequent consequences of a TIH (i.e., chlorine) release after an attack on a 90 ton rail tank car in a densely populated area. The significant result of this project will be the further validation of the identified methodology achieved through consensus among industry experts, government agencies, and academics in the field in addition to standard empirical testing. TSA intends to verify these methodologies through facilitated exercises.

### **Stakeholder Interface:**

*Transit.* In cooperation with the FTA and DHS, TSA facilitated eight Connecting Communities forums for transit operators, Federal and local first responders, and security experts to address gaps in security related emergency response capabilities. In addition, bi-annual safety and security roundtables are conducted with the security chiefs and directors of the Nation's fifty largest transit systems. These forums engage the assembled expertise in a focused working group format to address and develop solutions for current security issues and concerns. Additionally, the law enforcement chiefs and security directors of the 50 largest mass transit and passenger rail agencies join their Federal partners from TSA, DHS/FEMA, and FTA twice yearly in the semi-annual Transit Safety and Security Roundtables. Through this engagement, security professionals from the mass transit and passenger rail community and the Federal Government collaborate to advance effective programs and initiatives to enhance security. The focused effort over a 3 to 4-day period fosters the networking and information sharing, notably of smart

security practices, that is essential to elevating security posture throughout the passenger rail and mass transit mode. Finally, TSA subject matter experts in mass transit and the Transit Security Grant Program (TSGP) engage with Regional Transit Security Working Groups in eight major metropolitan areas to define security priorities and complete cooperative agreements on the most effective use of Federal grant funds to enhance public transportation security. TSA will continue this cooperative approach in these Tier 1 areas (New York, Boston, Washington, DC, Philadelphia, Chicago, Los Angeles, San Francisco, and Atlanta) throughout FY 2008 and FY 2009 with possible extension to locations at Tier 2 under the TSGP.

*Pipeline.* The International Pipeline Security Forums are an ongoing initiative conducted annually by the TSA Pipeline Security Division in conjunction with Natural Resources Canada. This international forum is a 2-day conference that enhances government and industry pipeline security domain awareness and provides opportunities for discussion of major pipeline security issues, both domestic and international. Approximately 150 - 200 people usually attend the forum, and attendees include representatives and officials from the U.S. and Canadian governments, pipeline related associations, pipeline owners and operators from the U.S. and Canada, and representatives from the security, intelligence and law enforcement communities. The first International Pipeline Security Forum was held in Calgary, Alberta, Canada in FY 2006. The second International Pipeline Security Forum was held in Chicago, Illinois in FY 2007. The third International Pipeline Security Forum was held in Ottawa, Ontario, Canada in FY 2008. The fourth International Pipeline Security Forum is scheduled to be held in Salt Lake City, Utah in FY 2009. Plans are for forum sites to continue to alternate between the U.S. and Canada in the future

*Highways.* In cooperation with the Federal Highway Administration (FHWA) and the American Association of State Highway and Transportation Officials (AASHTO), TSA is sponsoring a series of regional infrastructure protection conferences for state DOT security staff. This series will be repeated in FY 2008 and FY 2009 at the request of these stakeholders. TSA works with DHS to sponsor and manage the Highway Watch program that promotes security awareness among truckers and other professional drivers. This program also supports the Highway Information Sharing and Analysis Center (ISAC) and will be continued through FY 2009

*Security Awareness.* Security awareness training packages for operators have been developed for the pipeline, mass transit, freight rail and highway modes of transportation. Public awareness and education is also fostered through Transit Watch, Highway Watch, and other joint campaigns in transportation systems emphasizing the importance of vigilance and timely reporting of security concerns. TSA distributes security awareness information products to stakeholders through programs such as Security Training for Operational Readiness and Maritime Community Awareness Program (STORMCAP), which develops and disseminates enhanced security training, community awareness products and operational guidance to enhance maritime security. STORMCAP will develop increasingly detailed levels of security training for industry personnel and then

measure the adoption and effectiveness of this training by conducting focus group and effectiveness surveys.

*Pilot Programs.*

TSA also conducts pilots to develop technology solutions, identify best practices, and inform the standards setting process. Examples of TSA pilot programs expected to be ongoing in FY 2009 are:

**Intermodal Security Training Exercise Program (PortSTEP):** Exercise technology, services, and tools are being piloted to conduct and evaluate multi-modal transportation security training exercises. TSA and United States Coast Guard (USCG) partnered to conduct over 60 exercises in FY 06-07, and are currently collaborating on the transition of the program to a “Regional” level. The design, implementation, and evaluation of multimodal, surface transportation focused exercises, objectives, scenarios, and the continued development of information technology solutions are planned for FY 2009.

**Security Enhancement And Capability Augmentation Program (SEACAP):** This program builds upon pilots already conducted in Cape May, New Jersey, San Francisco Bay, the Jamestown River Ferry, Manhattan Cruise Terminal, and the Staten Island Ferry to provide a platform and programmatic infrastructure for improving current security screening for high capacity passenger vessel operations (ferry systems and cruise ship terminals). The continuation of this program will conduct baseline screening assessments and screening deployment exercises in high capacity passenger vessel operations in FY 2009. SEACAP will enhance the capability to deter, detect, and prevent explosives from being introduced as a weapon on ferries and in cruise line terminals.

**Bus Command and Control:** The system provides over-the-air vehicle disabling through restriction of fuel to the engine using a programmable series of steps. The system also has keyless driver authentication where operators have a unique numeric code that must be entered in order to start a bus or drive a bus already started, but idling for a designated amount of time. Alarms are sent wirelessly to a command or dispatch center if an unauthorized user attempts to operate the bus. A successful proof-of-concept took place in August 2006. The full field operational testing (FOT) of this system began in FY 2007 and will continue through FY 2008. Several systems have been identified to participate in the FOT on the East and West Coast.

**Improved Mass Transit Surveillance and Early Warning System:** This project involves the detection of human anomalous behavior through the use of advanced software with surveillance camera systems. The system works with new or legacy camera systems and provides a wide range of detection and tracking capabilities. The project is a joint effort between Technical Support Working Group, TSA, and DHS Science and Technology. Small-scale testing is currently taking place at Metro Transit in Minneapolis, MN. Large-scale testing

is projected to commence at a high passenger volume transit terminal during FY 2008. Upon completion, the system is expected to be commercially available.

**Layered Security Operational Test Bed:** This collaborative security engagement initiative tests the effectiveness of operational and technological solutions applied in a layered approach at mass transit and passenger rail facilities. The effort commenced with the Port Authority Trans Hudson (PATH) interstate rail system in FY 2007. As part of this effort, in December 2007, TSA facilitated a workshop with appropriate operating and security officials of the Port Authority and DHS S&T to assist the Authority in identifying operational and technological security requirements to drive a systems security approach, which will help the the Port Authority develop their 5 year strategic plan. TSA will partner throughout FY 2008 and FY 2009 in the testing of technological and operational solutions to prevent terrorism in mass transit and passenger rail systems. Continued development and extension to other systems and diverse public transportation environments – rail terminals and stations, system infrastructure, bus terminals and stations – will occur throughout FY 2008 and FY 2009. This information and experience derived will benefit all transit systems as they develop and implement the layered approach to security.

PPA: SURFACE TRANSPORTATION SECURITY INSPECTORS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b>  | <b>Amount</b>   |
|------------------------------|---------------------|-------------|-----------------|
| <b>2007 Actual</b>           | <b>100</b>          | <b>89</b>   | <b>\$13,014</b> |
| <b>2008 Enacted</b>          | <b>175</b>          | <b>138</b>  | <b>\$22,128</b> |
| 2009 Adjustments-to-Base     | (75)                | (42)        | (10,525)        |
| <b>2009 Current Services</b> | <b>100</b>          | <b>96</b>   | <b>\$11,603</b> |
| 2009 Program Change          | ...                 | ...         |                 |
| <b>2009 Request</b>          | <b>100</b>          | <b>96</b>   | <b>\$11,603</b> |
| Total Change 2008-2009       | <b>(75)</b>         | <b>(42)</b> | <b>(10,525)</b> |

The Transportation Security Administration requests \$11.6 million for this activity. The funding will maintain current services for the Surface Transportation Security Inspection Program (STSIP).

**PROGRAM DESCRIPTION:**

The terrorist attacks of September 11, 2001, the March 2004 bombing of commuter trains in Madrid, Spain, the July 2005 bombings and attempted attacks against public transit in London, England, the August 2006 bombings of commuter trains in Mumbai (and continuing attacks in India against passenger rail systems), the July 2006 attempted attack on a passenger train in Germany, and the August 2007 bombing of rail tracks that derailed an intercity passenger train in Russia all demonstrate terrorist interest in public transportation systems as targets to achieve their objectives of causing high numbers of

casualties, destruction of property, economic disruption, and instilling fear. These incidents have both heightened concerns about the susceptibility of the passenger and freight rail system in the United States to terrorist attack and necessitate high levels of vigilance and preparedness. A proactive effort is essential to assess regularly the state of surface transportation security and ensure vigilance and preparedness remain high.

The Surface Transportation Security Inspection Program (STSIP) is a unique and critically important federal inspection and compliance program that is breaking new ground in U.S. surface transportation security. With initial emphasis on freight railroads and mass transit and passenger rail systems, the STSIP has set out to enhance security preparedness in an industry that is both vital to the economic well-being of America and is the largest transporter of passengers in the country.

The mission of the STSIP crosses all modes of surface transportation to include hazardous material transportation. Inspectors are deployed in a risk-based approach geared to creating the most favorable environment for engagement in security enhancement efforts with the surface transportation system(s).

In FY 2007, TSA issued a Notice of Proposed Rule Making (NPRM) for rail security that proposes and seeks comments on the clarified role of the agency's inspection authority and imposes security requirements for freight and passenger rail carriers, notably pertaining to transport of hazardous material and reporting of security concerns. The inspection force would continue efforts to elevate security posture throughout the freight and passenger rail and mass transit modes through comprehensive security assessment programs. These include:

- Conducting Baseline Assessment for Security Enhancement (BASE) reviews of mass transit and passenger rail systems.
- Inspecting for compliance of freight rail carriers with Security Action Items (SAI) in toxic inhalation hazmat (TIH) rail environments.
- Identifying security gaps through Security Analysis and Action Programs (SAAP) and other risk methodology employed in surface transportation systems.

**Baseline Assessment for Security Enhancement (BASE) Program:** In conjunction with FTA, TSA developed the BASE inspection program to integrate the range of security requirements and guidelines into a comprehensive assessment that provides an in-depth profile of the security posture of a mass transit or passenger rail system. The BASE program consists of updated Security and Emergency Management Action Items and TSA Security Directives. BASE reviews are conducted either as a stand-alone effort or in conjunction with State Safety Oversight (SSO) review of a rail systems compliance with 49 CFR Part 659, which directs transit agencies to maintain a system security plan. The Actions Items represent the core of this program, detailing 17 functional areas, including security program management and accountability, security and emergency response training, drills and exercises, public awareness, protective measures for Homeland Security Advisory System (HSAS) threat levels, physical security, personnel security, and information sharing and security.

The BASE program aims to elevate security generally, expand TSA's awareness and understanding of security posture in the passenger rail and mass transit mode, enable more effective targeting of security programs, provide technical assistance, and facilitate sharing of best security practices. This comprehensive national BASE review effort commenced in November 2006, with 53 full reviews completed in FY 2007 (45 of which were conducted on the nations' largest transit systems). In FY 2008, STSIP will continue the BASE plan initiated in FY 2007 by completing 50 additional reviews of transit systems ranked 51-100 based on passenger rider-ship data. Inspectors will follow-up on the results of the initial BASE inspections and assess compliance with the rules and regulations pending under the Rail Transportation Security NPRM, 49 CFR Parts 1520 and 1580.

Results of these security assessments are a major driver for the mass transit security programs and resource allocations, most notably Transit Security Grant Program (TSGP) funding. The comprehensive BASE results comport well with self-assessments of the top 50 transit agencies' posture in the six Transit Security Fundamentals that are priorities under the TSGP program. TSA has integrated the assessment results into the developing priorities for this funding, producing new and innovative ways to use Federal funds to elevate security posture. The BASE results have also identified a number of "smart practices" which are being packaged in products useful for sharing throughout the mass transit and passenger rail community.

**Security Action Item (SAI):** During FY 2007, STSIP initiated a four phase inspection program focused on security measures and on security awareness of toxic inhalation hazardous materials over the Nation's freight rail system. The inspection program included all major freight rail entities and all short line regional rail entities within an HTUA. Inspectors conducted over 170 inspections and interviewed over 2,600 railroad employees for Security Action Item (SAI) Phase I and Phase II. The term 'Phase' is indicative of an inspection initiative and one inspection process may encompass one or more Phases. Phase III completed the review of 155 facilities that handle TIH shipments. Phase IV addressed the Secretary's requirement of reducing the risk factor of TIH shipments by assessing rail car attendance and dwell time patterns. The STSIP completed over 1,336 Phase IV inspections, working with freight railroads to reduce TIH dwell times in High Threat Urban Areas (HTUAs). In FY 2008, STSIP will conduct follow-up inspections on the SAIs completed in FY 2007 and will ensure compliance with the rules and regulations to be finalized as part of the Rail Transportation Security NPRM, 49 CFR Parts 1520 and 1580. In FY 2009, the STSI Program will expand from 22 field offices to 57 offices, using a risk-based approach. This will result in the TSA STSIP having and maintaining a presence in all DHS-identified HTUAs and all top 100 national mass transit transportation systems.

**Surface Transportation Security Enhancement Activities:** During FY 2008, the Surface Inspectors will continue to undertake programs and initiatives aimed at enhancing security postures and improving regional collaboration and coordination to

ensure security resources are applied in the most effective manner. In addition to passenger rail and mass transit multi-modal security oversight, inspectors will provide oversight for motor carriers and freight rail lines that ship Toxic Inhalation Hazard (TIH) material. The increased focus on hazardous material security issues, as evidenced by legislation, demonstrates the need to coordinate and assist with security efforts affecting these shipments.

In FY 2009, inspectors will conduct on-site inspections to ensure compliance with security standards and guidelines, security directives, and security regulations. The STSIP will enhance information sharing; highlight best security practices; evaluate security system performance; and discover and assist in mitigating gaps and vulnerabilities in the industry's security systems.

STSI responsibilities include:

- Perform BASE and SAIs of surface transportation modes
- Perform SAAP Risk Assessments as requested
- Conduct compliance inspections and compliance investigations to prove or disprove alleged violations of security regulations, directives, or laws
- Promote information sharing through on-going outreach activities
- Prevent and reduce incidents of non-compliance
- Encourage mitigation or elimination of security gaps and weaknesses in the affected transportation systems
- Document all inspections, formal outreach activities, and information sharing efforts
- Identify, collect and share best security practices throughout the surface transportation environment
- Enhance consistent, multi-modal security coordination and communication
- Gather security-related data and conduct special emphasis inspections and evaluations
- Respond to and assist with National Special Security Events

Additionally, in FY 2009 the STSIP will continue the work begun in FY 2007 to reduce the dwell time for loaded TIH rail cars in High Threat Urban Areas by 50% by November 2008. In calendar year 2009, TSA will raise the goal another 10% from the 50% reduction off the baseline level achieved by the end of 2008. In each succeeding year TSA will raise the goal another 10% from the previous year. The Surface Inspectors will visibly survey rail yards, facilities, and storage areas within a 10-mile radius of identified HTUAs. This effort, coupled with the information from corporate security reviews, will be used to determine how effectively corporate initiatives have been implemented at field locations.

Inspectors also serve as panel members on the Transit Security Grant Program, reviewing project proposals, helping assess grant applications, and assisting in the development of the process by which the grants will be awarded.

**Visible Intermodal Protection and Response (VIPR):** Inspectors also are routinely involved in planning, coordinating, and participating in VIPR operations. VIPR

operations consist of teams of TSA personnel, to include STSIs, ASIs, TSOs and FAMs, deployed to an identified airport or transportation system. TSA has conducted more than 400 VIPR operations in mass transit and passenger rail properties since the program's inception in December 2005. The STSIP role in execution of these security augmentation deployments will continue to expand during FY 2009. In FY 2008, the STSIP received funding for an additional 75 positions to meet the increasing demands of VIPR activities while continuing to accomplish the broader (and increasing) security assessment, inspection, and enhancement mission. While these resources will continue to support STSI participation in VIPRs, the FY 2009 Request consolidates the VIPR team funding in the Law Enforcement PPA in Aviation Security.

**9/11 Commission Act:** The provisions of the *Implementing Recommendations of the 9/11 Commission Act of 2007* (P.L. 110-53) direct TSA to issue regulations that require freight rail carriers, mass transit agencies, passenger rail carriers, and over-the-road bus operators to develop and implement security plans and training programs as well as conduct security assessments.

In FY 2009, TSA will continue to coordinate with both public and private surface transportation entities to develop policies and regulations that will improve transportation security and ensure compliance with transportation security requirements.

#### **IV. Program Justification of Changes**

Not Applicable

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Transportation Security Administration  
Justification of Proposed Changes in Surface Transportation Security  
Appropriation Language**

For necessary expenses of the Transportation Security Administration related to providing surface transportation security activities, [\$46,613,000] **\$37,000,000** to remain available until September 30, [2009] **2010**. (Department of Homeland Security Appropriations Act, 2008.)

**Explanation of Changes:**

No substantive changes proposed.

**B: FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
 Transportation Security Administration  
 Surface Transportation Security  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|   | <u>Pos.</u>         | <u>FTE</u>         | <u>Amount</u>         |
|---|---------------------|--------------------|-----------------------|
| <b>2007 Actual</b>  | <b>288</b>          | <b>226</b>         | <b>40,785</b>         |
| <b>2008 Enacted.....</b>                                  | <b>363</b>          | <b>326</b>         | <b>46,613</b>         |
| <b>Adjustments-to-Base</b>                                |                     |                    |                       |
| Realignments to and from other accounts:                  |                     |                    |                       |
| Ops & Staffing: Realign OTSP/Policy from Support HQ Admin | ---                 | ---                | 606                   |
| Ops & Staffing: Realign from TSOC to Avn Security LE      | (13)                | (13)               | (1,488)               |
| Rail Security: Realign VIPR to Avn Security LE            | (75)                | (38)               | (5,200)               |
| Rail Security: Realign Rail K-9 to Avn Security LE        | ---                 | ---                | (5,500)               |
| Total Realignments .....                                  | <u>(88)</u>         | <u>(51)</u>        | <u>(11,582)</u>       |
| Increases   |                     |                    |                       |
| Pay Annualization   | ---                 | ---                | 242                   |
| Pay COLA  | ---                 | ---                | 600                   |
| NonPay COLA   | ---                 | ---                | 125                   |
| Ops & Staffing: Realign some Lapse Rate into NonPay       |                     |                    | 889                   |
| Ops & Staffing: Support awareness & info sharing, etc.    |                     |                    | 1,500                 |
| Total Increases.....                                      | <u>---</u>          | <u>---</u>         | <u>3,356</u>          |
| Decreases   |                     |                    |                       |
| Efficiency  | ---                 | ---                | (217)                 |
| FTE Realignment   | (35)                | (35)               |                       |
| Lapse Rate  | ---                 | (10)               | (1,170)               |
| Total Decreases.....                                      | <u>(35)</u>         | <u>(45)</u>        | <u>(1,387)</u>        |
| <b>Total Adjustments-to-Base.....</b>                     | <b><u>(123)</u></b> | <b><u>(96)</u></b> | <b><u>(9,613)</u></b> |
| <b>2009 Current Services.....</b>                         | <b>240</b>          | <b>230</b>         | <b>37,000</b>         |
| <b>Program Changes</b>                                    |                     |                    |                       |
| Program Increases/decreases                               |                     |                    |                       |
| <b>Total Program Changes</b>                              | ---                 | ---                | ---                   |
| <b>2009 Request.....</b>                                  | <b>240</b>          | <b>230</b>         | <b>37,000</b>         |
| <b>2008 to 2009 Total Change.....</b>                     | <b>(123)</b>        | <b>(96)</b>        | <b>(9,613)</b>        |

### C. Summary of Requirements

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Summary of Requirements**  
(Dollars in Thousands)

|  | 2009 Request  |      |          |
|--|---------------|------|----------|
|  | Perm.<br>Pos. | FTE  | Amount   |
| <b>2007 Actual</b>   | 288           | 226  | 40,785   |
| <b>2008 Enacted</b>  | 363           | 326  | 46,613   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |               |      |          |
| Realignments   | (88)          | (51) | (11,582) |
| Increases  | ---           | ---  | 3,356    |
| Decreases  | (35)          | (45) | (1,387)  |
| Total Adjustments-to-Base  | (123)         | (96) | (9,613)  |
| <b>2009 Current Services</b>   | 240           | 230  | 37,000   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |               |      |          |
|  | ---           | ---  | ---      |
| <b>2009 Total Request</b>  | 240           | 230  | 37,000   |
| 2008 to 2009 Total Change  | (123)         | (96) | (9,613)  |

| Estimates by Program/Project Activity         | 2008 Enacted |            |                 | 2009 Adjustments-to-Base |             |                  | 2009 Program Change |          |            | 2009 Request |            |                 | 2008 to 2009 Total Change |             |                  |
|---|--------------|------------|-----------------|--------------------------|-------------|------------------|---------------------|----------|------------|--------------|------------|-----------------|---------------------------|-------------|------------------|
|   | Pos.         | FTE        | Amount          | Pos.                     | FTE         | Amount           | Pos.                | FTE      | Amount     | Pos.         | FTE        | Amount          | Pos.                      | FTE         | Amount           |
| 1 Operations & Staffing                       | 188          | 188        | \$24,485        | (48)                     | (54)        | \$ 912           | ---                 | ---      | \$ ---     | 140          | 134        | 25,397          | (48)                      | (54)        | \$912            |
| 2 Surface Transportation Security Inspectors  | 175          | 138        | 22,128          | (75)                     | (42)        | \$ (10,525)      | ---                 | ---      | \$ ---     | 100          | 96         | 11,603          | (75)                      | (42)        | (10,525)         |
| <i>[Rail Security Inspectors and Canines]</i> | ---          | ---        | ---             | ---                      | ---         | ---              | ---                 | ---      | ---        | ---          | ---        | ---             | ---                       | ---         | ---              |
| <b>Total</b>                                  | <b>363</b>   | <b>326</b> | <b>\$46,613</b> | <b>(123)</b>             | <b>(96)</b> | <b>(\$9,613)</b> | <b>0</b>            | <b>0</b> | <b>\$0</b> | <b>240</b>   | <b>230</b> | <b>\$37,000</b> | <b>(123)</b>              | <b>(96)</b> | <b>(\$9,613)</b> |

**D. Summary of Reimbursable Resources**

Not Applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| 11.1 Perm Positions                                   | \$21,179        | \$27,699        | \$20,284        | (7,415)                |
| 11.3 Other than full-time permanent                   | \$244           | \$0             | \$0             | -                      |
| 11.5 Other Personnel Compensation                     | \$787           | \$367           | \$271           | (96)                   |
| 11.8 Special Service Pay                              | \$19            | \$0             | \$0             | -                      |
| 12.1 Benefits   | \$6,500         | \$8,053         | \$7,533         | (520)                  |
| 13.0 Benefits - former                                | \$0             | \$0             | \$0             | ---                    |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$28,729</b> | <b>\$36,119</b> | <b>\$28,088</b> | <b>(\$8,031)</b>       |
| Other Object Classes:                                 |                 |                 |                 |                        |
| 21.0 Travel   | \$1,517         | \$1,370         | \$1,391         | 21                     |
| 22.0 Transportation of things                         | \$8             | \$1             | \$1             | (0)                    |
| 23.1 GSA rent   | \$141           | \$145           | \$142           | (3)                    |
| 23.2 Other rent                                       | \$0             | \$0             | \$0             | -                      |
| 23.3 Communications, utilities, & other misc. charges | \$0             | \$294           | \$153           | (140)                  |
| 24.0 Printing and reproduction                        | \$289           | \$10            | \$19            | 9                      |
| 25.1 Advisory and assistance services                 | \$4,700         | \$0             | \$0             | -                      |
| 25.2 Other services                                   | \$3,800         | \$2,043         | \$6,429         | 4,385                  |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$0             | \$238           | \$139           | (99)                   |
| 25.4 Operation & maintenance of facilities            | \$0             | \$0             | \$0             | -                      |
| 25.5 Research and development contracts               | \$0             | \$0             | \$0             | -                      |
| 25.6 Medical care                                     | \$70            | \$0             | \$0             | -                      |
| 25.7 Operation and maintenance of equipment           | \$0             | \$140           | \$47            | (93)                   |
| 25.8 Subsistence and support of persons               | \$0             | \$0             | \$0             | -                      |
| 26.0 Supplies and materials                           | \$428           | \$588           | \$590           | 1                      |
| 31.0 Equipment  | \$96            | \$742           | \$0             | (742)                  |
| 32.0 Land & structures                                | \$0             | \$0             | \$0             | -                      |
| 41.0 Grants/Subsidies/Contributions                   | \$1,007         | \$4,922         | \$0             | (4,922)                |
| 42.0 Indemnity  | \$0             | \$0             | \$0             | -                      |
| 43.0 Interest & dividends                             | \$0             | \$0             | \$0             | -                      |
| 44.0 Refunds  | \$0             | \$0             | \$0             | -                      |
| 91.0 Unvouchered                                      | \$0             | \$0             | \$0             | -                      |
| 99.0 Other  | \$0             | \$0             | \$0             | -                      |
| <b>Total, Other Object Classes</b>                    | <b>\$12,056</b> | <b>\$10,494</b> | <b>\$8,912</b>  | <b>(\$1,582)</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$40,785</b> | <b>\$46,613</b> | <b>\$37,000</b> | <b>(\$9,613)</b>       |
| Full Time Equivalents                                 | 226             | 326             | 230             | (96)                   |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted Budget | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|------------------------|-----------------|------------------------|
|                                  | Pos.           | Pos.                   | Pos.            | Total                  |
| Total, SES                       | 8              | 8                      | 7               | (1)                    |
| L Band                           | 3              | 3                      | 3               | ---                    |
| K Band                           | 50             | 50                     | 45              | (5)                    |
| J Band                           | 43             | 43                     | 16              | (27)                   |
| I Band                           | 66             | 103                    | 65              | (38)                   |
| H Band                           | 47             | 85                     | 43              | (42)                   |
| G Band                           | 49             | 49                     | 40              | (9)                    |
| F Band                           | 18             | 18                     | 17              | (1)                    |
| E Band                           | 2              | 2                      | 2               | ---                    |
| D Band                           | 2              | 2                      | 2               | ---                    |
| <b>Total Permanent Positions</b> | <b>288</b>     | <b>363</b>             | <b>240</b>      | <b>(123)</b>           |
| Unfilled Positions EOY           | ---            | ---                    | ---             | ---                    |
| Total Perm. Employment EOY       | 288            | 363                    | 240             | (123)                  |
| <b>FTE</b>                       | <b>226</b>     | <b>326</b>             | <b>230</b>      | <b>(96)</b>            |
| Headquarters                     | 197            | 197                    | 148             | (49)                   |
| U.S. Field                       | 91             | 166                    | 92              | (74)                   |
| <b>Total Permanent Positions</b> | <b>288</b>     | <b>363</b>             | <b>240</b>      | <b>(123)</b>           |
| Average ES Salary                | \$ 154,450     | \$ 159,856             | \$ 164,651      | \$ 4,796               |
| Average Salary, Banded Positions | \$ 84,600      | \$ 87,561              | \$ 90,188       | \$ 2,627               |
| Average Band                     | H              | H                      | I               |                        |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable.

## H. PPA Budget Justifications

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Surface Transportation Security Operations & Staffing**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Surface Transportation Security Operations &amp; Staffing</b> | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>  |                        |                         |                         |                                |
| 11.1 Perm Positions   | \$13,863               | \$17,095                | 12,446                  | (\$4,649)                      |
| 11.3 Other than perm  | 244                    | ---                     | ---                     | ---                            |
| 11.5 Other per comp   | 470                    | ---                     | ---                     | ---                            |
| 11.8 Spec Srvc Pay  | 19                     | ---                     | ---                     | ---                            |
| 12.1 Benefits   | 4,497                  | 5,066                   | 5,325                   | 259                            |
| 13.0 Benefits-former  | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Personnel Comp. &amp; Benefits</b>                          | <b>19,093</b>          | <b>22,161</b>           | <b>17,771</b>           | <b>(4,390)</b>                 |
| 21.0 Travel   | 450                    | 511                     | 977                     | 466                            |
| 22.0 Transportation of things   | 5                      | ---                     | ---                     | ---                            |
| 23.3 Communication, Utilities, and misc charges                       |                        | 102                     | 106                     | 4                              |
| 24.0 Printing   |                        | 10                      | 18                      | 8                              |
| 25.1 Advisory & Assistance Services                                   | 1,266                  | ---                     | ---                     | ---                            |
| 25.2 Other Services   | 2,494                  | 1,361                   | 6,018                   | 4,657                          |
| 25.3 Purchase from Govt. Accts.                                       |                        | 136                     | 139                     | 3                              |
| 25.6 Medical care   | 70                     | ---                     | ---                     | ---                            |
| 26.0 Supplies & materials   | 266                    | 204                     | 368                     | 164                            |
| 31.0 Equipment  | 67                     | ---                     | ---                     | ---                            |
| 41.0 Grants/Subsidies/Contributions                                   | 1                      | ---                     | ---                     | ---                            |
| <b>Total, Other Object Classes</b>                                    | <b>4,619</b>           | <b>2,324</b>            | <b>7,626</b>            | <b>5,302</b>                   |
|   |                        |                         |                         |                                |
| <b>Total, Operations and Staffing</b>                                 | <b>23,712</b>          | <b>24,485</b>           | <b>25,397</b>           | <b>912</b>                     |
| Full Time Equivalents   | 137                    | 188                     | 134                     | (54)                           |

**PPA Mission Statement**

Surface Transportation Security Operations and Staffing is charged with managing TSA's efforts to mitigate the risk and provide security direction to all non-aviation transportation systems. This responsibility covers rail, mass transit, highways, buses, trucking, ferries, and pipelines. This office also works with industry, State and local governments, and other Federal agencies in developing standards and regulations to ensure the security of these vital transportation systems.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$19,093</b>        | <b>\$22,161</b>         | <b>\$17,771</b>         | <b>(\$4,390)</b>               |

Salaries and Benefits includes costs for 134 FTEs in FY 2009. The FY 2009 decrease reflects adjustments to base realignment of FTE/FTP, associated funding as well as annualization, COLA, Lapse Rate and efficiencies.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$450</b>           | <b>\$511</b>            | <b>\$977</b>            | <b>\$466</b>                   |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 increase request reflects non-pay inflation and an upward adjustment religned from pay.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and Misc Charges</b> | \$0            | \$102           | \$106           | \$4                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. PDA and cell phone air time are the major items being charged to this object class. The FY 2009 increase request reflects non-pay inflation.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$0            | \$10            | \$18            | \$8                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 increase request reflects non-pay inflation and an upward adjustment realigned from pay.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$2,494        | \$1,361         | \$6,018         | \$4,657                |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The funds will be used to support security efforts in non-aviation modes including Pipelines, Maritime, Mass Transit, rail, Highway and Motor Carrier and Postal and Shipping. The FY 2009 increase request reflects non-pay inflation, an upward adjustment realigned from pay and an adjustment to base of \$1,500,000 to support awareness & info sharing; standards, regs and plans development; and economic cost analysis.

|                                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Purchases from Govt Accounts</b> | \$0            | \$136           | \$139           | \$3                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The funds will be used to support partnership activities with other government agencies. The FY 2009 request reflects COLA increase over the FY 2008 level to support current services.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; Materials</b> | \$266          | \$204           | \$368           | \$164                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. This PPA will use these funds to acquire office supplies, education materials, training materials and any other supplies and materials. The FY 2009 increase request reflects non-pay inflation and an upward adjustment realigned from pay.

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Surface Transportation Security Inspectors  
Rail Security Inspectors and Canines  
Funding Schedule**

(Dollars in Thousands)

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>PPA: Surface Transportation Security Inspectors</b> |                |                 |                 |                        |
| 11.1 Perm Positions                                    | \$7,316        | \$10,604        | \$7,838         | (\$2,766)              |
| 11.3 Other than perm                                   |                | ---             |                 | ---                    |
| 11.5 Other per comp                                    | 317            | 367             | 271             | (96)                   |
| 11.8 Spec Srvc Pay                                     |                |                 |                 | ---                    |
| 12.1 Benefits  | 2,003          | 2,987           | 2,208           | (779)                  |
| 13.0 Benefits-former                                   |                |                 |                 | ---                    |
| <b>Total, Personnel Comp. &amp; Benefits</b>           | <b>9,636</b>   | <b>13,958</b>   | <b>10,317</b>   | <b>(3,641)</b>         |
| 21.0 Travel  | 1,051          | 859             | 414             | (445)                  |
| 22.0 Transportation of things                          | 3              | 1               | 1               | (0)                    |
| 23.1 GSA rent  | 141            | 145             | 142             | (3)                    |
| 23.3 Communication, Utilities, and misc charges        | ---            | 192             | 47              | (144)                  |
| 24.0 Printing  | 0              |                 | 1               | 1                      |
| 25.2 Other Services                                    | 986            | 682             | 411             | (272)                  |
| 25.3 Purchase from Govt. Accts.                        | ---            | 102             | ---             | (102)                  |
| 25.7 Operation & maintenance of equipment              | ---            | 140             | 47              | (93)                   |
| 26.0 Supplies & materials                              | 162            | 384             | 222             | (163)                  |
| 31.0 Equipment   | 29             | 742             | ---             | (742)                  |
| 41.0 Grants/Subsidies/Contributions                    | 1,006          | 4,922           | ---             | (4,922)                |
| <b>Total, Other Object Classes</b>                     | <b>3,378</b>   | <b>8,170</b>    | <b>1,286</b>    | <b>(6,884)</b>         |
| <b>Total, PPA</b>                                      | <b>13,014</b>  | <b>22,128</b>   | <b>11,603</b>   | <b>(10,525)</b>        |
| Full Time Equivalents                                  | 89             | 138             | 96              | (42)                   |

**PPA Mission Statement**

TSA has been given the responsibility to ensure the compliance of security regulations and standards within the rail and mass transit modes. TSA will accomplish this with a cadre of 100 inspectors located at significant rail, mass transit, and transit centers across the United States.

**Summary Justification and Explanation of Changes**

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | <b>\$9,636</b> | <b>\$13,958</b> | <b>\$10,317</b> | <b>(\$3,641)</b>       |

Salaries and Benefits includes costs for 96 FTEs in FY 2009. The decrease in FY 2009 reflects the realignment of annualized FTE/FTP for VIPR to the Law Enforcement PPA under the Aviation Security appropriation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | <b>\$1,051</b> | <b>\$859</b>    | <b>\$414</b>    | <b>(\$445)</b>         |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. This funding will be used for local and extended travel to conduct a multitude of transit inspections program management. The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$3            | \$1             | \$1             | (\$0)                  |

Transportation of things includes shipment by common or contract carrier, courier and express mail services, postage and the transportation of household goods for permanent change of station. This funding will be used for the purposes of shipping items used to support inspection activities including: employee training, conferences and inspection reference materials.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA Rent</b> | \$141          | \$145           | \$142           | (\$3)                  |

These funds will be used for payments to GSA for rental of office space for the Surface Transportation Inspectors.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and Misc Charges</b> | \$0            | \$192           | \$47            | (\$144)                |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. This funding will be used for communication equipment and service cost. The decrease in FY 2009 reflects the realignment of mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$0            | \$0             | \$1             | \$1                    |

These funds will provide for all printing and reproduction of reference materials, guides, and manuals used by the Surface Inspectors.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$986          | \$682           | \$411           | (\$272)                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                                     | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Purchases from Govt Accounts</b> | \$0            | \$102           | \$0             | (\$102)                |

The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation and Maintenance of Equipment</b> | \$0            | \$140           | \$47            | (\$93)                 |

These funds will be used for annual and routine maintenance of the Surface Inspector vehicle fleet. The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; Materials</b> | \$162          | \$384           | \$222           | (\$163)                |

Supplies and materials are defined as commodities that are ordinarily consumed or expended within one year after they are put into use. These include: general office and IT supplies, property of little monetary value, vehicle fuel, and publications. The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$29           | \$742           | \$0             | (\$742)                |

Equipment includes all costs for the purchase of property of a durable nature or the initial installation of equipment when performed under contract. The decrease in FY 2009 reflects the realignment of VIPR activities and mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$1,006        | \$4,922         | \$0             | (\$4,922)              |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The decrease in FY 2009 reflects the realignment of mass transit canine funds to the Law Enforcement PPA under the Aviation Security appropriation.

**I: Changes in Full-Time Equivalent**

**Department of Homeland Security  
Transportation Security Administration  
Surface Transportation Security  
Changes in Full-Time Equivalent**

|   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request |
|---|-------------------|--------------------|--------------------|
| <b>Base: Year-end Actual from Prior Year</b>  | <b>226</b>        | <b>226</b>         | <b>326</b>         |
| INCREASES   |                   |                    |                    |
| Increase #1:  |                   |                    |                    |
| Description: Filled vacant positions.   |                   | 100                |                    |
| DECREASES   |                   |                    |                    |
| Decrease #1:  |                   |                    | 10                 |
| Description: Lapse Rate from attrition.   |                   |                    |                    |
| Decrease #2:  |                   |                    | 51                 |
| Description: Realignment of positions and FTE to the new Law Enforcement PPA under Aviation Security appropriation. |                   |                    |                    |
| Decrease #3:  |                   |                    | 35                 |
| Description: Realignment of pay to non pay accounts to accurately reflect the current organization.                 |                   |                    |                    |
| Sub-Total Decreases   | 0                 | 0                  | 96                 |
| <b>Year-end Actual/Estimated FTEs</b>   | <b>226</b>        | <b>326</b>         | <b>230</b>         |
| <b>Net Change from prior year base to Budget Year Estimate:</b>   |                   |                    | <b>96</b>          |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Transportation Security Administration*

*Transportation Threat Assessment and Credentialing*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## TRANSPORTATION SECURITY ADMINISTRATION TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

### I. Appropriation Overview

#### **A. Mission Statement for Transportation Threat Assessment and Credentialing:**

The mission statement for this program is, “To reduce the probability of a successful terrorist or other criminal attack to the transportation system through application of the threat assessment methodologies that are intended to identify known or suspected terrorist threats working or seeking access to the Nation’s transportation system.”

This appropriation supports compliance with:

- National Strategy for Homeland Security,
- USA PATRIOT ACT of 2001 (P.L. 107-56),
- Aviation Transportation Security Act of 2001 (P.L. 107-71),
- Maritime Transportation Security Act of 2002 (P.L. 107-295)
- Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-408), and
- 9/11 Commission Act of 2007 (P.L. 110-53).

These laws provide direction to the Federal Government to protect homeland security, placing special emphasis on deterrence, prevention, interdiction of threats, aggression, and unlawful acts directed toward the United States. The Homeland Security Presidential Directive-11 (HSPD 11), issued August 27, 2004, directed the Department of Homeland Security (DHS), in coordination with other Federal agencies, to “enhance terrorist-related threat assessment through comprehensive, coordinated procedures.”

The objective of HSPD-11 is to more effectively detect and interdict individuals known to engage in terrorist activities or those who are reasonably suspected to be doing so, or who have been engaged in terrorist activities. To that end, the broad range of existing government and private sector security measures and initiatives will be augmented by a comprehensive, coordinated and integrated threat assessment environment. At the same time, implementation of HSPD-11 must facilitate the efficient movement of people, cargo, and conveyances and minimize any negative impacts on related activities. The Presidential Directive requires that these goals be achieved without compromising personal or institutional privacy and with due respect for other rights and freedoms quintessential to the American way of life.

The Office of Transportation Threat Assessment and Credentialing (TTAC) within TSA supports this directive by consolidating the management of all vetting and credentialing programs within

TSA. This office consists of the following screening programs: Secure Flight, Transportation Worker Identification Credential (TWIC), Registered Traveler, Hazardous Materials Commercial Driver's License Endorsement (HazMat CDL), Alien Flight Student Program and Other Vetting Programs. The programs that comprise this appropriation are designed to enhance security for many components (air, land, sea) of the transportation sector and much of the risk-analysis being performed is scalable for use in other sectors of this dynamic network.

Through the use of passenger prescreening processes, the Secure Flight and Registered Traveler programs will improve the Federal government's ability to prevent terrorists from boarding aircraft. The Alien Flight Student program conducts background and terrorist-based checks on aliens and other individuals who seek flight training in the U.S. As part of the certification process, commercial truck drivers seeking to haul hazardous materials in the United States must be cleared through a background check conducted by the HazMat CDL program. The TWIC program provides an identity management system for transportation workers requiring unescorted access to secure areas of the Nation's transportation system. The Other Vetting/Screening Administration and Operations Program merges the Crew Vetting Program with the other smaller vetting and credentialing programs to support the program management and operational costs. The overall purpose of these programs is to provide a structured method of assessing potential threats to the safety and security of the American public through the screening of workers and travelers throughout the transportation industry.

Since TSA cannot predict specific terrorist activity, the name-based threat assessment methodologies employed by the programs within TSA are a very important tool in the fight against terrorism that could quickly be leveraged to further protect the Nation's transportation system.

## **B. Budget Activities:**

### **Secure Flight**

This program will consolidate domestic airline passenger prescreening, that is currently conducted by the airline industry, under one program managed and operated by the Federal government. This consolidation meets the provisions outlined in the Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) and the recommendations of the 9/11 Commission. For the sole purpose of preventing terrorists from boarding aircraft, the Secure Flight program will use an automated process backed by consistent internal analytical procedures to compare specific passenger reservation information against records contained in the Terrorist Screening Center Database. The Secure Flight program will concentrate on airline passengers boarding within the U.S. and its territories. Pre-screening of passengers boarding internationally continues to be done by the U.S. Customs and Border Protection through its Advanced Passenger Information System (APIS). However, both programs are working towards the use of integrated systems to ensure that domestic and international pre-screening is consistent and uniformly effective. The program is completing systems development, focusing on the rulemaking process and testing for operational rollout.

### **Transportation Worker Identification Credential (TWIC)**

Developed in response to threats and vulnerabilities identified in the transportation system, TWIC establishes an integrated, credential-based, identity verification program through the use of biometric technology. In order to gain unescorted access to the secure areas within the Nation's transportation system, transportation workers who need access to these areas will be required to undergo a satisfactory background check before they will be issued a TWIC card. The TWIC card is intended to work as an integrated part of any existing or newly-developed access control system deployed by the transportation sectors. The Prototype Phase concluded in June 2005, with sustained Prototype operations for a limited number of sites through March 2006. TSA and USCG have considered the lessons learned during Prototype in developing the TWIC process model and in writing the Notice of Proposed Rulemaking (NPRM) and Final Rule, which was issued on January 25, 2007. TSA is now in the process of enrolling maritime workers with TWIC cards began in October, 2007. TSA will enroll more than 750,000 workers including longshoremen, truckers, port employees into the TWIC program within 18 months. Operational costs of the program will be entirely funded from fee revenue.

### **Registered Traveler**

Section 109 of the Aviation and Transportation Act of 2001 (P.L. 107-71) authorized TSA to "establish requirements to implement trusted passenger programs and use available technologies to expedite the security screening of passengers who participate in such programs." This section is the basis for the concept that has become the Registered Traveler program. The program seeks to provide these services through a public-private partnership. Individual travelers must apply for "trusted traveler" status through a simplified application process for prescreening, clearance and biometric verification. The information collected from the applicant is screened against terrorist and law enforcement databases. The first prototype phase of this program concluded in 2005 when TSA completed the initial pilot at five airports. The second pilot phase is testing the feasibility of applying a public-private partnership model for the program. During 2006, TSA and private industry worked to establish consistency and interoperability standards for the private sector. The current phase of the RT program, known as the Registered Traveler Interoperability Pilot (RTIP), introduces interoperability among participating airports/air carriers and functionality across larger populations. The RTIP will include up to 20 Sponsoring Entities and the program is currently operational at 15 airports. This program is in operational status and is entirely funded by fee revenue.

### **Hazardous Materials Commercial Drivers License Endorsement Program (HazMat CDL)**

Implemented to meet the mandate of Section 1012 of the USA PATRIOT ACT of 2001 (P.L. 107-56), the goal of this program is to support public safety by ensuring that all commercial drivers transporting hazardous materials are thoroughly checked against terrorist, immigration, and criminal databases. The Department of Transportation established regulations requiring States to issue special endorsements to drivers in order to commercially transport placarded materials defined as hazardous by motor vehicle. The PATRIOT ACT requires that no state may issue hazardous materials endorsement (HME) on a commercial drivers license (CDL) until TSA has determined that the driver is not a security threat. TSA conducts a fingerprint-based background records check on all U.S. drivers seeking to obtain, renew, or transfer a HME on a

CDL and reports the results of the check to the driver and the state. This program is in operational status and is entirely funded by fee revenue.

### **Alien Flight Student Program (AFSP)**

Established under the Vision 100 – Century of Aviation Reauthorization Act (P.L. 108-176), the AFSP reviews and assesses biographic and biometric information of non-U.S. citizens or any other individual (specified by the Secretary of Homeland Security) applying for training in the operation of any aircraft (having a maximum certificated takeoff weight of more than 12,500 pounds) at FAA certified flight schools located both inside and outside the United States. These persons are subject to a security threat assessment based on background and terrorist-based checks. Since its transfer to TSA from the Federal Bureau of Investigation in July 2004, this program was expanded to conduct background checks of non-U.S citizens seeking flight training in aircraft weighing under 12,500. This action was taken to mitigate a critical security weakness in the legislation.

### **Other Vetting/Screening Administration and Operations**

This activity incorporates personnel and operational cost of vetting operations that are not a part of any of the programs described above, as well as TTAC administrative costs, such as the vetting infrastructure and other related information technology costs. These initiatives include:

- Crew Vetting Program
- Secure Identification Display Area (SIDA) checks
- Temporary Flight Restrictions Program
- Twelve-five and charter pilots checks
- DCA Access Standard Security Program
- Maryland-3 small airports checks

### **C. Budget Request Summary:**

For FY 2009, the Transportation Security Administration requests 166 positions, 139 FTE, \$133,018,000 in appropriated funding and \$37,000,000 in fee collection authority for these programs. The program increases include 44 positions, 22 FTE and \$62,000,000 to:

- Continue the expedited implementation of the Secure Flight program and the full assumption of watchlist matching by the end of CY 2009 (24 positions, 12 FTE, and \$32,000,000).
- Enhance the vetting infrastructure to more effectively and efficiently perform vetting operations on vulnerable areas of the transportation system (20 positions, 10 FTE and \$30,000,000).

II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Threat Assessment & Credentialing**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity   | FY 2007 Actual |                 | FY 2008 Revised Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                   |
|--|----------------|-----------------|-------------------------|------------------|-----------------|------------------|--|-----------------|-----------------|-----------------|---------------------|-------------------|
|  | FTE            | AMOUNT          | FTE                     | AMOUNT           | FTE             | AMOUNT           | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                   |
|  |                |                 |                         |                  |                 |                  | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT            |
| Secure Flight  | 45             | \$38,296        | 65                      | \$50,000         | 74              | \$82,211         | 9  | \$32,211        | 12              | 32,000          | (3)                 | 211               |
| Crew Vetting   | 34             | 16,911          | 42                      | 14,990           | ---             | ---              | (42)                                     | (14,990)        | ---             | ---             | (42)                | (14,990)          |
| Other Vetting/Screening Administration and Operations                                    | 13             | 13,986          | 15                      | 9,500            | 65              | 50,807           | 50                                       | 41,307          | 10              | 30,000          | 40                  | 11,307            |
| TWIC Appropriated  | 10             | 9,988           | ---                     | 8,100            | ---             | ---              | ---                                      | (8,100)         | ---             | ---             | ---                 | (8,100)           |
| Registered Traveler Program fees   | ---            | 65              | 12                      | 3,500            | 12              | 10,000           | ---                                      | 6,500           | ---             | ---             | ---                 | 6,500             |
| TWIC fees  | ---            | ---             | 15                      | 64,400           | 15              | 9,000            | ---                                      | (55,400)        | ---             | ---             | ---                 | (55,400)          |
| HAZMAT CDL fees  | 11             | 11,792          | 17                      | 18,000           | 17              | 18,000           | ---                                      | ---             | ---             | ---             | ---                 | ---               |
| <b>Subtotal, Enacted Appropriations and Budget Estimates (Gross Discretionary)</b>       | <b>113</b>     | <b>\$91,038</b> | <b>166</b>              | <b>\$168,490</b> | <b>183</b>      | <b>\$170,018</b> | <b>17</b>                                | <b>\$1,528</b>  | <b>22</b>       | <b>\$62,000</b> | <b>(5)</b>          | <b>(\$60,472)</b> |
| Alien Flight School fees (mandatory)   | 6              | 1,838           | 6                       | 3,000            | 6               | 3,000            | ---                                      | ---             | ---             | ---             | ---                 | ---               |
| <b>SubTotal, Enacted Appropriations and Budget Estimates (Gross Budgetary Resources)</b> | <b>119</b>     | <b>\$92,876</b> | <b>172</b>              | <b>\$171,490</b> | <b>189</b>      | <b>\$173,018</b> | <b>17</b>                                | <b>\$1,528</b>  | <b>22</b>       | <b>\$62,000</b> | <b>(5)</b>          | <b>(\$60,472)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                                      |                |                 |                         |                  |                 |                  |  |                 |                 |                 |                     |                   |
| <b>Credentialing Fees-Discretionary</b>  |                |                 |                         |                  |                 |                  |  |                 |                 |                 |                     |                   |
| Registered Traveler Program fees   | ---            | (13,071)        | ---                     | (3,500)          | ---             | (10,000)         | ---                                      | (6,500)         | ---             | ---             | ---                 | (6,500)           |
| TWIC fees  | ---            | ---             | ---                     | (64,400)         | ---             | (9,000)          | ---                                      | 55,400          | ---             | ---             | ---                 | 55,400            |
| HAZMAT CDL fees  | ---            | (7,000)         | ---                     | (18,000)         | ---             | (18,000)         | ---                                      | ---             | ---             | ---             | ---                 | ---               |
| <b>Net, Discretionary Appropriations and Budget Estimates</b>                            | <b>113</b>     | <b>\$70,967</b> | <b>166</b>              | <b>\$82,590</b>  | <b>183</b>      | <b>\$133,018</b> | <b>17</b>                                | <b>\$50,428</b> | <b>22</b>       | <b>\$62,000</b> | <b>(5)</b>          | <b>(\$11,572)</b> |
| <b>Credentialing Fees-Mandatory</b>  | <b>---</b>     | <b>(3,195)</b>  | <b>---</b>              | <b>(3,000)</b>   | <b>---</b>      | <b>(3,000)</b>   | <b>---</b>                               | <b>---</b>      | <b>---</b>      | <b>---</b>      | <b>---</b>          | <b>---</b>        |
| Alien Flight School fees   | ---            | (3,195)         | ---                     | (3,000)          | ---             | (3,000)          | ---                                      | ---             | ---             | ---             | ---                 | ---               |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Threat Assessment & Credentialing**  
**Program Performance Justification**  
 (Dollars in thousands)

PPA: SECURE FLIGHT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | 65                  | 45         | \$38,296        |
| <b>2008 Enacted</b>          | <b>65</b>           | <b>65</b>  | <b>\$50,000</b> |
| 2009 Adjustments-to-Base     | 0                   | (3)        | \$211           |
| <b>2009 Current Services</b> | <b>65</b>           | <b>62</b>  | <b>\$50,211</b> |
| 2009 Program Change          | 24                  | 12         | \$32,000        |
| <b>2009 Request</b>          | <b>89</b>           | <b>74</b>  | <b>\$82,211</b> |
| Total Change 2008-2009       | 24                  | 9          | \$32,211        |

The Transportation Security Administration requests \$82.2 million for the Secure Flight program. This is an increase of \$32.2 million over FY 2008 and includes \$32.0 million to continue implementation of Secure Flight and for pay and non-pay cost of living adjustments.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

TSA's mission with Secure Flight is to enhance the security of domestic commercial air travel within the United States through the use of improved watch list matching. The program's goals are to:

- Identify known and suspected terrorists;
- Disseminate potential match information to DHS partners;
- Prevent individuals on the No Fly List from boarding an aircraft;
- Reduce the number of misidentified passengers;
- Facilitate passenger air travel; and
- Protect individuals' privacy.

The Secure Flight program is also fully committed to successfully meeting all of the recommendations from the Government Accountability Office's (GAO) March 28, 2005 report as required by the Department of Homeland Security Appropriations Act of 2006 (P.L. 109-90). TSA will continue to work with GAO in order to meet the requirements, secure the certification from the Secretary, and allow GAO to report to Congress.

To date, Secure Flight has achieved the following accomplishments:

- Completed a re-baselining of the program as directed by the TSA Administrator, defined a clear program mission, completed a concept of operations, completed an achievable technical approach, developed an integrated master schedule of activities, established a procurement and contracting schedule and ensured privacy and security were embedded in all aspects of the program;
- Issued the Secure Flight Notice of Proposed Rule Making (NPRM) and received associated comments from industry and public; and
- Completed the Secure Flight system design to include: development of system requirements and identification and mitigation of hardware and software gaps from the current system.

At the current service level of \$50.2 million, the Secure Flight program will:

- Complete Secure Flight Service Center development and testing;
- Begin aircraft operator technical support and vetting passengers concurrently with aircraft operators for system testing;
- Complete DHS certification of the Secure Flight program; and
- Operate and maintain Secure Flight IT system.

The FY 2008 appropriation allows TSA to seek a funds transfer of no more than \$24 million into this program. Congressional approval of this transfer would provide total funding of \$74 million, which would allow TSA to achieve its goal of the government beginning to assume watchlist matching from the air carriers by the second quarter of FY 2009 and complete the all air carriers in early FY 2010.

PPA: OTHER VETTING PROGRAMS

Crew Vetting

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | 42                  | 34         | \$16,911        |
| <b>2008 Enacted</b>          | <b>42</b>           | <b>42</b>  | <b>\$14,990</b> |
| 2009 Adjustments-to-Base     | (42)                | (42)       | (\$14,990)      |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>\$0</b>      |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>\$0</b>      |
| Total Change 2008-2009       | (42)                | (42)       | ( \$14,990)     |

Other Vetting/Screening Administration and Operations

|                                | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|--------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual<sup>1</sup></b> | 15                  | 13         | \$13,986        |
| <b>2008 Enacted</b>            | <b>15</b>           | <b>15</b>  | <b>\$9,500</b>  |
| 2009 Adjustments-to-Base       | 42                  | 40         | \$11,307        |
| <b>2009 Current Services</b>   | <b>57</b>           | <b>55</b>  | <b>\$20,807</b> |
| 2009 Program Change            | 20                  | 10         | \$30,000        |
| <b>2009 Request</b>            | <b>77</b>           | <b>65</b>  | <b>\$50,807</b> |
| Total Change 2008-2009         | 62                  | 50         | \$41,307        |

<sup>1</sup> The FY 2007 EOY Actual includes \$7.6M for the TWIC program and \$1.5M for the Alien Flight Student Program.

The Transportation Security Administration requests \$50.8 million to provide funding for Screening Administration and Operations. The request includes the merger of the Crew Vetting Program into the Other Vetting/Screening Administration and Operations Program as requested in the FY 2008 President's Budget; the program enhancement of \$30.0 million and 10 FTE to enhance the vetting infrastructure to more effectively and efficiently perform vetting operations; and pay and non-pay cost of living adjustments.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

This program currently supports specific management and operational costs of the following vetting activities:

- Crew Vetting Program;
- Secure Identification Display Area (SIDA) checks;
- Alien Flight Student Program (AFSP) Revenue Shortfall;
- 15 Full-Time Equivalents associated with other aviation vetting such as the Temporary Flight Restrictions Program, DCA Access Standard Security Program (DASSP), Twelve-Five and Charter Program, Aviation Waivers, and the Maryland Three Airports;
- Administrative and information technology costs associated with the Office of Transportation Threat Assessment and Credentialing (TTAC).

The program accomplishments during FY 2007 include:

- Stabilization of application input and adjudication systems (the screening gateway) ;
- Definition and implementation of a refined end-to-end process for handling terrorism hits within TTAC screening programs across its TSA/DHS stakeholders; and

- Definition of future requirements for advanced analytic capabilities and identification of techniques for the reduction in security vulnerabilities and identity fraud across TTAC screening programs.

At the FY 2009 current services level of \$20.8 million, this PPA will provide funding for the administrative and operational needs of the following activities:

**Crew Vetting Program:** This program vets domestic and international airline crews entering, departing, or over-flying U.S. airspace against terrorist-related information to determine if they are a potential threat to the aviation system. The Crew Vetting program compares airline crew lists against the FBI's Violent Gang, Terrorist Organization Files (VGTOF), TSA's No-Fly List and Selectee lists, and numerous other watch lists (including U.S. Marshal's Warrant Information Network data and Department of State's lost/stolen passport lists) to assess potential threats of terrorists posing as cleared aviation personnel. The program reviews approximately 2 million crewmembers annually.

**Secure Identification Display Area (SIDA) checks:** Pursuant to the Aviation and Transportation Security Act (ATSA), TSA vets SIDA employees and other aviation workers who have access to the secure areas of the Nation's airports. The program reviews approximately 500,000 aviation workers annually.

**15 Full-Time Equivalents associated with aviation vetting operations** (Temporary Flight Restriction Program, DCA Access Standard Security Program (DASSP), Twelve-Five and Charter Pilots Program, and the Maryland-3 Airports) and the investigation, referral and follow up on these populations.

**Temporary Flight Restriction Program checks:** Pilots, crew members, and passengers on aircraft applying to fly within restricted airspace of the National Capital Regional Area or flying over major National events (Major League baseball stadiums, the Super Bowl, political conventions, etc.) must apply for waivers through the TSA Security Operations, Special Events Unit (49 USC 114). The names are received and a name-based check is conducted against various watch lists and against the National Crime Information Center database. The program reviews approximately 3,000 individuals annually.

**DCA Access Standard Security Program (DASSP) checks:** This program addresses the special aviation security needs of the National Capital Region. Security Threat Assessments (STA) consisting of both name-based and fingerprint-based reviews are conducted on pilots, Armed Security Officers (ASOs), crew, security coordinators, and passengers. TSA reviews the results of both the name-based and fingerprint-based STAs and conducts adjudication as necessary. The program reviews approximately 3,000 individuals annually.

**Twelve-Five and Private Charter Programs:** The 12/5 and Private Charter Programs authorities stem from the final rules for Security Programs for Aircraft Weighing 12,500 pounds or more (49 CFR 1540 and 49 CFR 1544) which were adopted on June 24, 2002. Under these programs, pilots flying aircraft 12,500 pounds or greater must undergo a Criminal History Records Check (CHRC). The TSA reviews the results of these CHRCs and adjudicates them

based on program criteria associated with the 28 Disqualifying Criminal Offenses and a review of the No Fly and Selectee lists. The program reviews approximately 5,000 pilots annually.

**Maryland -3 Airports Program:** Due to the proximity of three small Maryland airports to Washington, D.C., Federal Restricted Flight Zones, pilots and passengers must apply for permission to fly in and out of these airports (Aviation Transportation Security Act – P.L. 107-71). A fingerprint-based criminal history records check and checks against watch lists are conducted. TSA works directly with the pilot and/or their employer to address any issues related to the findings. The program reviews approximately 400 pilots annually.

**Airspace Waivers:** STAs consisting of name-based reviews are conducted on pilots and passengers of international inbound general aviation flights. TSA reviews the results of the name-based STAs and conducts adjudication as needed. The program is currently in pilot phase and reviews approximately 200,000 pilots annually.

PPA: REGISTERED TRAVELER (fee authority)

|                                | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|--------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual<sup>1</sup></b> | ...                 | ...        | \$65            |
| <b>2008 Enacted</b>            | <b>12</b>           | <b>12</b>  | <b>\$3,500</b>  |
| 2009 Adjustments-to-Base       | ...                 | ...        | \$6,500         |
| <b>2009 Current Services</b>   | <b>12</b>           | <b>12</b>  | <b>\$10,000</b> |
| 2009 Program Change            | ...                 | ...        | ...             |
| <b>2009 Request</b>            | <b>12</b>           | <b>12</b>  | <b>\$10,000</b> |
| Total Change 2008-2009         | 0                   | 0          | \$6,500         |

<sup>1</sup>In FY 2007, 8 FTE for the Registered Traveler program were paid out of the Aviation Security appropriation.

The Transportation Security Administration estimates \$10 million in fee collection authority for the Registered Traveler program.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Registered Traveler (RT) concept is authorized under the Aviation and Transportation Security Act (P.L. 107-71) to “Establish requirements to implement trusted passenger programs and use available technologies to expedite security screening of passengers who participate in such programs.” If demand exists, the initial phase of RT (at 10-20 airports) will be followed by a national program implemented through the Federal rulemaking process.

TSA has established four guiding principles for implementation of RT:

- It will be a private sector program;
- Operational costs will be fully funded through user fees;
- It will not disadvantage non-RT travelers; and
- It will not compromise security.

The private sector will identify the marketplace and determine the level of demand for RT services. The private sector will also provide customer relations, conduct enrollment and identity verification services, as well as make capital investments. If private sector interest exists, TSA will perform limited, inherently governmental functions including physical screening at security checkpoints, security threat assessments for adjudication and standard issuance to ensure security and privacy safeguards.

In January 2006, TSA issued guidance to the private industry regarding the collection and storage of biometrics on a security card and the redress process. The Registered Traveler program framework was released by TSA in May 2006. To ensure consistency at all participating airports, TSA tasked private industry to establish stringent interoperability requirements to guarantee that participants are provided with consistent and reliable service as they travel through various airports. The interoperability standards were finalized by private industry in September 2006.

The Privacy Impact Assessment (PIA) was published in September 2006, followed by the publication of the RT Paper Reduction Act (PRA) statement. Concurrently, security, privacy and compliance standards were developed by TSA. The final standards incorporating public comment were completed in October 2006. The industry-recommended technical interoperability standards were reviewed and incorporated into the program standards as necessary.

The current RT pilot, known as the Registered Traveler Interoperability Pilot (RTIP), began in November 2006 to test business and technical interoperability among multiple service providers. As of December 2007, 14 sponsoring entities are currently providing RT services at airport locations. Approximately 63,700 participants are participating in the RT program. In addition, three (3) sponsoring entities are in agreement with a service provider but not yet operational and four (4) sponsoring entities are currently soliciting service providers.

The following airports and air carriers currently provide RT services:

- Albany
- Air France at JFK
- Air Tran Airways at LaGuardia
- British Airways at JFK
- Cincinnati
- Indianapolis
- Jacksonville
- Little Rock
- Orlando
- Reno
- San Francisco
- San Jose
- Virgin Atlantic at JFK and Newark
- Westchester

The following airports and air carriers are in agreement with a service provider but are not yet operational:

- Denver
- Gulfport-Biloxi
- Rochester

The following airports and air carriers are currently soliciting service providers:

- Atlanta
- Oakland
- Washington Dulles
- Washington National

The national program will be implemented through the Federal rulemaking process which began in late CY 2007.

The FY 2009 Request provides funding for continued operational support to airports participating in RT through FY 2008 as well as FY 2009. The fees collected and retained by the Federal government will be used to cover the operational costs of the program.

PPA: TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC) – Fee Authority and Appropriated Funding

| TWIC (fee authority)           | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|--------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual<sup>1</sup></b> | ...                 | ...        | ...             |
| <b>2008 Enacted</b>            | <b>15</b>           | <b>15</b>  | <b>\$64,400</b> |
| 2009 Adjustments-to-Base       | ...                 | ...        | (\$55,400)      |
| <b>2009 Current Services</b>   | <b>15</b>           | <b>15</b>  | <b>\$9,000</b>  |
| 2009 Program Change            | ...                 | ...        | ...             |
| <b>2009 Request</b>            | <b>15</b>           | <b>15</b>  | <b>\$9,000</b>  |
| Total Change 2008-2009         | 0                   | 0          | (\$55,400)      |

<sup>1</sup> In FY2007, the TWIC Program was funded by carry forward appropriated funds (\$10 million). This amount is reflected below within the TWIC appropriated section.

The Transportation Security Administration estimates fee collections of \$9.0 million for the Transportation Worker Identification Credential (TWIC) Program.

| TWIC (appropriated)          | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | 15                  | 10         | <b>\$9,988</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>\$8,100</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (\$8,100)      |
| <b>2009 Current Services</b> |                     |            |                |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | 0                   | 0          | 0              |
| Total Change 2008-2009       | 0                   | 0          | (\$8,100)      |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The TWIC program will enhance security by providing a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities and vessels regulated under the Maritime Transportation Security Act of 2002 (MTSA), (P.L. 107-295). When fully implemented, the program will ensure that the identity of each TWIC holder has been verified; that a satisfactory background check has been completed on that identity; and that each credential issued is positively linked to the rightful holder through the use of biometric technology.

The TWIC Program is being implemented in the maritime environment in accordance with the spirit and requirements of the Aviation and Transportation Security Act of 2001 (P.L. 107-71), and MTSA.

TSA conducted a prototype of the TWIC program at 28 sites primarily focused in three geographic areas (Los Angeles and Long Beach, California; Wilmington, Delaware; Philadelphia, Pennsylvania; and Florida). The Prototype Phase concluded in June 2005, with sustained Prototype operations for a limited number of sites through March 2006. TSA and USCG have considered the lessons learned during Prototype in developing the TWIC process model and in writing the Notice of Proposed Rulemaking (NPRM) and Final Rule.

TWIC’s personal identity verification (PIV) standards and credential issuance closely adhere to those of Homeland Security Presidential Directive 12 (HSPD-12), and its implementing standard, Federal Information Processing Standard (FIPS) 201. The TWIC program is on the leading edge of newly released biometric standards and was first to adopt those common biometric standards in the Federal Government. Adhering to these standards will insure interoperability among physical access control systems that may incorporate different vendor products and technologies. TWIC specifically follows biometric standards of the American National Standards Institute (ANSI) for its pattern-based fingerprint format operational biometric.

The program continues to work with the National Institute of Standards and Technology (NIST) to ensure compliance with appropriate national standards and to develop technology specifications to support the overall program. Most recently, the program worked with a federal advisory committee, the Coast Guard's, National Maritime Security Advisory Committee (NMSAC), to establish recommendations for contact-less biometric and credential readers that would enhance throughput and provide better durability. The NMSAC technology recommendations were published in the Federal Register and public comment was solicited. The program is currently finalizing the reader specifications and will publish a notice of availability in the Federal Register and will post the specification on the TSA website. With \$8.1 million in appropriated funding provided by Congress in FY 2008, TSA will implement a pilot program to test contact-less biometric technologies within the TWIC program.

A Final Rulemaking was issued on January 25, 2007 and addressed over 1900 comments from the public. The final rule includes important changes from the prototype, such as the ability to provide a discount for FAST card holders, documented merchant mariners, and truckers with Hazardous Material Endorsements. The TWIC blueprint was updated to align the system with the final rule. These key changes to the program had to be tested to ensure the TWIC technology systems met program requirements and could support nationwide deployment. Based on current testing progress, the program began TWIC cardholder enrollment in the fall of 2007.

After establishing the first enrollment site in Wilmington, Delaware in the fall of 2007, TSA continues to roll out the program across the nation. Approximately 130 fixed enrollment centers will be established during FY 2008 to complete enrollments in 18 months. Additional mobile enrollment stations will be deployed to provide greater coverage to enroll the maritime population. TSA expects to enroll approximately 810,880 workers in FY 2008. After completing the initial enrollment of all maritime workers in October 2008, the program will move into a sustainment mode in FY 2009 and will continue to support enrollment centers nationwide for new maritime workers, workers requiring a replacement card, and workers renewing their TWIC.

The TWIC Program has established applicant fees to sufficiently recover the cost of providing this security service. The standard TWIC Fee is \$132.50 per applicant. A reduced TWIC fee of \$105.25 has also been established for those applicants that have previously completed a comparable security threat assessment. The card replacement fee is \$60.00. The credential is valid for five years and revenue generated from these security fees will only be used to support the TWIC program.

PPA: HAZARDOUS MATERIALS CDL ENDORSEMENT PROGRAM (fee authority)

|                          | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|--------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>       | 17                  | 11         | \$11,792        |
| <b>2008 Enacted</b>      | <b>17</b>           | <b>17</b>  | <b>\$18,000</b> |
| 2009 Adjustments-to-Base | ...                 | ...        | ...             |

|                              |           |           |                 |
|------------------------------|-----------|-----------|-----------------|
| <b>2009 Current Services</b> | <b>17</b> | <b>17</b> | <b>\$18,000</b> |
| 2009 Program Change          | ...       | ...       | ...             |
| <b>2009 Request</b>          | <b>17</b> | <b>17</b> | <b>\$18,000</b> |
| Total Change 2008-2009       | ...       | ...       | ...             |

The Transportation Security Administration estimates fee collection of \$18.0 million in the Hazardous Material Commercial Driver’s License Endorsement Program.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The TSA Hazardous Materials Commercial Driver’s License Endorsement (HazMat CDL) Program is an important and key component of the DHS/TSA layered approach to transportation security. The program was established to fulfill the statutory requirements of both the USA PATRIOT and Safe Explosives Acts to further protect against the threats to transportation posed by terrorists, dangerous criminals, and illegal aliens that may attempt to transport hazardous materials in commerce.

The TSA HazMat CDL Program conducts a security threat assessment on drivers applying to obtain, renew, or transfer a hazardous materials endorsement (HME) on their state-issued Commercial Driver's License (CDL). The security threat assessment includes (1) a fingerprint-based FBI criminal history records check, (2) a citizenship status check, and (3) an intelligence-related check against a variety of federal databases for ties to terrorism.

Congress directed that this program be fee-based and self-sustaining. TSA published a Final Fee Rule on January 13, 2005, and established the fee levels, which are comprised of three elements: the cost for collecting and processing fingerprint and application information; the fee the FBI cost to run the fingerprints against the criminal history records; and a TSA program fee to cover costs to administer the program, including conducting the security threat assessments.

The Rule specifies that each state could elect to perform driver biographic and biometric (fingerprint) information collection, or to have a TSA contractor perform these functions. Sixteen states are collecting biographic information and biometric data through its own established programs (one state is in the process of switching to the TSA Agent). These states established their own fees for the collection and processing of biographic and biometric information, and submitted driver fingerprints directly to the FBI while separately forwarding driver applications for the security threat assessment to TSA. The remaining 34 states and the District of Columbia have elected to have TSA perform these functions.

The current TSA program fee is \$34. This fee is charged to every applicant applying for a security threat assessment regardless of the state of issuance. In states serviced by the TSA contractor, the FBI fee for the criminal history record check is \$22 and the cost of collecting and submitting the application information and fingerprints is \$38. The total fee collected in those states is \$94.

The HazMat CDL program has processed nearly 700,000 applications, and currently processes over 95 percent of applications in five days or less. The HazMat CDL program has a robust redress process, including appeals, waivers and Administrative Law Judge review. In FY 2009, the program is expected to conduct threat assessments on approximately 300,000 applicants, a continued increase from the program’s inception that confirms the vital role of improving the safety and protection of passengers and freight traveling on our Nation’s highways. The FY 2009 request provides full funding from fee collection for operational costs.

PPA: ALIEN FLIGHT STUDENT PROGRAM (mandatory fee authority)

|                                 | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|---------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b> <sup>1</sup> | 6                   | 6          | \$1,838        |
| <b>2008 Enacted</b>             | <b>6</b>            | <b>6</b>   | <b>\$3,000</b> |
| 2009 Adjustments-to-Base        | ...                 | ...        | ...            |
| <b>2009 Current Services</b>    | <b>6</b>            | <b>6</b>   | <b>\$3,000</b> |
| 2009 Program Change             | ...                 | ...        | ...            |
| <b>2009 Request</b>             | <b>6</b>            | <b>6</b>   | <b>\$3,000</b> |
| Total Change 2007-2008          | 0                   | 0          | 0              |

<sup>1</sup> In FY 2007, the Alien Flight Student Program was funded partially by appropriated funds (\$1.5 million) from the Screening Administration and Operations (SAO) PPA. This amount is reflected in the Other Vetting/SAO section.

The Transportation Security Administration estimates \$3.0 million in fee collection authority for the Alien Flight Student Program.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Alien Flight Student Program (AFSP) conducts terrorist, immigration, and criminal-background checks on all alien flight students applying for all flight training in the U.S. or abroad at FAA certified flight training locations. Applicants include pilots/student pilots training on aircraft that are subject to a security threat assessment in accordance with Vision 100 – Century of Aviation Reauthorization Act (P.L. 108-176). Pilots identified as a “threat to aviation or national security” under this program will be denied training. Successful execution of this program will enhance the security and safety of the transportation system both domestically and internationally.

The Program reviews and assesses both biographic and biometric information to identify individuals who pose a security threat. Prior to the September 11<sup>th</sup> attacks, there were no systematic security checks performed on alien pilots who receive flight training at flight schools located either inside or outside the United States.

Section 612 of the Vision 100 – Century of Aviation Reauthorization Act (P.L. 108-176) transferred the function of screening alien flight students who are applying for flight training at flight schools from the Attorney General to the Secretary of Homeland Security (and subsequently delegated to the TSA). The Act also gives the Secretary of Homeland Security the fee authority to offset costs of vetting aliens who apply for flight training. However, the same language specifically excludes recurrent training from the definition of “flight training.”

Excluding recurrent trainees creates a security weakness by which trainees could falsely claim recurrent training status. Attempts to exploit this systemic weakness have been identified. In consideration of this security loophole and the fact that alien students applying for recurrent training comprise 55-60 percent of all applications received and processed by the AFSP, TSA currently conducts checks on recurrent trainees to verify their identity and to confirm their training status. Since TSA does not have authority to charge a fee for recurrent trainees, TSA has been absorbing this \$1.5 million cost for the last two years out of Other Vetting/Screening Administration and Operations (SAO). TSA is seeking the change in the authorizing language to permit TSA to charge a fee to recurrent trainees seeking application through the AFSP. This language will be transmitted separately to the authorization committees. The proposal seeks to establish this fee through Notice in the Federal Register. The FY 2009 request level has been reduced by \$1.5 million in anticipation of approval of this authority.

AFSP processed 29,909 applications by the end of fiscal year 2007. This is an increase of over 12,909 over the expected FY 2007 application figure of 17,000. It is expected that this level of applications will be sustained in FY 2008 and FY 2009.

The program also began migrating 10-print fingerprints data to a common DHS platform, which will allow for the leveraging of program data to other DHS components. This effort is of particular interest to Immigration and Customs Enforcement’s Student and Exchange Visitor Information System and will enhance both programs’ capability to more closely monitor attendance and status of students in training.

AFSP currently collects a fee of \$130 per applicant. This fee includes \$98 for extensive TSA international and domestic threat assessments, \$22 for an FBI criminal history records check, and \$10 for fingerprint and application processing. However, as stated above, this fee is insufficient to cover the necessary program costs.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Transportation Security Administration  
 Transportation Threat Assessment and Credentialing  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1:**                      Secure Flight

Strategic Goal(s) & Objective(s): TSA’s goal with Secure Flight is to protect our nation from dangerous people by strengthen the screening of travelers and workers in order to achieve a reduction in the risk of potential terrorists, instruments of terrorism, or other unlawful activities from threatening our transportation systems. The program’s specific goals are to:

- Identify known and suspected terrorists;
- Disseminate potential match information to DHS partners;
- Prevent individuals on the No Fly List from boarding an aircraft;
- Reduce the number of misidentified passengers
- Facilitate passenger air travel; and
- Protect individuals’ privacy.

PPA: Secure Flight

Program Increase:      Positions 24    FTE 12    Dollars \$32,000

Funding Profile

|                               | FY 2007 Actual |           |                 | FY 2008 Enacted Budget |           |                 | FY 2009 Request |           |                 |
|-------------------------------|----------------|-----------|-----------------|------------------------|-----------|-----------------|-----------------|-----------|-----------------|
|                               | Pos            | FTE       | Dollars (\$000) | Pos                    | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level        |                |           |                 |                        |           |                 | 65              | 62        | 50,211          |
| Program Increase              |                |           |                 |                        |           |                 | 24              | 12        | 32,000          |
| <b>Budget Request</b>         | <b>65</b>      | <b>45</b> | <b>38,296</b>   | <b>65</b>              | <b>65</b> | <b>\$50,000</b> | <b>89</b>       | <b>74</b> | <b>82,211</b>   |
| <b>Increment above budget</b> |                |           |                 |                        |           |                 |                 |           |                 |

Description of Item

This FY 2009 submission, which includes an additional 24 positions, 12 FTE and \$32 million, coupled with the Congressional approval to transfer \$24 million in FY 2008, would allow TSA to continue implementation of the Secure Flight program and the full assumption of watchlist matching for all carriers in early FY 2010. Without this funding, the program will not be able to assume full watchlist matching until FY 2012. The FY 2009 requested funding would cover costs associated with:

- 1) Staffing for parallel operations and eventual full operations,
- 2) Operations and maintenance (O&M) costs for the program service center and data center,
- 3) Systems development and maintenance, and
- 4) Annual program management costs such as administration, policy, security, leases, etc.

### Justification

As called for by the provisions of the Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) and the recommendations of the 9/11 Commission, this program is necessary to consolidate domestic airline passenger prescreening, that is currently conducted by the airline industry, under one program managed and operated by the Federal Government.

When implemented, Secure Flight will close several critical capability gaps currently affecting U.S. air travel. Secure Flight will:

- Decrease the chance for compromised watch list data by centralizing use of comprehensive watch lists;
- Increase the speed at which threats are identified, allowing for expedited notification of law enforcement and threat management;
- Provide a fair, equitable, and consistent matching process across all aircraft operators; and
- Offer an expedited and integrated redress process for passengers misidentified as a threat.

The Secure Flight program will work closely with the Office of Screening Coordination Operations and with the U.S. Customs and Border Protection, to integrate the systems and processes in order to ensure that domestic and international pre-screening is consistent and uniformly effective.

Although this program has gone through many delays and design/development hurdles, all of the major milestones have now been met to where the program is now finishing development and is poised to begin implementation in FY 2008 and to begin the government assuming watchlist matching in FY 2009.

### Impact on Performance (Relationship of Increase to Strategic Goals)

This request will support DHS's Goal 1 Protect our Nation from Dangerous People; Objective 1.3 Strengthen Screening of Travelers and Workers. TSA's goal with Secure Flight is to strengthen screening of travelers and workers in order to achieve a reduction in the risk of potential terrorists, instruments of terrorism, or other unlawful activities from threatening our transportation systems. The program's goals are to:

- Identify known and suspected terrorists;
- Disseminate potential match information to DHS partners;
- Prevent individuals on the No Fly List from boarding an aircraft;
- Reduce the number of misidentified passengers

- Facilitate passenger air travel; and
- Protect individuals' privacy.

**Program Increase 2:**                    Vetting Infrastructure Improvements

Strategic Goal(s) & Objective(s):    TSA's goal with Other Vetting is to protect our nation from dangerous people by strengthening the screening of travelers and workers in order to achieve a reduction in the risk of potential terrorists, instruments of terrorism, or other unlawful activities from threatening our transportation systems.

PPA:    Other Vetting (formerly Crew Vetting PPA and Screening Administration and Operations PPA)

Program Increase:    Positions 20    FTE 10    Dollars \$30,000

Funding Profile

|                               | FY 2007 Actual |           |                 | FY 2008 Enacted Budget |           |                 | FY 2009 Request* |           |                 |
|-------------------------------|----------------|-----------|-----------------|------------------------|-----------|-----------------|------------------|-----------|-----------------|
|                               | Pos            | FTE       | Dollars (\$000) | Pos                    | FTE       | Dollars (\$000) | Pos              | FTE       | Dollars (\$000) |
| Current Services Level        |                |           |                 |                        |           |                 | 57               | 55        | 20,807          |
| Program Increase              |                |           |                 |                        |           |                 | 20               | 10        | 30,000          |
| <b>Budget Request</b>         | <b>15</b>      | <b>13</b> | <b>13,986</b>   | <b>15</b>              | <b>15</b> | <b>9,500</b>    | <b>77</b>        | <b>65</b> | <b>50,807</b>   |
| <b>Increment above budget</b> |                |           |                 |                        |           |                 |                  |           |                 |

\* FY 2009 includes the merger of the Crew Vetting PPA into the Other Vetting PPA as requested in the FY 2008 President's Request.

Description of Item

TSA requests an increase of 20 positions, 10 FTE and \$30.0 million to enhance and stabilize the infrastructure necessary to perform vetting operations on populations that access the most critical infrastructure.

Justification

TSA provides STA's of individual applicants for credential, license or access privilege to the Nation's Transportation and other Critical Infrastructure. The STA is a key security layer in the counter-terrorism mission of preventing attacks on our Nation's Critical Infrastructure. The

assessment includes the comparison of applicant biographic and biometric information against terrorism, criminal, and immigration watch lists (vetting) and the subsequent referral and follow-up on individual matches.

The goal of this enhancement is to eliminate existing vulnerabilities due to 1) uncoordinated business processes, 2) disconnected and duplicative systems, 3) high system complexity, 3) ad-hoc and manual review and adjudication processes, and 4) looking at one application and one individual at a time.

The threat assessment infrastructure was not built as an integrated set of capabilities to support multiple programs. Rather, it is the aggregation of the stove-piped solutions for individual programs. For example, the vetting engine that matches names against federal watch lists was initially developed for International Crew Vetting with a target population of one million applicants. Data aggregation and minimal case management was developed for the Hazardous Materials Endorsement program with a target population of 2.5 million applicants. Individual components of the infrastructure have been leveraged to support other credentialing programs such as Transportation Worker Identity Credential, Registered Traveler, Airport sterile and Secure Identification Display Area workers.

The infrastructure is now operating a perpetual watch list check on a total population of approximately 7 million applicants. While TSA has been able to leverage this infrastructure to expand security into additional programs, the infrastructure and vetting operations are reaching capacity and require enhancement and stabilization activities. In order to address and mitigate identified security vulnerabilities in a consistent and cost effective manner, these stove-piped solutions need to be optimized in an infrastructure to provide threat assessment for current and planned future populations.

TSA requires an integrated end-to-end capability to conduct and manage identities, credentials and benefits, investigations, and STA's for a growing population. Person-centric enrollment and roll management services are needed to track individual vetting requests from receipt through the issuance/denial process, to support periodic re-certification, to respond to updated watch lists, to revoke credentials as needed, and to purge personally identifying information per the NARA records schedule. In addition, for privacy purposes, TSA must take measures to ensure the quality of personally identifiable data used in the vetting process.

The requested enhancement of 20 positions and \$30.0 million will meet mission critical objectives and stabilize the threat assessment capability.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

This request will support DHS Goal 1 Protect our Nation from Dangerous People; Objective 1.3 Strengthen Screening of Travelers and Workers. TSA's goal with Other Vetting is to strengthen screening of travelers and workers in order to achieve a reduction in the risk of potential terrorists, instruments of terrorism, or other unlawful activities from threatening our transportation systems. Specifically, this initiative increases the screening of individuals accessing the Nation's transportation systems. This stabilization and enhancement to the TSA

infrastructure will enable cross population analysis and provide fee alignment for individuals with multiple credentials. While a full Life Cycle Cost Estimate is currently under development during the FY 2008 planning activities, the ability to use the same infrastructure for all programs, rather than individual stove-piped solutions, is expected to provide significant cost savings over the life of the system.

Additional performance impacts include developing:

- A flexible and scalable set of services that uses like-business rules to access like-security threats;
- A person-centric threat assessment management systems and processes, with a common approach for information collection, vetting, verification and use, based on assessment of the risks presented;
- The technical, interoperable capability to share a person-centric and aggregate needs-specific view, crossing all encounters across the department and with other Federal Agencies, State, Local, and Tribal Governments, and private commercial entities engaged in screening and critical infrastructure protection activities; and
- Integrated Data Integrity and Information Assurance.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Transportation Security Administration  
Justification of Proposed Changes in  
Transportation Threat Assessment and Credentialing  
Appropriation Language**

For necessary expenses for the development and implementation of screening programs of the Office of Transportation Threat Assessment and Credentialing, [\$82,590,000] **\$133,018,000**, to remain available until September 30, [2009] **2010**: [Provided, That if the Assistant Secretary of Homeland Security (Transportation Security Administration) determines that the Secure Flight program does not need to check airline passenger names against the full terrorist watch list, then the Assistant Secretary shall certify to the Committees on Appropriations of the Senate and the House of Representatives that no significant security risks are raised by screening airline passenger names only against a subset of the full terrorist watch list.] (Department of Homeland Security Appropriations Act, 2008.)

#### **Explanation of Changes:**

No substantive changes proposed.

**B: FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|--|-------------|------------|-----------------|
| <b>2007 Actual</b>   | <b>160</b>  | <b>119</b> | <b>92,876</b>   |
| <b>2008 Enacted</b> .....                                      | <b>172</b>  | <b>172</b> | <b>171,490</b>  |
| <b>Adjustments-to-Base</b>                                     |             |            |                 |
| Realignments to and from other accounts:                       |             |            |                 |
| Other Vetting: Realign Crew Vetting into this PPA              | 42          | 42         | 14,990          |
| Other Vetting: Realign SIDA from HQ Admin                      | ---         | ---        | 2,000           |
| Crew Vetting: Realign into the Other Vetting PPA               | (42)        | (42)       | (14,990)        |
| <b>Total Realignments</b> .....                                | <b>---</b>  | <b>---</b> | <b>2,000</b>    |
| <br>Increases  |             |            |                 |
| Annualization of prior year funding.....                       | ---         | ---        |                 |
| Annualization of the 2008 pay raise .....                      |             |            | 166             |
| 2009 pay increase  | ---         | ---        | 412             |
| Non-pay inflation excluding GSA Rent                           | ---         | ---        | 1,139           |
| Realign savings from Lapse rate to non-pay to support programs | ---         | ---        | 595             |
| Registered Traveler Fee increase                               |             |            | 6,500           |
| <b>Total Increases</b> .....                                   | <b>---</b>  | <b>---</b> | <b>8,812</b>    |
| <br>Decreases  |             |            |                 |
| Lapse Rate   |             | (5)        | (595)           |
| Non-recurring One-time Costs in PPA's                          |             |            | (5,700)         |
| TWIC Appropriated funded in FY 08, not in FY 09                |             |            | (8,100)         |
| TWIC Decrease in Collecting Fees in FY 09                      |             |            | (55,400)        |
| Efficiencies   |             |            | (1,489)         |
| <b>Total Decreases</b> .....                                   | <b>---</b>  | <b>(5)</b> | <b>(71,284)</b> |
| <b>Total Adjustments-to-Base</b> .....                         | <b>---</b>  | <b>(5)</b> | <b>(60,472)</b> |
| <b>2009 Current Services</b> .....                             | <b>172</b>  | <b>167</b> | <b>111,018</b>  |
| <br><b>Program Changes</b>                                     |             |            |                 |
| Secure Flight  | 24          | 12         | 32,000          |
| Other Vetting/Screening Administration & Credentialing         | 20          | 10         | 30,000          |
| <b>Total Program Changes</b> .....                             | <b>44</b>   | <b>22</b>  | <b>62,000</b>   |
| <br><b>2009 Request</b> <sup>1</sup> .....                     | <b>216</b>  | <b>189</b> | <b>173,018</b>  |
| <br><b>2008 to 2009 Total Change</b> .....                     | <b>44</b>   | <b>17</b>  | <b>1,528</b>    |

<sup>1</sup> The 2009 request includes both mandatory and discretionary funding.

**C. Summary of Requirements**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Summary of Requirements  
(Dollars in Thousands)**

|   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 2009 Request              |           |              |
|---|----------------------|------------|----------------|--------------------------|------------|-----------------|---------------------|-----------|---------------|--------------|------------|----------------|---------------------------|-----------|--------------|
|   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | Perm. Pos.                | FTE       | Amount       |
| <b>2007 Actual</b>  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 160                       | 119       | \$92,876     |
| <b>2008 Enacted <sup>1</sup></b>  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 172                       | 172       | 171,490      |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details)              |                      |            |                |                          |            |                 |                     |           |               |              |            |                |                           |           |              |
| Realignments  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | ---                       | ---       | 2,000        |
| Increases   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | ---                       | ---       | 8,812        |
| Decreases   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | ---                       | (5)       | (71,284)     |
| Total Adjustments-to-Base   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | ---                       | (5)       | (60,472)     |
| <b>2009 Current Services</b>  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 172                       | 167       | 111,018      |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)                  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 44                        | 22        | 62,000       |
| <b>2009 Total Request <sup>1</sup></b>  |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 216                       | 189       | 173,018      |
| 2008 to 2009 Total Change   |                      |            |                |                          |            |                 |                     |           |               |              |            |                | 44                        | 17        | 1,528        |
| Estimates by Program/Project Activity   | 2008 Revised Enacted |            |                | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |           |               | 2009 Request |            |                | 2008 to 2009 Total Change |           |              |
|   | Pos.                 | FTE        | Amount         | Pos.                     | FTE        | Amount          | Pos.                | FTE       | Amount        | Pos.         | FTE        | Amount         | Pos.                      | FTE       | Amount       |
| 1 Secure Flight   | 65                   | 65         | \$50,000       | 0                        | (3)        | \$211           | 24                  | 12        | \$ 32,000     | 89           | 74         | 82,211         | 24                        | 9         | \$32,211     |
| 2 Crew Vetting  | 42                   | 42         | \$14,990       | (42)                     | (42)       | (\$14,990)      | 0                   | 0         | \$ ---        | ---          | ---        | ---            | (42)                      | (42)      | (\$14,990)   |
| 3 Screening Administration & Operations   | 15                   | 15         | \$9,500        | 42                       | 40         | \$11,307        | 20                  | 10        | \$ 30,000     | 77           | 65         | 50,807         | 62                        | 50        | \$41,307     |
| 4 TWIC Appropriated   |                      | 0          | \$8,100        |                          | 0          | (\$8,100)       |                     | 0         | \$ ---        |              | ---        | ---            |                           | ---       | (\$8,100)    |
| 5 Registered Traveler (Fees)  | 12                   | 12         | \$3,500        | 0                        | 0          | \$6,500         | 0                   | 0         | \$ ---        | 12           | 12         | 10,000         | ---                       | ---       | \$6,500      |
| 6 TWIC (Fees)   | 15                   | 15         | \$64,400       | 0                        | 0          | (\$55,400)      | 0                   | 0         | \$ ---        | 15           | 15         | 9,000          | ---                       | ---       | (\$55,400)   |
| 7 HAZMAT (Fees)   | 17                   | 17         | \$18,000       | 0                        | 0          | \$0             | 0                   | 0         | \$ ---        | 17           | 17         | 18,000         | ---                       | ---       | \$0          |
| <b>Subtotal, Enacted Approp. and Budget Estimates (Gross Discretionary)</b>           | <b>166</b>           | <b>166</b> | <b>168,490</b> | <b>---</b>               | <b>(5)</b> | <b>(60,472)</b> | <b>44</b>           | <b>22</b> | <b>62,000</b> | <b>210</b>   | <b>183</b> | <b>170,018</b> | <b>44</b>                 | <b>17</b> | <b>1,528</b> |
| 7 Alien Flight Student Program (Fees)   | 6                    | 6          | \$3,000        | 0                        | 0          | \$0             | 0                   | 0         | \$ ---        | 6            | 6          | 3,000          | ---                       | ---       | \$0          |
| <b>Total Enacted Appropriation &amp; Budget Estimates (Gross Budgetary Resources)</b> | <b>172</b>           | <b>172</b> | <b>171,490</b> | <b>---</b>               | <b>(5)</b> | <b>(60,472)</b> | <b>44</b>           | <b>22</b> | <b>62,000</b> | <b>216</b>   | <b>189</b> | <b>173,018</b> | <b>44</b>                 | <b>17</b> | <b>1,528</b> |

<sup>1</sup> The 2008 and 2009 request includes both mandatory and discretionary funding.

**D. Summary of Reimbursable Resources**

Not Applicable.

## E: Summary of Requirements by Object Class

**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Threat Assessment & Credentialing**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual  | 2008 Revised<br>Enacted | 2009 <sup>1</sup><br>Request | 2008 - 2009<br>Change |
|---|-----------------|-------------------------|------------------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$12,106        | \$19,100                | \$22,093                     | \$2,993               |
| 11.3 Other than full-time permanent                   | \$0             | \$512                   | \$495                        | (17)                  |
| 11.5 Other Personnel Compensation                     | \$677           | \$680                   | \$987                        | 307                   |
| 12.1 Benefits   | \$3,062         | \$5,148                 | \$5,734                      | 586                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$15,845</b> | <b>\$25,440</b>         | <b>\$29,309</b>              | <b>\$3,869</b>        |
| <b>Other Object Classes:</b>                          |                 |                         |                              |                       |
| 21.0 Travel   | \$210           | \$821                   | \$292                        | (529)                 |
| 22.0 Transportation of things                         | \$12            | \$83                    | \$63                         | (20)                  |
| 23.1 GSA rent   | \$0             | \$55                    | \$55                         | ---                   |
| 23.2 Other rent                                       | \$2,600         | \$2,983                 | \$2,985                      | 2                     |
| 23.3 Communications, utilities, & other misc. charges | \$1,407         | \$610                   | \$625                        | 15                    |
| 24.0 Printing and reproduction                        | \$7             | \$0                     | \$0                          | ---                   |
| 25.1 Advisory and assistance services                 | \$25,292        | \$76,766                | \$30,128                     | (46,638)              |
| 25.2 Other services                                   | \$30,507        | \$36,803                | \$88,346                     | 51,543                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$1,749         | \$5,803                 | \$5,874                      | 71                    |
| 25.4 Operation & maintenance of facilities            | \$124           | \$50                    | \$0                          | (50)                  |
| 25.7 Operation and maintenance of equipment           | \$7,602         | \$3,830                 | \$3,227                      | (603)                 |
| 25.8 Subsistence and support of persons               | \$0             | \$0                     | \$0                          | ---                   |
| 26.0 Supplies and materials                           | \$171           | \$3,274                 | \$1,254                      | (2,020)               |
| 31.0 Equipment  | \$7,350         | \$14,972                | \$10,860                     | (4,112)               |
| <b>Total, Other Object Classes</b>                    | <b>\$77,031</b> | <b>146,050</b>          | <b>\$143,709</b>             | <b>(\$2,341)</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$92,876</b> | <b>\$171,490</b>        | <b>\$173,018</b>             | <b>\$1,528</b>        |
| Unobligated balance, start of year                    | ---             | 5,129                   | ---                          | ---                   |
| Unobligated balance, end of year                      | 5,129           | ---                     | ---                          | ---                   |
| Recoveries of prior year obligations                  | ---             | ---                     | ---                          | ---                   |
| <b>Total requirements</b>                             | <b>\$98,005</b> | <b>\$176,619</b>        | <b>\$173,018</b>             | <b>\$1,528</b>        |

<sup>1</sup> The 2009 Request includes both mandatory and discretionary funding.

**F: Permanent Positions by Grade**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Permanent Positions by Grade**

| Grades and Salary Ranges                | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-------------------------|-----------------|------------------------|
|   | Pos.           | Pos.                    | Pos.            | Total                  |
| Total, SES                              | 1              | 1                       | 1               | ---                    |
| L Band                                  | 5              | 5                       | 5               | ---                    |
| K Band                                  | 31             | 33                      | 42              | 9                      |
| J Band                                  | 37             | 40                      | 57              | 17                     |
| I Band                                  | 32             | 35                      | 45              | 10                     |
| H Band                                  | 25             | 27                      | 35              | 8                      |
| G Band                                  | 21             | 23                      | 23              | ---                    |
| F Band                                  | 8              | 8                       | 8               | ---                    |
|   |                |                         |                 | ---                    |
| Other Graded Positions                  |                |                         |                 | ---                    |
| Ungraded Positions                      |                |                         |                 |                        |
| <b>Total Permanent Positions</b>        | <b>160</b>     | <b>172</b>              | <b>216</b>      | <b>44</b>              |
| Unfilled Positions EOY                  |                |                         |                 | ---                    |
| Total Perm. Employment EOY              | 160            | 172                     | 216             | 44                     |
| <b>FTE</b>                              | <b>119</b>     | <b>172</b>              | <b>189</b>      | <b>17</b>              |
| Headquarters                            | 102            | 102                     | 141             | 39                     |
| U.S. Field                              | 70             | 70                      | 75              | 5                      |
| Foreign Field                           | ---            | ---                     | ---             | ---                    |
| <b>Total Permanent Positions</b>        | <b>160</b>     | <b>172</b>              | <b>216</b>      | <b>44</b>              |
| <b>Average ES Salary</b>                | \$ 160,836     | \$ 166,465              | \$ 171,459      | \$ 4,994               |
| <b>Average Salary, Banded Positions</b> | \$ 100,924     | \$ 104,456              | \$ 107,590      | \$ 3,134               |
| <b>Average Band</b>                     | J              | J                       | J               |                        |

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable.**

## H. PPA Budget Justifications

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Secure Flight  
Funding Schedule  
(Dollars in Thousands)**

| PPA: Secure Flight                 |  | 2007<br>Actual | 2008<br>Revised<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------------|--|----------------|----------------------------|-----------------|------------------------|
| <b>Object Classes:</b>             |  |                |                            |                 |                        |
| 11.1                               | Perm Positions                             | \$5,205        | \$8,890                    | \$10,800        | \$1,910                |
| 11.3                               | Other than perm                            |                | 458                        | 488             | 30                     |
| 11.5                               | Other per comp                             | 351            | 367                        | 419             | 52                     |
| 11.6                               | Pay Diff (Sun/Night)                       |                |                            |                 | ---                    |
| 11.8                               | Spec Srvc Pay                              |                |                            |                 | ---                    |
| 12.1                               | Benefits                                   | 1,295          | 2,920                      | 3,141           | 221                    |
| 13.0                               | Benefits-former                            |                | ---                        |                 | ---                    |
| <b>Other Object Classes</b>        |  |                |                            |                 |                        |
| 21.0                               | Travel                                     | 55             | 60                         | 62              | 2                      |
| 22.0                               | Transportation of things                   | 1              |                            |                 | ---                    |
| 23.2                               | Other rent                                 | 2,600          | 2,983                      | 2,985           | 2                      |
| 23.3                               | Communication, Utilities, and misc charges | 767            | ---                        | ---             | ---                    |
| 24.0                               | Printing                                   | 7              |                            |                 | ---                    |
| 25.1                               | Advisory & Assistance Services             | 12,538         | 5,630                      | 5,675           | 45                     |
| 25.2                               | Other Services                             | 4,884          | 16,929                     | 46,674          | 29,745                 |
| 25.3                               | Purchase from Govt. Accts.                 |                | 2,773                      | 2,843           | 70                     |
| 25.4                               | Operation & maintenance of facilities      | 92             |                            |                 | ---                    |
| 25.7                               | Operation & maintenance of equipment       | 5,469          | 1,562                      | 1,609           | 47                     |
| 25.8                               | Subsistence & Support of persons           |                |                            |                 | ---                    |
| 26.0                               | Supplies & materials                       | 84             | 1,080                      | 1,102           | 22                     |
| 31.0                               | Equipment                                  | 4,948          | 6,348                      | 6,413           | 65                     |
| <b>Total, Other Object Classes</b> |  | <b>31,445</b>  | <b>37,365</b>              | <b>67,363</b>   | <b>29,998</b>          |
| <b>Total, Secure Flight</b>        |  | <b>38,296</b>  | <b>50,000</b>              | <b>82,211</b>   | <b>32,211</b>          |
| Full Time Equivalents              |  | 45             | 65                         | 74              | 9                      |

### PPA Mission Statement

The mission of the Secure Flight Program is to significantly improve the Federal Government's ability to prevent terrorists from boarding aircraft, help move passengers through airport screening more quickly, and reduce the number of individuals selected for secondary screening, while fully protecting passengers' privacy and civil liberties.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Salaries and Benefits</b> | <b>\$6,851</b> | <b>\$12,635</b>         | <b>\$14,848</b> | <b>\$2,213</b>        |

The increase provides for the annualization of the 2008 pay increase, the projected 2.9% 2009 pay increase, and the additional 12 FTE.

|               | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Travel</b> | <b>\$55</b>    | <b>\$60</b>             | <b>\$62</b>     | <b>\$2</b>            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$2,000 for increased travel related to the roll out of the Secure Flight platform.

|                   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Other Rent</b> | \$2,600        | \$2,983                 | \$2,985         | \$2                   |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$2,000 for increased rent related to the roll out of the Secure Flight platform.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$12,538       | \$5,630                 | \$5,675         | \$45                  |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$45,000 for increased contracting related to the roll out of the Secure Flight platform.

|                       | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Other Services</b> | \$4,884        | \$16,929                | \$46,674        | \$29,745              |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services will be the primary vehicle by which the Secure Flight program will be implemented and operated in regard to connectivity with air carriers and the processing of security checks. The FY 2009 request includes an increase of \$29,745 million for increased contracting related to the roll out of the Secure Flight platform.

|  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-------------------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$0            | \$2,773                 | \$2,843         | \$70                  |

Includes contracts with federal agencies such as CBP for passenger pre-screening information. The FY 2009 request includes an increase of \$70,000 for increased services related to the roll out of the Secure Flight platform.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$5,469        | \$1,562                 | \$1,609         | \$47                  |

Provides for the operation and maintenance of information technology systems used to support the Secure Flight program. The FY 2009 request includes an increase of \$47,000 for increased O&M related to the roll out of the Secure Flight platform.

|                                 | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$84           | \$1,080                 | \$1,102         | \$22                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$22,000 million for increased supplies and materials related to the roll out of the Secure Flight platform.

|                  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Equipment</b> | \$4,948        | \$6,348                 | \$6,413         | \$65                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. These costs include equipment that will be purchased for the Secure Flight program outside of contracts for rollout and sustainment of the program. The FY 2009 request includes an increase of \$65,000 for planned hardware, software and equipment purchases for the roll out of the Secure Flight platform.

**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Threat Assessment & Credentialing**  
**Crew Vetting**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Crew Vetting</b>           |  | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------------|--|---------------|---------------------|----------------|---------------------|
|                                    |  | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>             |  |               |                     |                |                     |
| 11.1                               | Perm Positions                             | \$3,010       | \$4,012             | ---            | (\$4,012)           |
| 11.5                               | Other per comp                             | 152           | 159                 | ---            | -159                |
| 12.1                               | Benefits                                   | 802           | 721                 | ---            | -721                |
| <b>Other Object Classes</b>        |  |               |                     |                |                     |
| 21.0                               | Travel                                     | 62            | 92                  | ---            | -92                 |
| 22.0                               | Transportation of things                   |               | 2                   | ---            | -2                  |
| 23.3                               | Communication, Utilities, and misc charges | 574           | 580                 | ---            | -580                |
| 25.1                               | Advisory & Assistance Services             | 5             | 2                   | ---            | -2                  |
| 25.2                               | Other Services                             | 9,379         | 6,530               | ---            | -6,530              |
| 25.4                               | Operation & maintenance of facilities      | 32            | 50                  | ---            | -50                 |
| 25.7                               | Operation & maintenance of equipment       | 1,634         | 228                 | ---            | -228                |
| 26.0                               | Supplies & materials                       | 35            | 30                  | ---            | -30                 |
| 31.0                               | Equipment                                  | 1,226         | 2,584               | ---            | -2,584              |
| <b>Total, Other Object Classes</b> |  | <b>12,947</b> | <b>10,098</b>       | <b>---</b>     | <b>---</b>          |
| <b>Total, Crew Vetting</b>         |  | <b>16,911</b> | <b>14,990</b>       | <b>0</b>       | <b>-14,990</b>      |
| Full Time Equivalents              |  | 34            | 42                  | 0              | -42                 |

The FY 2009 Budget Request Change is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

**PPA Mission Statement**

The mission of the Crew Vetting Program is to mitigate risk by vetting airline crews entering, departing, or overflying U.S. airspace using computerized vetting and matching analysis that will assess potential threats of terrorists posing as cleared aviation or other transportation system personnel.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>    | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|----------------|---------------------|----------------|--------------------|
|                              | <b>Actual</b>  | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | <b>\$3,964</b> | <b>\$4,892</b>      | <b>\$0</b>     | <b>(\$4,892)</b>   |

The FY 2009 decrease of \$4,892,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|               | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|---------------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | <b>\$62</b>   | <b>\$92</b>         | <b>\$0</b>     | <b>(\$92)</b>      |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is necessary to conduct on-site reviews and meetings with the vetting center in Colorado Springs, CO. The FY 2009 decrease of \$92,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|                                 | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Transportation of Things</b> | \$0            | \$2                     | \$0             | (\$2)                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things. The FY 2009 decrease of \$2,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-------------------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$574          | \$580                   | \$0             | (\$580)               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, and utility services. TSA is dependent upon communications lines and utilities to run the vetting systems. The FY 2009 decrease of \$580,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$5            | \$2                     | \$0             | (\$2)                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. The FY 2009 decrease of \$2,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|                       | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Other Services</b> | \$9,379        | \$6,530                 | \$0             | (\$6,530)             |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services are critical to the maintenance and operation of vetting systems and communication systems with the air carriers. TSA also uses contracts to adjudicate hits and discrepancies in within the system. The FY 2009 decrease of \$6.53 million is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-------------------------|-----------------|-----------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$32           | \$50                    | \$0             | (\$50)                |

Provides for the operation and maintenance of information technology systems used to support the Crew Vetting program. The FY 2009 decrease of \$50,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1,634        | \$228                   | \$0             | (\$228)               |

Provides for the operation and maintenance of information technology systems used to support the Crew Vetting program. The FY 2009 decrease of \$228,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|                                 | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$35           | \$30                    | \$0             | (\$30)                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 decrease of \$30,000 is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

|                  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Equipment</b> | \$1,226        | \$2,584                 | \$0             | (\$2,584)             |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. TSA purchases equipment based on the Technology Refresh Plan to increase system capacity and provide optimal performance. The FY 2009 decrease of \$2.584 million is a result of the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations Program.

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Other Vetting/Screening Administration and Operations**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Screening Administration &amp; Operations</b> |  | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|---------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                                |  |                        |                                 |                         |                                |
| 11.1  | Perm Positions                             | \$1,287                | \$1,576                         | \$6,399                 | \$4,823                        |
| 11.5  | Other per comp                             | 47                     | 38                              | 445                     | 407                            |
| 12.1  | Benefits                                   | 396                    | 385                             | 1,525                   | 1,140                          |
| <b>Other Object Classes</b>                           |  |                        |                                 |                         |                                |
| 21.0  | Travel                                     | 45                     | 65                              | 166                     | 101                            |
| 22.0  | Transportation of things                   | 6                      | 4                               | 11                      | 7                              |
| 23.3  | Communication, Utilities, and misc charges | 40                     |                                 | 595                     | 595                            |
| 25.1  | Advisory & Assistance Services             | 1,516                  | 685                             | 692                     | 7                              |
| 25.2  | Other Services                             | 9,833                  | 4,454                           | 36,368                  | 31,914                         |
| 25.3  | Purchase from Govt. Accts.                 | 111                    | 657                             | 658                     | 1                              |
| 25.7  | Operation & maintenance of equipment       |                        | 576                             | 818                     | 242                            |
| 26.0  | Supplies & materials                       | 27                     | 49                              | 87                      | 38                             |
| 31.0  | Equipment                                  | 678                    | 1,011                           | 3,043                   | 2,032                          |
|   | <b>Total, Other Object Classes</b>         | <b>12,256</b>          | <b>7,501</b>                    | <b>42,438</b>           | <b>34,937</b>                  |
|   | <b>Total, SAO</b>                          | <b>13,986</b>          | <b>9,500</b>                    | <b>50,807</b>           | <b>41,307</b>                  |
|   | Full Time Equivalents                      | 13                     | 15                              | 65                      | 50                             |

The FY 2009 Budget Request includes the Crew Vetting Program merger into the Other Vetting/Screening Administration and Operations (SAO) Program.

**PPA Mission Statement**

The mission of the Screening Administration and Operations is to help support the identification of individuals deemed as potential terrorists or who pose a security threat to either aviation or national security.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$1,730</b>         | <b>\$1,999</b>                  | <b>\$8,369</b>          | <b>\$6,370</b>                |

Provides for the annualization of the 2008 pay increase, the projected 2.9% 2009 pay increase for 42 Crew Vetting positions that merged into the Other Vetting Program, and the projected pay for the additional FTE.

|               | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$45</b>            | <b>\$65</b>                     | <b>\$166</b>            | <b>\$101</b>                  |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 increase of \$101,000 includes inflation and reflects the merger of the Crew Vetting Program and the Other Vetting/SAO Program.

|                                 | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Transportation of Things</b> | <b>\$6</b>             | <b>\$4</b>                      | <b>\$11</b>             | <b>\$7</b>                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things. The FY 2009 increase of \$7,000 includes inflation and reflects the merger of the Crew Vetting Program and the Other Vetting/SAO Program.

|  | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$40</b>            | <b>\$0</b>                      | <b>\$595</b>            | <b>\$595</b>                  |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, and utility services. TSA is dependant upon communications lines and utilities to run the vetting systems. The FY 2009 increase of \$595,000 includes inflation and reflects the merger of the Crew Vetting Program and the Other Vetting/SAO program.

|  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-------------------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$40           | \$0                     | \$595           | \$595                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, and utility services. TSA is dependant upon communications lines and utilities to run the vetting systems. The FY 2009 increase of \$595,000 includes inflation and reflects the merger of the Crew Vetting Program and the Other Vetting/SAO program.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$1,516        | \$685                   | \$692           | \$7                   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. TSA uses these services to provide program management, technical and logistical support as well as evaluations. The FY 2009 increase of \$7,000 reflects inflation and the merger of the Crew Vetting Program and Other Vetting/SAO Program.

|                       | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Other Services</b> | \$9,833        | \$4,454                 | \$36,368        | \$31,914              |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services are used extensively in the systems operation and case adjudication of the Alien Flight Student program. These contracts will also support SIDA, 12/5 Charter Pilots, MD-3 Airports and the Temporary Flight Restriction programs. The FY 2009 increase of \$35.524 million includes funding for contract support for IT planning, acquisition, and rollout; funding for contract support for vetting, inflation, service increases; and it reflects the merger of the Crew Vetting Program and Other Vetting/SAO Program.

|  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-------------------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$111          | \$657                   | \$658           | \$1                   |

Includes contracts with federal agencies for background check services including the FBI for fingerprint based checks and/or name based checks for these vetting programs. The FY 2009 increase of \$1,000 includes inflation and service increases.

|   | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-------------------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0            | \$576                   | \$818           | \$242                 |

Supports the operation and maintenance of information technology systems used to perform name checks for SIDA, 12/5 Charter Pilots, MD-3 Airports, and the Temporary Flight Restriction program. The FY 2009 increase of \$242,000 includes inflation and the merger of the Crew Vetting Program and the Other Vetting/SAO Program.

|                                 | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$27           | \$49                    | \$87            | \$38                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 increase of \$38,000 includes inflation and the merger of the Crew Vetting Program and the Other Vetting/SAO Program.

|                  | 2007<br>Actual | 2008 Revised<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-------------------------|-----------------|-----------------------|
| <b>Equipment</b> | \$678          | \$1,011                 | \$3,043         | \$2,032               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 increase of \$2,032 million reflects the merger of the Crew Vetting Program and the Other Vetting/SAO Program.



**H: PPA Budget Justifications**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Registered Traveler (Fees)  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Registered Traveler Program Fees</b> |                                    | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------------------|------------------------|---------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                       |                                    |                        |                                 |                         |                                |
| 11.1   | Perm Positions                     |                        | \$1,212                         | \$1,249                 | \$37                           |
| 11.5   | Other per comp                     |                        | 34                              | 37                      | 3                              |
| 12.1   | Benefits                           |                        | 318                             | 325                     | 7                              |
| <b>Other Object Classes</b>                  |                                    |                        |                                 |                         |                                |
| 21.0   | Travel                             |                        | 1                               | 1                       | ---                            |
| 25.1   | Advisory & Assistance Services     | 65                     | 1,935                           | 8,388                   | 6,453                          |
|  | <b>Total, Other Object Classes</b> | <b>65</b>              | <b>1,936</b>                    | <b>8,389</b>            | <b>6,453</b>                   |
|  | <b>Total, Registered Traveler</b>  | <b>65</b>              | <b>3,500</b>                    | <b>10,000</b>           | <b>6,500</b>                   |
|  | Full Time Equivalents              | ---                    | 12                              | 12                      | ---                            |

**PPA Mission Statement**

The mission of the Registered Traveler pilot is to increase the efficiency with which screeners and security resources are aligned. Travelers will achieve an expedited processing through security checkpoints by providing limited personal information that assures DHS of their good faith.

**NOTE:** For FY 2008, the resources for the Registered Traveler pilot are derived entirely from fee collections.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$1,564</b>                  | <b>\$1,611</b>          | <b>\$47</b>                   |

The increase provides for the annualization of the 2008 pay increase, and the projected 2.9% 2009 pay increase.

|               | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$1</b>                      | <b>\$1</b>              | <b>\$0</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is necessary to conduct on-site reviews and participate in meetings with the airports, air carriers, and other private sector interest groups.

|   | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$65</b>            | <b>\$1,935</b>                  | <b>\$8,388</b>          | <b>\$6,453</b>                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. TSA uses these types of contracts to assist in the implementation and support of the Registered Traveler pilot. The FY 2009 increase of \$6,453 will be used to fund increased contracting services related to vetting a larger population.

**H: PPA Budget Justifications**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Transportation Workers Identification & Credentialing Appropriated  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Registered Traveler Program Fees</b> |  | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--|---------------|---------------------|----------------|---------------------|
| <b>Object Classes:</b>                       |  | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| 11.1   | Perm Positions                             | \$1,108       |                     |                | \$0                 |
| 11.5   | Other per comp                             | 31            |                     |                | ---                 |
| 12.1   | Benefits                                   | 138           |                     |                | ---                 |
| <b>Other Object Classes</b>                  |  |               |                     |                |                     |
| 21.0   | Travel                                     | 48            | 500                 |                | (500)               |
| 22.0   | Transportation of things                   | 5             |                     |                | ---                 |
| 23.3   | Communication, Utilities, and misc charges | 26            |                     |                | ---                 |
| 25.1   | Advisory & Assistance Services             | 4,018         | 3,000               |                | (3,000)             |
| 25.2   | Other Services                             | 4,044         |                     |                | ---                 |
| 25.7   | Operation & maintenance of equipment       | 52            |                     |                | ---                 |
| 26.0   | Supplies & materials                       | 22            | 2,000               |                | (2,000)             |
| 31.0   | Equipment                                  | 496           | 2,600               |                | (2,600)             |
| <b>Total, Other Object Classes</b>           |  | <b>8,711</b>  | <b>8,100</b>        | <b>---</b>     | <b>(8,100)</b>      |
| <b>Total, TWIC Appropriated</b>              |  | <b>9,988</b>  | <b>8,100</b>        | <b>---</b>     | <b>(8,100)</b>      |
| Full Time Equivalents                        |  | 10            |                     |                | ---                 |

**PPA Mission Statement**

The mission of the TWIC Program is to establish an integrated, credential-based, identity verification program through the use of biometric technology to grant workers unescorted access to secure areas within the nation's transportation system.

**Summary Justification and Explanation of Changes**

|               | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------|---------------|---------------------|----------------|--------------------|
|               | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Travel</b> | <b>\$48</b>   | <b>\$500</b>        | <b>\$0</b>     | <b>(\$500)</b>     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is necessary to conduct on-site reviews and participate in meetings with maritime port operators and other TWIC program stakeholders. The FY2009 decrease of \$500,000 is due to program decreases.

|   | <b>2007</b>    | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|---|----------------|---------------------|----------------|--------------------|
|   | <b>Actual</b>  | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | <b>\$4,018</b> | <b>\$3,000</b>      | <b>\$0</b>     | <b>(\$3,000)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. TSA uses these types of contracts to assist in the development and implementation of the TWIC program. The FY 2009 decrease of \$3,000,000 is due to a decrease of new applicants for the TWIC program.

|                                 | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|---------------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Supplies &amp; materials</b> | <b>\$22</b>   | <b>\$2,000</b>      | <b>\$0</b>     | <b>(\$2,000)</b>   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 decrease of \$2,000,000 is due to a decrease of new applicants for the TWIC program.

|                  | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|---------------|---------------------|----------------|--------------------|
|                  | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$496</b>  | <b>\$2,600</b>      | <b>\$0</b>     | <b>(\$2,600)</b>   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. These costs include equipment that will be purchased for the TWIC program outside of contracts for implementation and sustainment of the program. The FY 2009 decrease of \$2,600,000 is due to a decrease of new applicants for the TWIC program.

**H: PPA Budget Justifications**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Transportation Workers Identification & Credentialing (Fees)**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Transportation Workers Identification &amp; Credentialing</b> | <b>2007 Actual</b> | <b>2008 Revised Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|---|--------------------|-----------------------------|---------------------|----------------------------|
| <b>Object Classes:</b>  |                    |                             |                     |                            |
| 11.1 Perm Positions   |                    | \$1,171                     | \$1,212             | \$41                       |
| 11.5 Other per comp   |                    | 35                          | 37                  | 2                          |
| 12.1 Benefits   |                    | 245                         | 246                 | 1                          |
| <b>Other Object Classes</b>   |                    |                             |                     |                            |
| 21.0 Travel   |                    | 55                          | 15                  | (40)                       |
| 22.0 Transportation of things   |                    | 74                          | 49                  | (25)                       |
| 23.1 GSA rent   |                    | 55                          | 55                  | ---                        |
| 25.1 Advisory & Assistance Services                                   |                    | 54,751                      | 4,674               | (50,077)                   |
| 25.2 Other Services   |                    | 4,463                       | 900                 | (3,563)                    |
| 25.7 Operation & maintenance of equipment                             |                    | 1,016                       | 352                 | (664)                      |
| 26.0 Supplies & materials   |                    | 110                         | 60                  | (50)                       |
| 31.0 Equipment  |                    | 2,425                       | 1,400               | (1,025)                    |
| <b>Total, Other Object Classes</b>                                    | <b>---</b>         | <b>62,949</b>               | <b>7,505</b>        | <b>(55,444)</b>            |
| <b>Total, TWIC</b>  | <b>---</b>         | <b>64,400</b>               | <b>9,000</b>        | <b>(55,400)</b>            |
| Full Time Equivalents   | ---                | 15                          | 15                  | ---                        |

**PPA Mission Statement**

The mission of the TWIC Program is to establish an integrated, credential-based, identity verification program through the use of biometric technology to grant workers unescorted access to secure areas within the nation's transportation system.

**Summary Justification and Explanation of Changes**

|                              | <b>2007 Actual</b> | <b>2008 Revised Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|------------------------------|--------------------|-----------------------------|---------------------|----------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>         | <b>\$1,451</b>              | <b>\$1,495</b>      | <b>\$44</b>                |

Provides for the annualization of the 2008 pay increase and the projected 2.9% 2009 pay increase.

|               | <b>2007 Actual</b> | <b>2008 Revised Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|---------------|--------------------|-----------------------------|---------------------|----------------------------|
| <b>Travel</b> | <b>\$0</b>         | <b>\$55</b>                 | <b>\$15</b>         | <b>(\$40)</b>              |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is necessary to conduct on-site reviews and meetings with maritime port operators and other TWIC program stakeholders. The FY 2009 decrease of \$40,000 is due to a decrease of new applicants for the TWIC program.

|                                 | <b>2007 Actual</b> | <b>2008 Revised Enacted</b> | <b>2009 Request</b> | <b>2008 to 2009 Change</b> |
|---------------------------------|--------------------|-----------------------------|---------------------|----------------------------|
| <b>Transportation of Things</b> | <b>\$0</b>         | <b>\$74</b>                 | <b>\$49</b>         | <b>(\$25)</b>              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things. The FY 2009 decrease of \$25,000 is due to a decrease of new applicants for the TWIC program.

|                 | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|---------------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$0</b>    | <b>\$55</b>         | <b>\$55</b>    | <b>\$0</b>          |

Rent includes all payments to a GSA managed source for rental space, land, and structures.

|   | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|---------------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$0</b>    | <b>\$54,751</b>     | <b>\$4,674</b> | <b>(\$50,077)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. TSA uses these types of contracts to assist in the development and implementation of the TWIC program. The FY 2009 decrease of \$50,077,000 is due to a decrease of new applicants for the TWIC program.

|                       | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|---------------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$4,463</b>      | <b>\$900</b>   | <b>(\$3,563)</b>    |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services will include the adjudication of cases where individuals are denied a TWIC card. The FY 2009 decrease of \$3,563,000 is due to a decrease of new applicants for the TWIC program.

|   | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|---------------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$0</b>    | <b>\$1,016</b>      | <b>\$352</b>   | <b>(\$664)</b>      |

Supports the operation and maintenance of information technology systems used for the TWIC program. The FY 2009 decrease of \$664,000 is due to a decrease of new applicants for the TWIC program. The FY 2009 decrease of \$664,000 is due to a decrease of new applicants for the TWIC program.

|                                 | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|---------------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>    | <b>\$110</b>        | <b>\$60</b>    | <b>(\$50)</b>       |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 decrease of \$50,000 is due to a decrease of new applicants for the TWIC program.

|                  | <b>2007</b>   | <b>2008 Revised</b> | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|---------------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b>      | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$2,425</b>      | <b>\$1,400</b> | <b>(\$1,025)</b>    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. These costs include equipment that will be purchased for the TWIC program outside of contracts for implementation and sustainment of the program. The FY 2009 decrease of \$1,025,000 is due to a decrease of new applicants for the TWIC program.

**H: PPA Budget Justifications**

**Department of Homeland Security  
 Transportation Security Administration  
 Transportation Threat Assessment & Credentialing  
 Hazardous Materials CDL (Fees)  
 Funding Schedule  
 (Dollars in Thousands)**

| <b>PPA: Hazardous Materials CDL</b> |  | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--|------------------------|---------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |  |                        |                                 |                         |                                |
| 11.1                                | Perm Positions                             | \$1,097                | \$1,708                         | \$1,765                 | \$57                           |
| 11.5                                | Other per comp                             | 44                     | 47                              | 49                      | 2                              |
| 12.1                                | Benefits                                   | 265                    | 390                             | 395                     | 5                              |
| <b>Other Object Classes</b>         |  |                        |                                 |                         |                                |
| 21.0                                | Travel                                     |                        | 48                              | 48                      | ---                            |
| 22.0                                | Transportation of things                   |                        | 3                               | 3                       | ---                            |
| 23.3                                | Communication, Utilities, and misc charges |                        | 30                              | 30                      | ---                            |
| 25.1                                | Advisory & Assistance Services             | 7,148                  | 10,761                          | 10,697                  | (64)                           |
| 25.2                                | Other Services                             | 1,150                  | 2,185                           | 2,185                   | ---                            |
| 25.3                                | Purchase from Govt. Accts.                 | 1,638                  | 2,373                           | 2,373                   | ---                            |
| 25.7                                | Operation & maintenance of equipment       | 447                    | 448                             | 448                     | ---                            |
| 26.0                                | Supplies & materials                       | 1                      | 3                               | 3                       | ---                            |
| 31.0                                | Equipment                                  | 2                      | 4                               | 4                       | ---                            |
| <b>Total, Other Object Classes</b>  |  | <b>10,386</b>          | <b>15,855</b>                   | <b>15,791</b>           | <b>(64)</b>                    |
| <b>Total, HazMat CDL</b>            |  | <b>11,792</b>          | <b>18,000</b>                   | <b>18,000</b>           | <b>---</b>                     |
| Full Time Equivalents               |  | 11                     | 17                              | 17                      | ---                            |

**PPA Mission Statement**

The mission of the HazMat Program is to support public safety by ensuring that all commercial drivers transporting hazardous materials are thoroughly checked against terrorist and criminal databases and receive the appropriate endorsement from DHS.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$1,406</b>         | <b>\$2,145</b>                  | <b>\$2,209</b>          | <b>\$64</b>                   |

Provides for the annualization of the 2008 pay increase and the projected 2.9% 2009 pay increase.

|               | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$48</b>                     | <b>\$48</b>             | <b>\$0</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel is necessary to conduct on-site reviews and meetings with state and local stakeholders in the HazMat CDL program.

|                                 | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Transportation of Things</b> | <b>\$0</b>             | <b>\$3</b>                      | <b>\$3</b>              | <b>\$0</b>                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incidental to the transportation of things.

|  | 2007   | 2008 Revised | 2009    | 2008 - 2009 |
|--|--------|--------------|---------|-------------|
|  | Actual | Enacted      | Request | Change      |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$0    | \$30         | \$30    | \$0         |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, and utility services. TSA is dependant upon communications lines and utilities to run the various systems that facilitate the vetting and adjudication of the HazMat CDL checks.

|   | 2007    | 2008 Revised | 2009     | 2008 - 2009 |
|---|---------|--------------|----------|-------------|
|   | Actual  | Enacted      | Request  | Change      |
| <b>Advisory and Assistance Services</b> | \$7,148 | \$10,761     | \$10,697 | (\$64)      |

Advisory and assistance services include services acquired by contract from non-Federal sources (that are private sector, foreign governments, State and local governments, tribes, etc) as well as from other units within the Federal Government. TSA uses these types of contracts to assist in the efficiency and effectiveness of the HazMat CDL program. The FY 2009 decrease of \$64,000 is fund the 2.9% payroll increase and service increases.

|                       | 2007    | 2008 Revised | 2009    | 2008 - 2009 |
|-----------------------|---------|--------------|---------|-------------|
|                       | Actual  | Enacted      | Request | Change      |
| <b>Other Services</b> | \$1,150 | \$2,185      | \$2,185 | \$0         |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services are used extensively in the systems operation and case adjudication of the HazMat CDL program.

|  | 2007    | 2008 Revised | 2009    | 2008 - 2009 |
|--|---------|--------------|---------|-------------|
|  | Actual  | Enacted      | Request | Change      |
| <b>Purchase from Government Accounts</b> | \$1,638 | \$2,373      | \$2,373 | \$0         |

HazMat CDL program contracts with federal agencies for background check services including the FBI for fingerprint based checks on each applicant.

|   | 2007   | 2008 Revised | 2009    | 2008 - 2009 |
|---|--------|--------------|---------|-------------|
|   | Actual | Enacted      | Request | Change      |
| <b>Operation &amp; Maintenance of equipment</b> | \$447  | \$448        | \$448   | \$0         |

Supports the operation and maintenance of information technology systems used to process and store data on all HazMat CDL endorsement applications.

|                                 | 2007   | 2008 Revised | 2009    | 2008 - 2009 |
|---------------------------------|--------|--------------|---------|-------------|
|                                 | Actual | Enacted      | Request | Change      |
| <b>Supplies &amp; materials</b> | \$1    | \$3          | \$3     | \$0         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | 2007   | 2008 Revised | 2009    | 2008 - 2009 |
|------------------|--------|--------------|---------|-------------|
|                  | Actual | Enacted      | Request | Change      |
| <b>Equipment</b> | \$2    | \$4          | \$4     | \$0         |

This cost is for the purchase of equipment including: hardware and software, office machines, and communication devices needed to support the HazMat CDL program.

**H: PPA Budget Justifications**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Threat Assessment & Credentialing  
Alien Flight (Appropriated & Fees)  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Alien Flight</b>           |                                | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------------|--------------------------------|------------------------|---------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>             |                                |                        |                                 |                         |                                |
| 11.1                               | Perm Positions                 | \$399                  | \$531                           | \$668                   | \$137                          |
| 11.3                               | Other than perm                |                        | 54                              | 7                       | (47)                           |
| 11.5                               | Other per comp                 | 52                     |                                 |                         | ---                            |
| 12.1                               | Benefits                       | 166                    | 169                             | 102                     | (67)                           |
| 13.0                               | Benefits-former                |                        |                                 |                         | ---                            |
| <b>Other Object Classes</b>        |                                |                        |                                 |                         |                                |
| 25.1                               | Advisory & Assistance Services | 2                      | 2                               | 2                       | ---                            |
| 25.2                               | Other Services                 | 1,217                  | 2,242                           | 2,219                   | (23)                           |
| 26.0                               | Supplies & materials           | 2                      | 2                               | 2                       | ---                            |
| <b>Total, Other Object Classes</b> |                                | <b>1,221</b>           | <b>2,246</b>                    | <b>2,223</b>            | <b>(23)</b>                    |
| <b>Total, Alien Flight</b>         |                                | <b>1,838</b>           | <b>3,000</b>                    | <b>3,000</b>            | <b>---</b>                     |
| Full Time Equivalents              |                                | 6                      | 6                               | 6                       | ---                            |

**PPA Mission Statement**

The mission of the Alien Flight Student Program is to help identify individuals deemed as potential terrorists or who pose a security threat to either aviation or national security. This program reviews and assesses biographic and biometric information of non-U.S. citizens and other individuals who seek flight training at FAA certified flight schools located both inside and outside the United States.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | <b>\$617</b>           | <b>\$754</b>                    | <b>\$777</b>            | <b>\$23</b>                   |

Provides for the annualization of the 2008 pay increase and the projected 2.9% 2009 pay increase.

|                       | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Other Services</b> | <b>\$1,217</b>         | <b>\$2,242</b>                  | <b>\$2,219</b>          | <b>(\$23)</b>                 |

Other services include contractual services with non-Federal sources that are not otherwise classified under object class 25. Contracting services are used extensively in the systems operation and case adjudication of the Alien Flight Student program.

|                                 | <b>2007<br/>Actual</b> | <b>2008 Revised<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|---------------------------------|-------------------------|-------------------------------|
| <b>Supplies &amp; materials</b> | <b>\$2</b>             | <b>\$2</b>                      | <b>\$2</b>              | <b>\$0</b>                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

**I: Changes in Full-Time Equivalents**

**Department of Homeland Security  
 Transportation Security Administration  
 Transportation Threat Assessment and Credentialing  
 Changes in Full-Time Equivalents**

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year                           | 119     | 172     | 172     |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:  | 0       | 0       | 42      |
| Description: Other Vetting. Realign Crew Vetting into this PPA. |         |         |         |
| Increase #2:  | 0       | 0       | 10      |
| Description: Other Vetting. Additional FTE request.             |         |         |         |
| Increase #3:  | 0       | 0       | 12      |
| Description: Secure Flight. Additional FTE request.             |         |         |         |
| Increase #4:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Increases   | 0       | 0       | 64      |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1:  | 0       | 0       | -5      |
| Description: Lapse Rate   |         |         |         |
| Decrease #2:  | 0       | 0       | -42     |
| Description: Crew Vetting. Realign into the Other Vetting PPA.  |         |         |         |
| Decrease #3:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Decreases   | 0       | 0       | -47     |
| Year-end Actual/Estimated FTEs                                  | 119     | 172     | 189     |
| Net Change from prior year base to Budget Year Estimate:        | 0       | 0       | 17      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Transportation Security Administration*

*Transportation Security Support*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## TRANSPORTATION SECURITY ADMINISTRATION TRANSPORTATION SECURITY SUPPORT

### I. Appropriation Overview

#### **A. Mission Statement for Transportation Security Support:**

The Transportation Security Administration is an agency of over 50,000 personnel, with approximately \$7.1 billion in budget authority, substantial regulatory and law enforcement authority, and a nationwide presence. The management and support of the organization is accomplished by a transportation security support staff in Washington, D.C. and five strategically located Mission Support Centers (MSCs). TSA has developed and will maintain a flat organizational structure that emphasizes front-line service delivery with well-trained managers who are supported by an array of services from Washington, D.C. The MSCs also provide support to field personnel within a specified geographical area.

#### **B. Budget Activities:**

**Intelligence** - The Office of Intelligence (OI) receives, assesses, and distributes intelligence information to support TSA's mission of securing the transportation system. OI also conducts strategic operational and tactical risk-based security planning. The Office utilizes the full suite of TSA intelligence capabilities.

**Human Capital Services** – The Office of Human Capital Services (OHCS) include all services that support the recruitment, assessment, servicing, and payroll of TSA's employees at headquarters, field, airports, and other locations. The Office maintains oversight of all human resources contractual activities, and provides advice and counsel to senior managers on personnel issues. In addition, OHCS administers mandated employee related programs such as, Employee Assistance Program, Drug Testing Program, and Employee Relations.

**HQ Administration** - Headquarters Administration provides all aspects of the support infrastructure required to sustain TSA's nation-wide operations. These activities include serving as the central point on policy development, corporate training, performance management, facilities management, financial management, protecting civil rights, legal advice, internal conduct and audits, and providing a safe and healthful work environment for employees.

**Information Technology** - Information Technology provides the IT infrastructure and services to maintain connectivity, provide productivity tools, and support and field corporate applications.

**C. Budget Request Summary:**

- The Transportation Security Administration requests 1,387 positions, 1,332 FTE, and \$926,000,000 for Transportation Security Support in FY 2009.

**D. PPA Consolidation Proposal:**

The FY 2009 request is presented in a structure that more closely mirrors the current organization. As TSA's mission has grown, the budget structure was not adjusted to accurately reflect the alignment of resources to functions. Putting like programs together into one PPA along with the supporting personnel will give a total picture of the cost of a program.

The FY 2009 request aligns operational program and personnel funding under the same PPA. In some cases, personnel and the supporting funds are shifted out of the Headquarters Administration PPA and now reside with the program they support.

Human Capital Services is a new PPA in Transportation Security Support that combines funding previously supporting HR Services (Aviation Security Appropriation) and HR activities and FTE within the HQ Administration PPA (Transportation Security Support Appropriation). Similarly, Information Technology activities previously funded under Airport Management, IT and Support (Aviation Security Appropriation) are combined with IT activities and FTE in the Support Appropriation.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Intelligence   | 84                | \$23,695         | 99                 | \$21,000         | 92                 | \$21,961         | (7)                                      | \$961            | ---             | ---        | (7)                 | \$961            |
| Headquarters Administration                                  | 1,213             | 305,648          | 1,377              | 293,191          | 938                | 213,135          | (439)                                    | (80,056)         | ---             | ---        | (439)               | (80,056)         |
| Human Capital Services                                       |                   | ---              | ---                | ---              | 176                | 218,105          | 176                                      | \$218,105        | ---             | ---        | 176                 | \$218,105        |
| Information Technology                                       | ---               | 215,437          | ---                | 209,324          | 126                | 472,799          | 126                                      | 263,475          | ---             | ---        | 126                 | 263,475          |
| Research & Development                                       |                   | 5,414            |                    |                  |                    |                  |  |                  |                 |            |                     |                  |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>1,297</b>      | <b>\$550,194</b> | <b>1,476</b>       | <b>\$523,515</b> | <b>1,332</b>       | <b>\$926,000</b> | <b>(144)</b>                             | <b>\$402,485</b> | <b>---</b>      | <b>---</b> | <b>(144)</b>        | <b>\$402,485</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                  |                    |                  |                    |                  |  |                  |                 |            |                     |                  |
| Less: Prior Year Rescission                                  |                   | (\$4,000)        |                    |                  |                    |                  |  |                  |                 |            |                     |                  |
|  |                   |                  |                    |                  |                    |                  |  |                  |                 |            |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>1,297</b>      | <b>\$546,194</b> | <b>1,476</b>       | <b>\$523,515</b> | <b>1,332</b>       | <b>\$926,000</b> | <b>(144)</b>                             | <b>\$402,485</b> | <b>---</b>      | <b>---</b> | <b>(144)</b>        | <b>\$402,485</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Transportation Security Support**  
**Program Performance Justification**  
(Dollars in Thousands)

PPA: INTELLIGENCE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>99</b>           | <b>84</b>  | <b>23,695</b> |
| <b>2008 Enacted</b>          | <b>99</b>           | <b>99</b>  | <b>21,000</b> |
| 2009 Adjustments-to-Base     | (3)                 | (7)        | 961           |
| <b>2009 Current Services</b> | <b>96</b>           | <b>92</b>  | <b>21,961</b> |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>96</b>           | <b>92</b>  | <b>21,961</b> |
| Total Change 2008-2009       | 0                   | 0          | 0             |

The Transportation Security Administration requests \$22 million for the Intelligence program. The FY 2009 request realigns \$1.2 million, 3 FTP, and 3 FTE into the Law Enforcement PPA under the Aviation Security appropriation. The adjustments-to-base include \$94 thousand for pay annualization, \$234 thousand for pay inflation, \$181 thousand for non-pay inflation, an efficiency reduction of \$354 thousand, a 4 FTE lapse rate reduction, and \$2 million to support enhanced intelligence activities.

#### **CURRENT SERVICES PROGRAM DESCRIPTION**

The Office of Intelligence (OI) is the intelligence organization for TSA. It supports the entire agency with the capability to review, synthesize, and analyze transportation specific intelligence. It is the only Federal intelligence entity focused solely on the transportation sector. OI coordinates closely and shares information with DHS, the Intelligence Community, the intelligence sections of law enforcement agencies, and the transportation industry. To facilitate collaboration and provide rapid analysis and notification of threats, this office deploys liaison officers at key Intelligence Community, law enforcement agencies, and Field Intelligence Officer (FIO) locations in vital transportation nodes.

OI is critical to TSA's overall risk-based security strategy. The products generated provide a threat framework essential to prioritize the allocation of security resources by the Federal Security Directors (FSDs), the transportation industry, and Federal Air Marshal Service. OI operates and maintains 24/7 intelligence capabilities at TSA Headquarters and the Freedom Center's Transportation Security Operations Center (TSOC) to disseminate warnings and notifications of credible and immediate threats. OI assists in coordinating intelligence activities for domestic and international civil aviation and other modal security with other government agencies and prepares threat assessments in support of foreign airport assessments.

In order to perform its mission, OI provides and maintains its Top Secret and Secret Collateral classified information technology infrastructures for interfacing via voice, video, and data with the Intelligence Community, State and local law enforcement, field sites, and industry partners. One such system is the TSA Remote Access to Classified Enclaves (TRACE) solution which provides secure access to classified and unclassified threat information in a timely manner to multiple remote locations.

In FY 2007, OI improved both the quality and quantity of the intelligence products provided by OI. The product base is now more streamlined and flexible to better meet the changing needs of transportation security. OI is also better able to support the TSA executive management staff on a daily (24/7) basis. In addition, it successfully upgraded the TSA TRACE system by replacing all 159 laptops (old-style dial-up laptops) with high-speed “Talon” systems. This new capability is not only faster, but also easier to use.

In FY 2008, OI will increase the Field Officer Program (FIO) by transferring some Headquarters intelligence officers to the field. These Officers work on the frontlines providing the FSDs and the Transportation Security Officers (TSOs) with previously unavailable resources. The objective is to continue to increase the program and enhance the level of support provided to TSA field locations. OI will also create a permanent Continuity of Operations (COOP) Special Compartmented Information Facility (SCIF) co-located with TSA executive leadership. During COOP situations, this facility will furnish a security location to provide classified information and communication between the Intelligence Community, DHS, and TSA leadership.

In FY 2009, OI will enhance the Collaborative Transportation Imagery Project (CTIP) to provide OI the ability to build a 360 degree imagery library of transportation nodes.

PPA: HEADQUARTERS ADMINISTRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b>   | <b>Amount</b>  |
|------------------------------|---------------------|--------------|----------------|
| <b>2007 Actual</b>           | <b>1,351</b>        | <b>1,213</b> | <b>305,648</b> |
| <b>2008 Enacted</b>          | <b>1,377</b>        | <b>1,377</b> | <b>293,191</b> |
| 2009 Adjustments-to-Base     | (400)               | (439)        | (80,056)       |
| <b>2009 Current Services</b> | <b>977</b>          | <b>938</b>   | <b>213,135</b> |
| 2009 Program Change          | 0                   | 0            | 0              |
| <b>2009 Request</b>          | <b>977</b>          | <b>938</b>   | <b>213,135</b> |
| Total Change 2008-2009       | 0                   | 0            | 0              |

The Transportation Security Administration requests \$213.1 million for this activity. This request represents decreases of 430 FTP, 430 FTE and \$89.1 million due to the creation of a new PPA for Human Capital Services and various realignments between PPAs throughout the appropriations. The adjustments-to-base include \$200 thousand for regulation publication, 30 FTP, 29 FTE, \$5.5 million to correct material weaknesses in financial and covert testing, and \$725 thousand to support the Information Center. Additional adjustments-to-base include \$1.3 million in pay annualization, \$3.1 million in pay COLA, \$1.2 million in non-pay COLA, 38 FTE for lapse rate reduction, a \$202 thousand decrease for annualization of the FY 2008 Budget Amendment, an efficiency reduction of \$3.1 million, and a final decrease of \$295 thousand for the non-pay adjustment.

## CURRENT SERVICES PROGRAM DESCRIPTION

The following table provides the components that make up this PPA.

|   | <b>FY 2009</b> |
|---|----------------|
| Personnel                                 | \$127.4        |
| Leadership                                | 5.3            |
| Internal Management and Controls          | 29.4           |
| Workforce Support                         | 21.3           |
| Facilities Management & Physical Security | 29.7           |
| Total                                     | \$213.1        |

Headquarters Administration supports numerous functions required to provide leadership, management, and logistics support to TSA operations.

**Personnel:** \$127.4 million in personnel costs are included in this PPA for the offices of the Assistant Secretary, Business Transformation and Culture, Inspection, Chief Counsel, Finance and Administration, Legislative Affairs, Acquisition, Special Counselor, and Strategic Communications and Public Affairs.

**Leadership:** \$5.3 million in operating expenses to develop the policy and management architecture to guide overall activities, ensure compliance with laws and regulations, develop and monitor performance metrics, and manage external relationships with Congress, the Administration, other oversight entities, and private sector partners.

**Internal Management and Controls:** \$29.4 million in operating expenses supports the day-to-day management of a \$7.1 billion budget and over 50,000 personnel. Offices overseeing internal management and controls include Inspection, Chief Counsel, Chief Financial Officer, Acquisition, and Administrative Services. Inspection continuously conducts covert testing to identify vulnerabilities in the transportation security system. Testing consists of introducing inert improvised explosive devices in carry-on and checked baggage. During core enhanced testing, teams test access the Aviation Operations Area and aircraft, Security Identification Display Area, and access through the perimeter. Inspection has increased its efforts to identify employees violating Worker's Compensation provisions by referring cases for prosecution, as appropriate. Additionally, Inspection is implementing proactive initiatives to deter and prevent baggage theft and loss claims at airports throughout the country. Acquisition provides TSA with subject matter expertise in the areas of acquisition, program management, field office acquisition guidance, grants management, and program management. The goal of the Chief Financial Officer is to obtain the necessary resources to support TSA's critical mission and ensure the resources are used efficiently by providing effectual financial systems and robust internal controls over funds. Administrative Services reduces operational and financial risk by ensuring control of all sensitive and capitalized assets. This is an on-going initiative which provides policy, guidance, training, inventory support, information management, and compliance reporting.

Significant accomplishments in FY 2007 include:

- Inspection -- Conducted over 1,700 covert tests at airports; investigated and closed 24 cases of Workers' Compensation fraud and is investigating an additional 64 cases; conducted an assessment of the Workers' Compensation Program and identified systemic weaknesses in the administration and oversight of the program and made recommendations for improvements.
- Acquisition -- Completed TSA Acquisition Fellows Boot camp, which added 19 Contract Specialist trainees to the Office of Acquisition (OA); completed Contracting Officer's Technical Representative (COTR) compliance reviews; initiated a major undertaking to analyze the entire procurement process via Lean Six Sigma (LSS) methodology in order to identify process improvement opportunities.
- Chief Financial Officer -- Developed, presented, and defended TSA's annual budget request in meetings with the Department, the Office of Management and Budget, and Congress resulting in a budget of more than \$7 billion; improved critical financial management areas including late payment interest penalties, travel card delinquencies, balances held in suspense accounts, and internal controls over financial reporting.
- Administrative Services -- Issued policies and guidance on inventory controls; thus, ensuring accountability of TSA's sensitive and capitalized property.

FY 2008 planned accomplishments include:

- Inspections – Increase the number of covert test team leaders to 12; conduct 2,550 covert tests at airports; tests include core-enhanced tests, focused tests, and field tests of new advanced technology equipment, other transportation mode tests, and initiate extensive cargo testing; conduct 110 airport inspections to measure and evaluate efficiency and effectiveness of all operations and adherence to polices; and conduct 7 inspections of FAMS field offices and 8 inspections of FAMS Headquarters office to evaluate operational program, procedures, and policies.
- Acquisition -- Strengthen contract administration by emphasizing oversight of the COTR program, improve OMB Exhibit 300 submissions and ensure weakness are addressed, and enhance quality assurance and contract oversight; and implement the recommendations of the Lean Six Sigma study to improve the procurement process: Procurement Request Package Process and Proposal Evaluation Process; formalize TSA's requirements process, including drafting procedures, issuing policies, and provide guidance to vet, stabilize, and review mission needs and capabilities.
- Chief Financial Officer -- Develop, present, and defend TSA's annual budget request in meetings with the Department, the Office of Management and Budget, and Congress; strengthen fiscal policies across TSA and reduce material weaknesses; enhance management controls to ensure proper use of funds.
- Administrative Services -- Complete and reconcile the annual inventory of all capitalized and sensitive property (to include IT assets) with a loss, damage, or destruction (LDD) ratio of less than 2 percent and implement the corrective action plan for Property and Equipment Accounting.

## FY 2009 Planned Accomplishments:

- Inspections – Conduct 2,650 covert tests at airports; these tests include core-enhanced tests, focused tests, and field tests of new advanced technology equipment, other transportation modes, and continue to expand cargo testing; conduct 110 airport inspections to measure and evaluate the efficiency and effectiveness of all operations and adherence to policies; and conduct risk assessments of TSA operations and execute 20 internal reviews to address potential weaknesses.
- Acquisition -- Continue development of the Acquisition workforce through the implementation of a recruitment plan, as outlined in the OA Human Capital plan and implement a Program Manager Simulated "Boot Camp" Training program.
- Chief Financial Officer -- Present and obtain critical resources to support TSA's mission; establish policies and procedures to ensure financial integrity while providing maximum flexibility to meet emergent program needs; increase training for operational and support employees on fiscal policies and procedures; and continue to reduce material internal control weaknesses and achieve an unqualified (clean) audit opinion on the FY 2009 Financial Statement.
- Administrative Services -- Ensure accountability of TSA's sensitive and capitalized property.

**Workforce Support:** \$21.3 million all aspects of sustaining approximately 50,000 employees and ensure an excellent working climate and a safe and healthful environment while performing TSA's mission. In addition, these programs ensure fair and lawful treatment of employees and the public. Offices that provide workforce support include the Special Counselor (Equal Employment Opportunity, Ombudsman, Executive Secretariat, Sensitive Security Information Office, and Redress) and Administrative Services. Activities funded include Equal Employment Opportunity education, complaint investigation and adjudication, and alternate dispute resolution. The Ombudsman provides neutral and confidential problem resolution services to employees and the public for issues involving TSA. The Executive Secretariat operates the TSA Contact Center (TCC) which responds to traveler inquiries. Redress provides a forum for individuals identified as a threat or a potential threat to transportation security to appeal the determination. The Sensitive Security Information (SSI) Office ensures that TSA complies with all laws and regulations regarding the recognition, identification, and safeguard of SSI.

Programs under Administrative Services include the Occupational Safety and Health (OSH), Fleet Management, and Transit Benefits program. The OSH program works to bring facilities into compliance, provide a safe and healthful working environment and reduce injuries and illness. Fleet Management provides operational support by acquiring vehicles and fleet management services as well as administering the HQ parking and Executive transportation program. The Transit Benefits Program ensures that employees receive transit benefits.

Significant accomplishments in FY 2007 include:

- Special Counselor -- Initiated the "Building and Maintaining Diversity" program to address low representation rates of certain populations in mission critical positions. It was launched in September 2007 with the creation of the Diversity Advisory Council to support the implementation of the Diversity Action Plan; consolidated the TCC workforce and technology into a new protected off-site call center environment; created a new program system of redress, DHS Traveler Redress Inquiry Program (DHS TRIP), to include a multi-Department approach

to resolving traveling public issues across a broad spectrum of transportation modes; SSI developed a comprehensive group of SSI policies and procedures for sharing, handling, and protecting SSI materials.

- Administrative Services -- Launched the inspection module of the Safety Information System that documents and tracks findings and associated corrective actions from annual workplace inspections and job hazard analyses; the President's Safety, Health, and Return to Employment Initiative (SHARE) requires Federal agencies to reduce the Total Case Rate (TCR) and Lost Time Case Rate (LTCR) by 3 percent each Fiscal Year from the FY 2003 baseline. TSA reduced the total number of TSO injuries and illnesses from 8,042 in FY 2006 to 6,254 in FY 2007, resulting in a 15.36 percent reduction in TCR to 13.93 per 200,000 work hours. The TSO injuries and illnesses that resulted in lost time have decreased from 4,367 in FY 2006 to 3,228 in FY 2007, resulting in a 19.55 percent reduction in the LTCR to 7.19 per 200,000 work hours; obtained alternative fuel vehicles sufficient to meet operational requirements.

FY 2008 planned accomplishments include:

- Special Counselor -- Improve and increase information flow and ease of access to the traveling public; further integrate alternate dispute resolution methodologies and services into TSA culture; upgrade DHS TRIP technology application and improve responsiveness to the traveling public redress inquiries; enhance current TSA-wide SSI Awareness campaign to improve SSI understanding, responsibilities, and handling.
- Administrative Services -- Implement the one-step Safety-Workers' Compensation processing using the Safety Information System to streamline OSHA recordkeeping and OWCP claims processes; conduct safety training workshop for Designated Occupational Safety and Health Officials and Collateral Duty Safety Officers to train employees on safe work practices; expand OSH program elements aimed at reducing injury/illnesses, including a pilot stretching and exercise program aimed at reducing muscular-skeletal injuries; thus, continue to reduce TSO injuries, the SHARE goals are 16.63 for TCR and 7.64 for LTCR.

In FY 2009, the Special Counselor will develop and refine information sharing methods and responsiveness to ensure that programs tracking passengers are consistent with civil rights laws and policies; further integrate alternate dispute resolution methodologies and services into TSA culture; and expand program to improve SSI identification, sharing, and safeguards. Administrative Services will formalize the OSH evaluation program to include visits to field facilities to assess the effectiveness of their safety program management activities; maintain vigilance in reducing workplace injuries and illnesses through established mechanisms such as OSH training, safety awareness programs; and identification and mitigation of workplace hazard and program deficiencies; thus, the SHARE goals are 16.13 for TCR and 7.51 for LTCR. TSA currently exceeds these goals and has implemented stretch goals to reduce the TSO TCR and LTCR by at least 3 percent per year to 13.09 and 6.76, respectively.

**Facilities Management and Physical Security:** \$29.7 million in operating expenses provided by Administrative Services include facility and management support for HQ, the Freedom Center, the Franconia Warehouse, and the Mission Support Centers (MSCs). The Franconia warehouse is used to stage TSA equipment prior to deployment, store special purpose consumables, and temporary storage of property and equipment during construction projects. The MSCs are the central field service support mechanism for TSA across transportation modes; they provide TSA field personnel with support within designated areas, located in San Francisco, CA; Atlanta, GA; Dearborn, MI; Philadelphia, PA; and Coppell, TX.

In FY 2007, Administrative Services co-located TSA with FPS/ICE at the Philadelphia MSC and moved MSCs in Detroit, San Francisco, and Dallas into GSA leased space; closed out the original Freedom Center Construction Project, and completed the Freedom Center Watch Floor Mega-Pod Project.

In FY 2008, Administrative Services plans to install energy saving lighting sensors and support furniture modification requests.

Planned activities for FY 2009 include: continue to support tenant activity and mission critical requirements, support furniture modification requests, and identify the Freedom Center's electrical systems lifecycle costs.

PPA: HUMAN CAPITAL SERVICES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | ...            |
| <b>2008 Enacted</b>          | ...                 | ...        | ...            |
| 2009 Adjustments-to-Base     | 183                 | 176        | 218,105        |
| <b>2009 Current Services</b> | 183                 | <b>176</b> | <b>218,105</b> |
| 2009 Program Change          | ...                 | ...        | 0              |
| <b>2009 Request</b>          | 183                 | <b>176</b> | <b>218,105</b> |
| Total Change 2008-2009       | 183                 | 176        | 218,105        |

The Transportation Security Administration requests \$218.1 million for Human Capital (HC) services for Headquarters and field offices. This is a new PPA which consolidates the Human Resources Services PPA from the Aviation Security appropriation and Headquarters Administration PPA from the Transportation Security Support appropriation. The adjustments-to-base include \$319 thousand for pay annualization, \$794 thousand for pay inflation, \$3.8 million for non-pay inflation, a 7 FTE lapse rate reduction, a decrease of \$10.2 million for annualization of the FY 2008 Budget Amendment, and an efficiency reduction of \$4.9 million.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The following table provides the components that make up this PPA.

|                                      | <b>FY 2009</b> |
|--------------------------------------|----------------|
| Personnel                            | \$23.8         |
| HR Services                          | 57.2           |
| Recruitment, Assessment, & Servicing | 125.9          |
| Leadership Training & Development    | 11.2           |
| Total                                | \$218.1        |

The Office of Human Capital (OHC) maintains oversight of all human resources contractual activities, develops policies, guidance and programs that are used to identify and promote the best and most efficient human resources (HR) practices allowing TSA to establish and administer programs necessary to create and sustain a diverse and highly skilled workforce.

**Personnel:** Approximately \$23.8 million in personnel costs are included in this PPA to support all HC activities in headquarters and field offices.

**Human Resources Services:** The request includes \$57.2 million for HR Services to employees in the field and Headquarters. OHC provides HR Services including recent and archived communications, comprehensive Human Resource Orientation documents for new field and Headquarters employees, and frequently asked questions about HR Services and how it can best meet required human resources needs. Specific activities include:

- Perform general human resource administration;
- Recruit qualified applicants;
- Extend employment offers and mails notification letters to new hires;

- Maintain Official Personnel Folders (OPFs) and electronic Official Personnel Folders (eOPFs); and
- Process all employee actions.

**Recruitment, Assessment, and Servicing:** The request includes \$125.9 million for the recruitment, assessment and servicing of TSA’s TSOs and other workforce at headquarters, field locations, and airports to ensure a qualified workforce is available to meet security requirements. The largest component of the workforce is the TSOs and local hiring practices support their recruitment and retention through the following:

- Computer Based Testing (CBT) (\$90/applicant);
- Medical exams/drug tests (\$400/test);
- HR specialists available to assist airports with local hiring assessments;
- Localized on-the-ground recruiters to attract TSO candidates;
- Airport local hiring help desk to answer airport questions and assist in resolving issues and problems;
- Recruitment Center availability for TSO applicants and candidates to contact for important information;
- Deployment and availability to all airports of a local hiring “Dashboard” to assist airports with candidate management;
- Management and maintenance of data systems and repositories to track and manage nationwide TSO candidate information (forms and fingerprints); and
- Local hiring training for airport staff in select locations.

Workers’ Compensation Program oversees the Workers’ Compensation chargeback from the Department of Labor and the Nurse Case Management Program. The Program established the Periodic Roll Initiative (PRI) in April 2007. The initiative is a joint effort with the Nurse Case Management team where all of the long term disability (Periodic Roll) cases are examined for opportunities to return employees back to work when medically feasible.

Significant Accomplishments in FY 2007 include:

The move from centralized hiring of TSOs to decentralized localized hiring has created the efficiencies that enable base adjustments. Below are examples of these efficiencies:

- Put hiring under complete airport control:
  - FSDs/staff now have ability to direct the entire process from Vacancy Announcement to Enter on Duty (EOD);
- Expanded hiring capacity (ability to hire at more airports at the same time):
  - Before: Hiring for 20 – 30 TSOs at airports per pay period;
  - Now: Hiring for 60 – 100 TSOs at airports per pay period, with capacity to hire at all airports simultaneously;
- Increased throughput (ability to hire more TSOs at the same time):
  - Before: 180 new hires per pay period;
  - Now: Demonstrated capacity for 800+ new hires per pay period;
- Improved hiring efficiency:
  - Before: Job acceptance rate = 63%;
  - Now: Job acceptance rate = 85%;

- Decreased hiring time:
  - Before: Time to Hire ~ 3 – 6 months;
  - Now: Time to Hire ~ 1 – 3 months;
- Improved hiring cost efficiency:
  - Fingerprinting by American Association of Airport Executives;
  - Staff support by Office of Personnel Management;
  - Reduced cost of Computer-Based Testing (CBT).
- Reduced the cost of the Workers' Compensation charge back by \$3.2 million or 5.5 percent. The chargeback cost in FY 2006 was \$58.7 million and \$55.5 million in FY 2007. The reduction is largely credited to the overall success of the Nurse Case Management Program's attention to early intervention and a decline in new TSO injuries over the last few years.
- Reduced the number of individuals on the periodic rolls by 275 individuals, a 28.5 percent reduction. This reduction is the result of implementing the Period Rolls initiative.
- Nominated as an agency for the Harvard/John F. Kennedy School of Government's "Innovations in American Government Award" for adapting private industry methodology and proving it was a 'best practice' to be used across the Federal Government.

FY 2008 planned accomplishments include:

- Implement an electronic version of the Orientation, which will allow candidates to receive instruction on Federal benefits and to complete forms required for on-boarding prior to EOD. This enhancement is expected to:
  - Reduce the cost of delivering required Orientation content by \$3 million or 56 percent;
  - Increase EOD paperwork compliance from 85 percent to 98 percent;
 Improve the Orientation experience for new hires and airports;
- Review and assess the remaining 690 period roll cases. Each case is reviewed to determine if the employee may return to duty (full or limited), the case is medically resolved, or the case requires continued monitoring due to long term disability.

In FY 2009, OHC will continue to engage field and headquarters personnel in recruitment activities; extend the recruitment reach to capture a wider, higher quality candidate pool; improve recruitment activities to reach targeted candidate pools; and continue to implement enhancements that will facilitate the hiring process for candidates and hiring authorities; review and assess any remaining period roll cases and all newly added periodic roll cases.

**Leadership Training and Development Program:** \$11.2 million is requested for training and development. OHC works closely with TSA Leadership to develop and administer programs to prepare for the future leadership needs of TSA by:

- Identifying current and future senior leadership requirements;
- Preparing talented and motivated leaders at senior and mid-levels who will be ready to take on new challenges;
- Demonstrating TSA values and being fully committed to inclusion by developing a diverse cadre of highly-qualified candidates, including minorities and women, to fill top and mid-level leadership positions; and
- Identifying the best external sources of recruitment when internal sources are insufficient to meet critical needs.

All TSA employees benefit from better-prepared, better-trained leaders. Such leaders ensure that TSA accomplishes its important mission and advances the goal of becoming a highly effective and agile organization, and an employer of choice. The Succession Plan provides the opportunity for current leaders to make an investment in the development of future leaders and in the long-term success of TSA. These programs ensure TSA has the leadership needed to meet both *current* and *future* mission requirements by preparing leadership development program participants for their *next* job opportunities.

Professional development training provides mission-related training that is either beneficial for an employee in his/her current job or for professional development that will increase the employee's ability to contribute to TSA's mission in another capacity.

FY 2007 accomplishments include:

- Developed and implemented the Foundations of Leadership Program for newly promoted Supervisory TSOs to provide the necessary skills and abilities to perform as a first line supervisor. Over 2,300 participants completed the course;
- Designed, developed, and deployed the Senior Leadership Development Program. This is a core program of the Agency Succession Plan to meet the future leadership needs of TSA. There were 128 participants in this first year;
- Implemented the Mid-Level Development Program designed to help candidates for mid-level leadership positions at TSA become better qualified applicants. A total of 400 individuals were selected for this new program.

FY 2008 planned accomplishments include:

- Increase the delivery of the Foundations of Leadership to 800 seat offerings;
- Pilot and deliver two new courses for managers: "Leading from the Middle" and "Leading Strategically," to provide managers with the concepts, tools and best practices for leading both people and operations more effectively;
- Develop and execute a needs analysis and complete planning for a new Executive Leadership Development Course;
- Provide Assistant Administrators and Office Directors a reference document of newly available professional development training courses on TSA's Online Learning Center (OLC).

In FY 2009, OHC will pilot and deliver the new Executive Leadership Development Course and continue the delivery of the Foundations of Leadership, Senior Leadership Development Program, and Mid-Level Development Program; link professional development training courses to TSA competencies; and the Workers' Compensation Program will continue to focus on the PRI to resolve long term disability cases.

PPA: INFORMATION TECHNOLOGY SUPPORT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>215,437</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>209,324</b> |
| 2009 Adjustments-to-Base     | 131                 | 126        | 263,475        |
| <b>2009 Current Services</b> | <b>131</b>          | <b>126</b> | <b>472,799</b> |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | <b>131</b>          | <b>126</b> | <b>472,799</b> |
| Total Change 2008-2009       | 131                 | 126        | 263,475        |

The Transportation Security Administration requests \$472.8 million to support information technology (IT) for its headquarters and field offices. The FY 2009 request consolidates TSA’s information technology operating and personnel funds into one PPA. The adjustment to base of \$263.5 million reflects the consolidation of IT funds. Included are 90 positions previously in the Airport Management IT and Support PPA in the Aviation Security appropriation and 41 positions in the Transportation Security Support appropriation. It also includes \$152 thousand for pay Annualization, \$377 thousand for pay inflation, \$9.0 million for non-pay inflation, \$239 thousand decrease for lapse rate, \$9.6 million efficiency reduction, and \$270 thousand Annualization of FY 2008 Budget Amendment. The remaining base adjustments of \$4.7 million support enhancing TSA’s financial systems and disaster recovery capability.

**CURRENT SERVICES PROGRAM DESCRIPTION**

**Core Information Technology (IT) Program:** A total of \$353.9 million supports the core IT program and telecommunications infrastructure for all of the TSA managed enterprise-wide IT services that assist in accomplishing TSA mission responsibilities. The fundamental IT capability has been supported through an information technology managed service (ITMS) contract since the inception of TSA. The managed services model offers the prospect of long-term cost efficiencies and the provision of state-of-the-art technologies for services and equipment.

FY 2007 significant accomplishments include:

- Completion of Hi-SOC deployment and installations;
- Installation of Time and Attendance Systems at 80% of TSA sites;
- Score of 100% on the Federal Information Security Management Act (FISMA) security scorecard score for IT systems.

FY 2008 planned accomplishments include:

- Transition of all infrastructure and operating platform requirements to a competitively awarded DHS Eagle task order;
- Implementation of failover capability to capture the most critical data elements;
- Planning and limited migration of data center assets to the DHS consolidated data center;
- Maintaining balanced score card for Federal Information Security Management Act;
- Performing an in depth review of all systems security plans (SSP) to ensure compliance with all OMB mandates and FISMA;

- Performing Information Systems Security Audits of 10% of TSA systems and an additional 12 Technical Vulnerability Audits of twelve Category X and 1 airports to maintain FISMA compliance.

TSA has FY 2009 planned objectives to support and enhance the current IT environment. TSA has evaluated its network, infrastructure, IT security, information sharing, applications development, and engineering support requirements to align existing capabilities with DHS strategic objectives. To accomplish this goal, TSA has aligned the managed service model with the existing DHS EAGLE contract to further improve mission support. The alignment will help deliver enhanced business-focused IT services and a more robust telecommunications infrastructure for all employees of the TSA.

The core IT program funding request includes support for improving information sharing and data collaboration. Information sharing environment (ISE) is a holistic approach that balances technology choices with equally important organization, governance, process and architecture dimensions to ensure an enterprise-wide impact. ISE requires defining specific processes for proposed IT projects including governance reviews of existing TSA data assets to maximize discovery and reuse of existing data sources and ensure maximum integration with existing systems. TSA will engage stakeholders to identify and catalog all data assets to facilitate governance reviews of existing resources. ISE capabilities that will be supported in FY 2009 include alerts & warnings, enterprise search, directory services, collaboration tools, identity management and other technical capabilities that expand or enhance information sharing.

The FY 2009 funding request will also provide enhancements to the existing IT environment to support an integrated IT infrastructure. The funding will assist TSA in developing an IT environment sufficient for promoting the effective use of IT assets for information sharing and collaboration throughout TSA and DHS. Enhancements to IT environments include:

- Segmented refresh of network and infrastructure equipment;
- Optimizing the TSA application hosting environments;
- Consolidation and redesign of network backbone.

The TSA IT infrastructure supports the technology assets of airport, headquarters, and TSA Freedom Center personnel. The user equipment is widely dispersed throughout the continental U.S. and requires a large wide area network to support the information needs of the TSA population. The Hi-SOC program provides the connectivity to meet the demands of a dispersed user base, utilizing a variety of equipment. TSA has deployed and manages over 36,000 user assets including but not limited to:

- Land Mobile Radios (LMR) (7,400+)
- Blackberry Devices (1,600)
- Laptops and desktops (13,000+)
- Personal Data Assistants (120)
- Pagers (2,100)
- Cellular Phones (5,000)
- Copiers (800)
- Fax Machines (550)
- Printers (4,000+)
- Voice-over-IP (VOIP) Phones (3,600+).

**Hi-SOC:** By FY 2009, Hi-SOC will be fully operational and the requested funding will support operations and maintenance of the network and backbone infrastructure. The requested \$50 million in FY 2009 will support and maintain the TSA communications network providing access to all domain resources, TSA assets, system security enhancements, and redundancy in support of TSA and DHS mission objectives. Hi-SOC is a prerequisite for TSA mission critical programs and the deployment of mission critical applications, including but not limited to:

- Threat Image Protection Network (TIP)
- Indirect Air Carrier Management System (IACMS)
- Inquiry Management System (IMS)
- Known Shipper Management System (KSMS)
- Legal Integrated Knowledge System (LInKS)
- Performance & Results Information System (PARIS)
- Screening Technology Integration Program (STIP)
- Electronic Surveillance System (ESS)
- TSO Scheduling System (SABRE);
- Human Resource Capabilities- including NextGen HR;
- Integrated multi-media messaging such as Land Mobile Radio (LMR)
- electronic Time and Attendance (eTA).

The integrated IT environment requires support for robust IT engineering, infrastructure operations and enterprise application services. The IT support funding will provide TSA with the resources for ongoing operations and maintenance for the TSA data centers, operation centers, failover resources, TSA applications, operating platform management, database management, application systems, system performance monitoring, and configuration management. Contract personnel provide a majority of support for these efforts. The type of support includes IT engineers, IT specialists, system analysts, and management analysts that assist and advise the CIO function in the execution of the TSA IT resources. Support includes:

- National Help Desk; including software, licensing and software distribution support,
- Federal Security Director support,
- HQ IT support,
- Airport IT support,
- Security Incident Response,
- Checked baggage and passenger screening data,
- Performance management data analysis,
- Equipment maintenance and legacy systems support,
- Infrastructure Transformation -- TSA participation in DHS One Infrastructure,
- Technical architecture compliance and enterprise architecture-related support.

**Disaster Recovery (DR) Capability:** The FY 2009 base funding request of \$4.8 million will support continued development and implementation of limited failover capability to back up vital TSA data assets. The DR capability and Continuity of Operations Planning (COOP) is required to support the establishment, operations and maintenance of an alternate site in the event that TSA IT systems at the primary Data Center, HQ server facility, or the Freedom Center server facility are lost or become inoperable for an extended period of time. TSA will acquire hardware, software, facilities, labor and services to implement a limited failover capability to manage the near-line backup for its most mission

critical applications, data and information. The funding will be used for engineering support, server purchase (EMC DMX-3), a virtual tape system, server area network (SAN), redundant connectivity (OC-3), facility space, and power requirements. Establishment of a DR capability is mandated by OMB Circular A-130 and Federal Preparedness Circular 65, Federal Executive Branch Continuity of Operations.

The FY 2009 budget request will also support an enhanced information security environment to ensure compliance with the Federal Information Security Management Act (FISMA), using a variety of IT related resources. IT security will perform audit and assessment reviews to test the compliance of IT systems, including the physical review of sites that house TSA's IT systems. The auditing team is reliant on security tools in order to perform proper due diligence testing against systems. Software unique to the audit team will be utilized to provide multiple views of the data analysis to ensure that all vulnerabilities are exposed.

TSA IT security enhancements will allow the agency to continue to maintain full FISMA compliance. Certification and accreditation (C&A) management will develop, implement and enhance the continuous monitoring phase of the IT Security Life Cycle. Funding will support Information Systems Security Officers (ISSO's) and system owners in the creation of security remediation plans. A mandatory training program will measure compliance and report results quarterly to OMB, as required by FISMA, which includes Security Awareness and Significant Security Responsibilities (SSR).

The growing needs of the TSA communication security (COMSEC) user base requires TSA to continually enhance secure communications to stakeholders and help desk capability. The service area includes the continued modernization of secure communication units as well as infrastructure protection which includes but is not limited to:

- Firewalls
- Intrusion detection and prevention
- Antivirus
- Content monitoring
- Managed Security Services.

FY 2009 base funding will provide the necessary resources for compliance with all IT security policies to ensure agency compliance with DHS and federal mandates. Policy development includes impact and gap analysis of IT security measures. TSA will rely heavily on the development of a comprehensive security architecture to provide interoperability standards, secure deployment of technology requirements, and models of technology insertions.

The TSA IT core program is working to deliver business-focused IT services through efficient management practices. Program support provides TSA locations on-site IT contractors to service the Category X and 1 airports, FSD offices, TSA International locations, TSA headquarters, Freedom Center, and an emergency response capability for the rapid deployment of IT services in the event of an emergency situation. Business-focused solutions have been developed to support the office automation deployment and refresh of TSA assets including software management, installations, moves, adds or changes (IMACs), GFE equipment provisioning of 508 compliant IT equipment, and other direct charges (ODCs) to purchase small dollar IT items that are not conducive to a managed service (zip drives, cables, surge protectors, CD/RW, etc.). IT account managers have been organized to rapidly respond to the diverse and changing needs of the TSA IT user community. The services are provisioned to satisfy the specific needs of TSA divisions and field offices by providing customer

focused IT solutions in direct alignment with the office's mission responsibilities. Engineering and IT specialist services provide solutions for applications, infrastructure, enterprise services and operations in support of TSA programs and projects. The IT core program provides focused and efficient acquisition management, program management, technical and administrative oversight of the prime contractor, and a variety of additional support contractors, while continually seeking the achievement of contract results, not contract compliance, in meeting the IT mission solutions needs of TSA. In addition, the IT training program will continue to provide staff the resources necessary to improve the alignment of requirements in TSA business portfolios in support of the Agency mission.

**Time and Attendance (eTAS):** This project will streamline and automate the process currently utilized to support collection and data input of timecards and collection of performance metrics for the airport support staff. Current processes and available automation are legacy based, which make the continuance of the same functionality ineffective and cost prohibitive. This effort endeavors to eliminate paperwork, provide cost accounting, and provide management with the tools and resources needed to effectively evaluate cost alternatives with respect to FTE management and technological developments. In FY 2009, TSA will continue operations and maintenance of systems and leverage connectivity to expand automated processes.

**Personnel/Financial Management Systems:** This activity funds \$44.4 million of interagency agreements with Coast Guard and the U.S. Department of Agriculture for the use of their financial management, personnel, and payroll systems. This also funds reimbursements to the Department of Homeland Security for the costs of the Working Capital Fund, related to operational information management support functions.

**Performance Management Information System (PMIS):** PMIS is a \$5 million activity that converts data from front-line systems, from security processes and machines, as well as from back-office systems, such as personnel and finance systems, to real-time information on the current status of the security systems to support personnel on the front lines of operations (e.g., Federal Security Directors), as well as TSA Executives. PMIS is the best source of real-time data available for TSA leadership and operating personnel. It plays a key role in TSA's performance management system. In FY 2008, TSA will continue to develop new performance measures and dashboards and will refine the existing as needed to respond to Executives' and Federal Security Directors' needs.

**e-Government Operating Platform (e-Gov OP):** e-Gov OP is a \$3 million platform and analytical "toolbox" that facilitates the reporting and analysis of key performance data to support enterprise-wide performance reporting. This capability is enabled through a Microstrategy Business Intelligence application which processes data from multiple databases that is exposed through an information sharing environment supported by IT. This supports ad hoc and standard reports which can be automated and pushed to recipients. The TSA Monthly Objective Report and the Daily Service Performance & Safety Report are examples of key reports supported by this capability and are key elements in TSA's performance management system.

**IT Personnel:** This PPA also includes \$11.7 million to support 131 FTE previously funded in the Headquarters Administration and Airport Management IT and Support PPAs.

#### **IV. Program Justification of Changes**

**(There are no program changes)**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

#### **Department of Homeland Security Transportation Security Administration**

#### **Justification of Proposed Changes in Transportation Security Support Appropriation Language**

For necessary expenses of the Transportation Security Administration related to providing transportation security support and intelligence pursuant to the Aviation and Transportation Security Act (Public Law 107-71; 115 Stat. 597; 49 U.S.C. 40101 note), [\$523,515,000] ~~\$926,000,000~~, to remain available until September 30, [2009] 2010: [Provided, That of the funds appropriated under this heading, \$10,000,000 may not be obligated until the Secretary of Homeland Security submits to the Committees on Appropriations of the Senate and the House of Representatives detailed expenditure plans for checkpoint support and explosive detection systems refurbishment, procurement, and installations on an airport-by-airport basis for fiscal year 2008; and a strategic plan required for checkpoint technologies as described in the joint explanatory statement of managers accompanying the fiscal year 2007 conference report (H. Rept. 109-699): Provided further, That these plans shall be submitted no later than 60 days after the date of enactment of this Act.] (Department of Homeland Security Appropriations Act, 2008.)

#### **Explanation of Changes:**

TSA has complied with the provisions included in previous language.

**B FY 2008 to FY 2009 Budget Changes**  
**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Security Support**  
**FY 2008 to FY 2009 Budget Change**  
(Dollars in Thousands)

|  | <u>Pos.</u>        | <u>FTE</u>          | <u>Amount</u>         |
|--|--------------------|---------------------|-----------------------|
| <b>2007 Actual</b>   | <b>1,450</b>       | <b>1,297</b>        | <b>550,194</b>        |
| <b>2008 Enacted</b>  | <b>1,476</b>       | <b>1,476</b>        | <b>523,515</b>        |
| <b>Adjustments-to-Base</b>   |                    |                     |                       |
| Realignments to and from other accounts: <i>(Hide if there are none)</i>         |                    |                     |                       |
| Human Capital Services: Realign from HQ Admin                                    | 183                | 183                 | 33,301                |
| Human Capital Services: Realign from Avn Security HR Svcs                        | ---                | ---                 | 182,234               |
| Human Capital Services: Realign from Screener Training, TSO - recruit/train      |                    |                     | 12,700                |
| IT: Realign IT from HQ Admin   | 90                 | 90                  | 11,703                |
| IT: Realign IT from Avn IT   | 41                 | 39                  | 251,286               |
| IT: Realign from Screener Training, TSO - recruit/train                          |                    |                     | 338                   |
| IT: Omnibus Bill reduced for HISOC   |                    |                     | (4,000)               |
| Intelligence: Realign SSO to FAMS LE   | (3)                | (3)                 | (1,194)               |
| HQ Admin: Realign SSI from Airport Mgmt  | ---                | ---                 | 1,300                 |
| Headquarters Administration: Realign from Screener Training, TSO - recruit/train |                    |                     | 253                   |
| HQ Admin: Realign to new PPA for Human Capital Services                          | (183)              | (183)               | (33,301)              |
| HQ Admin: Realign to Screener Training   | (56)               | (56)                | (8,300)               |
| HQ Admin: Realign Background Inves/Physical Security to FAMS LE                  | (1)                | (1)                 | (21,687)              |
| HQ Admin: Realign OTSP/Policy to Surface Staff & Ops                             | ---                | ---                 | (606)                 |
| HQ Admin: Realign SIDA to Other Vetting  | ---                | ---                 | (2,000)               |
| HQ Admin: Realign ops to Checkpoint Support                                      | (25)               | (25)                | (3,251)               |
| HQ Admin: Realign ops to EDS/ETD Purchase  | (75)               | (75)                | (9,752)               |
| HQ Admin: Realign IT into IT   | (90)               | (90)                | (11,703)              |
| Total Realignments.....  | <u>(119)</u>       | <u>(121)</u>        | <u>397,321</u>        |
| Increases  |                    |                     |                       |
| Annualization of Prior-Year Part Year Funding                                    |                    |                     | 1,827                 |
| Annualization of FY 2008 Pay Raises  |                    |                     | 4,541                 |
| Non-Pay Inflation, excluding GSA Rent  |                    |                     | 14,237                |
| Intelligence: Support costs associated with TRACE                                | ---                | ---                 | 2,000                 |
| HQ Admin: Support OCC (Fed Reg) requirements                                     | ---                | ---                 | 200                   |
| HQ Admin: Support covert testing & correct material weakness in financial adm.   | 30                 | 29                  | 5,511                 |
| HQ Admin: non-pay adjustment   |                    |                     | 295                   |
| HQ Admin: Support Info Center requirements                                       | ---                | ---                 | 725                   |
| IT: Support USCG FINCEN & TEServe requirements                                   | ---                | ---                 | 2,000                 |
| IT: Support Disaster Recovery requirements                                       | ---                | ---                 | 2,677                 |
| Total Increases.....   | <u>30</u>          | <u>29</u>           | <u>34,013</u>         |
| Decreases  |                    |                     |                       |
| Efficiency   |                    |                     | (17,979)              |
| Lapse Rate   |                    | (52)                | (239)                 |
| Annualization of FY 2008 Budget Amendment  |                    |                     | (10,631)              |
| Total Decreases.....   | <u>---</u>         | <u>(52)</u>         | <u>(28,849)</u>       |
| <b>Total Adjustments-to-Base.....</b>  | <b><u>(89)</u></b> | <b><u>(144)</u></b> | <b><u>402,485</u></b> |
| <b>2009 Current Services.....</b>  | <b>1,387</b>       | <b>1,332</b>        | <b>926,000</b>        |
| <b>Program Changes</b>   |                    |                     |                       |
| Program Increases/(Decreases)  |                    |                     |                       |
| <b>Total Program Changes.....</b>  | <b>---</b>         | <b>---</b>          | <b>---</b>            |
| <b>2009 Request.....</b>   | <b>1,387</b>       | <b>1,332</b>        | <b>926,000</b>        |
| <b>2008 to 2009 Total Change.....</b>  | <b>(89)</b>        | <b>(144)</b>        | <b>402,485</b>        |

### C. Summary of Requirements

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support  
Summary of Requirements  
(Dollars in Thousands)**

|  |              | 2009 Request  |                |                          |              |                |                     |            |            |              |              |                |                           |              |                |
|--|--------------|---------------|----------------|--------------------------|--------------|----------------|---------------------|------------|------------|--------------|--------------|----------------|---------------------------|--------------|----------------|
|  |              | Perm.<br>Pos. | FTE            | Amount                   |              |                |                     |            |            |              |              |                |                           |              |                |
| <b>2007 Actual</b>   |              | 1,450         | 1,297          | 550,194                  |              |                |                     |            |            |              |              |                |                           |              |                |
| <b>2008 Enacted</b>  |              | 1,476         | 1,476          | 523,515                  |              |                |                     |            |            |              |              |                |                           |              |                |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |               |                |                          |              |                |                     |            |            |              |              |                |                           |              |                |
| Realignments   |              | (119)         | (121)          | 397,321                  |              |                |                     |            |            |              |              |                |                           |              |                |
| Increases  |              | 30            | 29             | 34,013                   |              |                |                     |            |            |              |              |                |                           |              |                |
| Decreases  |              | ---           | (52)           | (28,849)                 |              |                |                     |            |            |              |              |                |                           |              |                |
| Total Adjustments-to-Base  |              | (89)          | (144)          | 402,485                  |              |                |                     |            |            |              |              |                |                           |              |                |
| <b>2009 Current Services</b>   |              | 1,387         | 1,332          | 926,000                  |              |                |                     |            |            |              |              |                |                           |              |                |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              | ---           | ---            | ---                      |              |                |                     |            |            |              |              |                |                           |              |                |
| <b>2009 Total Request</b>  |              | 1,387         | 1,332          | 926,000                  |              |                |                     |            |            |              |              |                |                           |              |                |
| 2008 to 2009 Total Change  |              | (89)          | (144)          | 402,485                  |              |                |                     |            |            |              |              |                |                           |              |                |
| Estimates by Program/Project Activity                                    | 2008 Enacted |               |                | 2009 Adjustments-to-Base |              |                | 2009 Program Change |            |            | 2009 Request |              |                | 2008 to 2009 Total Change |              |                |
|  | Pos.         | FTE           | Amount         | Pos.                     | FTE          | Amount         | Pos.                | FTE        | Amount     | Pos.         | FTE          | Amount         | Pos.                      | FTE          | Amount         |
| 1 Intelligence   | 99           | 99            | \$21,000       | (3)                      | (7)          | \$961          |                     |            |            | 96           | 92           | \$21,961       | (3)                       | (7)          | \$961          |
| 2 Headquarters Administration  | 1,377        | 1,377         | \$293,191      | (400)                    | (439)        | (\$80,056)     |                     |            |            | 977          | 938          | \$213,135      | (400)                     | (439)        | (\$80,056)     |
| 3 Human Capital Services   |              | ---           | ---            | 183                      | 176          | \$218,105      |                     |            |            | 183          | 176          | \$218,105      | 183                       | 176          | \$218,105      |
| 4 Information Technology   |              | ---           | \$209,324      | 131                      | 126          | \$263,475      |                     |            |            | 131          | 126          | \$472,799      | 131                       | 126          | \$263,475      |
| 5 Research & Development   |              |               |                |                          |              |                |                     |            |            |              |              |                |                           |              |                |
| <b>Total</b>   | <b>1,476</b> | <b>1,476</b>  | <b>523,515</b> | <b>(89)</b>              | <b>(144)</b> | <b>402,485</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>1,387</b> | <b>1,332</b> | <b>926,000</b> | <b>(89)</b>               | <b>(144)</b> | <b>402,485</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
 Transportation Security Administration  
 Transportation Security Support  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)**

| Collections by Source                  | 2007 Actual |     |              | 2008 Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |        |
|--|-------------|-----|--------------|---------------|-----|---------------|---------------|-----|---------------|-------------------|-----|--------|
|  | Pos.        | FTE | Amount       | Pos.          | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount |
| GSA - Training                         | ---         | --- | 7            | ---           | --- | 64            | ---           | --- | 64            | ---               | --- | ---    |
| DHS - TRIP (ICE/Policy Screener Coord) | ---         | --- | 13           | ---           | --- | 300           | ---           | --- | 300           | ---               | --- | ---    |
| DHS - Real Estate                      | ---         | --- | ---          | ---           | --- | 220           | ---           | --- | 220           | ---               | --- | ---    |
| DOT / RITA/ BTS                        | ---         | --- | ---          | ---           | --- | 262           | ---           | --- | ---           | ---               | --- | ---    |
| Various DHS components                 | ---         | --- | 35           | ---           | --- | ---           | ---           | --- | ---           | ---               | --- | ---    |
| <b>Total Budgetary Resources</b>       | ---         | --- | <b>\$ 55</b> | ---           | --- | <b>\$ 846</b> | ---           | --- | <b>\$ 584</b> | ---               | --- | ---    |

| Obligations by Program/Project Activity | 2007 Actual |     |              | 2008 Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |              |
|---|-------------|-----|--------------|---------------|-----|---------------|---------------|-----|---------------|-------------------|-----|--------------|
|   | Pos.        | FTE | Amount       | Pos.          | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount       |
| Headquarters Administration             | ---         | --- | 55           | ---           | --- | 846           | ---           | --- | 584           | ---               | --- | (262)        |
| <b>Total Obligations</b>                | ---         | --- | <b>\$ 55</b> | ---           | --- | <b>\$ 846</b> | ---           | --- | <b>\$ 584</b> | ---               | --- | <b>(262)</b> |

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support  
Summary of Requirements by Object Class**

(Dollars in Thousands)

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$134,450        | \$155,809        | \$154,450        | (1,359)               |
| 11.3 Other than full-time permanent                   | \$1,850          | \$2,157          | \$1,677          | (480)                 |
| 11.5 Other Personnel Compensation                     | \$6,047          | \$7,020          | \$6,223          | (797)                 |
| 12.1 Benefits   | \$38,158         | \$44,225         | \$43,455         | (770)                 |
| 13.0 Benefits - former                                | ---              | ---              | \$14,552         | 14,552                |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$180,505</b> | <b>\$209,211</b> | <b>\$220,357</b> | <b>\$11,146</b>       |
| Other Object Classes:                                 |                  |                  |                  |                       |
| 21.0 Travel   | \$10,500         | \$7,370          | \$5,883          | (1,487)               |
| 22.0 Transportation of things                         | \$263            | \$183            | \$114            | (69)                  |
| 23.1 GSA rent   | \$2,000          | \$1,400          | \$870            | (530)                 |
| 23.2 Other rent                                       | \$27,000         | \$18,906         | \$11,747         | (7,159)               |
| 23.3 Communications, utilities, & other misc. charges | \$29,450         | \$29,370         | \$62,419         | 33,049                |
| 24.0 Printing and reproduction                        | \$104            | \$73             | \$47             | (26)                  |
| 25.1 Advisory and assistance services                 | \$44,456         | \$46,727         | \$147,412        | 100,685               |
| 25.2 Other services                                   | \$166,157        | \$135,373        | \$328,116        | 192,743               |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$57,517         | \$48,186         | \$96,236         | 48,050                |
| 25.4 Operation & maintenance of facilities            | \$527            | \$369            | \$229            | (140)                 |
| 25.6 Medical care                                     | \$130            | \$91             | \$61             | (30)                  |
| 25.7 Operation and maintenance of equipment           | \$9,517          | \$10,012         | \$21,754         | 11,742                |
| 26.0 Supplies and materials                           | \$2,099          | \$1,579          | \$1,512          | (67)                  |
| 31.0 Equipment  | \$17,539         | \$14,665         | \$29,244         | 14,579                |
| 32.0 Land & structures                                | \$213            | ---              | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | \$1,430          | ---              | ---              | ---                   |
| 42.0 Indemnity  | \$787            | ---              | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$369,689</b> | <b>\$314,304</b> | <b>\$705,643</b> | <b>\$391,339</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$550,194</b> | <b>\$523,515</b> | <b>\$926,000</b> | <b>\$402,485</b>      |
| Unobligated balance, start of year                    | (32,506)         | 17,000           | ---              |                       |
| Unobligated balance, end of year                      | 17,000           | ---              | ---              |                       |
| Recoveries of prior year obligations                  | ---              | ---              | ---              |                       |
| Unobligated Balance, transfer                         |                  |                  |                  |                       |
| Unobligated Balance, expiring                         |                  |                  |                  |                       |
| <b>Total requirements</b>                             | <b>\$534,688</b> | <b>\$540,515</b> | <b>\$926,000</b> |                       |

**F. Permanent Position by Grade**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support  
Permanent Positions by Grade**

| Grades and Salary Ranges                | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
|   | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                              | 33             | 33              | 33              | ---                    |
| Total, EX                               | 1              | 1               | 1               | (0)                    |
| L Band                                  | 58             | 59              | 58              | (1)                    |
| K Band                                  | 307            | 313             | 305             | (8)                    |
| J Band                                  | 526            | 535             | 510             | (25)                   |
| I Band                                  | 198            | 202             | 185             | (17)                   |
| H Band                                  | 121            | 123             | 110             | (13)                   |
| G Band                                  | 83             | 85              | 76              | (9)                    |
| F Band                                  | 87             | 89              | 83              | (6)                    |
| E Band                                  | 16             | 16              | 12              | (4)                    |
| D Band                                  | 11             | 11              | 9               | (2)                    |
| C Band                                  | 6              | 6               | 5               | (1)                    |
| B Band                                  | 3              | 3               | ---             | (3)                    |
| A Band                                  |                |                 |                 | ---                    |
| Other Graded Positions                  | ---            |                 |                 | ---                    |
| Ungraded Positions                      | ---            | ---             |                 | ---                    |
| <b>Total Permanent Positions</b>        | <b>1,450</b>   | <b>1,476</b>    | <b>1,387</b>    | <b>(89)</b>            |
| Unfilled Positions EOY                  | 26             |                 |                 | ---                    |
| Total Perm. Employment EOY              | 1,450          | 1,476           | 1,387           | (89)                   |
| <b>FTE</b>                              | <b>1,297</b>   | <b>1,476</b>    | <b>1,332</b>    | <b>(144)</b>           |
| Headquarters                            | 1,260          | 1,260           | 1,174           | (86)                   |
| U.S. Field                              | 216            | 216             | 213             | (3)                    |
| Foreign Field                           | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b>        | <b>1,450</b>   | <b>1,476</b>    | <b>1,387</b>    | <b>(89)</b>            |
| <b>Average ES Salary</b>                | \$ 157,587     | \$ 163,103      | \$ 167,996      | \$ 4,893               |
| <b>Average Salary, Banded Positions</b> | \$ 98,848      | \$ 102,308      | \$ 105,377      | \$ 3,069               |
| <b>Average Band</b>                     | J              | J               | J               | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

### Department of Homeland Security Transportation Security Administration Transportation Security Support Intelligence Funding Schedule

(Dollars in Thousands)

| PPA: Intelligence                               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes</b>                           |                |                 |                 |                        |
| 11.1 Perm Positions                             | \$8,062        | \$8,427         | 8,440           | \$13                   |
| 11.5 Other per comp                             | \$261          | \$273           | 273             | ---                    |
| 12.1 Benefits                                   | \$2,244        | \$2,345         | 2,351           | 6                      |
| <b>Total, Personnel Comp. &amp; Benefits</b>    | <b>10,567</b>  | <b>11,045</b>   | <b>11,064</b>   | <b>19</b>              |
| <b>Other Object Classes</b>                     |                |                 |                 |                        |
| 21.0 Travel                                     | 510            | 387             | 423             | 36                     |
| 23.3 Communication, Utilities, and misc charges |                |                 | 55              | 55                     |
| 25.2 Other Services                             | 12,501         | 9,491           | 9,978           | 487                    |
| 26.0 Supplies & materials                       | 117            | 77              | 192             | 115                    |
| 31.0 Equipment                                  | ---            | ---             | 249             | 249                    |
| <b>Total, Other Object Classes</b>              | <b>13,128</b>  | <b>9,955</b>    | <b>10,897</b>   | <b>942</b>             |
| <b>Total, Intelligence</b>                      | <b>23,695</b>  | <b>21,000</b>   | <b>21,961</b>   | <b>961</b>             |
| Full Time Equivalents                           | 84             | 99              | 92              | (7)                    |

#### PPA Mission Statement

Provide Intelligence Analysis, Coordination, and Dissemination -- TSA will continue to provide current and strategic warning regarding threats to U.S. transportation modes and identify trends and changes in targeting. TSA intelligence unit analyzes intelligence and disseminates information through liaison with intelligence community agencies.

#### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|------------------------------|-----------------|-----------------|-----------------|---------------------|
| <b>Salaries and Benefits</b> | <b>\$10,567</b> | <b>\$11,045</b> | <b>\$11,064</b> | <b>\$19</b>         |

Salaries and Benefits includes costs for 92 FTE. The FY 2009 request includes a realignment of 3 FTE and \$309,000 in salaries and benefits to the Law Enforcement PPA in the Aviation Security Appropriation. It also includes pay COLA of \$234,000, and \$94,000 for pay annualization.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|---------------|----------------|-----------------|-----------------|---------------------|
| <b>Travel</b> | <b>\$510</b>   | <b>\$387</b>    | <b>\$423</b>    | <b>\$36</b>         |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The request has a COLA increase of \$36,000.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|--|----------------|-----------------|-----------------|---------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | <b>\$0</b>     | <b>\$0</b>      | <b>\$55</b>     | <b>\$55</b>         |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request reflects an increase of \$55,000 for enhanced information sharing.

|                       | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|-----------------------|-----------------|----------------|----------------|------------------|
|                       | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Other Services</b> | <b>\$12,501</b> | <b>\$9,491</b> | <b>\$9,978</b> | <b>\$487</b>     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Included in this category is contractual services for intelligence support. The FY 2009 request has an increase of \$487,000 for enhanced information sharing.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---------------------------------|---------------|----------------|----------------|------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Supplies &amp; materials</b> | <b>\$117</b>  | <b>\$77</b>    | <b>\$192</b>   | <b>\$115</b>     |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects an increase of \$115,000 for enhanced information sharing.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|------------------|---------------|----------------|----------------|------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$249</b>   | <b>\$249</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects an increase of \$249,000 for equipment due to enhanced information sharing.

## H. PPA Budget Justifications

### Department of Homeland Security Transportation Security Administration Transportation Security Support Headquarters Administration

#### Funding Schedule

(Dollars in Thousands)

| PPA: Headquarters Administration             | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>                       |                |                 |                 |                        |
| 11.1 Perm Positions                          | \$126,388      | 147,382         | 114,602         | (\$32,780)             |
| 11.3 Other than perm                         | \$1,850        | 2,157           | 1,677           | (480)                  |
| 11.5 Other per comp                          | \$5,786        | 6,747           | 5,246           | (1,501)                |
| 12.1 Benefits                                | 35,914         | 41,880          | 32,564          | (9,316)                |
| <b>Total, Personnel Comp. &amp; Benefits</b> | <b>169,938</b> | <b>198,166</b>  | <b>154,089</b>  | <b>(44,077)</b>        |
| <b>Other Object Classes</b>                  |                |                 |                 |                        |
| 21.0 Travel                                  | 9,916          | 6,943           | 4,314           | (2,629)                |
| 22.0 Transportation of things                | 262            | 183             | 114             | (69)                   |
| 23.1 GSA rent                                | 2,000          | 1,400           | 870             | (530)                  |
| 23.2 Other rent                              | 27,000         | 18,906          | 11,747          | (7,159)                |
| 23.3 Communication, Utilities, and misc char | 1,385          | 970             | 603             | (367)                  |
| 24.0 Printing                                | 104            | 73              | 45              | (28)                   |
| 25.1 Advisory & Assistance Services          | 23,125         | 16,892          | 10,498          | (6,394)                |
| 25.2 Other Services                          | 56,175         | 39,334          | 24,441          | (14,893)               |
| 25.3 Purchase from Govt. Accts.              | 9,454          | 6,620           | 4,113           | (2,507)                |
| 25.4 Operation & maintenance of facilities   | 527            | 369             | 229             | (140)                  |
| 25.6 Medical care                            | 130            | 91              | 57              | (34)                   |
| 25.7 Operation & maintenance of equipment    | 17             | 12              | 7               | (5)                    |
| 26.0 Supplies & materials                    | 1,952          | 1,367           | 849             | (518)                  |
| 31.0 Equipment                               | 2,663          | 1,865           | 1,159           | (706)                  |
| 32.0 Land & Structures                       | 213            | ---             | ---             | ---                    |
| 42.0 Indemnity                               | 787            | ---             | ---             | ---                    |
| <b>Total, Other Object Classes</b>           | <b>135,710</b> | <b>95,025</b>   | <b>59,046</b>   | <b>(35,979)</b>        |
| <b>Total, Headquarter Administration</b>     | <b>305,648</b> | <b>293,191</b>  | <b>213,135</b>  | <b>(\$80,056)</b>      |
| Full Time Equivalents                        | 1,213          | 1,377           | 938             | (439)                  |

#### PPA Mission Statement

TSA Headquarters Administration include such critical functions as Office of Inspection, Chief Counsel, Civil Rights, Legislative Affairs, Administration, Financial Management, Acquisition, and Communications, etc. These services are essential for the effective and efficient operation of the Agency.

#### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008-2009<br>Change |
|------------------------------|------------------|------------------|------------------|---------------------|
| <b>Salaries and Benefits</b> | <b>\$169,938</b> | <b>\$198,166</b> | <b>\$154,089</b> | <b>(\$44,077)</b>   |

Salaries and benefits includes costs for 938 FTEs. The FY 2009 request reflects a realignment of 430 FTE and \$53,986,000 from HQ Administration to other PPA, annualization of \$1,262,000 and pay inflation of \$3,136,000, and \$38,000 reduction for lapse rate.

|               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---------------|----------------|----------------|----------------|------------------|
|               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Travel</b> | <b>\$9,916</b> | <b>\$6,943</b> | <b>\$4,314</b> | <b>(\$2,629)</b> |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects a decrease of \$2,629,000 due to the realignment of this PPA.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---------------------------------|---------------|----------------|----------------|------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Transportation of Things</b> | <b>\$262</b>  | <b>\$183</b>   | <b>\$114</b>   | <b>(\$69)</b>    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request reflects a decrease of \$69,000 due to the realignment of this PPA.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|-----------------|----------------|----------------|----------------|------------------|
|                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>GSA Rent</b> | <b>\$2,000</b> | <b>\$1,400</b> | <b>\$870</b>   | <b>(\$530)</b>   |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a decrease of \$530,000 due to the realignment of this PPA.

|                   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008-2009</b> |
|-------------------|-----------------|-----------------|-----------------|------------------|
|                   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>    |
| <b>Other Rent</b> | <b>\$27,000</b> | <b>\$18,906</b> | <b>\$11,747</b> | <b>(\$7,159)</b> |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects the realignment, non-pay inflation, and efficiency. The FY 2009 request reflects a decrease of \$7,159,000 due to the realignment of this PPA.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|----------------|----------------|----------------|------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Communication, Utilities, and Miscellaneous Charges</b> | <b>\$1,385</b> | <b>\$970</b>   | <b>\$603</b>   | <b>(\$367)</b>   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request reflects a decrease of \$367,000 due to the realignment of this PPA.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|-----------------|---------------|----------------|----------------|------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Printing</b> | <b>\$104</b>  | <b>\$73</b>    | <b>\$45</b>    | <b>(\$28)</b>    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects a decrease of \$28,000 due to the realignment of this PPA.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008-2009</b> |
|---|-----------------|-----------------|-----------------|------------------|
|   | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>    |
| <b>Advisory and Assistance Services</b> | <b>\$23,125</b> | <b>\$16,892</b> | <b>\$10,498</b> | <b>(\$6,394)</b> |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a decrease of \$6,394,000 due to the realignment of this PPA.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008-2009</b>  |
|-----------------------|-----------------|-----------------|-----------------|-------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>     |
| <b>Other Services</b> | <b>\$56,175</b> | <b>\$39,334</b> | <b>\$24,441</b> | <b>(\$14,893)</b> |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Included under this object class are contracts for security support, EEO support, and corporate training. The FY 2009 request reflects a decrease of \$14,893,000 due to the realignment of this PPA.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|----------------|----------------|----------------|------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Purchase from Government Accounts</b> | <b>\$9,454</b> | <b>\$6,620</b> | <b>\$4,113</b> | <b>(\$2,507)</b> |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2008 request has no change. The FY 2009 request reflects a decrease of \$2,507,000 due to the realignment of this PPA.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$527</b>  | <b>\$369</b>   | <b>\$229</b>   | <b>(\$140)</b>   |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a decrease of \$140,000 due to the realignment of this PPA.

|                     | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---------------------|---------------|----------------|----------------|------------------|
|                     | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Medical Care</b> | <b>\$130</b>  | <b>\$91</b>    | <b>\$57</b>    | <b>(\$34)</b>    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request reflects a decrease of \$34,000 due to the realignment of this PPA.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---|---------------|----------------|----------------|------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$17</b>   | <b>\$12</b>    | <b>\$7</b>     | <b>(\$5)</b>     |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a decrease of \$5,000 due to the realignment of this PPA.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|---------------------------------|----------------|----------------|----------------|------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Supplies &amp; materials</b> | <b>\$1,952</b> | <b>\$1,367</b> | <b>\$849</b>   | <b>(\$518)</b>   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request reflects a decrease of \$518,000 due to the realignment of this PPA.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|------------------|----------------|----------------|----------------|------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |
| <b>Equipment</b> | <b>\$2,663</b> | <b>\$1,865</b> | <b>\$1,159</b> | <b>(\$706)</b>   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects a decrease of \$706,000 due to the realignment of this PPA.

## H. PPA Budget Justifications

### Department of Homeland Security Transportation Security Administration Transportation Security Support Human Capital Services

#### Funding Schedule

(Dollars in Thousands)

| PPA: Human Capital Services                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>                       |                |                 |                 |                        |
| 11.1 Perm Positions                          |                |                 | 18,041          | \$18,041               |
| 12.1 Benefits                                |                |                 | 5,022           | 5,022                  |
| 13.0 Benefits-former                         |                |                 | 14,552          | 14,552                 |
| <b>Total, Personnel Comp. &amp; Benefits</b> | ---            | ---             | <b>37,615</b>   | <b>37,615</b>          |
| <b>Other Object Classes</b>                  |                |                 |                 |                        |
| 21.0 Travel                                  |                |                 | 1,059           | 1,059                  |
| 24.0 Printing                                |                |                 | 2               | 2                      |
| 25.1 Advisory & Assistance Services          |                |                 | 72,033          | 72,033                 |
| 25.2 Other Services                          |                |                 | 105,484         | 105,484                |
| 25.3 Purchase from Govt. Accts.              |                |                 | 1,731           | 1,731                  |
| 25.6 Medical care                            |                |                 | 4               | 4                      |
| 26.0 Supplies & materials                    |                |                 | 177             | 177                    |
| <b>Total, Other Object Classes</b>           | ---            | ---             | <b>180,490</b>  | <b>180,490</b>         |
| <b>Total, Human Capital Services</b>         | ---            | ---             | <b>218,105</b>  | <b>\$218,105</b>       |
| Full Time Equivalents                        |                |                 | 176             | 176                    |

#### PPA Mission Statement

Human Capital Services include all the activities that support the Office of Human Capital (OHC) including the recruitment, assessment, servicing, and payroll of TSA's Transportation Security Officers and other workforce at headquarters, field locations, and airports, and personnel policies, programs and systems.

#### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|---------------------|
| <b>Salaries and Benefits</b> | \$0            | \$0             | \$37,615        | \$37,615            |

Salaries and benefits includes costs for 176 FTEs. The FY 2009 request reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation. It also reflects a pay annualization of \$319,000, and a pay COLA of \$794,000.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|---------------|----------------|-----------------|-----------------|---------------------|
| <b>Travel</b> | \$0            | \$0             | \$1,059         | \$1,059             |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request of \$1,059,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008-2009<br>Change |
|-----------------|----------------|-----------------|-----------------|---------------------|
| <b>Printing</b> | \$0            | \$0             | \$2             | \$2                 |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request of \$2,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |

**Advisory and Assistance Services**

|            |            |                 |                 |
|------------|------------|-----------------|-----------------|
| <b>\$0</b> | <b>\$0</b> | <b>\$72,033</b> | <b>\$72,033</b> |
|------------|------------|-----------------|-----------------|

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request of \$72,033,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |

**Other Services**

|            |            |                  |                  |
|------------|------------|------------------|------------------|
| <b>\$0</b> | <b>\$0</b> | <b>\$105,484</b> | <b>\$105,484</b> |
|------------|------------|------------------|------------------|

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Included under this object class are contracts for security support, EEO support, and corporate training. The FY 2009 request of \$105,484,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |

**Purchase from Government Accounts**

|            |            |                |                |
|------------|------------|----------------|----------------|
| <b>\$0</b> | <b>\$0</b> | <b>\$1,731</b> | <b>\$1,731</b> |
|------------|------------|----------------|----------------|

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request of \$1,731,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |

**Medical Care**

|            |            |            |            |
|------------|------------|------------|------------|
| <b>\$0</b> | <b>\$0</b> | <b>\$4</b> | <b>\$4</b> |
|------------|------------|------------|------------|

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request of \$4,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008-2009</b> |
|--|---------------|----------------|----------------|------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>    |

**Supplies & materials**

|            |            |              |              |
|------------|------------|--------------|--------------|
| <b>\$0</b> | <b>\$0</b> | <b>\$177</b> | <b>\$177</b> |
|------------|------------|--------------|--------------|

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request of \$177,000 reflects the realignment of the HR Services PPA in the Aviation Security Appropriation and funding of the Office of Human Capital in the HQ Administration, Transportation Security Support Appropriation into this PPA and inflation.

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support  
Information Technology**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Information Technology</b>              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |                        |                         |                         |                                |
| 11.1 Perm Positions                             | ---                    | ---                     | 13,367                  | 13,367                         |
| 11.5 Other per comp                             | ---                    | ---                     | 704                     | 704                            |
| 12.1 Benefits                                   | ---                    | ---                     | 3,518                   | 3,518                          |
| <b>Total, Personnel Comp. &amp; Benefits</b>    | <b>....</b>            | <b>....</b>             | <b>17,589</b>           | <b>17,589</b>                  |
| <b>Other Object Classes</b>                     |                        |                         |                         |                                |
| 21.0 Travel                                     | 12                     | 40                      | 87                      | 47                             |
| 23.3 Communication, Utilities, and misc charges | 28,064                 | 28,400                  | 61,761                  | 33,361                         |
| 25.1 Advisory & Assistance Services             | 19,138                 | 29,835                  | 64,881                  | 35,046                         |
| 25.2 Other Services                             | 95,486                 | 86,548                  | 188,213                 | 101,665                        |
| 25.3 Purchase from Govt. Accts.                 | 48,063                 | 41,566                  | 90,392                  | 48,826                         |
| 25.7 Operation & maintenance of equipment       | 9,500                  | 10,000                  | 21,747                  | 11,747                         |
| 26.0 Supplies & materials                       |                        | 135                     | 294                     | 159                            |
| 31.0 Equipment                                  | 15,174                 | 12,800                  | 27,836                  | 15,036                         |
| <b>Total, Other Object Classes</b>              | <b>215,437</b>         | <b>209,324</b>          | <b>455,210</b>          | <b>245,886</b>                 |
| <b>Total, Information Technology</b>            | <b>215,437</b>         | <b>209,324</b>          | <b>472,799</b>          | <b>263,475</b>                 |
| Full Time Equivalents                           | ---                    | ---                     | 126                     | 126                            |

**PPA Mission Statement**

Information Technology continues to build and maintain the IT and Telecommunications Infrastructure Support and Services for all of TSA. TSA will continue to enhance the effectiveness of its entire workforce through its IT core support. The FY 2009 request consolidates TSA's information technology operating and personnel funds into one PPA.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008-2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-----------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$0</b>              | <b>\$17,589</b>         | <b>\$17,589</b>             |

Salaries and benefits includes an increase of 126 FTE and \$17,589,000 to consolidate IT funds and IT FTE into this PPA, annualize the prior year pay raise, and fund the proposed FY 2009 pay raise.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008-2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-----------------------------|
| <b>Travel</b> | <b>\$12</b>            | <b>\$40</b>             | <b>\$87</b>             | <b>\$47</b>                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The requested increase of \$47,000 supports increases in travel due to the consolidation of IT funds and IT FTE in this PPA.

|  | 2007            | 2008            | 2009            | 2008-2009       |
|--|-----------------|-----------------|-----------------|-----------------|
|  | Actual          | Enacted         | Request         | Change          |
| <b>Communication, Utilities, and Misc. Charges</b> | <b>\$28,064</b> | <b>\$28,400</b> | <b>\$61,761</b> | <b>\$33,361</b> |

Communications, utilities, and miscellaneous charges includes all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request reflects an increase of \$33,361,000 associated with Hi-Soc and increases for utilities and custodial services at field offices and consolidation of IT funds and IT FTE in this PPA.

|   | 2007            | 2008            | 2009            | 2008-2009       |
|---|-----------------|-----------------|-----------------|-----------------|
|   | Actual          | Enacted         | Request         | Change          |
| <b>Advisory and Assistance Services</b> | <b>\$19,138</b> | <b>\$29,835</b> | <b>\$64,881</b> | <b>\$35,046</b> |

Advisory and assistance services includes services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The requested increase of \$35,046,000 for program management support is due to the consolidation of IT funds and IT FTE in this PPA.

|                       | 2007            | 2008            | 2009             | 2008-2009        |
|-----------------------|-----------------|-----------------|------------------|------------------|
|                       | Actual          | Enacted         | Request          | Change           |
| <b>Other Services</b> | <b>\$95,486</b> | <b>\$86,548</b> | <b>\$188,213</b> | <b>\$101,665</b> |

Other services includes report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The requested increase of \$101,665,000 is due to the consolidation of IT funds and IT FTE in this PPA.

|  | 2007            | 2008            | 2009            | 2008-2009       |
|--|-----------------|-----------------|-----------------|-----------------|
|  | Actual          | Enacted         | Request         | Change          |
| <b>Purchase from Government Accounts</b> | <b>\$48,063</b> | <b>\$41,566</b> | <b>\$90,392</b> | <b>\$48,826</b> |

Purchases from Government Accounts includes costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The requested increase of \$48,826,000 is due to the consolidation of IT funds and IT FTE in this PPA.

|   | 2007         | 2008            | 2009            | 2008-2009       |
|---|--------------|-----------------|-----------------|-----------------|
|   | Actual       | Enacted         | Request         | Change          |
| <b>Operation &amp; Maintenance of equipment</b> | <b>9,500</b> | <b>\$10,000</b> | <b>\$21,747</b> | <b>\$11,747</b> |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment when done by contract with the private sector or another Federal Government account. The requested increase of \$11,747,000 is due to the consolidation of IT funds and IT FTE in this PPA.

|                                 | 2007       | 2008         | 2009         | 2008-2009    |
|---------------------------------|------------|--------------|--------------|--------------|
|                                 | Actual     | Enacted      | Request      | Change       |
| <b>Supplies &amp; materials</b> | <b>\$0</b> | <b>\$135</b> | <b>\$294</b> | <b>\$159</b> |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Some software purchases and computer supplies are included in this object class. The requested increase of \$159,000 is due to the consolidation of IT funds and IT FTE in this PPA.

|                  | 2007            | 2008            | 2009            | 2008-2009       |
|------------------|-----------------|-----------------|-----------------|-----------------|
|                  | Actual          | Enacted         | Request         | Change          |
| <b>Equipment</b> | <b>\$15,174</b> | <b>\$12,800</b> | <b>\$27,836</b> | <b>\$15,036</b> |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The requested increase of \$15,036,000 for software and computer equipment is due to the consolidation of IT funds and IT FTE in this PPA.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**Transportation Security Administration**  
**Transportation Security Support**  
**Research & Development**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Research &amp; Development</b>          | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                          |               |                |                |                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>    | ---           | ---            | ---            | ---                 |
| <b>Other Object Classes</b>                     |               |                |                |                     |
| 21.0 Travel                                     | 62            |                |                | ---                 |
| 22.0 Transportation of things                   | 1             |                |                | ---                 |
| 23.3 Communication, Utilities, and misc charges | 1             |                |                | ---                 |
| 25.1 Advisory & Assistance Services             | 2,193         |                |                | ---                 |
| 25.2 Other Services                             | 1,995         |                |                | ---                 |
| 26.0 Supplies & materials                       | 30            |                |                | ---                 |
| 31.0 Equipment                                  | (298)         |                |                | ---                 |
| 32.0 Land & Structures                          | ---           | ---            | ---            | ---                 |
| 41.0 Grants/Subsidies/Contributions             | 1,430         | ---            | ---            | ---                 |
| <b>Total, Other Object Classes</b>              | <b>5,414</b>  | ---            | ---            | ---                 |
| <b>Total, Research &amp; Development</b>        | <b>5,414</b>  | ---            | ---            | ---                 |
| Full Time Equivalents                           | ---           | ---            |                | ---                 |

PPA Mission Statement

## I. Changes In FTE

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base:Year-end Actual from Prior Year                     | 1271    | 1297    | 1476    |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:   |         |         | 29      |
| Description: Covert testing & correct material weakness  |         |         |         |
| Increase #2:   | 26      | 179     |         |
| Description: Normal annual hiring                        |         |         |         |
| Sub-Total Increases                                      | 26      | 179     | 29      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Description: Realignment between PPAs                    |         |         | -121    |
| Decrease #2:   |         |         | -52     |
| Description: Lapse rate                                  |         |         |         |
| Sub-Total Decreases                                      | 0       | 0       | -173    |
| Year-end Actual/Estimated FTEs                           | 1297    | 1476    | 1332    |
| Net Change from prior year base to Budget Year Estimate: |         |         | 144     |

**J. FY 2009 Schedule of Working Capital fund by Program/Project Activity**

**Department of Homeland Security  
Transportation Security Administration  
Transportation Security Support**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity          | FY 2007         | FY 2008       | FY 2009       | Increase / Decrease |
|-----------------------------------|-----------------|---------------|---------------|---------------------|
|                                   | Anticipated     | Anticipated   | Anticipated   | for FY 2008         |
|                                   | AMOUNT          | AMOUNT        | AMOUNT        | AMOUNT              |
| Headquarters Administration       | 713             | 986           | 1,142         | 156                 |
| Information Technology            | 24,465          | 20,127        | 20,096        | (31)                |
| <b>Total Working Capital Fund</b> | <b>\$25,178</b> | <b>21,113</b> | <b>21,238</b> | <b>\$125</b>        |

# Department of Homeland Security

*Transportation Security Administration*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**TRANSPORTATION SECURITY ADMINISTRATION**

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**I. STRATEGIC CONTEXT FOR FY 2009 BUDGET**

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## **A. Mission and Description of the Transportation Security Administration**

*The Transportation Security Administration protects the Nation's transportation systems to ensure freedom of movement for people and commerce.*

The terrorist acts of September 11, 2001 transformed our homeland and led to the creation of the Transportation Security Administration (TSA) as part of the Aviation and Transportation Security Act enacted on November 19, 2001. The U.S. transportation systems move billions of people and trillions of dollars worth of goods each year that are vital to the Nation's economic prosperity, global competitiveness, and national security. Terrorism risks are asymmetric and traditional linear thinking cannot address the uncertainty and complexity of risks of terrorist attacks on a large, interconnected, and adaptive network like the U.S. transportation system. As a result, TSA employs a strategy built on implementing unpredictable, flexible, and layered security measures while striking a balance between security and ensuring the flow of commerce through a threat-based, risk-managed approach. In fulfilling its mission, TSA has devoted all resources to strengthen security of the U.S. transportation network. Specific efforts since 9/11 include: installing explosive detection systems; increasing the percentage of air cargo inspections; deploying canine teams; tripling the number of cargo airport security inspectors; utilizing rail security inspectors; conducting security reviews; carrying out intelligence operations; checking passenger manifests against watch lists; deploying Federal Air Marshals (FAMs); and enhancing training for the federal flight deck officers and flight crew self-defense programs. A successful effort in protecting the Nation's transportation system requires building upon security networks with partners in other Federal agencies, state and local governments, and the private sector.

## **B. Major Activities and Key Strategic Goals:**

### **Major Activities (Appropriations):**

For fiscal year (FY) 2009, TSA is requesting \$7.1 billion in budget authority, to strengthen the security of and reduce the risk associated with the Nation's transportation systems.

The Aviation Security program allows TSA to develop and deploy systems and initiatives to ensure air passengers and air cargo traveling through and entering the U.S. are protected through a multi-layered security system. TSA improved collaborative efforts designed to provide an ever tightening security focus at our aviation nodes. Improving the ability to detect and deter the use of Improvised Explosive Devices (IED) through technology, training and operational testing is a key goal of TSA. In FY 2007 TSA increased use and innovation of canine units, Behavior Detection Officers (BDO) and Bomb Appraisal Officers (BAO). BDOs screen passengers by observation techniques, and BAOs provide consistently higher levels of IED training to the Transportation Security Officer (TSO) workforce, while reducing the time needed to investigate suspicious items at the checkpoint. Both the BDO and BAO initiatives will also greatly enhance security and deterrence efforts. FY 2007 additional accomplishments include expanding the Travel Document Checker (TDC) program at over 340 Federalized Airports covering all categories of airports. In FY 2009 TSA will provide advanced hostile intent detection training for TSOs with emphasis on creating a calm travel environment to improve security effectiveness. TSA will expand the TDC, BAO and BDO programs and invest in the Information Sharing Environment to integrate information, improve shared awareness, reduce system reliance on any single point, allowing TSA to deploy resources in a flexible, dynamic and risk-based manner adding unpredictability and randomness to the equation to provide better deterrence and defense.

In FY 2009, TSA will devote \$1.2 billion to recapitalize checked baggage screening devices and accelerate deployment of inline systems that will increase baggage throughput up to 300 percent. This will be accomplished by proposing a temporary, four-year surcharge in the Transportation Security Administration's Passenger Security Fee of \$0.50 per enplanement with a maximum increase of \$1.00 per one-way trip. The additional fee collections will be devoted to the purchase and installation of systems for the detection of explosives in checked baggage. This funding level would accelerate the deployment of optimal checked baggage screening systems and address the need to recapitalize existing equipment deployed immediately after September 11, 2001.

The Next Generation (NexGen) explosive detection system (EDS) program saw two products in production and deployed in 2007. New EDS machines and significant upgrades to existing EDS technology are under development. These includes high throughput machines that can operate at up to 1,000 bags per hour. TSA will continue to replace explosive trace detection (ETD) units with Nexgen technology while piloting additional Nexgen equipment for upgrade of EDS and replacement ETD.

At checkpoints, the TSA is currently identifying, developing and implementing technologies more capable of detecting prohibited items such as bottled liquids scanners, automated explosive sampling, and cast and prosthesis scanners. TSA will devote \$131 million to checkpoint technology. TSA will continue to optimize and reconfigure checkpoints to accommodate growth and gain efficiencies and will maintain existing systems while phasing in life-cycle upgrades as necessary.

These technologies will offer a variety of enhancements that will improve screening capabilities, increase throughput, and reduce equipment footprint.

TSA promotes public confidence in our Nation's aviation and civil transportation systems through the effective risk-based strategic deployment of highly trained Federal Air Marshalls (FAMs) and other law enforcement resources in both air and land-based mission related assignments. TSA continues to engage in an integrated global strategy to help deter terrorism worldwide, encourage the emergence of air marshal programs in other countries, and develop operational and training relationships with its international partners and its continued participation in the Crew Member Self Defense Training and the Federal Flight Deck Officer programs. In FY 2007, TSA's mission coverage on critical international flights was accelerated amid heightened concerns about potential terrorism threats originating from Britain and other areas of Europe. Increased international deployments followed a rash of unsuccessful terrorist plots involving two foiled car bombs in London and an attack at a Scottish airport. In FY 2008, TSA intends to continue assigning FAMs to targeted critical flights and international missions using a risk-based methodology.

In addition, TSA continues to enhance cargo security operations in the aviation sector and train canine teams for use in the commercial passenger aviation, air cargo and mass transit modes. TSA continues to enhance security in all modes of transportation, through initiatives such as the Visual Intermodal Protection and Response (VIPR) teams, which include FAMs, transportation security inspectors (TSI), TSOs, BDO, and explosives detection canine teams, and are used to enhance information management among Federal, state and local partners and the private sector. Different configurations of VIPR teams are used to deter criminal and terrorist activity, provide surveillance, and build regional surge capability to the response of threats. In FY09, TSA will also increase its' ability to protect all modes of transportation by enhancing VIPR and Canine Explosive Detection programs.

Surface Transportation Security efforts include resources for TSA's security operations in all non-aviation modes of transportation. In FY 2007, TSA and its partners developed best practices, standards, and regulations to protect the transportation infrastructure through the continuing process of Corporate Security Reviews and issued a Notice of Proposed Rule Making (NPRM) for rail security that clarifies the agency's inspection authority and imposes security requirements for freight and passenger rail carriers transporting of hazardous material and specifies reporting requirements for security concerns and incidents.

In FY 2008, TSA will implement the High Threat Urban Areas initiative (HTUA), which identifies urban areas where an airborne release of toxic inhalation hazard (TIH) chemicals from rail shipment could be catastrophic and will continue conducting vulnerability HTUA assessments in rail corridors. Additionally in FY08 continued inspections monitoring and enforcing compliance with standards and regulations will occur, along with designing and implementing vulnerability assessment models for all surface transportation modes.

Also funded by this appropriation is the Surface Transportation Security Inspection Program (STSIP), a unique and critically important Federal inspection and compliance program that is breaking new ground in U.S. surface transportation security. With initial emphasis on freight railroads and mass transit and passenger rail systems, the STSIP has set out to enhance security preparedness in an industry that is both vital to the economic well-being of America and is the largest transporter of passengers in the country.

In FY 2009, inspectors will conduct additional on-site inspections to ensure compliance with security standards and guidelines, security directives, and security regulations. The STSIP will enhance information sharing; highlight best security practices; evaluate security system performance; and discover and assist in mitigating gaps and vulnerabilities in the industry's security systems.

Transportation Threat Assessment and Credentialing (TTAC) serves as the lead for all name-based terrorist threat assessments, as well as background check and credentialing issues surrounding transportation industry workers and domestic passengers. Key initiatives include Secure Flight, Registered Traveler (RT), the Transportation Worker Identification Credential (TWIC), TSA Hazardous Materials Commercial Driver's License Endorsement (HazMat CDL), Alien Flight Student, and Other Vetting Programs. In FY 2009, TSA's HazMat CDL program is expected to conduct threat assessments on approximately 300,000 applicants, a continued increase from the program inception confirming the vital role of improving the safety and protection of passengers and freight traveling on the Nation's highways. In FY 2009, the TSA Secure Flight program will begin to assume the watch list matching of over two million domestic airline passengers daily with the implementation of Secure Flight. The multitude of benefits Secure Flight will provide include: early insight for potential watch list matches; earlier law enforcement notification; decreased chance of compromised watch list data because of its limited distribution; consistent watch list matching process across all aircraft operators; and an integrated redress process that clears individuals that have been improperly or unfairly delayed or prohibited from boarding an aircraft because they have been previously misidentified

Transportation Security Support provides the services that support the operational needs of TSA's extensive airport/field and headquarters personnel and infrastructure. This appropriation contains three main components: Human Resource (HR) Services, Intelligence and Headquarters

Administration. In FY 2007, as an HR initiative, TSA converted the position of the Transportation Security Screener to the TSO. This conversion allows TSA to provide a more progressive career path to better retain and strengthen the TSO workforce and is expected to increase retention, utilization and effectiveness. In FY 2008, TSA will continue its local recruitment and local hiring strategy; enhance the on-boarding process; and introduce phase three of its leadership development program.

In FY 2009, Office of Intelligence (OI) will enhance the Collaborative Transportation Imagery Project to provide OI the ability to build a 360 degree imagery library of transportation nodes.

Headquarters Administration serves as the central point on policy development for corporate training, performance management, facilities management, financial management, human resources, protecting civil rights, legal advice, and internal conduct and audit. In FY 2009, the Office of Inspections will coordinate integration of inspection efforts and programs within TSA organizational units and programs on risk-based analysis; partner with offices/agencies to assess processes throughout TSA systems with the objective of enhancing/improving security at checkpoints.

### **Key Strategic Goals:**

#### **Goal 1: Protect our Nation from Dangerous People; Objective 1.3: Strengthening Screening of Travelers and Workers**

*Transportation Threat Assessment and Credentialing (TTAC):* Through the application of threat assessment methodologies, TSA intends to identify known or suspected terrorist working or seeking access to the Nation's transportation system. TSA's TTAC Office is the transportation community's source for timely, flexible and scalable security threat assessment services for passengers and domestic workers. TTAC provides threat assessment information to law enforcement and operational security organizations to keep individuals who pose a threat from gaining access to the transportation systems.

#### **Goal 3: Protect Critical Infrastructure; Objective 3.2: Transportation Modes**

*Aviation Security:* Enhancing screening through improved checkpoint technology will refine passenger security for aviation. This initiative extends beyond the airport Checkpoint and considers the end-to-end passenger experience to improve security and increase efficiency. Focus is on three key elements: improved explosive detection, enhanced hostile intent detection and extended presence in the passenger journey.

*Surface Transportation Security:* The transportation infrastructure is extraordinary in terms of its size and complexity. In cooperation with the transportation sectors, TSA has developed sector standards and/or action items to improve the security and reduce the risks of transportation modes. Infrastructure security depends upon the establishment and enforcement of regulations across all modes of transportation. Coordination among a vast array of partners is essential – so that threats across all modes are mitigated, not just transferred

## **C. Resources Requested and Performance Impact**

### **Major Base Changes**

Aviation Security - TSA requests \$5.3B for the Aviation Security Appropriation in FY09. Changes to the FY09 base include funds to annualize the additional TSO FTE (750 for the ADASP Program and 660 for the Behavior Detection Officer Program) as well as additional VIPR and canines.

Annualization of the increase for FAMS international flight coverage is also included. In addition, TSA has realigned the FY09 Aviation Security current services funding to provide additional funding for airport privatization and increased responsibilities (BAO, SPOT) for the Screening Partnership Program as well as funding for increasing field rent and fuel costs and contract maintenance costs that increase at a rate above conventional COLA.

Also in order to enhance financial management and have PPAs more closely mirror the organizational structure, the FY09 Budget Request aligns operational and personnel funding under the same PPAs. Technology support staff previously funded under HQ Admin has been moved to EDS and Checkpoint while screener training support staff is now funded by Screener Training and Other. The FY09 request also proposes a new Law Enforcement PPA under Aviation which consolidates program initiatives in background investigations, K-9s (previously divided between Air Cargo, Aviation Regulation and Enforcement and Surface), FFDOs and TSOC/COOP. As part of the FY09 realignment, funding for the FAMS which was a separate appropriation in prior budget years is moved to Aviation Security.

Surface Transportation - TSA requests \$37M in FY09 funding for this appropriation which contains PPAs for Surface Security Operations and Staffing and Rail Inspectors and Canines. As part of base realignment, FTE associated with TSOC is moved from Surface Transportation Security Operations and Staffing to the new Law Enforcement PPA in Aviation. Canine funding is also moved from this appropriation to Law Enforcement.

Transportation Threat Assessment and Credentialing (TTAC) - For FY09, TSA requests a total of \$170M for this appropriation which includes \$133M in appropriated funding for Secure Flight, and Other Vetting and \$37M in fee funding for Registered Traveler, TWIC, Hazmat CDL and Alien Flight School. The FY09 current services level reflects the movement of \$2M in Secure Identification Display Area (SIDA) checks from the Transportation Security Support appropriation to Other Vetting. Other Vetting is proposed as a new PPA which combines the existing PPAs of Screening Administration and Crew Vetting. This new PPA will include all the smaller vetting programs such as Crew Vetting, SIDA, Temporary Flight Restriction Program, Maryland-3 Airport checks, and Twelve-five and Charter Pilot Checks within one funding source.

Transportation Security Support Appropriation- For FY09, TSA requests a total of \$926M for this appropriation. As part of the PPA realignment designed to have PPAs more closely mirror the organizational structure, the funding from Airport IT which was previously in Aviation has been consolidated with the IT (Support) and will remain as a PPA in this appropriation. Also funding for HR Services (Aviation) has been consolidated with funding previously under HQ Admin PPA and now constitutes a new Support PPA – Human Capital Services. While this appropriation had a substantial net decrease in FTE due to support personnel being aligned with operational personnel (Screener Training and Other, EDS, Operation Integration, SIDA, Law Enforcement and Checkpoint Support), several programs remaining within the appropriation received increases in current service funding. These included Intelligence support costs associated with the watch office and remote access system and HQ for additional FTE and funding to correct material weaknesses in financial and covert testing.

## Increments over Current Service Level

The FY09 TSA Budget Request reflects two program increases – both in the TTAC appropriation.

TSA requests \$32M additional funding for Secure Flight for a total of \$82M in FY09. This additional funding, coupled with execution of the transfer language provided in the FY08 appropriation will allow TSA to continue implementation of the Secure Flight program and the full assumption of watch list matching in FY 2010.

TSA also requests an additional \$30M for Other Vetting. The Vetting Operations program mission is to provide appropriate screening and credentialing of individuals requesting or requiring special access to US transportation and other critical infrastructure. To meet this mission, this program increase is targeted at enhancing and stabilizing the infrastructure necessary to perform vetting operations on populations that access the most critical infrastructure.

## D. Program Performance Highlights, Resources and Alignment of Strategic Goals

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars, full time equivalent (FTE), and main performance measure(s) are shown below. For many of the programs more performance information may be found on the Office of Management and Budget's (OMB) web site Expectmore.gov (program names may differ slightly from those used in this document).

|  |         |             |             |             |             |             |
|--|---------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Aviation Security</b>  |         |             |             |             |             |             |
| <b>Performance Goal:</b> Reduce the probability of a successful terrorist or other criminal attack to the air transportation system by improved aviation security. |         |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 3.2 (100%)   |         |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | None    | \$5,461,456 | \$4,972,436 | \$5,076,360 | \$5,308,741 | \$5,965,810 |
| <b>FTE</b>   | None    | 52,135      | 45,476      | 45,857      | 48,897      | 49,697      |

## Performance Plan Measures

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Baggage security screening assessment results  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measures the percentage of the time that baggage Transportation Security Officers (TSOs) correctly identify prohibited material in baggage during covert tests, in order to reduce the probability of a successful terrorist or other criminal attack to the air transportation system. The target and actual results are classified and are not releasable to the public at this time for security reasons. Comment: Change from STEA to ASAP has improved data quality, new baselines being developed in line with OMB requests (data now available semi annually only). |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | SSI     | SSI     | SSI     | SSI     |
| <b>Actual:</b>   | None    | None    | SSI     | SSI     | N/A     | N/A     |

|   |         |            |         |         |         |         |
|---|---------|------------|---------|---------|---------|---------|
| <b>Measure:</b> Passenger security screening assessment results   |         |            |         |         |         |         |
| <b>Description of Measure:</b> This measures the percentage of the time that passenger Transportation Security Officers (TSOs) correctly identify prohibited material during covert tests, in order to reduce the probability of a successful terrorist or other criminal attack to the air transportation system. The target and actual results are classified for security reasons and are not releasable to the public at this time. Comment: change from STEA to ASAP has improved data quality, new baseline being developed in line with OMB requests (data now available semi annually only) |         |            |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005    | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | Classified | SSI     | SSI     | SSI     | SSI     |
| <b>Actual:</b>  | None    | Classified | SSI     | SSI     | N/A     | N/A     |

|  |         |         |          |         |         |         |
|--|---------|---------|----------|---------|---------|---------|
| <b>Measure:</b> Percent of air carriers in compliance with leading security indicators.  |         |         |          |         |         |         |
| <b>Description of Measure:</b> This measure identifies overall air carrier compliance with leading security indicators. A leading security indicator is a key indicator, that, when taken into account, may be predictive of the overall security posture of an air carrier (these critical indicators are derived from criteria based on factors like a single point of failure, operational vs. administrative, human factor related). The indicators are guided by security rules, regulations, and standards. Identifying compliance with the key indicators assesses air carrier vulnerabilities. Assessing air carrier vulnerabilities is part of an overall risk reduction process, as in measuring compliance with standards as a strong indicator of system security. |         |         |          |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006  | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | Baseline | 96%     | 96%     | 97%     |
| <b>Actual:</b>   | None    | None    | N/A      | 97.79%  | N/A     | N/A     |

|  |         |         |          |         |         |         |
|--|---------|---------|----------|---------|---------|---------|
| <b>Measure:</b> Percent of airports in compliance with leading security indicators.  |         |         |          |         |         |         |
| <b>Description of Measure:</b> This measure identifies overall airport compliance with leading security indicators. A leading security indicator is a key indicator, that, when taken into account, may be predictive of the overall security posture of an airport (these critical indicators are derived from criteria based on factors like a single point of failure, operational vs. administrative, human factor related). The indicators are guided by security rules, regulations, and standards. Identifying compliance with the key indicators assesses airport vulnerabilities. Assessing airport vulnerabilities is part of an overall risk reduction process, as in measuring compliance with standards as a strong indicator of system security. |         |         |          |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006  | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | Baseline | 98%     | 95%     | 96%     |
| <b>Actual:</b>   | None    | None    | 97.64%   | 95.55%  | N/A     | N/A     |

### Additional Measures

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percentage of screeners scoring above the national standard level of Threat Image Projection (TIP) performance   |  |  |  |  |  |  |
| <b>Description of Measure:</b> First sentence deleted. TSA established a standard level of TIP performance. The measure reflects the percentage of screeners performing above the standard. Transportation Security Officers (TSOs) receive ongoing training and performance assessments to ensure that their skills are being developed to address the variety of threats that may be presented. As threats change and evolve, the TIP program develops new images and training to address the expanded needs of the TSO workforce, allowing TSA to maintain a high level of screener performance that ensures aviation security. As threats change and evolve, the TIP program develops new images and training to address the expanded needs of the TSO workforce, allowing TSA to maintain a high level of screener performance that ensures aviation security. The target |  |  |  |  |  |  |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| and actual data for this measure is Sensitive Security Information (SSI). |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | SSI     | SSI     | SSI     | SSI     | SSI     |
| <b>Actual:</b>  | None    | SSI     | SSI     | SSI     | N/A     | N/A     |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Cost per bag screened   |          |         |         |         |         |         |
| <b>Description of Measure:</b> This measure will suggest the system - wide human resources cost of screening a bag based on activity based costing information at a sample of airports. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2005  | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
| <b>Target:</b>  | Baseline | \$1.64  | \$1.44  | \$1.64  | \$1.62  | \$1.61  |
| <b>Actual:</b>  | \$3.44   | \$1.64  | \$1.44  | N/A     | N/A     | N/A     |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Cost per passenger screened   |          |         |         |         |         |         |
| <b>Description of Measure:</b> This measure will suggest the system - wide human resources cost of screening a person based on the total salary and benefits costs of the TSO workforce and the number of people who pass completely through walk - through - metal - detectors at airport screening checkpoints. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2005  | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
| <b>Target:</b>  | Baseline | \$1.89  | \$1.97  | \$1.89  | \$1.87  | \$1.85  |
| <b>Actual:</b>  | \$2.47   | \$1.89  | \$1.97  | N/A     | N/A     | N/A     |

|  |          |         |         |         |         |         |
|--|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Improve protection of aircraft cockpits through re-qualification certification of FFDOs.   |          |         |         |         |         |         |
| <b>Description of Measure:</b> Measures the total percentage of FFDOs who attended required bi - annual re - qualification firearm certification training. Note: Re-qualifications are measured per calendar quarter and only reported at the end of each quarter. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>   | Baseline | 90%     | 93.5%   | 94%     | 94.55%  | 95.0%   |
| <b>Actual:</b>   | 97.75%   | 93.2%   | N/A     | N/A     | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Level of the Customer Satisfaction Index (CSI - A) for Aviation Operations.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The CSI - A is a composite index incorporating data on security confidence, passenger surveys, and compliments/complaint data on screener performance. TSA aspires to provide effective screening operations with minimum disruption to the traveling public. CSI - A is scaled where 0 is very dissatisfied, 25 is dissatisfied, 75 is satisfied, and 100 is very satisfied. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | 81      | 82      | 83      | 83.5    |
| <b>Actual:</b>   | None    | 78      | 81      | 81      | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of countries with direct flights to the U.S. who are provided aviation security.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure reports the amount of interaction the United States has with countries providing Last - Point - of - Departure (LPD) service to the US. An LPD country is a country with at least one port providing direct traffic to a specific destination - usually a foreign airport with direct passenger and/or cargo flights to a US destination airport. The US interacts with countries providing LPD service with the goal to share aviation security policy and practices. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| <b>Target:</b>  | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of countries/territories with no direct flights to the U.S. who are provided aviation security assistance.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure reports the amount of interaction (output) the United States has with countries with no direct service to the US in the area of aviation security policy and practices at the national or airport level. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| <b>Target:</b>  | 45%     | 50%     | 55%     | 60%     | 65%     | 70%     |
| <b>Actual:</b>  | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of eligible flight crew members with Federal Flight Deck Officer (FFDO) Certification.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure pertains to the Federal Flight Deck Officer (FFDO) program, a Flight Crew Training program administered by the TSA/OLE - FAMS. The specific metric is the percentage of eligible flight crew members that have been trained and deputized as FFDOs, and who may therefore provide a final, deadly - force deterrent to an attempted hostile breach of the flight deck that could result in the military interdiction of a flight, and the loss of an aircraft, its passengers, and crew. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2006 | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>   | 9%      | 10.5%   | 12%     | 13.5%   | 15%     | 16.5%   |
| <b>Actual:</b>   | 9%      | 10.8%   | N/A     | N/A     | N/A     | N/A     |

|  |         |          |          |          |          |          |
|--|---------|----------|----------|----------|----------|----------|
| <b>Program: Surface Transportation Security</b>  |         |          |          |          |          |          |
| <b>Performance Goal:</b> Improve the protection of the surface transportation system while ensuring the freedom of movement for people and commerce. |         |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 3.2 (100%)   |         |          |          |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | \$36,000 | \$52,226 | \$40,785 | \$46,613 | \$37,000 |
| <b>FTE</b>   | None    | 291      | 277      | 226      | 326      | 230      |

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of Mass Transit agencies that are in full compliance with industry agreed upon standards to improve security.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is designed to elevate the security posture and readiness throughout the mode by advancing implementation and sustainment of baseline security measures tailored to the operating environment and characteristics of mass transit and passenger rail systems. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| <b>Target:</b>  | 50%     | 60%     | 75%     | 80%     | 85%     | 90%     |
| <b>Actual:</b>  | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent reduction in risk from toxic inhalation hazard (TIH) bulk cargoes in rail transportation.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Using risk management principles, TSA have prioritized its efforts to prevent the use of a loaded TIH railcar as a weapon of mass effect. This risk is reduced by minimizing the aggregate number of hours that loaded TIH cars are unattended in high threat urban areas (HTUA). |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| <b>Target:</b>   | 50%     | 55%     | 61%     | 67%     | 74%     | 81%     |
| <b>Actual:</b>   | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |

### Additional Measures

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of rail inspections conducted per 1000 inspector hours.  |          |         |         |         |         |         |
| <b>Description of Measure:</b> Compliance/Surface: This measure illustrates the efficiency of inspection activities by quantifying the number of inspections conducted per inspector within a certain time frame. It is important to note that surface transportation inspection processes and requirements are continually evolving and maturing. As a result, this may require adjustments to future targets. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>  | Baseline | 53.4    | 60      | 62      | 64      | 66      |
| <b>Actual:</b>  | 14       | 53.4    | N/A     | N/A     | N/A     | N/A     |

|  |          |         |         |         |         |         |
|--|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of applicable passenger and mass transit rail systems having undergone a Security Directive Review (rail).  |          |         |         |         |         |         |
| <b>Description of Measure:</b> A security directive review is an evaluation of a system's security posture with respect to TSA - issued security directives. As additional security directives and regulations are promulgated in other modes, it is expected that these compliance reviews will incorporate other modes as well. 100% of applicable systems will be completed by FY08. Systems reviewed in FY 06 - 08 will be revisited at a rate of 33% per year in FYs 09 - 12. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>   | Baseline | 72%     | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>   | 55.7%    | 72%     | N/A     | N/A     | N/A     | N/A     |

|  |                 |         |         |         |         |         |
|--|-----------------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Risk reduced by Air Cargo programs and regulations.  |                 |         |         |         |         |         |
| <b>Description of Measure:</b> The risk reduction index assesses the capabilities of air cargo programs in reducing vulnerabilities in the air cargo supply chain to multiple threat case scenarios and evaluating the effectiveness of Air Cargo's countermeasures- programs, policies and regulations – in reducing the risks posed to the air cargo supply chain. |                 |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2008         | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| <b>Target:</b>   | (Baseline Year) | TBD     | TBD     | TBD     | TBD     | TBD     |
| <b>Actual:</b>   | N/A             | N/A     | N/A     | N/A     | N/A     | N/A     |

|  |         |         |           |           |           |           |
|--|---------|---------|-----------|-----------|-----------|-----------|
| <b>Program: Transportation Security Support</b>  |         |         |           |           |           |           |
| <b>Performance Goal:</b> Improve the receipt, assessment, and distribution of intelligence information related to transportation security. |         |         |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.3 (100%)   |         |         |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | None    | None    | \$514,641 | \$550,194 | \$523,515 | \$926,000 |
| <b>FTE</b>   | None    | None    | 1,271     | 1,297     | 1,476     | 1,332     |

### Performance Plan Measures

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Level of customer satisfaction with the intelligence products provided.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> This measure shows the overall level of customer satisfaction with intelligence products produced and disseminated by TSA - OI. TSA - OI sought to develop a baseline in FY 2006, but the office experienced data collection challenges. In early FY 2007 the office refined the questions and added demographic information to the survey, which is in the process of being rolled - out more widely with all production. Feedback is apt to be spotty in the near - term; over the longer term, the survey administration method may also change from the |  |  |  |  |  |  |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| current email/paper - based process to enhance speed of analysis and to improve response rates. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>  | Baseline | 85%     | 85%     | 90%     | 90%     | 95%     |
| <b>Actual:</b>  |          | 89.6%   | N/A     | N/A     | N/A     | N/A     |

### Additional Measures

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Level of customer satisfaction with user support resolution.  |          |         |         |         |         |         |
| <b>Description of Measure:</b> Portions of the TSS program tracks customer satisfaction metrics through follow - up SPOC field surveys that are based on a 5.0 Likert scale. These monthly metrics are a compilation of daily follow - up calls in response to user support issues. The questions include responses based on promptness, courteousness, technical service, and problem solving. Using a response of 1 as the lowest (customer dissatisfaction) and 5 as the highest (customer satisfaction), TSA is able to identify potential areas for improvement and areas where support is satisfactory. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>  | Baseline | 4.85    | 4.85    | 4.85    | 4.85    | 4.85    |
| <b>Actual:</b>  | 4.85     | 4.88    | N/A     | N/A     | N/A     | N/A     |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent decrease in workman's compensation claims.  |          |         |         |         |         |         |
| <b>Description of Measure:</b> This measure will track improvements that have been made in reducing the amount of money that has been paid in workman's compensation. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>  | Baseline | 5%      | 5%      | 5%      | 5%      | 5%      |
| <b>Actual:</b>  | 4.3%     | 38.2%   | N/A     | N/A     | N/A     | N/A     |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Reduce cost and schedule variance for information technology infrastructure projects.   |          |         |         |         |         |         |
| <b>Description of Measure:</b> This efficiency allows both Government and contractor Program Managers (PM) to have visibility into technical, cost, and schedule planning, performance, and progress of the contract effort. TSA's target is to achieve 75% programs meeting cost and schedule goals by less than 10% variance. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>  | Baseline | 99.99%  | 99.99%  | 99.99%  | 99.99%  | 99.99%  |
| <b>Actual:</b>  | 99.99%   | 99.99%  | N/A     | N/A     | N/A     | N/A     |

|  |         |           |          |          |           |           |
|--|---------|-----------|----------|----------|-----------|-----------|
| <b>Program: Transportation Threat Assessment and Credentialing</b>   |         |           |          |          |           |           |
| <b>Performance Goal:</b> Reduce the threat to national security or transportation security by individuals engaged in various aspects of the U.S. transportation systems. |         |           |          |          |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.3 (100%)   |         |           |          |          |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005   | FY 2006  | FY 2007  | FY 2008   | FY 2009   |
| <b>\$ Thousands*</b>   | None    | \$245,686 | \$67,224 | \$93,038 | \$171,490 | \$173,018 |
| <b>FTE*</b>  | None    | 104       | 83       | 113      | 166       | 183       |

\*Includes Appropriation and Fees

### Plan Measures

|  |  |
|--|--|
| <b>Measure:</b> Percent of individuals undergoing a Transportation Threat Assessment and Credentialing (TTAC) security threat assessment (STA) |  |
| <b>Description of Measure:</b> This measure indicates the percentage of TTAC's total defined   |  |

population that is receiving an STA. Thorough vetting will decrease vulnerabilities of sensitive transportation systems by limiting access of potentially dangerous individuals who are identified by TTAC vetting and credentialing programs. The populations currently include international flight crews, aviation workers, hazardous material drivers, and non - US citizens receiving flight instruction at the Federal Aviation Administrations (FAA) certified flight schools in the US and abroad. In the future, TTAC programs will also cover domestic airline passengers, surface and maritime workers.

|                     |          |         |         |         |         |         |
|---------------------|----------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>      | Baseline | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | 100%     | 100%    | N/A     | N/A     | N/A     | N/A     |

**Additional Measures**

**Measure:** Security Threat Assessment (STA) cost per vetted individual.

**Description of Measure:** This measure ensures that the cost of performing security threat assessments remains within acceptable levels.

|                     |          |         |         |         |         |         |
|---------------------|----------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2006  | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
| <b>Target:</b>      | Baseline | \$15.00 | \$14.50 | \$14.00 | \$13.75 | \$13.50 |
| <b>Actual:</b>      | \$15.56  | \$15.00 | N/A     | N/A     | N/A     | N/A     |

E. Digest Tables by Future Homeland Security Program (FYHSP) (Dollars in Thousands)

| Budget Activity   |               |                    |               |                    |               |                    | Increase (+) or |                  | Decrease (-) |               | FY 2009      |                  |          |
|---|---------------|--------------------|---------------|--------------------|---------------|--------------------|-----------------|------------------|--------------|---------------|--------------|------------------|----------|
|   | 2007 Actual   |                    | 2008 Enacted  |                    | 2009 Request  |                    | Total Changes   |                  | Pgm Chgs     |               | Adj-Base     |                  |          |
|   | FTE           | Amount             | FTE           | Amount             | FTE           | Amount             | FTE             | Amount           | FTE          | Amount        | FTE          | Amount           |          |
| <b>I. AVIATION SECURITY</b>                                       | <b>45,857</b> | <b>4,826,360</b>   | <b>48,897</b> | <b>4,808,741</b>   | <b>49,697</b> | <b>5,289,810</b>   | <b>800</b>      | <b>481,069</b>   | ---          | ---           | <b>800</b>   | <b>481,069</b>   |          |
| 1. Screening Partnership Program                                  | ---           | \$142,230          | ---           | 143,385            | ---           | 151,272            | ---             | 7,887            | ---          | ---           | ---          | 7,887            |          |
| 2. Passenger and Baggage PC&B                                     | 42,592        | 2,444,455          | 45,438        | 2,636,104          | 45,643        | 2,716,014          | 205             | 79,910           | ---          | ---           | 205          | 79,910           |          |
| 3. Screener Training & Other                                      | ---           | 228,821            | ---           | 223,766            | 54            | 197,318            | 54              | (26,448)         | ---          | ---           | 54           | (26,448)         |          |
| 4. Human Resource Services  | ---           | 170,634            | ---           | 182,234            | ---           | ---                | ---             | (182,234)        | ---          | ---           | ---          | (182,234)        |          |
| 5. Checkpoint Support   | ---           | 248,958            | ---           | ---                | 40            | 127,683            | 40              | 127,683          | ---          | ---           | 40           | 127,683          |          |
| 6. EDS/ETD Purchase/Install                                       | ---           | ---                | ---           | 294,000            | 106           | 153,894            | 106             | (140,106)        | ---          | ---           | 106          | (140,106)        |          |
| 7. EDS/ETD Purchase   | ---           | 179,554            | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 8. EDS/ETD Installation   | ---           | 147,676            | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 9. Screening Technology   | ---           | 222,615            | ---           | 264,000            | ---           | 310,625            | ---             | 46,625           | ---          | ---           | ---          | 46,625           |          |
| 10. Operation Integration   | 12            | 31,543             | 24            | 25,000             | ---           | 21,481             | (24)            | (3,519)          | ---          | ---           | (24)         | (3,519)          |          |
| 11. Avn Reg & Oth Enforce   | 950           | 236,419            | 1,038         | 255,953            | 1,407         | 209,991            | 369             | (45,962)         | ---          | ---           | 369          | (45,962)         |          |
| 12. Airport Mgmt, IT, Spt   | 1,984         | 679,745            | 2,045         | 651,933            | 1,878         | 373,010            | (167)           | (278,923)        | ---          | ---           | (167)        | (278,923)        |          |
| 13. FFDO  | 19            | 21,367             | 25            | 25,091             | ---           | ---                | ---             | (25)             | (25,091)     | ---           | ---          | (25)             | (25,091) |
| 14. Air Cargo   | 292           | 64,238             | 325           | 73,000             | ---           | ---                | ---             | (325)            | (73,000)     | ---           | ---          | (325)            | (73,000) |
| 15. Federal Air Marshal (FAMS)                                    | ---           | ---                | ---           | ---                | ---           | 786,000            | ---             | 786,000          | ---          | ---           | ---          | 786,000          |          |
| 16. Law Enforcement   | ---           | ---                | ---           | ---                | 567           | 242,247            | 567             | 242,247          | ---          | ---           | 567          | 242,247          |          |
| 17. Airport Perimeter Security                                    | ---           | 4,914              | ---           | 4,000              | ---           | ---                | ---             | (4,000)          | ---          | ---           | ---          | (4,000)          |          |
| 18. Implement Require of 9/11 Act                                 | ---           | ---                | ---           | 30,000             | ---           | ---                | ---             | (30,000)         | ---          | ---           | ---          | (30,000)         |          |
| 18. Secure Flight   | ---           | 44                 | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 19. Registered Traveler   | 8             | 3,066              | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 20. General Aviation at DCA - Fee                                 | ---           | ---                | ---           | 75                 | ---           | 75                 | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 21. Indirect Air Cargo - Fee                                      | ---           | 81                 | 2             | 200                | 2             | 200                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>II. SURFACE TRANS SECURITY</b>                                 | <b>226</b>    | <b>40,785</b>      | <b>326</b>    | <b>46,613</b>      | <b>230</b>    | <b>37,000</b>      | <b>(96)</b>     | <b>(9,613)</b>   | ---          | ---           | <b>(96)</b>  | <b>(9,613)</b>   |          |
| 1. Operations and Staffing  | 137           | 23,712             | 188           | 24,485             | 134           | 25,397             | (54)            | 912              | ---          | ---           | (54)         | 912              |          |
| 2. Security Inspectors  | 89            | 13,014             | 138           | 22,128             | 96            | 11,603             | (42)            | (10,525)         | ---          | ---           | (42)         | (10,525)         |          |
| 3. HazMat Truck Track & Train                                     | ---           | 2,859              | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| 4. HazMat CDL Fees  | ---           | 1,200              | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>III. THREAT ASSESS &amp; CREDEN</b>                            | <b>102</b>    | <b>79,181</b>      | <b>122</b>    | <b>82,590</b>      | <b>139</b>    | <b>133,018</b>     | <b>17</b>       | <b>50,428</b>    | <b>22</b>    | <b>62,000</b> | <b>(5)</b>   | <b>(11,572)</b>  |          |
| 1. Secure Flight  | 45            | 38,296             | 65            | 50,000             | 74            | 82,211             | 9               | 32,211           | 12           | 32,000        | (3)          | 211              |          |
| 2. Crew Vetting   | 34            | 16,911             | 42            | 14,990             | ---           | ---                | (42)            | (14,990)         | ---          | ---           | (42)         | (14,990)         |          |
| 3. Other Vetting & SAO  | 13            | 13,986             | 15            | 9,500              | 65            | 50,807             | 50              | 41,307           | 10           | 30,000        | 40           | 11,307           |          |
| 4. TWIC Appropriated  | 10            | 9,988              | ---           | 8,100              | ---           | ---                | ---             | (8,100)          | ---          | ---           | ---          | (8,100)          |          |
| <b>CREDENTIALING FEES</b>   | <b>11</b>     | <b>11,857</b>      | <b>44</b>     | <b>85,900</b>      | <b>44</b>     | <b>37,000</b>      | ---             | <b>(48,900)</b>  | ---          | ---           | ---          | <b>(48,900)</b>  |          |
| 1. Registered Traveler Program -Fee                               | ---           | 65                 | 12            | 3,500              | 12            | 10,000             | ---             | 6,500            | ---          | ---           | ---          | 6,500            |          |
| 2. TWIC - Fee   | ---           | ---                | 15            | 64,400             | 15            | 9,000              | ---             | (55,400)         | ---          | ---           | ---          | (55,400)         |          |
| 3. HAZMAT CDL - Fee   | 11            | 11,792             | 17            | 18,000             | 17            | 18,000             | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>IV. TRANS SECURITY SUPPORT</b>                                 | <b>1,297</b>  | <b>550,194</b>     | <b>1,476</b>  | <b>523,515</b>     | <b>1,332</b>  | <b>926,000</b>     | <b>(144)</b>    | <b>402,485</b>   | ---          | ---           | <b>(144)</b> | <b>402,485</b>   |          |
| 1. Intelligence   | 84            | 23,695             | 99            | 21,000             | 92            | 21,961             | (7)             | 961              | ---          | ---           | (7)          | 961              |          |
| 2. Headquarters Administration                                    | 1,213         | 305,648            | 1,377         | 293,191            | 938           | 213,135            | (439)           | (80,056)         | ---          | ---           | (439)        | (80,056)         |          |
| 3. Human Capital Services   | ---           | ---                | ---           | ---                | 176           | 218,105            | 176             | 218,105          | ---          | ---           | 176          | 218,105          |          |
| 4. Information Technology   | ---           | 215,437            | ---           | 209,324            | 126           | 472,799            | 126             | 263,475          | ---          | ---           | 126          | 263,475          |          |
| 5. Research & Development   | ---           | 5,414              | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>V. FEDERAL AIR MARSHALS</b>                                    | ---           | <b>719,458</b>     | ---           | <b>769,500</b>     | ---           | ---                | ---             | <b>(769,500)</b> | ---          | ---           | ---          | <b>(769,500)</b> |          |
| 1. Management and Administration                                  | ---           | 635,968            | ---           | 674,173            | ---           | ---                | ---             | (674,173)        | ---          | ---           | ---          | (674,173)        |          |
| 2. Travel and Training  | ---           | 81,940             | ---           | 95,327             | ---           | ---                | ---             | (95,327)         | ---          | ---           | ---          | (95,327)         |          |
| 3. Air-To-Ground Communications                                   | ---           | 1,550              | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>Total Direct Approp &amp; Budget Est (Gross Discretionary)</b> | <b>47,493</b> | <b>6,227,835</b>   | <b>50,865</b> | <b>6,316,859</b>   | <b>51,442</b> | <b>6,422,828</b>   | <b>577</b>      | <b>105,969</b>   | <b>22</b>    | <b>62,000</b> | <b>555</b>   | <b>43,969</b>    |          |
| <b>MANDATORY FEES</b>   | ---           | ---                | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| Aviation Security Capital Fund                                    | ---           | 266,016            | ---           | 250,000            | ---           | 676,000            | ---             | 426,000          | ---          | ---           | ---          | 426,000          |          |
| Avn Checkpoint Screening Fund                                     | ---           | ---                | ---           | 250,000            | ---           | ---                | ---             | (250,000)        | ---          | ---           | ---          | (250,000)        |          |
| Alien Flight School - Fee   | 6             | 1,839              | 6             | 3,000              | 6             | 3,000              | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>Total Budget Authority (Gross Budgetary Resources)</b>         | <b>47,499</b> | <b>6,495,690</b>   | <b>50,871</b> | <b>6,819,859</b>   | <b>51,448</b> | <b>7,101,828</b>   | <b>577</b>      | <b>281,969</b>   | <b>22</b>    | <b>62,000</b> | <b>555</b>   | <b>219,969</b>   |          |
| <b>FEE ACCOUNT OFFSET</b>   | ---           | ---                | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>Discretionary Fees:</b>  | ---           | <b>(2,304,703)</b> | ---           | <b>(2,199,150)</b> | ---           | <b>(2,365,942)</b> | ---             | <b>(166,792)</b> | ---          | ---           | ---          | <b>(166,792)</b> |          |
| Avn Pass Sec Fees FY 06 & 07                                      | ---           | (1,707,113)        | ---           | (1,566,975)        | ---           | (1,880,667)        | ---             | (313,692)        | ---          | ---           | ---          | (313,692)        |          |
| Avn Sec Infrastructure Fund                                       | ---           | (574,643)          | ---           | (546,000)          | ---           | (448,000)          | ---             | 98,000           | ---          | ---           | ---          | 98,000           |          |
| General Aviation at DCA - Fee                                     | ---           | (85)               | ---           | (75)               | ---           | (75)               | ---             | ---              | ---          | ---           | ---          | ---              |          |
| Indirect Air Cargo - Fee  | ---           | (2,791)            | ---           | (200)              | ---           | (200)              | ---             | ---              | ---          | ---           | ---          | ---              |          |
| Registered Traveler Program - Fee                                 | ---           | (13,071)           | ---           | (3,500)            | ---           | (10,000)           | ---             | (6,500)          | ---          | ---           | ---          | (6,500)          |          |
| TWIC - Fee  | ---           | ---                | ---           | (64,400)           | ---           | (9,000)            | ---             | 55,400           | ---          | ---           | ---          | 55,400           |          |
| HAZMAT CDL - Fee  | ---           | (7,000)            | ---           | (18,000)           | ---           | (18,000)           | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>Mandatory Fees:</b>  | ---           | <b>(253,195)</b>   | ---           | <b>(503,000)</b>   | ---           | <b>(679,000)</b>   | ---             | <b>(176,000)</b> | ---          | ---           | ---          | <b>(176,000)</b> |          |
| Aviation Security Capital Fund                                    | ---           | (250,000)          | ---           | (250,000)          | ---           | (676,000)          | ---             | (426,000)        | ---          | ---           | ---          | (426,000)        |          |
| Avn Checkpoint Screening Fund                                     | ---           | ---                | ---           | (250,000)          | ---           | ---                | ---             | 250,000          | ---          | ---           | ---          | 250,000          |          |
| Alien Flight School - Fee   | ---           | (3,195)            | ---           | (3,000)            | ---           | (3,000)            | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>RESCISSION PRIOR YEAR FUNDS</b>                                | ---           | <b>(66,712)</b>    | ---           | <b>(4,500)</b>     | ---           | ---                | ---             | ---              | ---          | ---           | ---          | ---              |          |
| <b>Net, Direct Appropriations and Budget Estimates</b>            | <b>47,499</b> | <b>3,871,080</b>   | <b>50,871</b> | <b>4,113,209</b>   | <b>51,448</b> | <b>4,056,886</b>   | <b>577</b>      | <b>(60,823)</b>  | <b>22</b>    | <b>62,000</b> | <b>555</b>   | <b>(122,823)</b> |          |

<sup>1</sup> Includes adjustments to fees.

**i. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Federal Law Enforcement Training Center**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007 Actual |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                |                     |                   |
|--|----------------|------------------|-----------------|------------------|-----------------|------------------|--|-------------------|-----------------|----------------|---------------------|-------------------|
|  |                |                  |                 |                  |                 |                  | Total Changes                            |                   | Program Changes |                | Adjustments-to-Base |                   |
|  | FTE            | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE                                      | AMOUNT            | FTE             | AMOUNT         | FTE                 | AMOUNT            |
| Salaries and Expenses  | 980            | \$231,066        | 1,056           | \$238,076        | 1,106           | \$230,670        | 50                                       | (\$7,406)         | 55              | \$8,286        | (5)                 | (\$15,692)        |
| Acquisition, Construction, Improvements and Related Expenses | ---            | 55,562           | ---             | 50,590           | ---             | 43,456           | ---                                      | (7,134)           | ---             | 186            | ---                 | (7,320)           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>980</b>     | <b>\$286,628</b> | <b>1,056</b>    | <b>\$288,666</b> | <b>1,106</b>    | <b>\$274,126</b> | <b>50</b>                                | <b>(\$14,540)</b> | <b>55</b>       | <b>\$8,472</b> | <b>(5)</b>          | <b>(\$23,012)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                  |                 |                  |                 |                  |  |                   |                 |                |                     |                   |
| Less: Prior Year Recissions                                  |                |                  |                 | (333)            |                 |                  |  |                   |                 |                |                     |                   |
|  |                |                  |                 |                  |                 |                  |  |                   |                 |                |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>980</b>     | <b>\$286,628</b> | <b>1,056</b>    | <b>\$288,333</b> | <b>1,106</b>    | <b>\$274,126</b> | <b>50</b>                                | <b>(\$14,540)</b> | <b>55</b>       | <b>\$8,472</b> | <b>(5)</b>          | <b>(\$23,012)</b> |

ii: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual |                  |              |                 |            |                  | FY 2008<br>Enacted |                  |              |                 |              |                  | FY 2009<br>Request |                  |              |                 |              |                  |
|---|-------------------|------------------|--------------|-----------------|------------|------------------|--------------------|------------------|--------------|-----------------|--------------|------------------|--------------------|------------------|--------------|-----------------|--------------|------------------|
|   | Homeland          |                  | Non-Homeland |                 | Total      |                  | Homeland           |                  | Non-Homeland |                 | Total        |                  | Homeland           |                  | Non-Homeland |                 | Total        |                  |
|   | FTE               | Amount           | FTE          | Amount          | FTE        | Amount           | FTE                | Amount           | FTE          | Amount          | FTE          | Amount           | FTE                | Amount           | FTE          | Amount          | FTE          | Amount           |
| Salaries and Expenses                                   | 696               | \$166,594        | 284          | \$64,472        | 980        | \$231,066        | 799                | \$187,530        | 257          | \$50,546        | 1,056        | \$238,076        | 804                | \$166,050        | 302          | \$64,620        | 1,106        | \$230,670        |
| - Law Enforcement Training                              | 692               | 166,059          | 282          | 64,248          | 974        | 230,307          | 794                | 186,550          | 255          | 50,236          | 1,049        | 236,786          | 804                | 166,050          | 302          | 64,620          | 1,106        | 230,670          |
| - Accreditation   | 4                 | 535              | 2            | 224             | 6          | 759              | 5                  | 980              | 2            | 310             | 7            | 1,290            | ---                | ---              | ---          | ---             | ---          | ---              |
| Acquisition, Construction, Improvements & Related       | ---               | 42,293           | ---          | 13,269          | ---        | 55,562           | ---                | 39,408           | ---          | 11,182          | ---          | 50,590           | ---                | 30,854           | ---          | 12,602          | ---          | 43,456           |
| <b>Total Direct Appropriations and Budget Estimates</b> | <b>696</b>        | <b>\$208,887</b> | <b>284</b>   | <b>\$77,741</b> | <b>980</b> | <b>\$286,628</b> | <b>799</b>         | <b>\$226,938</b> | <b>257</b>   | <b>\$61,728</b> | <b>1,056</b> | <b>\$288,666</b> | <b>804</b>         | <b>\$196,904</b> | <b>302</b>   | <b>\$77,222</b> | <b>1,106</b> | <b>\$274,126</b> |

Explanation of Changes:

**iii. Status of Congressionally Requested Studies, Reports, and Evaluation**

**Not applicable at this time.**

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
Federal Law Enforcement Training Center**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity                                 |                            |                  |                               |                  |
|---|----------------------------|------------------|-------------------------------|------------------|
|   | Last Year of Authorization | Authorized Level | in Last Year of Authorization | FY 2009 Request  |
|   | Fiscal Year                | Amount           | Amount                        | Amount           |
| <b>Salaries and Expenses</b>                    | N/A                        | N/A              | N/A                           | <b>\$230,670</b> |
| - Law Enforcement Training                      | N/A                        | N/A              | N/A                           | 230,670          |
| - Accreditation                                 | N/A                        | N/A              | N/A                           | ---              |
| <b>Construction</b>                             | N/A                        | N/A              | N/A                           | <b>43,456</b>    |
| <b>Total Direct Authorization/Appropriation</b> |                            |                  |                               | <b>\$274,126</b> |

Note:

# Department of Homeland Security

*Federal Law Enforcement Training Center*

*Salaries and Expenses*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## FEDERAL LAW ENFORCEMENT TRAINING CENTER SALARIES AND EXPENSES

### I. Appropriation Overview

#### A. Mission Statement for Salaries and Expenses:

We train those who protect our homeland.

#### B. Budget Activities:

The Federal Law Enforcement Training Center (FLETC) is the leading service provider for federal law enforcement training. The FLETC serves as an interagency law enforcement training organization for over 80 Federal agencies with personnel located throughout the United States and its territories. FLETC's personnel conduct instructional programs for basic law enforcement recruits and some advanced training based on agency requests. The FLETC also provides the necessary facilities, equipment, and support services for conducting advanced, specialized and refresher training for Federal law enforcement personnel.

The FLETC provides services to State, local, international and other Federal law enforcement agencies with related law enforcement missions on a space-available basis. The FLETC also provides export training conducted at other locations when the programs being conducted do not require the use of certain specialized facilities and when a geographical concentration of personnel is identified.

Consolidation of law enforcement training permits the Federal Government to emphasize training program excellence, shared experiences in cooperative training and cost-effectiveness. Professional instruction and practical application provide students with the skills and knowledge necessary to meet the demanding challenges of a Federal law enforcement career. New Federal hires and journey level personnel learn not only the responsibilities of a law enforcement officer and agent, but through interaction with students from many other agencies, they also become acquainted with the missions and duties of their colleagues. This interaction provides the foundation for a more cooperative Federal law enforcement effort.

FLETC's Partner Organizations have input regarding training issues. Representatives from these agencies take part in curriculum review and development conferences. This relationship is characteristic of a "true partnership," which is responsive to the training mission.

### **C. Budget Request Summary:**

Excluding emergency funding provided in P.L 110-161, the Federal Law Enforcement Training Center requests 1,136 positions, 1,106 FTE and \$230,670,000. The total adjustments-to-base is -7 positions, -5 FTE and \$1,308,000. The program changes include 59 positions, 55 FTE and \$8,286,000 for:

- Improving Border Security (55 positions, 53 FTE, and \$10,000,000)
- Practical Application/Counter Terrorism Operations Training Facility (4 positions, 2 FTE, and \$1,102,000)
- TRAIN21 (-\$2,816,000)

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses**  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                  | FY 2008 Enacted <sup>1</sup> |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                |                 |                |                     |                |
|--|----------------|------------------|------------------------------|------------------|-----------------|------------------|--|----------------|-----------------|----------------|---------------------|----------------|
|  |                |                  |                              |                  |                 |                  | Total Changes                            |                | Program Changes |                | Adjustments-to-Base |                |
|  | FTE            | AMOUNT           | FTE                          | AMOUNT           | FTE             | AMOUNT           | FTE                                      | AMOUNT         | FTE             | AMOUNT         | FTE                 | AMOUNT         |
| Law Enforcement Training                                     | 974            | \$230,307        | 1,049                        | \$219,786        | 1,106           | \$230,670        | 57                                       | 10,884         | 55              | 8,286          | 2                   | 2,598          |
| Accreditation  | 6              | 759              | 7                            | 1,290            | ---             | \$0              | (7)                                      | (1,290)        | ---             | ---            | (7)                 | (1,290)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>980</b>     | <b>\$231,066</b> | <b>1,056</b>                 | <b>\$221,076</b> | <b>1,106</b>    | <b>\$230,670</b> | <b>50</b>                                | <b>\$9,594</b> | <b>55</b>       | <b>\$8,286</b> | <b>(5)</b>          | <b>\$1,308</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                  |                              |                  |                 |                  |  |                |                 |                |                     |                |
|  |                |                  |                              |                  |                 |                  |  |                |                 |                |                     |                |
|  |                |                  |                              |                  |                 |                  |  |                |                 |                |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>980</b>     | <b>\$231,066</b> | <b>1,056</b>                 | <b>\$221,076</b> | <b>1,106</b>    | <b>\$230,670</b> | <b>50</b>                                | <b>\$9,594</b> | <b>55</b>       | <b>\$8,286</b> | <b>(5)</b>          | <b>\$1,308</b> |

<sup>1</sup>Excludes \$17,000,000 in one time emergency funding in FY 2008.

## II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                  | FY 2008 Enacted <sup>1</sup> |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                |                     |                   |
|--|----------------|------------------|------------------------------|------------------|-----------------|------------------|--|------------------|-----------------|----------------|---------------------|-------------------|
|  |                |                  |                              |                  |                 |                  | Total Changes                            |                  | Program Changes |                | Adjustments-to-Base |                   |
|  | FTE            | AMOUNT           | FTE                          | AMOUNT           | FTE             | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT         | FTE                 | AMOUNT            |
| Law Enforcement Training                                     | 974            | \$230,307        | 1,049                        | \$236,786        | 1,106           | \$230,670        | 57                                       | (6,116)          | 55              | 8,286          | 2                   | (14,402)          |
| Accreditation  | 6              | 759              | 7                            | 1,290            | ---             | \$0              | (7)                                      | (1,290)          | ---             | ---            | (7)                 | (1,290)           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>980</b>     | <b>\$231,066</b> | <b>1,056</b>                 | <b>\$238,076</b> | <b>1,106</b>    | <b>\$230,670</b> | <b>50</b>                                | <b>(\$7,406)</b> | <b>55</b>       | <b>\$8,286</b> | <b>(5)</b>          | <b>(\$15,692)</b> |
| Less: Adjustments for Other Funding Sources:                 |                |                  |                              |                  |                 |                  |  |                  |                 |                |                     |                   |
|  |                |                  |                              |                  |                 |                  |  |                  |                 |                |                     |                   |
|  |                |                  |                              |                  |                 |                  |  |                  |                 |                |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>980</b>     | <b>\$231,066</b> | <b>1,056</b>                 | <b>\$238,076</b> | <b>1,106</b>    | <b>\$230,670</b> | <b>50</b>                                | <b>(\$7,406)</b> | <b>55</b>       | <b>\$8,286</b> | <b>(5)</b>          | <b>(\$15,692)</b> |

<sup>1</sup>FLETC received \$17,000,000 in one time emergency funding in FY 2008.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Salaries and Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Salaries and Expenses

|                              | <b>Perm</b>  |              |                  |
|------------------------------|--------------|--------------|------------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>1,073</b> | <b>1,047</b> | <b>\$211,033</b> |
| <b>2008 Enacted</b>          | <b>1,084</b> | <b>1,056</b> | <b>238,076</b>   |
| 2009 Adjustments-to-Base     | -7           | -5           | -15,692          |
| <b>2009 Current Services</b> | <b>1,077</b> | <b>1,051</b> | <b>222,384</b>   |
| 2009 Program Change          | 59           | 55           | 8,286            |
| <b>2009 Request</b>          | <b>1,136</b> | <b>1,106</b> | <b>230,670</b>   |
| Total Change 2008-2009       | 52           | 50           | -7,406           |

The above table includes emergency funding of \$17.000 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$230.670 million. Excluding emergency funds provided, the adjustment-to-base is an increase of \$1.308 million which includes the transfer of FLETA, elimination of FLETC's Washington Office, management efficiency savings, annualization and pay and non-pay inflation. Program changes include an increase of 55 positions, 53 FTE and \$10.000 million to improve Border Security, an increase of \$1.102 million, 4 positions and 2 FTE for the Practical Application/Counter Terrorism Operations Training Facility and a decrease of \$2.816 million for TRAIN21.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

**Law Enforcement Training:** FLETC's services to its three major client groups underscore its homeland security support mission in promoting intergovernmental cooperation in law enforcement preparedness.

*Federal* – The FLETC provides law enforcement training to over 80 Federal agencies having enforcement responsibilities. We prepare new and experienced law enforcement professionals to fulfill their responsibilities in a safe manner and at the highest level of proficiency. The average basic student spends 12 weeks training at the FLETC, and receives a combination of classroom instruction and hands-on practical exercise training in all phases of law enforcement from firearms and high-speed vehicle operations to legal case instructions and defendant interview techniques. Students must apply their classroom knowledge during exercises that simulate typical situations encountered on the job. To add realism these exercises often involve contract role players who act as victims, witnesses or suspects. Each of the basic programs provides core knowledge essential for new federal officers or agents to carry out their duties in a safe and efficient manner.

In addition to basic training, the FLETC offers advanced and specialized training for career-long law enforcement preparation in subjects that are common to two or more of its Partner Organizations. Examples include Antiterrorism Port Security Boat Operations, Cyber Counterterrorism Investigator

Training, Covert Electronics Surveillance, Critical Infrastructure Protection, Financial Forensics Techniques, Intelligence Analysts Training and Land Transportation Antiterrorism Training.

*State and local* – The National Center for State and Local Law Enforcement Training trains personnel from state and local law enforcement agencies in advanced topics designed to develop specialized law enforcement skills. The participants benefit from Federal expertise and specialized training available and receive instruction specific to their needs. Additionally, the program offerings are in subjects not generally available from state and local police academies or colleges and universities.

*International* – In the interest of combating global crime and protecting U.S. interests abroad, the FLETC offers a range of training programs to foreign law enforcement agencies. Training focuses on three main areas: the U.S. Government's Law and Democracy Program, the Antiterrorism Assistance Program, and the International Law Enforcement Academy operations in Europe, Asia, Africa and other regions in the world. In cooperation with the Department of State, the FLETC operates two International Law Enforcement Academies: Gaborone, Botswana and San Salvador, El Salvador. Additionally, the FLETC provides training and technical assistance at locations worldwide in collaboration with and support of the US Embassies located within country.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries & Expenses  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 1:** Improve Border Security

Strategic Goal(s) & Objective(s): Strategic Goal 4: Build a Nimble, Effective Emergency Response System and Culture of Preparedness  
Strategic Objective 4.2: Preparedness: Achieves outcome of: Institutionalize a National Culture of Preparedness.

PPA: Law Enforcement Training

Program Increase: Positions 55 FTE 53 Dollars \$10,000

#### Funding Profile

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |            |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 90              | 89         | \$49,498        |
| Program Increase       |                |           |                 |                 |           |                 | 55              | 53         | \$10,000        |
| <b>Total Request</b>   | <b>83</b>      | <b>82</b> | <b>\$24,206</b> | <b>90</b>       | <b>89</b> | <b>\$49,498</b> | <b>145</b>      | <b>142</b> | <b>\$59,498</b> |

#### Description of Item

To fund additional instructor cadre and training cost for 450 additional CBP Officers, 1,700 additional CBP Border Patrol Agents, 508 additional ICE detention personnel, and 874 additional ICE investigators to improve border security.

#### Justification

FLETC's mission is to train those who protect our Homeland, which directly supports this initiative. Increases in law enforcement personnel necessitate additional resources under current shared cost arrangements with DHS customers. Under these costs arrangements, FLETC pays the basic training tuition, half of the instructor costs and overhead costs. The agencies pay the other half of the instructor costs, along with student food and lodging costs. This increase is based on tuition and instructor costs per student. Instructor requirements are based on direct contact hours and the number of programs to be conducted in support of increased training requirements. Tuition costs include the materials needed to conduct each program such as publications, role players, crime scene kits, ammunition, fuel and oil.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative supports Strategic Goal 4 – Build a Nimble, Effective Emergency Response System and Culture of Preparedness and Strategic Objective 4.2 – Preparedness: Achieves Outcome of Institutionalize a National Culture of Preparedness.

**Program Increase 2:** Practical Application/Counterterrorism Operations Training Facility (PA/CTOTF)

Strategic Goal(s) & Objective(s): Strategic Goal 4: Build a Nimble, Effective Emergency Response System and Culture of Preparedness  
Strategic Objective 4.2: Preparedness: Achieves outcome of: Institutionalize a National Culture of Preparedness.

PPA: Law Enforcement Training

Program Increase: Positions 4 FTE 2 Dollars \$1,102

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 10              | 10        | \$1,492         |
| Program Increase       |                |          |                 |                 |          |                 | 4               | 2         | \$1,102         |
| <b>Total Request</b>   | <b>6</b>       | <b>6</b> | <b>\$1,042</b>  | <b>10</b>       | <b>8</b> | <b>\$1,298</b>  | <b>14</b>       | <b>12</b> | <b>\$2,594</b>  |

Description of Item

The \$1.102 million request will provide for training instructors and maintenance for the completed portions of the PA/CTOTF. Four new instructors will develop, coordinate, facilitate and train in the Intermodal and International training sites. Projected training programs include Protective Service Operations, Tactics for Flying Armed, Weapons of Mass Destruction, Hazmat, Threat Response Driving, Urban Tactics, Emergency Response Tactics, High Risk Vehicle Stops/Patrol and interactive scenario based training.

PA/CTOTF supports new program requirements by providing realistic training facilities. The new training facility consists of a 220 acre site dedicated to providing the “hands-on” training necessary to meet the expanding needs of law enforcement in the post 9/11 environment.

PA/CTOTF is composed of five training environments: international, intermodal, urban, suburban and rural – all designed to replicate both foreign and domestic settings. It will offer a variety of training venues such as apartments, row houses, neighborhoods, Federal buildings, roadways and modes of public transportation.

Justification

The PA/CTOTF will significantly improve the FLETC training facilities which serve a multitude of Federal, state, local and international law enforcement agencies. Through their law enforcement efforts, the agencies detect, deter and mitigate acts of terrorism and criminal activity, as well as respond to other emergencies. This facility will correct limitations and deficiencies in providing adequate practical application and counterterrorism training by recreating environments where law enforcement officers are likely to encounter their enemies and increase the probability of survival and aid in their mission of guarding our homeland.

Impact on Performance (Relationship of Increase to Strategic Goals)

The PA/CTOTF will enable the FLETC and its Partner Organizations to support the Department of Homeland Security's Domestic Counterterrorism mission area and DHS Strategic Goal #4 – Build a nimble, effective emergency response system and culture of preparedness.

**Program Decrease 1:**                    TRAIN21

Strategic Goal(s) & Objective(s): Strategic Goal 4: Build a Nimble, Effective Emergency Response System and Culture of Preparedness  
Strategic Objective 4.2: Preparedness: Achieves outcome of: Institutionalize a National Culture of Preparedness.

PPA:    Law Enforcement Training

Program Increase:     Positions   0   FTE   0   Dollars -\$2,816

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | \$2,816         |
| Program Decrease       |                |          |                 |                 |          |                 | 0               | 0        | -\$2,816        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$2,816</b>  | <b>0</b>        | <b>0</b> | <b>\$0</b>      |

Description of Item

TRAIN21 is an improved training system designed to enhance all FLETC training and better prepare students to manage and exploit information and technology to prevent, deter, detect and respond to criminal and terrorist activity.

Justification

The program decrease reflects the Department's focus on improving border security. The Department plans to hire additional Border Patrol agents, CBP officers, and ICE agents.

Impact on Performance (Relationship of Increase to Strategic Goals)

FLETC will still be able to effectively provide training necessary to combat the ever-changing face of criminals and terrorists.

**Program Transfer:**

Accreditation

Strategic Goal(s) & Objective(s): Strategic Goal 2: Prevention - Detect, deter and mitigate threats to our homeland  
Strategic Objective 2.4: Coordinate national and international policy, law enforcement and other actions to prepare for and prevent terrorism

Description of Item

The Office of Federal Law Enforcement Training Accreditation (FLETA) is transferred to Department of Homeland Security' Chief Human Capital Office (CHCO).

Justification

FLETA will be under CHCO for budgetary and management purposes. This transfer will improve Federal law enforcement training because it will establish independence for FLETA, and help bring autonomy for FLETA within the law enforcement training community. Furthermore, the Chief Learning Officer (CLO), under CHCO, is responsible for training the Department's workforce and by collocating FLETA's, who's main function is to set law enforcement training standards, FLETA will benefit from synergies harnessed by the CLO.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Justification of Proposed Changes in Salaries and Expenses  
Appropriation Language**

For necessary expenses of the Federal Law Enforcement Training Center, including materials and support costs of Federal law enforcement basic training; purchase of not to exceed 117 vehicles for police-type use and hire of passenger motor vehicles; expenses for student athletic and related activities; the conduct of and participation in firearms matches and presentation of awards; public awareness and enhancement of community support of law enforcement training; room and board for student interns; a flat monthly reimbursement to employees authorized to use personal mobile phones for official duties; and services as authorized by section 3109 of title 5, United States Code; [\$238,076,000] **\$230,670,000** of which up to [\$48,111,000] **\$53,320,000** for materials and support costs of Federal law enforcement basic training shall remain available until September 30, [2009] **2010**; [of which \$300,000 shall remain available until expended for Federal law enforcement agencies participating in training accreditation, to be distributed as determined by the Federal Law Enforcement Training Center for the needs of participating agencies; and] of which not to exceed \$12,000 shall be for official reception and representation expenses: *Provided*, [That of the amount provided under this heading, \$17,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): *Provided further*,] That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That section 1202(a) of Public Law 107-206 (42 U.S.C. 3771 note) as amended by Public Law 109-295 (120 Stat. 1374) is further amended by striking “December 31, 2007” and inserting “December 31, [2010] **2011**”. (Department of Homeland Security Appropriations Act [2008] **2009**)

#### **Explanation of Changes:**

The Accreditation program is being transferred to the DHS, Chief Human Capital Officer in the President’s FY 2009 budget.

A request to extend Public Law 107-206 as amended by Public Law 109-295 until December 31, 2011 is requested at this time.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>    |
|---|--------------|--------------|------------------|
| <b>FY 2007 Actual</b> .....   | <b>1,005</b> | <b>980</b>   | <b>\$231,066</b> |
| <b>FY 2008 Enacted</b> .....  | <b>1,084</b> | <b>1,056</b> | <b>238,076</b>   |
| <b>Adjustments-to-Base</b>  |              |              |                  |
| Increases   |              |              |                  |
| Annualization of prior year part year funding.....                        | ---          | 2            | 194              |
| Annualization of 2008 pay raise.....                                      | ---          | ---          | 935              |
| 2009 pay increase.....  | ---          | ---          | 2,402            |
| Non-pay inflation excluding GSA Rent.....                                 | ---          | ---          | 2,538            |
| Total Increases.....  | ---          | 2            | 6,069            |
| Decreases   |              |              |                  |
| Termination of base funding - DC Office Rent.....                         | ---          | ---          | (250)            |
| Termination of base funding - DC Office Salaries.....                     | ---          | ---          | (480)            |
| Transfer of FLETA.....  | (7)          | (7)          | (1,290)          |
| Management and Technology Efficiencies.....                               | ---          | ---          | (2,741)          |
| One Time Emergency Funding.....   | ---          | ---          | (17,000)         |
| Total Decreases.....  | (7)          | (7)          | (21,761)         |
| <b>Total Adjustments-to-Base</b> .....                                    | <b>(7)</b>   | <b>(5)</b>   | <b>(15,692)</b>  |
| <b>FY 2009 Current Services</b> .....                                     | <b>1,077</b> | <b>1,051</b> | <b>222,384</b>   |
| <b>Program Changes</b>  |              |              |                  |
| Program Increases/(Decreases)   |              |              |                  |
| Improve Border Security.....  | 55           | 53           | 10,000           |
| Practical Application/Counter Terrorism Operations Training Facility..... | 4            | 2            | 1,102            |
| TRAIN21.....  | ---          | ---          | (2,816)          |
| <b>Total Program Changes</b> .....  | <b>59</b>    | <b>55</b>    | <b>8,286</b>     |
| <b>FY 2009 Request</b> .....  | <b>1,136</b> | <b>1,106</b> | <b>230,670</b>   |
| <b>2008 to 2009 Total Change</b> .....                                    | <b>52</b>    | <b>50</b>    | <b>(7,406)</b>   |

**C. Summary of Requirements**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |              |                  |
|--|--------------|--------------|------------------|
|  | Perm. Pos.   | FTE          | Amount           |
| <b>FY 2007 Actual</b>  | <b>1,005</b> | <b>980</b>   | <b>\$231,066</b> |
| <b>FY 2008 Enacted</b>   | <b>1,084</b> | <b>1,056</b> | <b>238,076</b>   |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |              |              |                  |
| Increases  | ---          | 2            | 6,069            |
| Decreases  | (7)          | (7)          | (21,761)         |
| Total Adjustments-to-Base  | (7)          | (5)          | (15,692)         |
| <b>FY 2009 Current Services</b>  | <b>1,077</b> | <b>1,051</b> | <b>222,384</b>   |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details)     | 59           | 55           | 8,286            |
| <b>FY 2009 Total Request</b>   | <b>1,136</b> | <b>1,106</b> | <b>230,670</b>   |
| 2008 to 2009 Total Change  | 52           | 50           | (7,406)          |

| Estimates by Program/Project Activity | FY 2008 Enacted |              |                  | FY 2009 Adjustments-to-Base |            |                   | FY 2009 Program Change |           |                | FY 2009 Request |              |                  | 2008 to 2009 Total Change |           |                  |
|---------------------------------------|-----------------|--------------|------------------|-----------------------------|------------|-------------------|------------------------|-----------|----------------|-----------------|--------------|------------------|---------------------------|-----------|------------------|
|                                       | Pos.            | FTE          | Amount           | Pos.                        | FTE        | Amount            | Pos.                   | FTE       | Amount         | Pos.            | FTE          | Amount           | Pos.                      | FTE       | Amount           |
| 1 Law Enforcement Training            | 1,077           | 1,049        | 236,786          | ---                         | 2          | (14,402)          | 59                     | 55        | 8,286          | 1,136           | 1,106        | 230,670          | 59                        | 57        | (6,116)          |
| 2 Accreditation                       | 7               | 7            | 1,290            | (7)                         | (7)        | (1,290)           | ---                    | ---       | ---            | ---             | ---          | ---              | (7)                       | (7)       | (1,290)          |
| <b>Total</b>                          | <b>1,084</b>    | <b>1,056</b> | <b>\$238,076</b> | <b>(7)</b>                  | <b>(5)</b> | <b>(\$15,692)</b> | <b>59</b>              | <b>55</b> | <b>\$8,286</b> | <b>1,136</b>    | <b>1,106</b> | <b>\$230,670</b> | <b>52</b>                 | <b>50</b> | <b>(\$7,406)</b> |

**D. Summary of Reimbursable**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source                      | FY 2007 Actual |            |                | FY 2008 Enacted |            |                | FY 2009 Request |            |                 | Increase/Decrease |          |              |
|--|----------------|------------|----------------|-----------------|------------|----------------|-----------------|------------|-----------------|-------------------|----------|--------------|
|  | Pos.           | FTE        | Amount         | Pos.            | FTE        | Amount         | Pos.            | FTE        | Amount          | Pos.              | FTE      | Amount       |
| Air Force Office of Special Investigations | 4              | 4          | \$3,591        | 3               | 3          | \$2,708        | 4               | 4          | \$2,750         | 1                 | 1        | 42           |
| Bureau of Indian Affairs                   | 10             | 10         | \$1,626        | 14              | 14         | \$2,835        | 14              | 14         | \$2,900         | ---               | ---      | 65           |
| Bureau of Prisons                          | ---            | ---        | \$2,559        | ---             | ---        | \$2,470        | ---             | ---        | \$2,500         | ---               | ---      | 30           |
| Citizenship & Immigration Services         | 1              | 1          | \$1,299        | ---             | ---        | \$2,731        | ---             | ---        | \$2,800         | ---               | ---      | 69           |
| Customs & Border Protection                | ---            | ---        | \$13,289       | 11              | 11         | \$14,408       | 11              | 11         | \$14,700        | ---               | ---      | 292          |
| Customs & Border Protection Border Patrol  | 35             | 34         | \$12,319       | 1               | 1          | \$24,299       | ---             | ---        | \$24,800        | (1)               | (1)      | 501          |
| DHS Office of the Chief Financial Officer  | ---            | ---        | \$1,048        | ---             | ---        | \$1,966        | ---             | ---        | \$2,000         | ---               | ---      | 34           |
| Federal Air Marshal Service                | 7              | 7          | \$1,034        | 5               | 5          | \$2,102        | 6               | 6          | \$2,150         | 1                 | 1        | 48           |
| Immigration and Customs Enforcement        | 8              | 8          | \$10,386       | 11              | 11         | \$12,312       | 11              | 11         | \$12,550        | ---               | ---      | 238          |
| Naval Criminal Investigative Service       | ---            | ---        | \$1,487        | 2               | 2          | \$1,441        | 2               | 2          | \$1,450         | ---               | ---      | 9            |
| Transportation Security Administration     | 13             | 13         | \$2,500        | 16              | 16         | \$2,532        | 16              | 16         | \$2,600         | ---               | ---      | 68           |
| U.S. Coast Guard                           | ---            | ---        | \$2,304        | ---             | ---        | \$2,053        |                 |            | \$2,100         | ---               | ---      | 47           |
| U.S. Marshals Service                      | 8              | 8          | \$2,533        | 12              | 12         | \$2,720        | 12              | 12         | \$2,750         | ---               | ---      | 30           |
| U.S. Secret Service                        | 13             | 13         | \$2,495        | 8               | 8          | \$2,393        | 8               | 8          | \$2,450         | ---               | ---      | 57           |
| Various Others Under \$1,000               | 87             | 83         | \$28,421       | 89              | 84         | \$21,030       | 91              | 86         | \$21,500        | 2                 | 2        | 470          |
| <b>Total Budgetary Resources</b>           | <b>186</b>     | <b>181</b> | <b>\$6,891</b> | <b>172</b>      | <b>167</b> | <b>\$9,000</b> | <b>175</b>      | <b>170</b> | <b>\$10,000</b> | <b>3</b>          | <b>3</b> | <b>2,000</b> |

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Salaries and Expenses**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$72,606          | \$75,058           | \$83,867           | \$8,809               |
| 11.3 Other than full-time permanent                   | 1,785             | 1,842              | 1,898              | 56                    |
| 11.5 Other Personnel Compensation                     | 4,833             | 4,992              | 5,142              | 150                   |
| 12.1 Benefits   | 27,597            | 28,508             | 32,636             | 4,128                 |
| 13.0 Benefits - former                                | 40                | 42                 | 43                 | 1                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$106,861</b>  | <b>\$110,442</b>   | <b>\$123,586</b>   | <b>\$13,144</b>       |
| Other Object Classes:                                 |                   |                    |                    |                       |
| 21.0 Travel   | 6,096             | 6,639              | 7,889              | 1,250                 |
| 22.0 Transportation of things                         | 1,112             | 1,137              | 989                | (148)                 |
| 23.2 Other rent                                       | 214               | 219                | 183                | (36)                  |
| 23.3 Communications, utilities, & other misc. charges | 8,988             | 9,490              | 8,833              | (657)                 |
| 24.0 Printing and reproduction                        | 1,339             | 1,468              | 1,552              | 84                    |
| 25.1 Advisory and assistance services                 | 7,565             | 10,552             | 9,174              | (1,378)               |
| 25.2 Other services                                   | 3,863             | 4,668              | 5,825              | 1,157                 |
| 25.4 Operation & maintenance of facilities            | 29,677            | 31,346             | 30,704             | (642)                 |
| 25.6 Medical care                                     | 2,884             | 3,180              | 3,454              | 274                   |
| 25.7 Operation and maintenance of equipment           | 5,704             | 5,898              | 5,269              | (629)                 |
| 25.8 Subsistence and support of persons               | 794               | 845                | 735                | (110)                 |
| 26.0 Supplies and materials                           | 19,817            | 21,055             | 23,091             | 2,036                 |
| 31.0 Equipment  | 29,551            | 30,216             | 26,042             | (4,174)               |
| 32.0 Land & structures                                | 6,301             | 123                | 107                | (16)                  |
| 42.0 Indemnity  | 300               | 307                | 237                | (70)                  |
| <b>Total, Other Object Classes</b>                    | <b>124,205</b>    | <b>\$127,143</b>   | <b>\$124,084</b>   | <b>(\$3,059)</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$231,066</b>  | <b>\$237,585</b>   | <b>\$247,670</b>   | <b>\$10,085</b>       |
| Unobligated balance, start of year                    | (41,245)          | (21,509)           | (22,000)           |                       |
| Unobligated balance, end of year                      | 21,509            | 22,000             | 5,000              |                       |
| Recoveries of prior year obligations                  | (297)             | ---                | ---                |                       |
| <b>Total requirements</b>                             | <b>\$211,033</b>  | <b>\$238,076</b>   | <b>\$230,670</b>   |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses  
Permanent Positions by Grade**

| Grades and Salary Ranges         | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|
|                                  | Pos.              | Pos.               | Pos.               | Total                  |
| Total, SES                       | 8                 | 9                  | 9                  | ---                    |
| GS-15                            | 71                | 76                 | 75                 | (1)                    |
| GS-14                            | 119               | 132                | 128                | (4)                    |
| GS-13                            | 311               | 344                | 370                | 26                     |
| GS-12                            | 202               | 222                | 249                | 27                     |
| GS-11                            | 93                | 102                | 105                | 3                      |
| GS-10                            | 1                 | 1                  | 1                  | ---                    |
| GS-9                             | 72                | 78                 | 80                 | 2                      |
| GS-8                             | 17                | 17                 | 16                 | (1)                    |
| GS-7                             | 41                | 45                 | 45                 | ---                    |
| GS-6                             | 5                 | 5                  | 5                  | ---                    |
| GS-5                             | 8                 | 8                  | 8                  | ---                    |
| Ungraded Positions               | 45                | 45                 | 45                 | ---                    |
| <b>Total Permanent Positions</b> | <b>993</b>        | <b>1,084</b>       | <b>1,136</b>       | <b>52</b>              |
| Unfilled Positions EOY           | 13                | 28                 | 30                 | 2                      |
| Total Perm. Employment EOY       | 980               | 1,056              | 1,106              | 50                     |
| <b>FTE</b>                       | <b>980</b>        | <b>1,056</b>       | <b>1,106</b>       | <b>50</b>              |
| Headquarters                     | 770               | 843                | 878                | 35                     |
| U.S. Field                       | 221               | 239                | 256                | 17                     |
| Foreign Field                    | 2                 | 2                  | 2                  | ---                    |
| <b>Total Permanent Positions</b> | <b>993</b>        | <b>1,084</b>       | <b>1,136</b>       | <b>52</b>              |
| <b>Average ES Salary</b>         | \$ 153,700        | \$ 158,300         | \$ 163,000         | \$ 4,700               |
| <b>Average GS Salary</b>         | \$ 77,000         | \$ 79,300          | \$ 81,700          | \$ 2,400               |
| <b>Average GS Grade</b>          | 12.42             | 12.45              | 12.48              | 0.03                   |

## **G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Law Enforcement Training</b> |  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------------------|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>               |  |                           |                            |                            |                                |
| 11.1                                 | Perm Positions                             | \$72,606                  | \$75,058                   | \$83,867                   | \$8,809                        |
| 11.3                                 | Other than perm                            | 1,785                     | 1,842                      | 1,898                      | 56                             |
| 11.5                                 | Other per comp                             | 4,833                     | 4,992                      | 5,142                      | 150                            |
| 12.1                                 | Benefits                                   | 27,597                    | 28,508                     | 32,636                     | 4,128                          |
| 13.0                                 | Benefits-former                            | 40                        | 42                         | 43                         | 1                              |
| 21.0                                 | Travel                                     | 6,096                     | 6,639                      | 7,889                      | 1,250                          |
| 22.0                                 | Transportation of things                   | 1,112                     | 1,137                      | 989                        | (148)                          |
| 23.2                                 | Other rent                                 | 214                       | 219                        | 183                        | (36)                           |
| 23.3                                 | Communication, Utilities, and misc charges | 8,988                     | 9,490                      | 8,833                      | (657)                          |
| 24.0                                 | Printing                                   | 1,339                     | 1,468                      | 1,552                      | 84                             |
| 25.1                                 | Advisory & Assistance Services             | 7,565                     | 10,552                     | 9,174                      | (1,378)                        |
| 25.2                                 | Other Services                             | 3,863                     | 4,668                      | 5,825                      | 1,157                          |
| 25.4                                 | Operation & maintenance of facilities      | 29,677                    | 31,346                     | 30,704                     | (642)                          |
| 25.6                                 | Medical care                               | 2,884                     | 3,180                      | 3,454                      | 274                            |
| 25.7                                 | Operation & maintenance of equipment       | 5,704                     | 5,898                      | 5,269                      | (629)                          |
| 25.8                                 | Subsistence & Support of persons           | 794                       | 845                        | 735                        | (110)                          |
| 26.0                                 | Supplies & materials                       | 19,817                    | 21,055                     | 23,091                     | 2,036                          |
| 31.0                                 | Equipment                                  | 29,551                    | 30,216                     | 26,042                     | (4,174)                        |
| 32.0                                 | Land & Structures                          | 6,301                     | 123                        | 107                        | (16)                           |
| 42.0                                 | Indemnity                                  | 300                       | 307                        | 237                        | (70)                           |
| <b>Total, Obligations S&amp;E</b>    |  | <b>\$231,066</b>          | <b>\$237,585</b>           | <b>\$247,670</b>           | <b>\$10,085</b>                |
| Full Time Equivalents                |  | 980                       | 1,056                      | 1,106                      | 50                             |

### PPA Mission Statement

We train those who protect our homeland.

### Summary Justification and Explanation of Changes

|                              | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Salaries and Benefits</b> | \$106,861         | \$110,442          | \$123,586          | \$13,144               |

Salaries and Benefits includes costs for 1,106 FTEs. The FY 2009 request includes an increase of \$2,402,000 for pay inflation, \$1,129,000 for annualization, a decrease of \$480,000 for Washington Office salaries, a decrease of \$794,000 for transfer of FLETA, a net program increase of \$6,757,000 and an increase of \$4,130,000 due to FY 2008 carryover and non-recure

|               | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---------------|-------------------|--------------------|--------------------|------------------------|
| <b>Travel</b> | \$6,096           | \$6,639            | \$7,889            | \$1,250                |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$133,000 in non-pay inflation, a decrease of \$143,000 for management efficiencies, a reduction of \$162,000 for transfer of FLETA, \$566,000 in net program increases and an increase of \$856,000 due to FY 2008 carryover and non-recur spending.

|                                 | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Transportation of Things</b> | \$1,112           | \$1,137            | \$989              | (\$148)                |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$23,000 in non-pay inflation, a decrease of \$24,000 for management efficiencies, \$1,000 in net program increases and a reduction of \$148,000 due to FY 2008 carryover and non-recur spending.

|                   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Other Rent</b> | \$214             | \$219              | \$183              | (\$36)                 |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$4,000 in non-pay inflation, a decrease of \$5,000 for management efficiencies, a reduction of \$7,000 for transfer of FLETA and a reduction of \$28,000 due to FY 2008 carryover spending.

|  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|--|-------------------|--------------------|--------------------|------------------------|
| <b>Communication, Utilities, and miscellaneous</b> | \$8,988           | \$9,490            | \$8,833            | (\$657)                |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes increases of \$190,000 in non-pay inflation, a decrease of \$205,000 for management efficiencies, a decrease of \$250,000 for the Washington Office lease, \$218,000 in net program increases and a reduction of \$610,000 due to FY 2008 carryover and non-recur spending.

|                 | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$1,339</b> | <b>\$1,468</b> | <b>\$1,552</b> | <b>\$84</b>         |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$29,000 in non-pay inflation, a decrease of \$31,000 for management efficiencies, \$69,000 net program increase and an increase of \$17,000 due to FY 2008 carryover and non-recur spending.

|   | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|-----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$7,565</b> | <b>\$10,552</b> | <b>\$9,174</b> | <b>(\$1,378)</b>    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$211,000 in non-pay inflation, a decrease of \$227,000 for management efficiencies, \$9,000 in net program increases and a reduction of \$1,371,000 due to FY 2008 non-recur and carryover spending.

|                       | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$3,863</b> | <b>\$4,668</b> | <b>\$5,825</b> | <b>\$1,157</b>      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes increases of \$93,000 in non-pay inflation, a decrease of \$101,000 for management efficiencies, a reduction of \$308,000 for transfer of FLETA, \$523,000 in net program increases and an increase of \$950,000 due to FY 2008 carryover and non-recur spending.

|  | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$29,677</b> | <b>\$31,346</b> | <b>\$30,704</b> | <b>(\$642)</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$626,000 in non-pay inflation, a decrease of \$676,000 for management efficiencies, \$886,000 in net program increases and a reduction of \$1,478,000 due to FY 2008 carryover and non-recur spending.

|                     | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---------------------|----------------|----------------|----------------|---------------------|
|                     | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Medical Care</b> | <b>\$2,884</b> | <b>\$3,180</b> | <b>\$3,454</b> | <b>\$274</b>        |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes an increase of \$64,000 in non-pay inflation, a decrease of \$69,000 for management efficiencies, \$173,000 in net program increases and an increase of \$106,000 due to FY 2008 carryover and non-recur spending.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$5,704</b> | <b>\$5,898</b> | <b>\$5,269</b> | <b>(\$629)</b>      |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$117,000 in non-pay inflation, a decrease of \$127,000 for management efficiencies, \$43,000 in net program increases and a reduction of \$662,000 due to FY 2008 carryover and non-recur spending.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$794</b>   | <b>\$845</b>   | <b>\$735</b>   | <b>(\$110)</b>      |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request includes an increase of \$17,000 in non-pay inflation, a decrease of \$18,000 for management efficiencies, \$1,000 net program increase and a reduction of \$110,000 due to FY 2008 carryover spending.

|                                 | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|---------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$19,817</b> | <b>\$21,055</b> | <b>\$23,091</b> | <b>\$2,036</b>      |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes increases of \$420,000 in non-pay inflation, a decrease of \$454,000 for management efficiencies, a decrease of \$17,000 for transfer of FLETA, \$1,195,000 in net program increases and an increase of \$892,000 due to FY 2008 carryover and non-recur spending.

|                  | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|------------------|-----------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$29,551</b> | <b>\$30,216</b> | <b>\$26,042</b> | <b>(\$4,174)</b>    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes increases of \$603,000 in non-pay inflation, a decrease of \$651,000 for management efficiencies, a decrease of \$2,000 for transfer of FLETA, a net program reduction of \$2,156,000 and a reduction of \$1,968,000 due to FY 2008 carryover and non-recur spending.

|                              | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|----------------|---------------------|
|                              | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$6,301</b> | <b>\$123</b>   | <b>\$107</b>   | <b>(\$16)</b>       |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$2,000 in non-pay inflation, a decrease of \$3,000 for management efficiencies, a net program increase of \$1,000 and a reduction of \$16,000 due to FY 2008 carryover.

|                  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$300</b>   | <b>\$307</b>   | <b>\$237</b>   | <b>(\$70)</b>       |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes an increase of \$6,000 in non-pay inflation, a decrease of \$7,000 for management efficiencies and a reduction of \$69,000 due to FY 2008 carryover.

## I. Changes In FTE

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Salaries and Expenses**  
 Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 1,001   | 1,047   | 1,056   |
| INCREASES  |         |         |         |
| Increase #1:   | 40      | 7       | 53      |
| Description: Improve Border Security   |         |         |         |
| Increase #2:   | 6       | 2       | 4       |
| Description: This increase provides the instructor cadre to support the<br>Practical Application/Counter Terrorism Operations Training Facility. |         |         |         |
| DECREASES  |         |         |         |
| Decrease #1:   |         |         |         |
| Description: FTE reduction as a result of transfer of funding for FLETA<br>to DHS Chief Human Capital Officer.                                   |         | -       | (7)     |
| Year-end Actual/Estimated FTEs   | 1,047   | 1,056   | 1,106   |
| Net Change from prior year base to Budget Year Estimate:   |         |         | 50      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries and Expenses**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | Increase /<br>Decrease for<br>FY 2008 |
|-----------------------------------|-------------------|--------------------|--------------------|---------------------------------------|
|                                   | AMOUNT            | AMOUNT             | AMOUNT             | AMOUNT                                |
| Law Enforcement Training          | \$1,810           | \$2,372            | \$2,869            | \$497                                 |
| <b>Total Working Capital Fund</b> | <b>\$1,810</b>    | <b>\$2,372</b>     | <b>\$2,869</b>     | <b>\$497</b>                          |

# Department of Homeland Security

## *Federal Law Enforcement Training Center*

### *Acquisition, Construction, Improvements and Related Expenses*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## FEDERAL LAW ENFORCEMENT TRAINING CENTER ACQUISITION, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

### I. Appropriation Overview

#### **A. Mission Statement for Appropriation Name:**

We train those who protect our homeland.

#### **B. Budget Activities:**

The Federal Law Enforcement Training Center (FLETC) is the leading service provider for federal law enforcement training. The FLETC serves as an interagency law enforcement training organization for over 80 Federal agencies with personnel located throughout the United States and its territories. FLETC's personnel conduct instructional programs for basic law enforcement recruits and some advanced training based on agency requests. The FLETC also provides the necessary facilities, equipment, and support services for conducting advanced, specialized and refresher training for Federal law enforcement personnel.

The FLETC provides services to State, local, international and other Federal law enforcement agencies with related law enforcement missions on a space-available basis. The FLETC also provides export training conducted at other locations when the programs being conducted do not require the use of certain specialized facilities and when a geographical concentration of personnel is identified.

Consolidation of law enforcement training permits the Federal Government to emphasize training program excellence, shared experiences in cooperative training and cost-effectiveness. Professional instruction and practical application provide students with the skills and knowledge necessary to meet the demanding challenges of a Federal law enforcement career. New Federal hires and journey level personnel learn not only the responsibilities of a law enforcement officer and agent, but through interaction with students from many other agencies, they also become acquainted with the missions and duties of their colleagues. This interaction provides the foundation for a more cooperative Federal law enforcement effort.

FLETC's Partner Organizations have input regarding training issues. Representatives from these agencies take part in curriculum review and development conferences. This relationship is characteristic of a "true partnership," which is responsive to the training mission.

#### **C. Budget Request Summary:**

Excluding emergency funding provided in P.L. 110-161, the Federal Law Enforcement Training Center requests \$43,456,000. Non-pay adjustment-to-base is \$3,320,000 for non-recur funding. The program change is \$186,000 for:

- Practical Application/Counter Terrorism Operations Training Facility (\$186,000)

## II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Acquisition, Construction, Improvements and Related Expenses**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                 | FY 2008 Enacted <sup>1</sup> |                 | FY 2009 Request |                 | Increase (+) or Decrease (-) For FY 2009 |                  |                 |              |                     |                  |
|--|----------------|-----------------|------------------------------|-----------------|-----------------|-----------------|--|------------------|-----------------|--------------|---------------------|------------------|
|  |                |                 |                              |                 |                 |                 | Total Changes                            |                  | Program Changes |              | Adjustments-to-Base |                  |
|  | FTE            | AMOUNT          | FTE                          | AMOUNT          | FTE             | AMOUNT          | FTE                                      | AMOUNT           | FTE             | AMOUNT       | FTE                 | AMOUNT           |
| Construction   | ---            | \$55,562        | ---                          | \$46,590        | ---             | \$43,456        |  | -\$3,134         | ---             | 186          | ---                 | -\$3,320         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---            | <b>\$55,562</b> | ---                          | <b>\$46,590</b> | ---             | <b>\$43,456</b> | ---                                      | <b>(\$3,134)</b> | ---             | <b>\$186</b> | ---                 | <b>(\$3,320)</b> |
| Less: Adjustments for Other Funding Sources:                 |                |                 |                              |                 |                 |                 |  |                  |                 |              |                     |                  |
|  |                |                 |                              |                 |                 |                 |  |                  |                 |              |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---            | <b>\$55,562</b> | ---                          | <b>\$46,590</b> | ---             | <b>\$43,456</b> | ---                                      | <b>(\$3,134)</b> | ---             | <b>\$186</b> | ---                 | <b>(\$3,320)</b> |

<sup>1</sup>Excludes \$4,000,000 in one time emergency funding in FY 2008.

## II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Acquisition, Construction, Improvements and Related Expenses**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                 | FY 2008 Enacted <sup>1</sup> |                 | FY 2009 Request |                 | Increase (+) or Decrease (-) For FY 2009 |                  |                 |              |                     |                  |
|--|----------------|-----------------|------------------------------|-----------------|-----------------|-----------------|--|------------------|-----------------|--------------|---------------------|------------------|
|  | FTE            | AMOUNT          | FTE                          | AMOUNT          | FTE             | AMOUNT          | Total Changes                            |                  | Program Changes |              | Adjustments-to-Base |                  |
|  |                |                 |                              |                 |                 |                 | FTE                                      | AMOUNT           | FTE             | AMOUNT       | FTE                 | AMOUNT           |
| Construction   | ---            | \$55,562        | ---                          | \$50,590        | ---             | \$43,456        |  | -\$7,134         | ---             | 186          | ---                 | -\$7,320         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---            | <b>\$55,562</b> | ---                          | <b>\$50,590</b> | ---             | <b>\$43,456</b> | ---                                      | <b>(\$7,134)</b> | ---             | <b>\$186</b> | ---                 | <b>(\$7,320)</b> |
| Less: Adjustments for Other Funding Sources:                 |                |                 |                              |                 |                 |                 |  |                  |                 |              |                     |                  |
|  |                |                 |                              |                 |                 |                 |  |                  |                 |              |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---            | <b>\$55,562</b> | ---                          | <b>\$50,590</b> | ---             | <b>\$43,456</b> | ---                                      | <b>(\$7,134)</b> | ---             | <b>\$186</b> | ---                 | <b>(\$7,320)</b> |

<sup>1</sup>FLETC received \$4,000,000 in one time emergency funding in FY 2008.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Acquisition, Construction, Improvements & Related Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Acquisition, Construction, Improvement & Related Expenses

|                              | <b>Perm</b> |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>           | <b>0</b>    | <b>0</b>   | <b>\$55,562</b> |
| <b>2008 Enacted</b>          | <b>0</b>    | <b>0</b>   | <b>50,590</b>   |
| 2009 Adjustments-to-Base     | 0           | 0          | -7,320          |
| <b>2009 Current Services</b> | <b>0</b>    | <b>0</b>   | <b>43,270</b>   |
| 2009 Program Change          | 0           | 0          | 186             |
| <b>2009 Request</b>          | <b>0</b>    | <b>0</b>   | <b>43,456</b>   |
| Total Change 2008-2009       | 0           | 0          | -7,134          |

The above table includes emergency funding of \$4.000 million provided in P.L. 110-161 for this activity. The FY 2009 budget request is \$43.456 million. Excluding emergency funds provided, the adjustment-to-base is a reduction of \$3.320 million for non-recur funding. The program change is an increase of \$0.186 million for the Practical Application/Counter Terrorism Operations Training Facility.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

**Law Enforcement Training:** FLETC's services to its three major client groups underscore its homeland security support mission in promoting intergovernmental cooperation in law enforcement preparedness.

*Federal* – The FLETC provides law enforcement training to over 80 Federal agencies having enforcement responsibilities. We prepare new and experienced law enforcement professionals to fulfill their responsibilities in a safe manner and at the highest level of proficiency. The average basic student spends 12 weeks training at the FLETC, and receives a combination of classroom instruction and hands-on practical exercise training in all phases of law enforcement from firearms and high-speed vehicle operations to legal case instructions and defendant interview techniques. Students must apply their classroom knowledge during exercises that simulate typical situations encountered on the job. To add realism these exercises often involve contract role players who act as victims, witnesses or suspects. Each of the basic programs provides core knowledge essential for new federal officers or agents to carry out their duties in a safe and efficient manner.

In addition to basic training, the FLETC offers advanced and specialized training for career-long law enforcement preparation in subjects that are common to two or more of its Partner Organizations. Examples include Antiterrorism Port Security Boat Operations, Cyber Counterterrorism Investigator Training, Covert Electronics Surveillance, Critical Infrastructure Protection, Financial Forensics Techniques, Intelligence Analysts Training and Land Transportation Antiterrorism Training.

*State and local* – The National Center for State and Local Law Enforcement Training trains personnel from state and local law enforcement agencies in advanced topics designed to develop specialized law enforcement skills. The participants benefit from Federal expertise and specialized training available and receive instruction specific to their needs. Additionally, the program offerings are in subjects generally not available from state and local police academies or colleges and universities.

*International* – In the interest of combating global crime and protecting U.S. interests abroad, the FLETC offers a range of training programs to foreign law enforcement agencies. Training focuses on three main areas: the U.S. Government's Law and Democracy Program, the Antiterrorism Assistance Program, and the International Law Enforcement Academy operations in Europe, Asia, Africa and other regions in the world. In cooperation with the Department of State, the FLETC operates two International Law Enforcement Academies: Gaborone, Botswana and San Salvador, El Salvador. Additionally, the FLETC provides training and technical assistance at locations worldwide in collaboration with and support of the U.S. Embassies located within country.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Salaries & Expenses  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1:** Practical Application/Counterterrorism Operations Training Facility (PA/CTOTF)

Strategic Goal(s) & Objective(s): Strategic Goal 4: Build a Nimble, Effective Emergency Response System and Culture of Preparedness  
Strategic Objective 4.2: Preparedness: Achieves outcome of: Institutionalize a National Culture of Preparedness.

PPA: Law Enforcement Training

Program Increase: Positions 0 FTE 0 Dollars \$186

**Funding Profile**

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | \$9.195         |
| Program Increase       |                |          |                 |                 |          |                 | 0               | 0        | \$0.186         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$9.108</b>  | <b>0</b>        | <b>0</b> | <b>\$9.195</b>  | <b>0</b>        | <b>0</b> | <b>\$9.381</b>  |

**Description of Item**

The \$0.186 million request will provide for maintenance for the completed portions of the PA/CTOTF.

PA/CTOTF supports new program requirements by providing realistic training facilities. The new training facility consists of a 220 acre site dedicated to providing the “hands-on” training necessary to meet the expanding needs of law enforcement in the post 9/11 environment.

PA/CTOTF is composed of five training environments: international, intermodal, urban, suburban and rural – all designed to replicate both foreign and domestic settings. It will offer a variety of training venues such as apartments, row houses, neighborhoods, Federal buildings, roadways and modes of public transportation.

**Justification**

The PA/CTOTF will significantly improve the FLETC training facilities which serve a multitude of Federal, state, local and international law enforcement agencies. Through their law enforcement efforts, the agencies detect, deter and mitigate acts of terrorism and criminal activity, as well as respond to other emergencies. This facility will correct limitations and deficiencies in providing adequate practical application and counterterrorism training by recreating environments where law enforcement officers are likely to encounter their enemies and increase the probability of survival and aid in their mission of guarding our homeland.

Impact on Performance (Relationship of Increase to Strategic Goals)

The PA/CTOTF will enable the FLETC and its Partner Organizations to support the Department of Homeland Security's Domestic Counterterrorism mission area and DHS Strategic Goal #4 – Build a nimble, effective emergency response system and culture of preparedness.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

For acquisition of necessary additional real property and facilities, construction, and ongoing maintenance, facility improvements, and related expenses of the Federal Law Enforcement Training Center, [\$50,590,000] **\$43,456,000**, to remain available until expended: *Provided*, [That of the amount provided under this heading, \$4,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): *Provided further*,] That the Center is authorized to accept reimbursement to this appropriation from government agencies requesting the construction of special use facilities.

#### **Explanation of Changes:**

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Acquisition, Construction, Improvements and Related Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|--|-------------|------------|----------------|
| FY 2007 Actual.....                    | ---         | ---        | \$55,562       |
| FY 2008 Enacted.....                   | ---         | ---        | 50,590         |
| <b>Adjustments-to-Base</b>             |             |            |                |
| Decreases                              |             |            |                |
| Termination of one-time costs.....     | ---         | ---        | (3,320)        |
| One-time Emergency Funding.....        | ---         | ---        | (4,000)        |
| Total Decreases.....                   | ---         | ---        | (7,320)        |
| <b>Total Adjustments-to-Base.....</b>  | ---         | ---        | <b>(7,320)</b> |
| <b>2009 Current Services.....</b>      | ---         | ---        | <b>43,270</b>  |
| <b>Program Changes</b>                 |             |            |                |
| Program Increases/(Decreases)          |             |            |                |
| Recurring Maintenance of PA/CTOTF..... | ---         | ---        | 186            |
| <b>Total Program Changes.....</b>      | ---         | ---        | <b>186</b>     |
| <b>FY 2009 Request.....</b>            | ---         | ---        | <b>43,456</b>  |
| <b>2008 to 2009 Total Change.....</b>  | ---         | ---        | <b>(7,134)</b> |

**C. Summary of Requirements**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Acquisition, Construction, Improvements and Related Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>FY 2007 Actual</b>  | ---          | --- | \$55,562 |
| <b>FY 2008 Enacted</b>   | ---          | --- | 50,590   |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |              |     |          |
| Transfers  | ---          | --- | ---      |
| Increases  | ---          | --- | ---      |
| Decreases  | ---          | --- | (7,320)  |
| Total Adjustments-to-Base  | ---          | --- | (7,320)  |
| <b>2009 Current Services</b>   | ---          | --- | 43,270   |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details)     | ---          | --- | 186      |
| <b>FY 2009 Request</b>   | ---          | --- | 43,456   |
| 2008 to 2009 Total Change  | ---          | --- | (7,134)  |

| Estimates by Program/Project Activity | FY 2008 Enacted |     |                 | 2009 Adjustments-to-Base |     |                  | 2009 Program Change |     |              | FY 2009 Request |     |                 | 2008 to 2009 Total Change |     |                  |
|---------------------------------------|-----------------|-----|-----------------|--------------------------|-----|------------------|---------------------|-----|--------------|-----------------|-----|-----------------|---------------------------|-----|------------------|
|                                       | Pos.            | FTE | Amount          | Pos.                     | FTE | Amount           | Pos.                | FTE | Amount       | Pos.            | FTE | Amount          | Pos.                      | FTE | Amount           |
| 1 Construction                        | ---             | --- | 50,590          | ---                      | --- | (7,320)          | ---                 | --- | 186          | ---             | --- | 43,456          | ---                       | --- | (7,134)          |
| <b>Total</b>                          | ---             | --- | <b>\$50,590</b> | ---                      | --- | <b>(\$7,320)</b> | ---                 | --- | <b>\$186</b> | ---             | --- | <b>\$43,456</b> | ---                       | --- | <b>(\$7,134)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Acquisition, Construction, Improvements and Related Expenses  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source  | FY 2007 Actual |     |               | FY 2008 Enacted |     |               | FY 2009 Request |     |               | Increase/Decrease |     |                 |
|--|----------------|-----|---------------|-----------------|-----|---------------|-----------------|-----|---------------|-------------------|-----|-----------------|
|  | Pos.           | FTE | Amount        | Pos.            | FTE | Amount        | Pos.            | FTE | Amount        | Pos.              | FTE | Amount          |
| DHS Science and Technology Directorate                           |                |     | \$21,633      |                 |     | \$84,233      |                 |     | \$54,000      | ---               | --- | (30,233)        |
| CBP Border Patrol  |                |     | \$7,432       |                 |     |               |                 |     |               |                   |     |                 |
| US Immigration and Customs Enforcement                           |                |     | 1,795         |                 |     |               |                 |     |               |                   |     |                 |
| DOS, Bureau of International Narcotics & Law Enforcement Affairs |                |     | 1,000         |                 |     |               |                 |     |               |                   |     |                 |
| Various other Partner Organization Requirements                  |                |     | 7,067         |                 |     | 2,767         |                 |     | 21,000        | ---               | --- | 18,233          |
| <b>Total Budgetary Resources</b>                                 | ---            | --- | <b>38,927</b> | ---             | --- | <b>87,000</b> | ---             | --- | <b>75,000</b> | ---               | --- | <b>(12,000)</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |     |               | FY 2008 Enacted |     |               | FY 2009 Request |     |               | Increase/Decrease |     |                 |
|---|----------------|-----|---------------|-----------------|-----|---------------|-----------------|-----|---------------|-------------------|-----|-----------------|
|   | Pos.           | FTE | Amount        | Pos.            | FTE | Amount        | Pos.            | FTE | Amount        | Pos.              | FTE | Amount          |
| Construction                            |                |     | \$38,927      |                 |     | \$87,000      |                 |     | \$75,000      | ---               | --- | (12,000)        |
| <b>Total Obligations</b>                | ---            | --- | <b>38,927</b> | ---             | --- | <b>87,000</b> | ---             | --- | <b>75,000</b> | ---               | --- | <b>(12,000)</b> |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
Federal Law Enforcement Training Center  
Acquisition, Construction, Improvements and Related Expenses  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                             | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|--|-------------------|--------------------|--------------------|-----------------------|
| 21.0 Travel                                | 70                | 83                 | 83                 | ---                   |
| 23.1 GSA rent                              | 239               | 242                | 242                | ---                   |
| 23.2 Other rent                            | 4                 | 5                  | 5                  | ---                   |
| 25.2 Other services                        | 836               | 979                | 979                | ---                   |
| 25.4 Operation & maintenance of facilities | 1,914             | 2,462              | 2,648              | 186                   |
| 26.0 Supplies and materials                | 152               | 178                | 178                | ---                   |
| 31.0 Equipment                             | 1,395             | 1,633              | 1,633              | ---                   |
| 32.0 Land & structures                     | 50,952            | 78,912             | 46,688             | (32,224)              |
| <b>Total, Other Object Classes</b>         | <b>\$55,562</b>   | <b>\$84,494</b>    | <b>\$52,456</b>    | <b>(\$32,038)</b>     |
| <b>Total, Direct Obligations</b>           | <b>\$55,562</b>   | <b>\$84,494</b>    | <b>\$52,456</b>    | <b>(\$32,038)</b>     |
| Unobligated balance, start of year         | (33,544)          | (42,904)           | (9,000)            |                       |
| Unobligated balance, end of year           | 42,904            | 9,000              | ---                |                       |
| Recoveries of prior year obligations       | (676)             | ---                | ---                |                       |
| <b>Total requirements</b>                  | <b>\$64,246</b>   | <b>\$50,590</b>    | <b>\$43,456</b>    |                       |

**F. Permanent Positions by Grade**

Not Applicable

**G. Capital Investment and Construction Initiative Listing**

**FEDERAL LAW ENFORCEMENT TRAINING CENTER  
ACQUISITION, CONSTRUCTION, IMPROVEMENTS & RELATED EXPENSES**

| INITIATIVE NAME  | FY 2009 FUNDING REQUEST (\$000) |                |         | FUNDING FROM:                |                          |
|--|---------------------------------|----------------|---------|------------------------------|--------------------------|
|  | Current Services Level          | New Initiative | Total   | Budget Activity              | Program/s Name           |
| Practical Application/ Counterterrorism Operations Training Facility | \$9,381                         | \$0            | \$9,381 | Construction and Improvement | Law Enforcement Training |
| Total Non-IT Total Non- IT investments \$5 million or more           | \$9,381                         | 0              | \$9,381 |                              |                          |
| Total Non-IT initiatives under \$5 million                           | \$0                             | \$0            | \$0     |                              |                          |
| Total Non-IT Investments   | \$9,381                         | \$0            | \$9,381 |                              |                          |
| Total of IT Investments  | \$0                             | \$0            | \$0     |                              |                          |
| Total all IT and Non-IT Investments                                  | \$9,381                         | \$0            | \$9,381 |                              |                          |

# PRACTICAL APPLICATION/COUNTERTERRORISM OPERATIONS TRAINING FACILITY

## 1. Project Description, Justification and Scope

The Practical Application/Counterterrorism Operations Training Facility (PA/CTOTF) will support new training requirements by providing realistic training facilities for many of the training programs conducted at FLETC by Federal, state, local and international law enforcement agencies. The new training facility will consist of a 220 acre site dedicated to providing the “hands-on” training necessary to meet the expanding needs of law enforcement in the post-9/11 environment.

FLETC’s partnership with over 80 Partner Organizations creates an opportunity for a consolidated training environment in which multiple agencies use a centralized location to meet their various training needs. This allows the government to benefit from economies of scale advantages available only from a consolidated law enforcement training facility. FLETC promotes cost-effective training, and will continue this trend, by allowing the government additional opportunities for cost reduction resulting from providing PA/CTOTF capabilities in a single location.

PA/CTOTF will allow trainees to experience the actual environments and confrontations that they will face in the field. The facility will be composed of five training environments: international, intermodal, urban, suburban and rural - all designed to replicate both foreign and domestic settings. It will offer a variety of training venues such as apartments, row houses, neighborhoods, Federal buildings, roadways and modes of public transportation. Scenario and reality based training is one of the most effective tools available and must be supported by realistic facilities. By creating realistic environments, trainees can learn by actually performing tasks similar to those they will encounter when administering their law enforcement duties.

## 2. Significant Changes

No Significant changes.

## 3. Project Schedule

| Projects               | Fiscal Quarter and Year |                |                             |                                | Total Estimated Completion Cost (\$000) | Total Project Cost (\$000) |
|------------------------|-------------------------|----------------|-----------------------------|--------------------------------|---|----------------------------|
|                        | Work Initiated          | Work Completed | Physical Construction Start | Physical Construction Complete |   |                            |
| FY 2009 Budget Request | Apr 2004                | Dec 2012       | Feb 2005                    | June 2012                      | \$9,381                                 | \$9,381                    |
| Future Budget Requests |                         |                |                             |                                | \$21,000                                | \$21,000                   |
| Total                  |                         |                |                             |                                | \$30,381                                | \$30,381                   |

Note: Total project cost of \$30,381 does not include \$28,998 prior year cost associated with this project.

## 4. Schedule of Project Funding (Dollars in Thousands)

|                                     | Prior  | FY 2007 | FY 2008 | FY 2009 | Future | Total  |
|-------------------------------------|--------|---------|---------|---------|--------|--------|
| Appropriation                       |        |         |         |         |        |        |
| Obligation (projected and planned)  | 10,695 | 9,108   | 9,195   | 9,381   | 21,000 | 59,379 |
| Expenditure (projected and planned) | 10,695 | 1,093   |         |         |        | 11,788 |
| Total Project Expenditures          | 10,695 | 1,093   |         |         |        | 11,788 |

**5. Cost Estimate Detail and Changes  
(Dollars in Thousands)**

|                            | Current Estimate | Previous Estimate |
|----------------------------|------------------|-------------------|
| Survey and Design:         | \$2,164          | \$2,164           |
|                            |                  |                   |
| Construction:              |                  |                   |
| Improvement to land        | \$8,097          | \$8,097           |
| Buildings                  | \$41,684         | \$41,684          |
|                            |                  |                   |
| Contingencies:             |                  |                   |
| Construction Phase         | \$3,750          | \$3,750           |
|                            |                  |                   |
| Other Costs (Maintenance): | \$3,684          | \$2,082           |
|                            |                  |                   |
| Project Total              | \$59,379         | \$57,777          |

## 6. Method of Performance

The Integrated Project Team (IPT) uses earned value techniques and a system driven by Microsoft Project to track planned versus actual cost, schedule, and performance. For the existing contracts, contractors are required to prepare a computerized critical path method (CPM) schedule, often using Gantt charts that include proposed engineering, procurement, construction and testing activities. The CPM schedule covers the time from Contract Award/Notice to Proceed to the Contract completion date. The baseline CPM schedule incorporates labor, equipment and quantity resource data as well as cost information. It is used by the contractor for planning, organizing, and directing the work; reporting progress; and requesting payment for work accomplished. The Contracts Management Office (CMO) works with contractors to update the schedule monthly, or weekly in some cases.

The firm-fixed price nature of PA/CTOTF contracts also serves to manage contractor performance. After 65% of the design stage, the construction manager (CMc) prepares a proposal for the unbid portion of the uncompleted documents, and the Guaranteed Maximum Price (GMP) is negotiated. The CMc agrees to pay for costs exceeding the GMP and are not a result of changes in the contract documents. This helps to minimize schedule/budget variances.

The IPT will transition to using an ANSI/EIA Standard 748 system upon DHS's selection of an Earned Value Management System (EVMS) to be used consistently throughout the agency. The EVMS will track budgeted actual costs (BAC), estimated actual costs (EAC), budgeted cost for work scheduled (BCWS), budgeted cost for work performed (BCWP), actual cost of work performed (ACWP), schedule variance (SV) and cost variance (CV).

| Fiscal Year | Strategic Goal(s) Supported   | Performance Measure  | Actual/baseline (from Previous Year) | Planned Performance Metric (Target) | Performance Metric Results (Actual) |
|-------------|---|--|--------------------------------------|-------------------------------------|-------------------------------------|
| 2008        | DHS 2.4 - Ensure national and international policy, law enforcement and other actions to prepare for and prevent terrorism are coordinated. | Results from a continuous validation survey that will be completed by federal supervisors 8-12 months after graduation will increase by 2% by 2008.  | 71%                                  | 75%                                 | 78%                                 |
| 2008        | DHS 2.4 - Ensure national and international policy, law enforcement and other actions to prepare for and prevent terrorism are coordinated. | Results from a Student Quality Training Survey that will be completed by students after course completion will increase by 4% by 2008  | 62%                                  | 68%                                 | 91%                                 |
| 2008        | DHS 2.4 - Ensure national and international policy, law enforcement and other actions to prepare for and prevent terrorism are coordinated. | The number of students attending training programs at the PA/CTOTF will increase throughout the funding years. The FLETC will 9,700 students in advanced training programs at the PA/CTOTF | TBD                                  | 9700                                | TBD                                 |

**7. Related Annual Funding Requirements  
(Dollars in Thousands)**

|                          | FY 2009          |                   |
|--------------------------|------------------|-------------------|
|                          | Current Estimate | Previous Estimate |
| Maintenance/Repair Costs | \$381            | \$381             |
| Operational Costs        | \$520            | \$520             |
|                          |                  |                   |
| <b>Total</b>             | <b>\$901</b>     | <b>\$901</b>      |

**8. Budget Allocation to Programs**

| Program      | Allocated Budget (\$000) |                |
|--------------|--------------------------|----------------|
|              | FY 2008                  | FY 2009        |
| PA/CTOTF     | \$9,195                  | \$9,381        |
|              |                          |                |
| <b>Total</b> | <b>\$9,195</b>           | <b>\$9,381</b> |

**9. Compliance with applicable Public Laws, Regulations, Standards and Executive Orders**

Not applicable at this time.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**Federal Law Enforcement Training Center**  
**Acquisition, Construction, Improvements and Related Expenses**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Law Enforcement Training</b> |                                       | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|--------------------------------------|---------------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                      |                                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>               |                                       |                 |                 |                 |                     |
| 21.0                                 | Travel                                | 70              | 83              | 83              | ---                 |
| 23.1                                 | GSA rent                              | 239             | 242             | 242             | ---                 |
| 23.2                                 | Other rent                            | 4               | 5               | 5               | ---                 |
| 25.2                                 | Other Services                        | 836             | 979             | 979             | ---                 |
| 25.4                                 | Operation & maintenance of facilities | 1,914           | 2,462           | 2,648           | 186                 |
| 26.0                                 | Supplies & materials                  | 152             | 178             | 178             | ---                 |
| 31.0                                 | Equipment                             | 1,395           | 1,633           | 1,633           | ---                 |
| 32.0                                 | Land & Structures                     | 50,952          | 78,912          | 46,688          | (32,224)            |
| <b>Total, Obligations ACI&amp;RE</b> |                                       | <b>\$55,562</b> | <b>\$84,494</b> | <b>\$52,456</b> | <b>(\$32,038)</b>   |
| Full Time Equivalents                |                                       | ---             | ---             | ---             | ---                 |

### **PPA Mission Statement**

We train those who protect our homeland.

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | \$70                      | \$83                       | \$83                       | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. There is no change for the FY 2009 request.

|                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>GSA rent</b> | \$239                     | \$242                      | \$242                      | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. There is no change for the FY 2009 request.

|                   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Other Rent</b> | \$4                       | \$5                        | \$5                        | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. There is no change for the FY 2009 request.

|                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Other Services</b> | \$836                     | \$979                      | \$979                      | \$0                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. There is no change for the FY 2009 request.

|  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$1,914</b> | <b>\$2,462</b> | <b>\$2,648</b> | <b>\$186</b>        |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a program increase of \$186,000 for maintenance of the Practical Application/Counterterrorism Operations Training Facility.

|                                 | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$152</b>   | <b>\$178</b>   | <b>\$178</b>   | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. There is no change for the FY 2009 request.

|                  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$1,395</b> | <b>\$1,633</b> | <b>\$1,633</b> | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. There is no change for the FY 2009 request.

|                              | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|------------------------------|-----------------|-----------------|-----------------|---------------------|
|                              | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$50,952</b> | <b>\$78,912</b> | <b>\$46,688</b> | <b>(\$32,224)</b>   |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an adjustment to base decrease of \$7,320,000 for non-recur emergency funding and \$24,903,634 for projects to be executed in FY 2008 with prior year funding.

**I. Changes In FTE**

Not Applicable.

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not Applicable.

# Department of Homeland Security

*Federal Law Enforcement Training Center*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

# **FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

## **FEDERAL LAW ENFORCEMENT TRAINING CENTER (FLETC)**

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## A. Mission and Description of the Federal Law Enforcement Training Center

The mission of the Federal Law Enforcement Training Center (FLETC) is to train those who protect our homeland. The FLETC is the Federal government's leader for and provider of world-class law enforcement training. The FLETC prepares new and experienced law enforcement professionals to fulfill their responsibilities in a safe manner and at the highest level of proficiency. Training consists of all phases of law enforcement instruction, from firearms and high-speed vehicle operations, to legal case instructions and defendant interview techniques. Through consolidated training the FLETC can respond quickly to emerging training needs, readily adapt to new requirements and focus exclusively on training, which is FLETC's only mission. The FLETC delivers interagency training with optimal efficiency through the government-wide sharing of facilities, equipment and expertise which produces economies of scale available only from a consolidated law enforcement training organization.

The FLETC currently operates four training sites throughout the United States for multiple agency use. FLETC's headquarters and training site in Glynco, Georgia has classrooms, dining and residence halls, and state-of-the-art facilities for firearms, physical techniques, driver, marine and computer based training activities. Two field locations that provide both basic and advanced training are located in Artesia, New Mexico, and Charleston, South Carolina. The fourth training site, Cheltenham, Maryland, provides in-service and re-qualification training for officers and agents in the Washington, DC area. In cooperation with the Department of State, the FLETC operates International Law Enforcement Academies in Gaborone, Botswana and San Salvador, El Salvador. Additionally, the FLETC provides training and technical assistance at locations worldwide in collaboration with and support from the U.S. Embassies located within country.

## B. Major Activities and Key Strategic Issues

FLETC's services to its three major law enforcement client groups underscore its homeland security support mission in promoting intergovernmental cooperation in law enforcement preparedness. The FLETC: 1) serves over 80 Federal Partner Organizations having law enforcement responsibilities; 2) provides training and technical assistance to state and local law enforcement entities; and 3) plans, develops, and presents formal training courses and practical exercise applications related to international law enforcement training in the interest of combating global crime and protecting U.S. interests abroad.

In FY 2008, the FLETC received \$288,666,000 to provide law enforcement training and re-qualification to over 63,000 students from Federal, state and local and International law enforcement agencies.

## **FY 2007 Accomplishments**

- Provided training to over 60,000 law enforcement students (194,000 student weeks).
- Provided increased training to Border Patrol and Immigration and Customs Enforcement (ICE) in support of the Secure Border Initiative (SBI).
- In support of the SBI, completed the new 608-room Dormitory Complex in Artesia, NM.
- In support of the SBI, designed/awarded contract for the Firearms Multi-Purpose Facility in Artesia, NM.

- Completed construction and began operation of a new enclosed and environmentally safe firing range at FLETC's Charleston, South Carolina site.
- Continued the construction of the multi-phased Practical Application/Counterterrorism Operational Training facility.
- The FLETC commenced operation of a new Simulation Laboratory. The facility will integrate technology and simulation into law enforcement training and features an open-bay area for simulators, and eight classrooms designed to facilitate tabletop, computer-based simulation exercises.
- The FLETC received Federal Law Enforcement Training Accreditation (FLETA) program accreditation for the following FLETC programs: the Criminal Investigator Training Program (CITP); the Physical Fitness Coordinator Instructor Training Program (PFCTP); the Inland Boat Operators Training Program (IBOT); the Law Enforcement Instructor In-Service Training Program (LEIISTP); the Driver Instructor Training Program (DITP); the Marine Law Enforcement Training Program (MLETP); and the Boat Operators Anti-Terrorism Training Program (BOAT).
- The FLETC received an unqualified opinion on its FY 2006 balance sheet audit performed by the external audit firm KPMG. Additionally, KPMG has issued an unqualified audit opinion on the FY 2007 full scope audit of FLETC's financial statements. This is FLETC's second consecutive unqualified audit opinion since transferring to DHS.
- The FLETC completed three A-76 streamlined competitions in FY 2007. The functional areas of Environmental and Safety, Property Management, and Facilities Management were all retained in-house.
- The FLETC received the 2007 DHS Environmental Achievement Award in the category of Minimizing Petroleum Use in Transportation through use of Bio Fuel.

### **Planned FY 2008 Accomplishments**

- Provide training to over 63,000 law enforcement students (263,000 student weeks).
- Continue to provide the increased training to Border Patrol and ICE in support of the SBI.
- Continue construction of the multi-phased Practical Application/Counterterrorism Operational Training facility.
- Receive program accreditation for two basic and three law enforcement instructor training programs.

### **Projected FY 2009 Accomplishments**

- Provide training to over 66,000 law enforcement students (276,000 student weeks).
- Continue to provide the increased training to Border Patrol and ICE in support of the SBI.
- Continue construction of the multi-phased Practical Application/Counterterrorism Operational Training facility.
- Receive Academy Re-Accreditation.

The key strategic issues and priorities of the FLETC for the next five years will focus on expanding training programs through partnerships, emerging state-of-the-art training technology, sharing increased capacity in the most cost-effective manner using the consolidated law enforcement concept of training, and providing accredited law enforcement training for all law enforcement personnel. The law enforcement officers trained at FLETC are the primary resources used to fight

the war on terrorism and to make the homeland more secure. In particular, during FY 2009 through FY 2013, at the FLETC we will concentrate our efforts on:

- *Ensuring state of the art technology:* The FLETC continues its partnership with Naval Air Warfare to integrate modeling and simulation technology to support driver and firearms training. This technology can improve the training curriculum and provide more comprehensive training in environments that cannot be replicated on the traditional driver and firearms ranges. The simulation technology emulates highly dangerous law enforcement scenarios while enabling student learning in a safe and controlled environment.
- *Partnering with state and local law enforcement entities:* The FLETC continues to revise and develop training programs for export delivery to state, local, tribal and campus law enforcement agencies. This partnership fosters cooperation, provides technology, improves response coordination and maximizes recovery between these agencies and Federal law enforcement agencies in emergency-related situations in the United States. Emerging programs for this area of training include domestic violence training and anti-terrorism intelligence training. Special emphasis is placed on training law enforcement officers from small town and rural agencies, which comprise 95% of the state, local, tribal and campus law enforcement population.
- *Law enforcement training capacity:* The FLETC evaluates facilities requirements based on Partner Organization training requests and the facilities needed to provide the training. The FLETC has recently modified its Strategic Master Plan for Facilities to provide for capacity associated with the long term training increase of the Secure Border Initiative (SBI). The FLETC continues to explore and apply training alternatives such as the use of technology-based solutions, including computer modeling and simulation, Web-based training and computer based training in order to provide the most up-to-date and cost effective consolidated training.

### C. Resources Requested and Performance Impact

#### Major Changes within the Base Level

The resources required to provide the necessary training by the FLETC are driven by the amount of training requested by our Partner Organizations. FLETC's FY 2009 request is \$274,126,000. Adjustments to base include a decrease of \$24,320,000 for one-time non-recur funding, a decrease of \$730,000 for elimination of FLETC's Washington Office, a decrease of \$1,290,000 and 7 FTE for transfer of the Office of Federal Law Enforcement Training Accreditation (FLETA), a decrease of \$2,741,000 for management efficiencies, an increase of \$1,129,000 and 2 FTE for annualization, an increase of \$2,402,000 for pay inflation and an increase of \$2,538,000 for non-pay inflation.

#### Increments Over Current Service Levels

- \$10,000,000 and 53 FTE increase to provide training related to improved border security.

- \$1,288,000 increase provides 2 FTE and facility maintenance to support increased training using the Practical Application Counter Terrorism Operations Training Facility.

D. How FLETC Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.

Law Enforcement Training program performance goal – Provide law enforcement agents and officers, skilled in the latest techniques, to enforce laws and regulations, protect the Nation, and interact with the public with respect for individuals and civil liberty.

Goal 4 – Build a Nimble, Effective Emergency Response System and Culture of Preparedness.  
Objective 4.2 – Preparedness

E. Performance Based Budget Highlights by Program 1

For each Future Years Homeland Security Program (FYHSP), the performance goal, performance measure/s, indicators, budget including allocation of non-programmatic overhead, and FTE are shown below. A complete listing of performance measures may be found on the OMB web site Expectmore.gov. In a few instances program names in PARTweb may differ slightly from those used in the Performance Budget.

|   |         |           |           |           |           |           |
|---|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Law Enforcement Training</b>  |         |           |           |           |           |           |
| <i>* The FY 2008 Enacted level includes \$17M in emergency funding provided in P.L. 110-161.</i>  |         |           |           |           |           |           |
| <b>Performance Goal:</b> Provide law enforcement agents and officers, skilled in the latest techniques, to enforce laws and regulations, protect the Nation, and interact with the public with respect for individuals and civil liberty. |         |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |         |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | None    | \$225,925 | \$289,880 | \$273,989 | \$287,376 | \$274,126 |
| <b>FTE</b>  | None    | 940       | 932       | 1,040     | 1,049     | 1,106     |

|   |         |         |          |         |         |         |
|---|---------|---------|----------|---------|---------|---------|
| <b>Measure:</b> Percent of Partner Organizations (POs) that respond "agree" or "strongly agree" on the Partner Organization Satisfaction Survey (POSS) to their overall satisfaction with the training provided by the FLETC.   |         |         |          |         |         |         |
| <b>Description of Measure:</b> This performance measure reflects the percentage of POs that responded on the POSS agree or strongly agree to the overall satisfaction with the training the Federal Law Enforcement Training Center (FLETC) provides their officers or agents to prevent terrorism and other criminal activity against the U.S. and our citizens. |         |         |          |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006  | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | Baseline | 92%     | 87%     | 87%     |
| <b>Actual:</b>  | None    | None    | 91%      | 87.8%   | N/A     | N/A     |

|  |          |         |         |         |         |         |
|--|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of Partner Organizations (POs) that respond "agree" or "strongly agree" that FLETC training programs address the right skills needed for their officers/agents to perform their law enforcement duties.  |          |         |         |         |         |         |
| <b>Description of Measure:</b> The percentage of POs that responded on the POSS agree or strongly agree that FLETC training programs address the right skills needed for their officers/agents to perform their law enforcement duties to prevent terrorism and other criminal activity against the U.S. and our citizens. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | Baseline | 73%     | 73%     | 74%     | 75%     | 77%     |
| <b>Actual:</b>   | 73.4%    | 90%     | 71%     | 79.75   | N/A     | N/A     |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percent of students that express "excellent" or "outstanding" on the Student Feedback - Program Survey.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The percentage of Federal Law Enforcement Training Center students who, on the student feedback survey, indicate the degree of training quality received was excellent or outstanding. Results from the survey are used to improve training to ensure students receive the right skills and knowledge, presented in the right way and at the right time to prevent terrorism and other criminal activity against the US and our citizens. |  |  |  |  |  |  |

1 FY 2007 Performance data reflects revised enacted funding and FTE levels.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | 64%     | 66%     | 67%     | 68%     | 69%     |
| <b>Actual:</b>      | None    | 64%     | 62%     | 76%     | N/A     | N/A     |

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of requested training classes conducted (Capacity Measure)  |          |         |         |         |         |         |
| <b>Description of Measure:</b> This performance measure is an indicator of the percent of training classes requested by Partner Organizations that are successfully scheduled by the FLETC. This measure enables the FLETC to determine if sufficient capacity (facilities, instructors & support) is available to meet the present and projected future FLETC training requirements. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | Baseline | 98%     | 98%     | 98%     | 98%     | 98%     |
| <b>Actual:</b>  | 98.5%    | 98.55%  | 98.98%  | 99.01%  | N/A     | N/A     |

F. Digest Tables by FYHSP Programs

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
(dollars in thousands)

| Budget Activity                                 | FY2007<br>Actual |                | FY2008<br>Enacted |                | FY2009<br>Estimate |                | Increase (+) or Decrease (-) For FY 2008 |              |                 |              |               |                |
|---|------------------|----------------|-------------------|----------------|--------------------|----------------|--|--------------|-----------------|--------------|---------------|----------------|
|   | FTE              | AMOUNT         | FTE               | AMOUNT         | FTE                | AMOUNT         | Total Changes                            |              | Program Changes |              | Other Changes |                |
|   |                  |                |                   |                |                    |                | FTE                                      | AMOUNT       | FTE             | AMOUNT       | FTE           | AMOUNT         |
| <b>BUDGET ACTIVITY</b>                          |                  |                |                   |                |                    |                |  |              |                 |              |               |                |
| <b>1. Law Enforcement Training</b>              | <b>974</b>       | <b>285,869</b> | <b>1,049</b>      | <b>266,376</b> | <b>1,106</b>       | <b>274,126</b> | 57                                       | 7,750        | 55              | 8,472        | 2             | (722)          |
| Federal   | 946              | 225,358        | 1,017             | 214,093        | 1,074              | 224,879        | 57                                       | 10,786       | 55              | 8,286        | 2             | 2,500          |
| State & Local                                   | 17               | 3,435          | 20                | 4,042          | 20                 | 4,112          | 0  | 70           | 0               | -            | 0             | 70             |
| International                                   | 11               | 1,514          | 12                | 1,651          | 12                 | 1,679          | 0  | 28           | 0               | -            | 0             | 28             |
| Construction & Improvement                      | 0                | 55,562         | 0                 | 46,590         | 0                  | 43,456         | 0  | (3,134)      | 0               | 186          | 0             | (3,320)        |
| <b>BUDGET ACTIVITY</b>                          |                  |                |                   |                |                    |                |  |              |                 |              |               |                |
| <b>2. Accreditation</b>                         | <b>6</b>         | <b>759</b>     | <b>7</b>          | <b>1,290</b>   | <b>0</b>           | <b>-</b>       | -7                                       | (1,290)      | 0               | -            | -7            | (1,290)        |
| <b>GROSS DISCRETIONARY</b>                      | <b>980</b>       | <b>286,628</b> | <b>1,056</b>      | <b>267,666</b> | <b>1,106</b>       | <b>274,126</b> |  |              |                 |              |               |                |
| Emergency Supplemental                          | 0                | 0              | 0                 | 21,000         | 0                  | 0              | 0  | 0            | 0               | 0            | 0             | 0              |
| Less Prior Year Rescission                      | 0                | 0              | 0                 | -333           | 0                  | 0              | 0  | 0            | 0               | 0            | 0             | 0              |
| Unobligated budget expiring                     |                  |                |                   |                |                    |                |  |              |                 |              |               |                |
| <b>Subtotal, Budget Authority (All Sources)</b> | <b>980</b>       | <b>286,628</b> | <b>1,056</b>      | <b>288,333</b> | <b>1,106</b>       | <b>274,126</b> | <b>50</b>                                | <b>6,460</b> | <b>55</b>       | <b>8,472</b> | <b>-5</b>     | <b>(2,012)</b> |

\* The above digest lists total appropriations for all FLETC FYHSP programs. The FY 2008 Enacted level includes \$21M in emergency funding provided in P.L. 110-161.

**i-A. Summary of FY 2009 Budget Estimates by Appropriation Excluding Emergency Funding**

**Department of Homeland Security  
Federal Emergency Management Administration**  
Summary of FY 2009 Budget Estimates by Appropriation  
Federal Emergency Management Administration  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actuals |                     | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                    |                 |                      |                     |                  |
|--|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--|--------------------|-----------------|----------------------|---------------------|------------------|
|  | FTE                | AMOUNT              | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                    | Program Changes |                      | Adjustments-to-Base |                  |
|  |                    |                     |                    |                    |                    |                    | FTE                                      | AMOUNT             | FTE             | AMOUNT               | FTE                 | AMOUNT           |
| Assistance to Firefighter Grants                             | 33                 | 212,612             | 54                 | 750,000            | 54                 | 300,000            | ---                                      | (450,000)          | ---             | (450,000)            | ---                 | ---              |
| Cerro Grande Fire Claims                                     | 2                  | 205                 | 2                  | ---                | ---                | (9,000)            | (2)                                      | (9,000)            | ---             | ---                  | (2)                 | (9,000)          |
| Disaster Assistance Direct Loan Program                      | 3                  | 328,155             | 3                  | 875                | ---                | 295                | (3)                                      | (580)              | ---             | ---                  | (3)                 | (580)            |
| Disaster Readiness and Support Activities                    | ---                | ---                 | ---                | ---                | ---                | 200,000            | ---                                      | 200,000            | ---             | ---                  | ---                 | 200,000          |
| Disaster Relief Fund   | 7,892              | 9,758,622           | 3,243              | 1,324,000          | 2,555              | 1,900,000          | (688)                                    | 576,000            | ---             | ---                  | 688                 | 576,000          |
| Emergency Food and Shelter                                   | ---                | 151,470             | ---                | 153,000            | ---                | 100,000            | ---                                      | (53,000)           | ---             | (53,000)             | ---                 | ---              |
| Flood Map Modernization                                      | 43                 | 202,110             | 43                 | 220,000            | 43                 | 150,000            | ---                                      | (70,000)           | ---             | (70,569)             | ---                 | 569              |
| National Flood Insurance Fund                                | 270                | 2,834,331           | 307                | 2,944,000          | 344                | 3,193,599          | 37                                       | 249,599            | ---             | 35,700               | 37                  | 213,899          |
| National Flood Mitigation Fund                               | ---                | 30,353              | ---                | 34,000             | ---                | ---                | ---                                      | (34,000)           | ---             | (34,000)             | ---                 | ---              |
| Operations, Management, and Administration                   | 2,321              | \$557,917           | 2,464              | \$724,000          | 3,458              | \$957,405          | 994                                      | \$233,405          | 357             | \$216,413            | 637                 | \$16,992         |
| Pre-Disaster Mitigation                                      | 15                 | 76,380              | 15                 | 114,000            | 15                 | 75,000             | ---                                      | (39,000)           | ---             | (39,022)             | ---                 | 22               |
| Radiological Emergency Preparedness Program                  | 130                | (3,353)             | 170                | (997)              | 170                | (505)              | ---                                      | 492                | ---             | ---                  | ---                 | 492              |
| State and Local Programs                                     | 204                | 3,031,290           | 278                | 3,367,800          | 278                | 1,900,000          | ---                                      | (1,467,800)        | 0               | (1,467,800)          | 0                   | ---              |
| United States Fire Administration                            | 114                | 45,149              | 115                | 43,300             | ---                | ---                | (115)                                    | (43,300)           | ---             | ---                  | (115)               | (43,300)         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>11,027</b>      | <b>\$17,225,241</b> | <b>6,694</b>       | <b>\$9,673,978</b> | <b>6,917</b>       | <b>\$8,766,794</b> | <b>223</b>                               | <b>(\$907,184)</b> | <b>357</b>      | <b>(\$1,862,278)</b> | <b>1,242</b>        | <b>\$955,094</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                    | (2,746,592)         |                    | (2,833,997)        |                    | (3,037,505)        |  | (203,508)          |                 | ---                  |                     | ---              |
| <b>Rescissions per P.L. 110-161</b>                          |                    |                     |                    | (17,176)           |                    |                    |  |                    |                 |                      |                     |                  |

|   |               |                     |              |                    |              |                    |            |                      |            |                      |              |                  |
|---|---------------|---------------------|--------------|--------------------|--------------|--------------------|------------|----------------------|------------|----------------------|--------------|------------------|
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>11,027</b> | <b>\$14,478,649</b> | <b>6,694</b> | <b>\$6,822,805</b> | <b>6,917</b> | <b>\$5,729,289</b> | <b>223</b> | <b>(\$1,110,692)</b> | <b>357</b> | <b>(\$1,862,278)</b> | <b>1,242</b> | <b>\$955,094</b> |
|---|---------------|---------------------|--------------|--------------------|--------------|--------------------|------------|----------------------|------------|----------------------|--------------|------------------|

Note: FY 2008 Enacted reflects the \$60 million transfer from the DRF to OMA and the \$16 million transfer from the DRF to OIG per P.L. 110-161.

**i-B. Summary of FY 2009 Budget Estimates by Appropriation Including Emergency Funding**

**Department of Homeland Security  
Federal Emergency Management Administration**  
Summary of FY 2009 Budget Estimates by Appropriation  
Federal Emergency Management Administration  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actuals |                     | FY 2008<br>Enacted |                     | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                      |                 |                      |                     |                      |
|--|--------------------|---------------------|--------------------|---------------------|--------------------|--------------------|--|----------------------|-----------------|----------------------|---------------------|----------------------|
|  | FTE                | AMOUNT              | FTE                | AMOUNT              | FTE                | AMOUNT             | Total Changes                            |                      | Program Changes |                      | Adjustments-to-Base |                      |
|  |                    |                     |                    |                     |                    |                    | FTE                                      | AMOUNT               | FTE             | AMOUNT               | FTE                 | AMOUNT               |
| Assistance to Firefighter Grants                             | 33                 | 212,612             | 54                 | 750,000             | 54                 | 300,000            | ---                                      | (450,000)            | ---             | (450,000)            | ---                 | ---                  |
| Cerro Grande Fire Claims                                     | 2                  | 205                 | 2                  | ---                 | ---                | (9,000)            | (2)                                      | (9,000)              | ---             | ---                  | ---                 | (9,000)              |
| Disaster Assistance Direct Loan Program                      | 3                  | 328,155             | 3                  | 875                 | ---                | 295                | (3)                                      | (580)                | ---             | ---                  | (3)                 | (580)                |
| Disaster Readiness and Support Activities                    | ---                | ---                 | ---                | ---                 | ---                | 200,000            | ---                                      | 200,000              | ---             | ---                  | ---                 | 200,000              |
| Disaster Relief Fund   | 7,892              | 9,758,622           | 3,243              | 4,224,000           | 2,555              | 1,900,000          | (688)                                    | (2,324,000)          | ---             | ---                  | 688                 | (2,324,000)          |
| Emergency Food and Shelter                                   | ---                | 151,470             | ---                | 153,000             | ---                | 100,000            | ---                                      | (53,000)             | ---             | (53,000)             | ---                 | ---                  |
| Flood Map Modernization                                      | 43                 | 202,110             | 43                 | 220,000             | 43                 | 150,000            | ---                                      | (70,000)             | ---             | (70,569)             | ---                 | 569                  |
| National Flood Insurance Fund                                | 270                | 2,834,331           | 307                | 2,944,000           | 344                | 3,193,599          | 37                                       | 249,599              | ---             | 35,700               | 37                  | 213,899              |
| National Flood Mitigation Fund                               | ---                | 30,353              | ---                | 34,000              | ---                | ---                | ---                                      | (34,000)             | ---             | (34,000)             | ---                 | ---                  |
| Operations, Management, and Administration                   | 2,321              | \$557,917           | 2,464              | \$724,000           | 3,458              | \$957,405          | 994                                      | \$233,405            | 357             | \$216,413            | 637                 | \$16,992             |
| Pre-Disaster Mitigation                                      | 15                 | 76,380              | 15                 | 114,000             | 15                 | 75,000             | ---                                      | (39,000)             | ---             | (39,022)             | ---                 | 22                   |
| Radiological Emergency Preparedness Program                  | 130                | (3,353)             | 170                | (997)               | 170                | (505)              | ---                                      | 492                  | ---             | ---                  | ---                 | 492                  |
| State and Local Programs                                     | 204                | 3,031,290           | 278                | 3,497,800           | 278                | 1,900,000          | ---                                      | (1,597,800)          | 0               | (1,577,800)          | 0                   | ---                  |
| United States Fire Administration                            | 114                | 45,149              | 115                | 43,300              | ---                | ---                | (115)                                    | (43,300)             | ---             | ---                  | (115)               | (43,300)             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>11,027</b>      | <b>\$17,225,241</b> | <b>6,694</b>       | <b>\$12,703,978</b> | <b>6,917</b>       | <b>\$8,766,794</b> | <b>223</b>                               | <b>(\$3,937,184)</b> | <b>357</b>      | <b>(\$1,972,278)</b> | <b>1,244</b>        | <b>(\$1,944,906)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                    | (2,746,592)         |                    | (2,833,997)         |                    | (3,037,505)        |  | (203,508)            |                 | ---                  |                     | ---                  |
| <b>Rescissions per P.L. 110-161</b>                          |                    |                     |                    | (37,176)            |                    |                    |  |                      |                 |                      |                     |                      |

|   |               |                     |              |                    |              |                    |            |                      |            |                      |              |                      |
|---|---------------|---------------------|--------------|--------------------|--------------|--------------------|------------|----------------------|------------|----------------------|--------------|----------------------|
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>11,027</b> | <b>\$14,478,649</b> | <b>6,694</b> | <b>\$9,832,805</b> | <b>6,917</b> | <b>\$5,729,289</b> | <b>223</b> | <b>(\$4,140,692)</b> | <b>357</b> | <b>(\$1,972,278)</b> | <b>1,244</b> | <b>(\$1,944,906)</b> |
|---|---------------|---------------------|--------------|--------------------|--------------|--------------------|------------|----------------------|------------|----------------------|--------------|----------------------|

Note: FY 2008 Enacted reflects the \$60 million transfer from the DRF to OMA and the \$16 million transfer from the DRF to OIG per P.L. 110-161. Includes \$20 million from DRF per P.L. 110-161 General Provisions Sec. 573 to SLP.

Note: FY 2008 Rescissions includes \$20 million from DRF per P.L. 110-161 General Provisions Sec. 573.

ii: Homeland and Non-Homeland Allocation

#REF!  
**Federal Emergency Management Agency**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | 2007<br>Actuals |        |               |                    |               |                    | 2008<br>Enacted |                  |              |                    |              |                    | 2009<br>Request |                    |              |                    |              |                    |
|---|-----------------|--------|---------------|--------------------|---------------|--------------------|-----------------|------------------|--------------|--------------------|--------------|--------------------|-----------------|--------------------|--------------|--------------------|--------------|--------------------|
|   | Homeland        |        | Non-Homeland  |                    | Total         |                    | Homeland        |                  | Non-Homeland |                    | Total        |                    | Homeland        |                    | Non-Homeland |                    | Total        |                    |
|   | FTE             | Amount | FTE           | Amount             | FTE           | Amount             | FTE             | Amount           | FTE          | Amount             | FTE          | Amount             | FTE             | Amount             | FTE          | Amount             | FTE          | Amount             |
| <b>State and Local Program</b>                          | ---             | ---    | <b>204</b>    | <b>\$3,031,290</b> | <b>204</b>    | <b>\$3,031,290</b> | <b>0</b>        | <b>\$0</b>       | <b>278</b>   | <b>\$3,497,800</b> | <b>278</b>   | <b>\$3,497,800</b> | <b>72</b>       | <b>\$1,540,000</b> | <b>206</b>   | <b>\$360,000</b>   | <b>278</b>   | <b>\$1,900,000</b> |
| Homeland Security Prevention and Protection Programs    | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | 72              | \$1,540,000        | ---          | ---                | 72           | \$1,540,000        |
| Homeland Security Response and Recovery Programs        | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | 72           | \$215,000          | 72           | \$215,000          |
| Other State and Local Support Programs                  | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | 134          | \$145,000          | 134          | \$145,000          |
| State Formula Grants Program                            | ---             | ---    | 57            | 1,238,707          | 57            | 1,238,707          | ---             | ---              | 72           | 1,376,000          | 72           | 1,376,000          | ---             | ---                | ---          | ---                | ---          |                    |
| Targeted Infrastructure Capability Grants Program       | ---             | ---    | 36            | 1,439,000          | 36            | 1,439,000          | ---             | ---              | 72           | 1,797,500          | 72           | 1,797,500          | ---             | ---                | ---          | ---                | ---          |                    |
| National Exercise Program                               | ---             | ---    | 30            | 45,594             | 30            | 45,594             | ---             | ---              | 30           | 50,000             | 30           | 50,000             | ---             | ---                | ---          | ---                | ---          |                    |
| State and Local Training Program                        | ---             | ---    | 45            | 218,924            | 45            | 218,924            | ---             | ---              | 68           | 218,300            | 68           | 218,300            | ---             | ---                | ---          | ---                | ---          |                    |
| Technical Assistance Program                            | ---             | ---    | 12            | 20,563             | 12            | 20,563             | ---             | ---              | 12           | 12,000             | 12           | 12,000             | ---             | ---                | ---          | ---                | ---          |                    |
| Evaluation and National Assessment Program              | ---             | ---    | 24            | 18,502             | 24            | 18,502             | ---             | ---              | 24           | 19,000             | 24           | 19,000             | ---             | ---                | ---          | ---                | ---          |                    |
| Systems Support Program                                 | ---             | ---    | ---           | 50,000             | ---           | 50,000             | ---             | ---              | ---          | 25,000             | ---          | 25,000             | ---             | ---                | ---          | ---                | ---          |                    |
| Salaries and Expenses                                   | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | ---          | ---                | ---          | ---                |
| <b>Assistance to Firefighter Grants</b>                 | ---             | ---    | <b>33</b>     | <b>\$212,612</b>   | <b>33</b>     | <b>\$212,612</b>   | <b>54</b>       | <b>\$750,000</b> | ---          | ---                | <b>54</b>    | <b>\$750,000</b>   | <b>54</b>       | <b>\$300,000</b>   | ---          | ---                | <b>54</b>    | <b>\$300,000</b>   |
| <b>United States Fire Administration</b>                | ---             | ---    | <b>114</b>    | <b>\$45,149</b>    | <b>114</b>    | <b>\$45,149</b>    | ---             | ---              | <b>115</b>   | <b>\$43,300</b>    | <b>115</b>   | <b>\$43,300</b>    | ---             | ---                | ---          | ---                | ---          | ---                |
| <b>Cerro Grande</b>                                     | ---             | ---    | <b>2</b>      | <b>\$205</b>       | <b>2</b>      | <b>\$205</b>       | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | ---          | ---                | ---          | <b>(\$9,000)</b>   |
| <b>Disaster Readiness and Support Activities</b>        | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | ---          | ---                | ---          | <b>\$200,000</b>   |
| <b>Disaster Relief</b>                                  | ---             | ---    | <b>7,892</b>  | <b>\$9,758,622</b> | <b>7,892</b>  | <b>\$9,758,622</b> | ---             | ---              | <b>3,243</b> | <b>\$4,224,000</b> | <b>3,243</b> | <b>\$4,224,000</b> | ---             | ---                | <b>2,555</b> | <b>\$1,900,000</b> | <b>2,555</b> | <b>\$1,900,000</b> |
| <b>Direct Assistance Disaster Loan Program Account</b>  | ---             | ---    | <b>3</b>      | <b>\$328,155</b>   | <b>3</b>      | <b>\$328,155</b>   | ---             | ---              | <b>3</b>     | <b>\$875</b>       | <b>3</b>     | <b>\$875</b>       | ---             | ---                | ---          | ---                | <b>\$295</b> | <b>\$295</b>       |
| Direct Loans - Subsidy                                  | ---             | ---    | ---           | \$327,843          | ---           | \$327,843          | ---             | ---              | ---          | 295                | ---          | 295                | ---             | ---                | ---          | ---                | 295          | 295                |
| Administrative Expenses                                 | ---             | ---    | 3             | \$312              | 3             | \$312              | ---             | ---              | 3            | 580                | 3            | 580                | ---             | ---                | ---          | ---                | ---          | ---                |
| <b>Flood Map Modernization Fund</b>                     | ---             | ---    | <b>43</b>     | <b>\$202,110</b>   | <b>43</b>     | <b>\$202,110</b>   | ---             | ---              | <b>43</b>    | <b>\$220,000</b>   | <b>43</b>    | <b>\$220,000</b>   | ---             | ---                | <b>43</b>    | <b>\$150,000</b>   | <b>43</b>    | <b>\$150,000</b>   |
| <b>National Pre-Disaster Mitigation Fund</b>            | ---             | ---    | <b>15</b>     | <b>\$76,380</b>    | <b>15</b>     | <b>\$76,380</b>    | ---             | ---              | <b>15</b>    | <b>\$114,000</b>   | <b>15</b>    | <b>\$114,000</b>   | ---             | ---                | <b>15</b>    | <b>\$75,000</b>    | <b>15</b>    | <b>\$75,000</b>    |
| <b>Emergency Food and Shelter</b>                       | ---             | ---    | ---           | <b>\$151,470</b>   | ---           | <b>\$151,470</b>   | ---             | ---              | ---          | <b>\$153,000</b>   | ---          | <b>\$153,000</b>   | ---             | ---                | ---          | <b>\$100,000</b>   | ---          | <b>\$100,000</b>   |
| <b>Operations, Management and Administration</b>        | ---             | ---    | <b>2,321</b>  | <b>\$57,917</b>    | <b>2,321</b>  | <b>\$57,917</b>    | <b>854</b>      | <b>\$259,000</b> | <b>1,610</b> | <b>\$465,000</b>   | <b>2,464</b> | <b>\$724,000</b>   | <b>1,148</b>    | <b>\$300,342</b>   | <b>2,310</b> | <b>\$657,063</b>   | <b>3,458</b> | <b>\$957,405</b>   |
| Operations Activities                                   | ---             | ---    | 1,247         | 260,053            | 1,247         | 260,053            | 840             | 253,000          | 528          | 159,224            | 1,368        | 412,224            | 1,128           | 294,000            | 878          | 228,980            | 2,006        | 522,980            |
| Management and Administration                           | ---             | ---    | 1,059         | 269,525            | 1,059         | 269,525            | ---             | ---              | 1,074        | 273,276            | 1,074        | 273,276            | ---             | ---                | 1,309        | 362,170            | 1,309        | 362,170            |
| United States Fire Administration                       | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | 115          | 40,913             | 115          | 40,913             |
| National Capitol Region                                 | ---             | ---    | 7             | 1,989              | 7             | 1,989              | 14              | 6,000            | ---          | ---                | 14           | 6,000              | 20              | 6,342              | ---          | ---                | 20           | 6,342              |
| Urban Search and Rescue                                 | ---             | ---    | 8             | 26,350             | 8             | 26,350             | ---             | ---              | 8            | 32,500             | 8            | 32,500             | ---             | ---                | 8            | 25,000             | 8            | 25,000             |
| <b>Total Direct Appropriations and Budget Estimates</b> | ---             | ---    | <b>11,027</b> | <b>14,363,910</b>  | <b>11,027</b> | <b>14,363,910</b>  | <b>908</b>      | <b>1,009,000</b> | <b>5,784</b> | <b>8,717,975</b>   | <b>6,692</b> | <b>9,726,975</b>   | <b>1,274</b>    | <b>2,140,342</b>   | <b>5,643</b> | <b>3,433,358</b>   | <b>6,917</b> | <b>5,573,700</b>   |
| <b>Fee Accounts</b>                                     | ---             | ---    | ---           | ---                | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | ---          | ---                | ---          | ---                |
| <b>National Flood Insurance Fund</b>                    | ---             | ---    | <b>270</b>    | <b>2,834,331</b>   | <b>270</b>    | <b>2,834,331</b>   | ---             | ---              | <b>307</b>   | <b>2,944,000</b>   | <b>307</b>   | <b>\$2,944,000</b> | ---             | ---                | <b>344</b>   | <b>3,193,599</b>   | <b>344</b>   | <b>\$3,193,599</b> |
| Salaries and Expenses                                   | ---             | ---    | 270           | 36,539             | 270           | 36,539             | ---             | ---              | 300          | 45,642             | 300          | 45,642             | ---             | ---                | 330          | 49,418             | 330          | 49,418             |
| Floodplain Management and Flood Mapping                 | ---             | ---    | ---           | 54,553             | ---           | 54,553             | ---             | ---              | ---          | 65,358             | ---          | 65,358             | ---             | ---                | ---          | 107,181            | ---          | 107,181            |
| NFIF - Mandatory  | ---             | ---    | ---           | 2,740,510          | ---           | 2,740,510          | ---             | ---              | ---          | 2,743,000          | ---          | 2,743,000          | ---             | ---                | ---          | 2,911,300          | ---          | 2,911,300          |
| Severe Repetitive Loss Mitigation                       | ---             | ---    | ---           | 2,729              | ---           | 2,729              | ---             | ---              | 7            | 80,000             | 7            | 80,000             | ---             | ---                | 14           | 80,000             | 14           | 80,000             |
| Repetitive Flood Claims                                 | ---             | ---    | ---           | 0                  | ---           | ---                | ---             | ---              | ---          | 10,000             | ---          | 10,000             | ---             | ---                | ---          | 10,000             | ---          | 10,000             |
| Flood Mitigation Activities                             | ---             | ---    | ---           | 0                  | ---           | ---                | ---             | ---              | ---          | ---                | ---          | ---                | ---             | ---                | ---          | 35,700             | ---          | 35,700             |
| <b>Offsetting Collections - Discretionary</b>           | ---             | ---    | ---           | <b>(91,092)</b>    | ---           | <b>(91,092)</b>    | ---             | ---              | ---          | <b>(111,000)</b>   | ---          | <b>(111,000)</b>   | ---             | ---                | ---          | <b>(156,599)</b>   | ---          | <b>(156,599)</b>   |
| Offsetting Collections Mandatory                        | ---             | ---    | ---           | (2,743,239)        | ---           | (2,743,239)        | ---             | ---              | ---          | (2,833,000)        | ---          | (2,833,000)        | ---             | ---                | ---          | (3,037,000)        | ---          | (3,037,000)        |
| <b>National Flood Mitigation Fund</b>                   | ---             | ---    | ---           | <b>30,353</b>      | ---           | <b>30,353</b>      | ---             | ---              | ---          | <b>\$34,000</b>    | ---          | <b>\$34,000</b>    | ---             | ---                | ---          | ---                | ---          | ---                |
| Offsetting Collections                                  | ---             | ---    | ---           | (30,353)           | ---           | (30,353)           | ---             | ---              | ---          | (34,000)           | ---          | (34,000)           | ---             | ---                | ---          | ---                | ---          | ---                |
| <b>Radiological Emergency Preparedness Program</b>      | ---             | ---    | <b>130</b>    | <b>(\$3,353)</b>   | <b>130</b>    | <b>(\$3,353)</b>   | ---             | ---              | <b>170</b>   | <b>(\$997)</b>     | <b>170</b>   | <b>(\$997)</b>     | ---             | ---                | <b>170</b>   | <b>(\$505)</b>     | <b>170</b>   | <b>(\$505)</b>     |
| Offsetting Collections                                  | ---             | ---    | ---           | 3,353              | 0             | 3,353              | ---             | ---              | ---          | 997                | ---          | 997                | ---             | ---                | ---          | 505                | ---          | 505                |

iii. Status of Congressionally Requested Studies, Reports, and Evaluation

**Department of Homeland Security  
Federal Emergency Management Agency**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b>  | <b>Requirement</b>  | <b>Status</b>  |
|--------------------|-----------------|--|---|--|
| 2007               | 2/5/07          | House Report   | Catastrophic Incident Capabilities: The Administrator shall develop and submit to the appropriate committees of Congress annually an estimate of the resources of the Agency and other Federal agencies needed for and devoted specifically to developing the capabilities of Federal, State, local, and tribal governments necessary to respond to a catastrophic incident.  | Anticipate DHS submission in May 2008                                  |
| 2007               | 8/9/07          | Conference Report 109-699<br><br>HR 4939 Conf Report 109-494 (Katrina supplement)  | Aug 07 - The report required by Public Law 109-62 and Public Law 109-90 detailing the allocation and obligation of funds for "Disaster Relief" shall hereafter be submitted monthly and include: (1) status of the Disaster Relief Fund (DRF) including obligations, allocations, and amounts undistributed/unallocated; (2) allocations, obligations, and expenditures for Hurricanes Katrina, Rita, and Wilma; (3) information on national flood insurance claims; (4) information on manufactured housing data; (5) information on hotel/motel data; (6) obligations, allocations and expenditures by State for unemployment, crisis counseling, inspections, housing assistance, manufactured housing, public assistance and individual assistance; (7) mission assignment obligations by agency. | Submitted to Hill on time 8/9/07                                       |
| 2007               | 1/30/07         | Sec. 691 (d) and Title III<br>Conference Report 109-699  | 1st Quarter Report on All Non-Competitive Disaster Assistance Contracts and Quarterly Report on all contracts issued during any disaster, including detailed justification for any contract entered into using procedures based upon unusual and compelling urgency exception to competitive procedures.  | Submitted to Hill on 1/8/08  |
| 2007               | 2/8/07          | Public Law 107-273, section 5002. (S. Rpt. 109-243 at 69, restated in Conference Report H. Rpt. 109-699 at 156, accompanying the Department's FY 2007 Appropriations Bill) | National Domestic Preparedness Consortium [NDPC]- The Committee directs ODP to prepare a long-range strategic plan for NDPC. This plan should incorporate the input of each of the existing Consortium members and shall be submitted to the Committee on February 8, 2007. The plan shall include, but not be limited to, projected future training demand, capacity, and performance measures for each Consortium member and the Consortium as a whole. The report shall also include recommendations, if any, for the possible expansion of the program. The Committee is aware of proposals to expand the program to include emergency preparedness within the railroad and mass transit environment and to reduce the risks associated with natural disasters.                                   | Final clearance pending. Anticipate Hill submission end of January 08. |

|      |         |  |  |                             |
|------|---------|--|--|-----------------------------|
| 2007 | 2/8/07  | Conference Report 109-699                          | <b>FPCs:</b> The Committee is concerned NPIP has proposed to duplicate the efforts of the FEMA Regional Offices by creating Federal Preparedness Coordinators [FPCs] positions. The Department is directed to delay this program until the submission, by February 8, 2007, to the Committee of a strategic plan for the FPCs. The plan should include: a definition of the role of the FPCs within the Department; their role before, during, and after a disaster and how the role will not conflict with positions and responsibilities already in the Department, or with positions dictated by the National Response Plan; a description of the expected expertise /and background of individuals who will be appointed as FPCs; and an expenditure plan for the resources to be devoted to FPCs. | Still in FEMA development.  |
| 2007 | 2/15/07 | Conference Report 109-699                          | Briefing - 2nd quarter - Preparedness Directorate and the Federal Emergency Management Agency are directed to brief the Committees on Appropriations 45 days after the date of enactment of this Act and quarterly thereafter, on the progress made to implement each of the conclusions of the June 16, 2006, Nationwide Plan Review Phase 2 Report. The first briefing shall include a detailed timeline for the completion of implementing each conclusion with major milestones and how the implementation of the conclusions are being coordinated with the guidelines developed by the Department for state and local governments as required in Public Law 109-90.  | Briefing took place 1/24/08 |
| 2007 | 10/4/06 | Conference Report 109-699<br>Senate Report 109-273 | Briefing- 1st Quarter - The Preparedness Directorate and FEMA are directed to brief the Committees on Appropriations 45 days after the date of enactment of this Act and quarterly thereafter, on the progress made to implement each of the conclusions of the June 16, 2006, <b>Nationwide Plan Review Phase 2 Report</b> . The first briefing shall include a detailed timeline for the completion of implementing each conclusion with major milestones and how the implementation of the conclusions are being coordinated with the guidelines developed by the Department for state and local governments as required in Public Law 109-90.  | Briefing took place 1/24/08 |
| 2007 | 7/15/07 | Conference Report 109-699                          | Briefing - 3rd & 4th Quarter - The Preparedness Directorate and the Federal Emergency Management Agency are directed to brief the Committees on Appropriations 45 days after the date of enactment of this Act and quarterly thereafter, on the progress made to implement each of the conclusions of the June 16, 2006, Nationwide Plan Review Phase 2 Report. The first briefing shall include a detailed timeline for the completion of implementing each conclusion with major milestones and how the implementation of the conclusions are being coordinated with the guidelines developed by the Department for state and local governments as required in Public Law 109-90.  | Briefing took place 1/24/08 |

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|------|---------|--|--|--|
| 2007 | 6/23/07 | Conference Report 109-699                  | The conferees are disturbed by the delay in issuing the final <b>National Preparedness Goal</b> (Goal). In the FY 2006 statement of managers accompanying the conference report (H. Report 109–241), the conferees directed DHS to issue the final Goal, including the final Universal Task List and Target Capabilities List, no later than December 31, 2005. To date, the final Goal and its component pieces have not been published. The conferees direct DHS to publish the final Goal, without further unnecessary delay. In addition, the Secretary shall provide a report to the Committees on Appropriations explaining what substantive improvements have been made to the Goal as a result of the delay.   | Completed and published in September 2007 - National Preparedness Guidelines |
| 2007 | 4/4/07  | Sec. 689g; Conf Rpt 109-699; p.101         | Report detailing the extent to which Disaster Declaration Regulations meet the needs for Less Populated States   | Final clearance pending. Anticipate Hill submission end of January 08.       |
| 2007 | 8/4/07  | Conference Report 109-699                  | 3rd & 4th Quarterly Report - The conferees are concerned that planning for evacuation of the National Capital Region during a disaster has not incorporated all of the pertinent officials from the appropriate states. Despite requests by Congress and affected states, no such joint planning efforts have occurred. Therefore, the conferees include bill language requiring the Preparedness Directorate to include the Governors of the State of West Virginia and the Commonwealth of Pennsylvania in the NCR planning process for mass evacuations. Further, the conferees direct the Preparedness Directorate to include officials from the counties and municipalities that contain the evacuation routes and their tributaries in the planning process. The Secretary shall provide a report to the Committees on Appropriations on the implementation of the planning process, including a list of participants, no later than January 23, 2007, and quarterly thereafter, on the progress made to implement such plans. | Submitted to the Hill in mid-January 2008                                    |
| 2007 | 4/4/07  | Sec. 691 (d) Conference Report 109-699     | 2nd quarter - Report on Contracts Not Using Competitive Procedures.— At the end of each fiscal quarter, beginning with the first fiscal quarter occurring at least 90 days after the date of enactment of this Act, the Administrator shall submit a report on each disaster assistance contract entered into by the Agency by other than competitive procedures to the appropriate committees of Congress.  | Submitted to Hill on 1/8/08  |
| 2007 | 4/4/07  | Sec. 691 (a) (2) Conference Report 109-699 | Report identifying recurring disaster response requirements for which Agency is capable of, and which is not capable of, contracting for in advance. In addition, a contracting strategy for advance cost effective contracting.   | Submitted to Hill on 1/8/08  |
| 2007 | 7/4/07  | Conference Report 109-699                  | 3rd Quarter: Quarterly report on vacancy rate in employee positions. Not later than 3 months after submission of the initial report, and every 3 months thereafter until 5 years after the date of enactment of this chapter, the Administrator shall submit to the appropriate committees of Congress an update of the report under subsection. This requirement refers to report requirement in Section 621 of the Bill.   | Final clearance pending. Anticipate Hill submission in February.             |

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| 2007 | 4/4/07  | Conference Report 109-699   | Develop Surge Capacity Force Plan  | To be determined.  |
| 2007 | 7/31/07 | Title III Conference Report 109-699   | 3rd Quarter - FEMA shall provide a quarterly report to the Committees on Appropriations regarding all contracts issued during any disaster. The report shall include a detailed justification for any contract entered into using procedures based upon the unusual and compelling urgency exception to competitive procedures requirements under section 303(c)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(2)) or section 2304(c)(2) of title 10, United States Code.   | Final clearance pending. Anticipate Hill submission in February.   |
| 2007 | 7/12/07 | Conference Report 109-699<br>HR 4939 Conf Report 109-494 (Katrina supplement) | July 07 - The report required by Public Law 109-62 and Public Law 109-90 detailing the allocation and obligation of funds for "Disaster Relief" shall hereafter be submitted monthly and include: (1) status of the Disaster Relief Fund (DRF) including obligations, allocations, and amounts undistributed/unallocated; (2) allocations, obligations, and expenditures for Hurricanes Katrina, Rita, and Wilma; (3) information on national flood insurance claims; (4) information on manufactured housing data; (5) information on hotel/motel data; (6) obligations, allocations and expenditures by State for unemployment, crisis counseling, inspections, housing assistance, manufactured housing, public assistance and individual assistance; (7) mission assignment obligations by agency. | Submitted to Hill on time 7/12/07  |
| 2007 | 4/30/07 | Title III Conference Report 109-699   | 2nd Quarter - Quarterly Report on all contracts issued during any disaster, including detailed justification for any contract entered into using procedures based upon unusual and compelling urgency exception to competitive procedures.   | Combined with initial report. Submitted to Hill 1/8/08   |
| 2007 | 7/4/07  | Sec. 640  | Report describing the measures taken to update and improve the IT systems  | Submitted to Hill 1/2/08.  |
| 2007 | 7/4/07  | Conference Report 109-699   | Detailed Status Report on National Emergency Child Locator Center including any difficulties and funding issues in establishing the Center or completing the cooperative agreements.   | Submitted to Hill 9/20/07.   |
| 2007 | 4/4/07  | Senate Report 109-273   | Brief on actions being taken to improve FEMA's internal controls to combat fraud, waste, and abuse with implementation schedule for each action and description of the performance measures utilized in each corrective action.  | Submitted congressional report on instituting revisions to identity validation process to combat waste, fraud and abuse. |
| 2007 | 12/4/06 | Conference Report 109-699   | Develop a 5-year comprehensive workforce strategy including hiring goals for vacant positions and retention initiatives for maintaining current staffing level with brief. (Overlaps 180 Requirement from Title VI; Congress directs FEMA to submit the Human Capital Plan developed in response to this requirement.)   | In FEMA development.   |
| 2007 | 10/4/07 | Sec. 621 § 10104(f)<br>Conference Report 109-699                              | Annual Report regarding recruitment bonuses (requirement terminates in 5 years)  | Final clearance pending. Anticipate Hill submission in February.   |
| 2007 |         | Senate Report 109-273   | 1st Quarterly Briefing - All Hazards Strategy: The Committee directs the Secretary to provide quarterly briefings to the Committee on the joint efforts of the Preparedness Directorate and Director of FEMA to connect the Federal Government's all-hazards strategy for preparedness, mitigation, response and recovery from natural or man-made disasters with State plans.   | Briefing took place 1/24/08  |

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| 2007 | Pending -<br>Approp<br>coordination | Senate Report 109-273   | 2nd and 3rd Quarter Briefing - All Hazards Strategy: The Committee directs the Secretary to provide quarterly briefings to the Committee on the joint efforts of the Preparedness Directorate and Director of FEMA to connect the Federal Government's all-hazards strategy for preparedness, mitigation, response and recovery from natural or man-made disasters with State plans.   | Briefing took place 1/24/08                                      |
| 2007 | 03/01/07                            | Conference Report 109-699   | Report w/Prep Directorate on ST, IT, & LT assessment of actions needed to achieve communications interoperability. Coordinate w/Prep Directorate on national emergency response communications operations and strategy.  | Projected submission date is October 2007.                       |
| 2007 | Pending -<br>Approp<br>coordination | Senate Report 109-273   | 4th Quarter Briefing - All Hazards Strategy: The Committee directs the Secretary to provide quarterly briefings to the Committee on the joint efforts of the Preparedness Directorate and Director of FEMA to connect the Federal Government's all-hazards strategy for preparedness, mitigation, response and recovery from natural or man-made disasters with State plans.   | Briefing took place 1/24/08                                      |
| 2007 | 04/04/07                            | Sec. 621§ 10102 (a) & (b)   | Develop and Submit a Strategic Human Capital Plan  | Projected DHS submission date is February 2008.                  |
| 2007 | 11/04/07                            | Conference Report 110-107   | 4th Quarter: Quarterly report on vacancy rate in employee positions. Quarterly Updates.—Not later than 3 months after submission of the initial report, and every 3 months thereafter until 5 years after the date of enactment of this chapter, the Administrator shall submit to the appropriate committees of Congress an update of the report under subsection This requirement refers to report requirement in Section 621 of the Bill  | Final clearance pending. Anticipate Hill submission in February. |
| 2007 | Pending -<br>Approp<br>coordination | Conference Report H. Rpt. 109-699 at 116 and amplified in H. Rpt. 109-476 at 11   | Training: The conferees direct the Secretary to brief the Committees on Appropriations on the inventory of funds supporting training in the Preparedness Directorate and the Federal Emergency Management Agency (FEMA) in fiscal year 2007 as discussed in the House report. In addition, the conferees direct that greater detail be included as part of the fiscal year 2008 Congressional budget justification.  | Submitted to Hill 12/20/07.                                      |
| 2007 | 07/01/07                            | House Report 109-476  | Report on work with nonprofit partners to improve ability to meet temp housing needs and the registration process. FEMA must report on the status of these efforts no later than July 1, 2006.   | Submitted to Hill 8/14/07.                                       |
| 2007 | 09/13/07                            | Conference Report 109-699<br><br>HR 4939 Conf Report 109-494 (Katrina supplement) | Sept 07 - The report required by Public Law 109-62 and Public Law 109-90 detailing the allocation and obligation of funds for "Disaster Relief" shall hereafter be submitted monthly and include: (1) status of the Disaster Relief Fund (DRF) including obligations, allocations, and amounts undistributed/unallocated; (2) allocations, obligations, and expenditures for Hurricanes Katrina, Rita, and Wilma; (3) information on national flood insurance claims; (4) information on manufactured housing data; (5) information on hotel/motel data; (6) obligations, allocations and expenditures by State for unemployment, crisis counseling, inspections, housing assistance, manufactured housing, public assistance and individual assistance; (7) mission assignment obligations by agency. | Submitted to Hill on time 9/13/07.                               |

|      |                             |   |  |   |
|------|-----------------------------|---|--|---|
| 2007 | 07/10/07                    | Conference Report 110-107               | The conferees provide \$25,000,000 for Management and Administration instead of \$25,000,000 as proposed by the House for Salaries and Expenses and \$20,000,000 as proposed by the Senate for Administrative and Regional Operations. Within the funding provided, \$10,000,000 is for disaster communications equipment to be placed in Federal Emergency Management Agency (FEMA) regions across the country; \$2,500,000 is to strengthen interstate mutual aid agreements; \$5,000,000 is for regional strike teams; \$6,000,000 is for improvements for financial and information systems; \$500,000 is for the Law Enforcement Liaison Office; \$500,000 is for the Disability Coordinator; and \$500,000 is for the National Advisory Council. The conferees include bill language prohibiting the obligation of this \$25,000,000 until the Committees on Appropriations receive and approve an expenditure plan. Such plan should be submitted within 45 days after the date of enactment of this Act. Funds are available until September 30, 2008. | Submitted to Hill 12/31/07.   |
| 2007 | 07/01/07                    | Conf Report 110-107                     | The conferees include bill language prohibiting the obligation of funds for regional catastrophic event planning grants and regional technical assistance until the Committees on Appropriations receive and approve an expenditure plan. The conferees direct FEMA to provide the expenditure plan by July 1, 2007, so as not to delay this important initiative. The Department shall report to the Committees on Appropriations no later than January 15, 2008, regarding the results of this effort.   | Final clearance pending; anticipate Hill submission in end of January 2008. |
| 2007 | 06/29/07                    | Senate Report 109-273                   | The conferees direct FEMA to provide guidelines encouraging State and local governments to address the findings identified in the Nationwide Plan Review. The conferees also direct FEMA to brief the Committees on Appropriations regarding the status of successfully addressing the Nationwide Plan Review findings no later than June 29, 2007. (w Quarterly Briefings)  | Briefing took place 1/24/08   |
| 2007 | Contingent                  | Conf. Report 110-107                    | The conferees provide \$25,000,000 for Management and Administration instead of \$25,000,000 as proposed by the House for Salaries and Expenses and \$20,000,000 as proposed by the Senate for Administrative and Regional Operations. Within the funding provided, \$10,000,000 is for disaster communications equipment to be placed in Federal Emergency Management Agency (FEMA) regions across the country; \$2,500,000 is to strengthen interstate mutual aid agreements; \$5,000,000 is for regional strike teams; \$6,000,000 is for improvements for financial and information systems; \$500,000 is for the Law Enforcement Liaison Office; \$500,000 is for the Disability Coordinator; and \$500,000 is for the National Advisory Council. The conferees include bill language prohibiting the obligation of this \$25,000,000 until the Committees on Appropriations receive and approve an expenditure plan. Such plan should be submitted within 45 days after the date of enactment of this Act. Funds are available until September 30, 2008. | Submitted to Hill 12/31/07  |
| 2007 | Pending Approp Coordination | 1-FY 2007 - Supp - Conf. Report 110-107 | The conferees direct FEMA, in conjunction with the Office of Health Affairs, to report on the general status and adequacy of public fallout shelters and other protective measures, as appropriate, and pre-planned guidance to the public in the tier one UASI cities.  | Awaiting confirmation of status.  |
| 2007 | Pending Approp Coordination | ?                                       | FEMA shall report on how it is coordinating with State and local governments and the Department of Health and Human Services for delivery of prepackaged announcements with major radio and television outlets to assure immediate and helpful guidance after a nuclear attack.  | Awaiting confirmation of status.  |

|      |          |                           |   |   |
|------|----------|---------------------------|---|---|
| 2007 | 10/04/06 | Sec. 682                  | Develop National Disaster Recovery Strategy w/ A/S for Indian Affairs, NGOs and S&L   | Projected DHS submission date is March 2008.              |
| 2007 | 07/04/07 | Conference Report 109-699 | Annual Report describing the National Disaster Recovery Strategy (requirement terminates after 5 years)   | Projected DHS submission date is March 2008.              |
| 2007 | 10/04/06 | Sec. 683                  | Development National Disaster Housing Strategy  | Projected DHS submission date is February 2008.           |
| 2007 | 07/04/07 | Conference Report 109-699 | Annual Report on the National Disaster Housing Strategy (requirement terminates after 5 years) including programs directed to meeting the needs of special needs populations  | Projected DHS submission date is February 2008.           |
| 2007 | 07/04/07 | Sec. 689c                 | Detailed Status Report on National Emergency Family Registry and Locator System, including any difficulties or issues in establishing the System, including funding issues.   | Submitted to Hill 12/31/07.                               |
| 2006 | 12/28/06 | Conf. Report 109-241      | (SLGCP) - Survey of State & Local Government Emergency Officials (final report -the Secretary of Homeland Security shall submit a report to the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Homeland Security of the House of Representatives. | This report is unlikely to be completed this fiscal year. |

# Department of Homeland Security

*Federal Emergency Management Agency*

*Operations, Management, and Administration*

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Fiscal Year 2009  
OMB Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) OPERATIONS, MANAGEMENT AND ADMINISTRATION**

### **I. Appropriation Overview**

#### **A. Mission Statement for FEMA Operations, Management and Administration (OMA):**

The FEMA Operations, Management and Administration (OMA) appropriation provides core mission funding for the development and maintenance of an integrated, nationwide capability to prepare for, mitigate against, respond to, and recover from the consequences of major disasters and emergencies, regardless of cause, in partnership with other federal agencies, state, local and tribal governments, volunteer organizations, and the private sector. The account supports core operations for all FEMA organizations, providing resources for mission activities and administrative support. OMA resources are directed to both regional and headquarters operations.

#### **B. Budget Activities:**

Activities are organized according to the following PPA structure:

- Operations Activities
- Management and Administration
- United States Fire Administration
- National Capitol Region Coordination
- Urban Search and Rescue

This structure reflects the realignment in Fiscal Year (FY) 2009 of core management and administration functions and resources from appropriations for the United States Fire Administration, the Disaster Assistance Direct Loan Program, and the Disaster Relief Fund. The proposed realignment will further FEMA's ability to improve management efficiency and accountability of its resources, simplify accounting, and consolidate personnel functions into one appropriation.

#### **1) Operations Activities**

Operations Activities includes the essential functions for all of FEMA's major mission organizations and directly supports FEMA's primary mission to reduce the loss of life and property and to protect the Nation from all hazards including natural disasters, acts of terrorism, and other man-made disasters. Operations Activities leads and supports the Nation through a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

In FY 2009, OMA will support FEMA's continued achievement of requirements set forth within the Post-Katrina Emergency Management Reform Act (PKEMRA) of 2006 and provide a more complete service to the American people and our federal, state, local, and tribal counterparts. FEMA will continue to integrate and support operational and preparedness missions that transferred to FEMA in FY 2007/FY 2008 and aligned all activities with the "Vision for a New FEMA." FEMA will continue

to unify strategic planning efforts, build robust disaster operations, disaster assistance, and logistics capabilities, and integrate our grants, training, exercise, technical assistance, and communications platforms.

***(A) National Preparedness Directorate (NPD)***

The National Preparedness Directorate works to ensure that the Nation is prepared for disasters of all kinds. The organization's activities reflect FEMA's expanded role in preparedness established by PKEMRA (2006). NPD houses management and administrative support functions associated with training and national exercise programs funded through the State and Local Programs account. It also implements Homeland Security Presidential Directive #8 (HSPD-8) by establishing policies that strengthen national preparedness for terrorist attacks, major disasters, and other emergencies.

NPD coordinates and brokers agency and interagency planning initiatives in support of operational response and recovery objectives for the National Response Framework (NRF) and for the National Incident Management System (NIMS). The organization includes the National Integration Center, which is the Executive Agent for the NRF. Planning and systems aspects of NPD are complemented by its Emergency Management Institute, which provides direct training to federal, state, local, tribal, public and private sector officials to strengthen core emergency management competencies.

***(B) Grant Programs Directorate (GPD)***

Established in FY 2007, GPD houses a centralized suite of grant management functions including: full-life cycle grants management operations; compliance monitoring; audit resolution; and data analysis. GPD serves as the executive agent for development of grant guidance for the annual Homeland Security grant programs; provides programmatic oversight and technical assistance for grant administration, monitoring, and reporting; and is a principal liaison for interagency programmatic collaboration and coordination.

***(C) Logistics Management Directorate***

Logistics Management Directorate provides the structure to manage and execute Disaster Logistics and moves the agency beyond simply providing commodities (i.e. ice, water, tarps, and MREs) toward a holistic management approach. FEMA's Logistics Management capabilities are based on the Department of Defense's well-recognized logistics (J4) system and organization, including management of the all-source range of assets, teams, equipment, and supplies that may be needed in response to an all-hazards event. The Logistics Management program involves coordination across all federal departments and agencies, state partners, and those in the private sector who plan for and respond to all-hazard disaster events.

***(D) Disaster Operations Directorate***

Disaster Operations Directorate provides core federal response capabilities to save lives and to protect property in communities throughout the Nation that have been overwhelmed by the impact of a major disaster or an emergency, regardless of cause. The Disaster Operations Directorate executes its mission through three primary program areas: Operational Direction, Command, and Control; Operational Teams; and Operational Planning. Disaster Operations houses several activities that were formerly part of FEMA's Response Program, such as sustained situational awareness; a command, communication and coordination system comprised of a national and regional command and coordination centers; national and regional rapid support and response

teams; and a collection of competency-based and technically-oriented operational teams. Disaster Operations is also home to the Incident Management Assistance Teams mandated by PKEMRA.

***(E) National Continuity Programs***

National Continuity Programs provides Executive leadership for Federal Government Continuity and National Contingency Programs that support enduring Constitutional government. National Continuity administers several activities to ensure and improve emergency communications with the public, including development and implementation of the Integrated Public Alert Warning System.

***(F) Disaster Assistance Directorate***

Disaster Assistance Directorate (DAD), formerly the Recovery Program, works to ensure that individuals and communities affected by disasters of all sizes, including catastrophic and terrorist events, are able to return to normal with minimal suffering and disruption of services. Program activities focus on improving efficiency and expediting delivery of disaster assistance to eligible individuals, to state, local, and tribal governments, and to eligible private nonprofit organizations, through a commitment to streamline procedures to improve program policy, to minimize error, and to modernize service delivery technology. Key programs include, but are not limited to: the Individual and Households Program, the Public Assistance Program, Other Needs Assistance, the Crisis Counseling Assistance and Training Program, Disaster Unemployment Assistance, Disaster Legal Services, Emergency Housing, and voluntary agency coordination. DAD is FEMA’s agent in the implementation of provisions of the National Disaster Recovery Strategy and the elements of the National Disaster Housing Strategy.

***(G) Mitigation Directorate***

The mission of the Mitigation Directorate is to protect lives and prevent property loss from natural hazard events. Activities are designed to further sound risk management decisions by individuals, private and public sector entities, state, local and tribal governments, and federal agencies. The Mitigation Directorate’s objectives are accomplished through three categories of core activities: risk identification and assessment, risk reduction, and insurance against flood risk. Among the Mitigation programs supported by OMA are: Environmental and Historic Preservation, National Dam Safety, National Earthquake Hazards Reduction, and the National Hurricane Program. OMA resources also provide base funds to the Mitigation Disaster Operations and Management function.

**2) Management & Administration Activities**

Management and Administration Activities incorporates the Office of the Administrator and the Administrative Management Staff who coordinate between Headquarters and Regional Offices all policy and strategic planning, managerial, resource, and administrative actions; maintains programs to address public information issues; and builds partnerships with and among state and local governments, nongovernmental organizations, business, and industry. Management and Administration Activities also provide the corporate infrastructure (IT, finance, HR, procurement, facilities) which is essential in FEMA’s pursuit of an enhanced business approach to achieving results and providing support capabilities designed and scaled to enhance FEMA’s mission success. FEMA will continue to integrate management and administration missions that transferred to FEMA in FY 2008 and aligned all activities with the “Vision for a New FEMA.” The following FEMA offices define Management and Administration:

- Office of the Administrator, which includes:
  - Law Enforcement Advisor
  - Disability Coordinator
- Office of Policy and Program Analysis
- Office of the Executive Secretariat
- Office of the Associate Deputy Administrator, which includes:
  - Regional Offices
  - Office of Regional Operations
- Office of the Chief Financial Officer
- Office of Management, which includes:
  - Information Technology
  - Human Capital
  - Acquisition
  - Facilities Management
  - Security
- Office of External Affairs, which includes:
  - Legislative Affairs
  - Public Affairs
  - International Affairs
- Office of Equal Rights
- Office of Chief Counsel

### **3) National Capital Region Coordination (NCRC)**

National Capital Region Coordination (NCRC) program advances homeland security, including all hazards preparedness, in the National Capital Region (NCR). The program serves as a model for other regions of the country. NCRC focuses on developing and refining a common regional approach to homeland security that result in integrated strategies and interoperability among federal, state, local, regional and private/nonprofit stakeholders. NCRC's primary responsibilities include coordinating and participating in programs and initiatives aimed at enhancing the homeland security posture of the region. NCRC also plays valuable roles in events, drills, and exercises that occur annually in the NCR. NCRC also serves as a principal in the NCR's regional governance structure and coordinates with the NCR's Regional Emergency Support Functions (R-ESFs) to improve preparedness in the NCR.

### **4) United States Fire Administration (USFA)**

The U.S. Fire Administration works to reduce life and economic losses due to fire and fire-related emergencies through leadership, coordination, and support. USFA prepares the Nation's fire responders through ongoing and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to hazard and terrorism emergencies of all kinds. USFA budget activities include operation of the National Fire Academy and the National Fire Data Center (NFDC), and providing facilities and support services for the National Emergency Training Center (NETC).

### **5) Urban Search and Rescue**

The Urban Search and Rescue Task Forces provide coordinated, national, and all-risk capability for locating, extricating, and stabilizing victims of structural collapse resulting from natural and human causes, including those involving terrorism and weapons of mass destruction. (The Urban Search and

Rescue Task Forces are among the many specialized teams managed by the Disaster Operations Directorate.)

**C. Budget Request Summary:**

**FEMA Operations, Management and Administration:** FEMA requests \$957,405,000, 3,517 positions and 3,458 FTE, as compared to FY 2008. The change from FY 2008 is explained by a series of adjustments for inflation, annualizations, transfers and program increases as described below.

**(1) PPA – Operations Activities:** FEMA requests \$522,980,000, 2,047 positions and 2,006 FTE. This represents a net increase of \$110,756,000, 570 positions and 638 FTE as compared to FY 2008.

**(2) PPA – Management & Administration Activities:** FEMA requests \$362,170,000, 1,327 positions and 1,309 FTE. This represents a net increase of \$88,894,000, 239 positions and 235 FTE as compared to FY 2008.

**(3) PPA – National Capital Region Coordination:** FEMA requests \$6,342,000, 20 positions and 20 FTE. This represents an increase of \$342,000, 0 positions and 6 FTE, as compared to FY 2008.

**(4) PPA – United States Fire Administration:** FEMA requests \$40,913,000, 115 positions and 115 FTE. This represents a decrease of \$2,387,000, as compared to FY 2008. *Note: In FY 2008, USFA was a separate appropriation.*

**(5) PPA – Urban Search and Rescue:** FEMA requests \$25,000,000, 8 positions and 8 FTE. This represents a decrease of \$7,500,000, as compared to FY 2008.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration**  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actuals |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|--|-----------------|------------------|-----------------|------------------|-----------------|------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|  | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|  |                 |                  |                 |                  |                 |                  | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| Operations Activities  | 1,247           | \$260,053        | 1,368           | \$412,224        | 2,006           | \$522,980        | 638                                      | 110,756          | 339             | 79,619           | 299                 | 31,137          |
| Management and Administration Activities                     | 1,059           | 269,525          | 1,074           | 273,276          | 1,309           | 362,170          | 235                                      | 88,894           | 18              | 144,294          | 217                 | (55,400)        |
| United States Fire Administration                            | ---             | ---              | ---             | ---              | 115             | 40,913           | 115                                      | 40,913           | ---             | ---              | 115                 | 40,913          |
| National Capitol Region Coordination                         | 7               | 1,989            | 14              | 6,000            | 20              | 6,342            | 6  | 342              | ---             | ---              | 6                   | 342             |
| Urban Search and Rescue                                      | 8               | 26,350           | 8               | 32,500           | 8               | 25,000           | ---                                      | (7,500)          | ---             | (7,500)          | ---                 | ---             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>2,321</b>    | <b>\$557,917</b> | <b>2,464</b>    | <b>\$724,000</b> | <b>3,458</b>    | <b>\$957,405</b> | <b>994</b>                               | <b>\$233,405</b> | <b>357</b>      | <b>\$216,413</b> | <b>637</b>          | <b>\$16,992</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                 |                  |                 |                  |                 |                  |  |                  |                 |                  |                     |                 |
| Rescission per P.L. 110-161                                  |                 |                  |                 | (\$2,791)        |                 |                  |  |                  |                 |                  |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>2,321</b>    | <b>\$557,917</b> | <b>2,464</b>    | <b>\$721,209</b> | <b>3,458</b>    | <b>\$957,405</b> | <b>994</b>                               | <b>\$233,405</b> | <b>357</b>      | <b>\$216,413</b> | <b>637</b>          | <b>\$16,992</b> |

Note: FY 2008 Enacted reflects the \$60 million transfer from the Disaster Relief Fund per P.L. 110-161.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Operations, Management, and Administration**  
**Program Performance Justification**

(Dollars in thousands)

#### PPA: OPERATIONS ACTIVITIES

|                              | <b>Perm</b>  |              |                  |
|------------------------------|--------------|--------------|------------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>1,256</b> | <b>1,247</b> | <b>\$260,053</b> |
| <b>2008 Enacted</b>          | <b>1,477</b> | <b>1,368</b> | <b>412,224</b>   |
| 2009 Adjustments to Base     | 190          | 299          | 31,137           |
| <b>2009 Current Services</b> | <b>1,667</b> | <b>1,667</b> | <b>\$443,361</b> |
| 2009 Program Change          | 380          | 339          | 79,619           |
| <b>2009 Request</b>          | <b>2,047</b> | <b>2,006</b> | <b>\$522,980</b> |
| Total Change 2008-2009       | 570          | 638          | 110,756          |

FEMA requests \$522.98 million for this activity. This is an increase of \$110.756 million over FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The following activities directly support FEMA's primary mission to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation. Activities reflect the continuing implementation of FEMA Vision initiatives launched in FY 2007 and FY 2008, including a focus on developing core competencies and the integration of expanded preparedness functions. FEMA Operations activities will continue to build on FY 2007 successes in the areas of:

- Creating "engaged partnerships" with state and local governments.
- Facilitating and supplying an effective unified command across all levels of government.
- Engaging hurricane-prone states to gain a better understanding of their vulnerabilities.
- Improving logistics and communications capabilities to improve response.
- Enhancing disaster assistance capabilities for recovery efforts.

OMA provides FEMA with basic mission funding, which is complemented by disaster-specific and readiness resources from Disaster Relief Fund, Disaster Readiness and Support Activity, and other program-specific appropriations.

#### **A) National Preparedness Directorate**

The National Preparedness Directorate works to ensure that the Nation is prepared for disasters of all kinds, regardless of cause. Much of the NPD organization is supported with funds from the State and Local Programs appropriations.

Within NPD, OMA resources support the following elements:

- **Incident Management Systems (IMS)**

IMS is the Executive Agent for the National Response Framework (NRF). IMS coordinates and brokers agency and interagency planning initiatives in support of operational response and recovery objectives for the NRF and the National Incident Management System (NIMS). The IMS plays a critical role in coordinating the various components of the NRF to ensure that the NRF remains linked to and based upon the NIMS.

- **Emergency Management Institute (EMI)**

The planning and systems aspects of the National Preparedness Directorate are complemented by the EMI which provides training to federal, state, local, tribal, public and private sector officials to strengthen emergency management core competencies, including incident management, operational planning, disaster logistics, emergency communications, disaster assistance, continuity programs, public disaster communications, integrated preparedness, and hazard mitigation. EMI directly supports the implementation of NIMS, the NRF, and the National Preparedness Guidelines (NPG) by conveying necessary knowledge and skills to practitioners. EMI uses a diverse training delivery system that includes residential onsite training; offsite delivery in partnership with emergency management training systems, colleges, and universities; and technology-based mediums to conduct individual training courses for emergency response personnel across the Nation.

- **Expanding National Preparedness Initiatives to the Regions**

The broader preparedness mission charged to FEMA will necessitate the Regions playing an integral role in program implementation and coordination with a broad spectrum of security partners and stakeholders. This goal will only be as successful as our ability to build upon FEMA's new and existing preparedness functions, both at headquarters and at the Regions.

An essential element of integrating preparedness is for FEMA components to be aligned and act as catalysts in developing a preparedness network inclusive of other federal, state, local, private sector, and civilian stakeholders. The Federal Government's preparedness efforts must reflect a level of alignment that is similar to what is necessary for successful operational performance. Therefore, the Regions will need to perform an expanded role to facilitate, and help integrate, their regional communities as the Nation's 'centers of gravity' for national preparedness through expanded networking to include "bridging" plans and capabilities, facilitating information sharing, and encouraging joint preparedness investments. Regions will also be expected to adopt a wide sophisticated view of preparedness, and advocate that view to our homeland security partners to effectively build the capabilities needed to meet requirements to prevent, protect against, respond to, and recover from all hazards.

A key prerequisite in strengthening the delivery of comprehensive preparedness services through FEMA Regions is building upon our personnel to include Federal Preparedness Coordinators (FPCs) and other personnel at the Regions engaged in planning, capability analysis, training, exercise, and grants management. Together, they will better enhance regional capabilities to prevent, protect against, respond to, and recover from all hazards based upon measurable readiness priorities and goals consistent with the National Preparedness Guidelines, National Response Framework, and other national initiatives. In FY 2007, FEMA began the process of hiring FPCs and some other preparedness personnel at the Regions and we will use additional funds in FY 2008 to further build upon our Regional and Headquarters capabilities to work in concert with each other, conduct assessments, and

deliver comprehensive preparedness assistance activities. The FY 2009 budget request will sustain these efforts.

## **NPD Recent and Planned Accomplishments**

### **FY 2007**

- EMI continued to develop and deliver its national-level training program and evaluate the effectiveness and the impact on federal, state, local, tribal, public and private sector officials to ensure that individuals and groups having key emergency management responsibilities at all levels of government, including FEMA employees, possess the requisite competencies to perform their jobs effectively.
- Twenty-seven offerings of EMI's flagship course—the exercise-based Integrated Emergency Management Course (IEMC)—were delivered to test an integrated response by key emergency management officials to a variety of simulated disasters or emergencies, nine of which were designed for a specific community or jurisdiction, including New Orleans, Louisiana.
- FEMA promoted implementation of the National Incident Management System to expand and strengthen knowledge, education, compliance and capabilities; and revised the NRF to align coordination structures, capabilities and resources at the federal, state and local levels. Specific highlights of this effort include:
  - Issued criteria for 99 NIMS Credentialed positions for Interstate Mutual Aid along with Core Competencies for 62 Incident Command System Positions and criteria to type resources for Interstate Mutual Aid.
  - Conducted NIMS-related table-top and full scale exercises at the Simulated Emergency Operations Center located in Somerset, Kentucky, with NIMS Support Center services provided by Eastern Kentucky University.
  - 279,334 state students and 1,222,726 local students have been trained in IS700 National Incident Management System (NIMS), an introduction independent study course.
  - Developed a Memorandum of Understanding with the Emergency Management Assistance Compact (EMAC) to establish professional qualifications, certifications, training and educational requirements for specific emergency response functional positions to assist state, local and tribal governments with the NIMS.
  - Revised the NRF based on results of lessons learned from the FY 2005 Hurricane Season, including Hurricane Katrina.

### **FY 2008**

- EMI will continue to develop and deliver its national-level training program and evaluate the effectiveness and the impact on federal, state, local, tribal, public, and private sector officials, including revision of existing curricula to incorporate recent changes to the NRF and NIMS. EMI will develop and begin conducting several exercise-based NRF IEMCs for regions and states to test an integrated approach to the revised NRF framework which is based on NIMS and the Incident Command System (ICS).
- Objectives for the Incident Management Systems include:
  - Continue to expand the emergency management body of knowledge and strengthen emergency management training and education through coordinated training programs.

- Continue to promote the integration and synchronization of preparedness across jurisdictions and all levels of government through NIMS education and outreach.
- Continue efforts to sustain national doctrine and policy, and actively administer the national response doctrine.
- Continue efforts to sustain NIMS Support Center services at Eastern Kentucky University.
- Strengthen FEMA's Incident Management Capability at the national and regional level through training and exercising of incident management assistance teams.
- Update the NRF training and education programs to become more operations-oriented by providing task specificity for local governments based on the changes to the NRF.
- Enhance regional capabilities through outreach and training programs delivered through the IMS Division and EMI to begin serving as the direct link to States in the NIMS and NRF implementation and planning process.
- Assess the readiness of FEMA to accomplish its mission through evaluation of the effectiveness of NIMS, ICS and NRF training via the Remedial Action Management Program (RAMP) Program.
- Expand NIMS/ICS and NRF training programs with DHS training partners (Coast Guard, FLETC, Center for Domestic Preparedness, etc.) and other federal agencies.
- Strengthen partnerships in the region and provide staffing to begin overseeing the outreach and education program with FEMA, DHS and other federal components, state, local, tribal, hospital and healthcare and private sector partners.
- Monitor NIMS implementation and compliance at all levels of government.

#### **FY 2009**

- EMI will continue to develop and deliver its national-level training program and evaluate the effectiveness and the impact on federal, state, local, tribal, public, and private sector officials. To assure efficacy of effort and parallel alignment with DHS and FEMA goals and activities, EMI will employ assessment tools and peer reviews to measure program outcomes and alignment. EMI will continue to design and deliver exercise-based NRF IEMCs for additional regions and states.
- Objectives for the Incident Management Systems Division include:
  - Continue development and implementation of national mutual aid system to include supporting the creation of formalized, comprehensive, exercised, intrastate mutual aid systems in all 50 U.S. states, territories, possessions and the District of Columbia (DC).
  - Continue to strengthen partnerships in the region and provide adequate staffing to oversee the outreach and education program with FEMA, DHS and other federal components, state, local, tribal, hospital and healthcare partners.
  - Continue support for the development and implementation of National Incident Management Systems (NIMS) resource management standards, typing and credentialing.
  - Support and facilitate the enhancement of existing and new incident management programmatic and operational standards for consistency with NIMS principles and doctrine.
  - Continue to test and evaluate incident management related software against identified NIMS technical standards, principles and doctrine using established test and evaluation plans and protocols.
  - Work with federal, state, local, tribal, private sector, and nongovernmental partners to exercise the NRF and revise as necessary based on lessons learned.
  - Continue to engage and strengthen relationships with FEMA Regions and state, tribal and local authorities and the nongovernmental and private sector.

- Conduct NRF field visits and training and education programs, exercises, and other opportunities with other DHS components, to promote joint all-hazard preparedness.
- Serve as the executive agent to coordinate NRF activities, including National Response Steering Committee (NRPSC) at the regional level.
- Enhance regional capabilities to serve as the direct link to states in the NIMS and NRF implementation and planning process.
- Develop and implement an enhanced education and awareness program for the NIMS and NRF in the regions.
- Continue efforts to sustain NIMS Support Center services at Eastern Kentucky University.
- Continue to monitor NIMS implementation and compliance; release a robust 3-year implementation program for use by federal, state, territory, tribal local, private sector and nonprofit organizations with specific target values and performance measures.
- Administer a more robust RAMP capability assessment, exercise design and coordination at the regional level.

## **B) Grant Programs Directorate**

The Grant Programs Directorate (GPD) provides a unified and proactive, centralized a suite of grant management functions, including full-life cycle grants management operations; compliance monitoring; audit resolution; and data analysis. GPD awards and administers funds to thousands of grant recipients annually. GPD ensures and maintains internal controls and accountability over billions of taxpayer funds provided in the form of disaster assistance, as well as federal resources awarded for non-disaster programs such as the Pre-Disaster Mitigation Grant Program, and the collection of Homeland Security resources awarded to states and transportation sectors are appropriately awarded, administered, and monitored.

The Grant Programs Directorate has three primary divisions: 1) Financial Accountability and Oversight; 2) Business Support and Data Analysis; and 3) Program Development and Administration. The majority of GPD activities are funded from management and administrative set-asides in the State and Local Program and Assistance to Firefighter Grants appropriations, with a small portion of funds coming from OMA. OMA resources provide some support for activities within all three GPD divisions.

### **• Financial Accountability and Oversight**

This division manages the business processes necessary for all pre-award activities including the announcing of funding opportunities, accepting and reviewing applications, determining award eligibility, and providing quality control over grant award documents and processing award packages. This division manages all post-award activities, such as monitoring grantees, processing modifications, generating amendments, reviewing grantee financial status reports, and coordinating grant closeout. The division also assists in the coordination and monitoring of key grant-related audit activities, i.e. OIG, GAO, Single Audit Act, and the independent financial auditor. The consolidation of these functions within a single division will provide more visibility into the infrastructure responsible for the management of all FEMA grants.

### **• Business Support and Data Analysis**

This division provides FEMA with a single mechanism to analyze, synthesize, and present grant-related financial data. Responding to increasingly intense scrutiny of FEMA's stewardship of grant

and assistance resources, this division will provide Congress and the White House with information demonstrating FEMA's accountability and oversight of billions of dollars.

- **Program Development and Administration**

This Division serves as the executive agent for development of grant guidance for the annual Homeland Security grant programs; provides programmatic oversight and technical assistance for grant administration, monitoring, and reporting; and is a principal liaison for interagency programmatic collaboration and coordination.

## **GPD Recent and Planned Accomplishments**

### **FY 2007**

- Established the merger of resources from the legacy Office of Grants and Training and legacy FEMA Grants Management office.
- Continuously tracked state and local grant administration and spending at the state and local level and add additional grant programs to the Grants Reporting Tool as necessary.
- Released Homeland Security grant and Infrastructure Protection Program guidance.

### **FY2008**

- Continue to track state and local grant administration and spending at the state and local level and add additional grant programs as necessary. Update the Grants Reporting system based on new federal requirements and state and local user feedback per fiscal year.
- Through the Centralized Scheduling and Information Desk, collect requested scheduling or point of contact information of available training dates, dates for exercise and conduct and points of contact for preparedness activities.

### **FY 2009**

- Continue to track state and local grant administration and spending at the state and local level and add additional grant programs to the Grants Reporting Tool as necessary.
- Through the Centralized Scheduling and Information Desk, develop and update of master point of contact database that includes federal, state and local points of contact for NP and other preparedness program activities.

## **C) National Continuity Programs**

FEMA's National Continuity Programs is the Executive Branch's lead agent for Continuity Programs, including continuity of government, continuity of operations, and National Contingency Programs.

- **Continuity**

Inherent in FEMA's role as the Executive Agent for the Continuity Program is the responsibility to formulate guidance for agencies to use in developing viable, executable continuity plans; facilitate interagency coordination as appropriate; and oversee and assess the status of continuity capability across the Executive Branch. Additionally, each agency is responsible for appointing a senior Federal Government executive as an Emergency Coordinator to serve as program manager and agency point of contact for coordinating agency continuity activities.

Today's changing threat environments and recent emergencies, including localized acts of nature, accidents, technological emergencies, and military and/or terrorist attacks-related incidents, have

increased the need for COOP capabilities and plans that enable agencies to continue their essential functions across a broad spectrum of emergencies. This, coupled with the potential for terrorist use of weapons of mass destruction (WMD), has emphasized the importance of continuity programs that ensure continuity of mission essential functions across the Federal Executive Branch.

FEMA leads a coordinated effort within the Federal Government's Executive Branch to ensure that National Essential Functions continue to be performed during a Catastrophic Emergency. The Continuity program provides procedures, guidance, training and evaluation resources to ensure the continuation of the essential functions of the Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), and Federal Executive Branch departments and agencies in the event key facilities are threatened or become unusable, requiring the relocation of selected personnel and functions. By ensuring these essential government functions continue under all hazard conditions, the program preserves the American way of life.

- **Emergency Alert and Communication Functions**

In addition to FEMA's responsibilities as Executive Agent for federal continuity activities, more specific national continuity activities consist of the following:

- Digital Emergency Alerting System (DEAS) provides Geo-targeting, text/voice/video data to messaging radios, TV, cell phones, etc., to first responders, officials, and the public (to include those with disabilities and non-English speakers) during emergencies.
- Legacy Emergency Alerting System (EAS) provides the capability to alert and warn the public. Activated at the President's discretion, the EAS will preempt all other TV and radio operations or commercial programming within 10 minutes until the President terminates the national-level EAS operation.
- E-NAWAS (Enhanced National Warning System) upgrades NAWAS with 21<sup>st</sup> century voice, video, and data collaboration technologies, as well as including a geo-targeted alert and warning message dissemination capability.
- The National Warning System (NAWAS)/Washington Area System (WAWAS), consist of 24-hour continuous private line telephone systems.
- FEMA National Radio System (FNARS) provides the President and other federal officials with resilient and assured voice + data networks with connectivity to FEMA Regions, State Emergency Operations Centers (EOCs), key IPAWS facilities, and other locations to help meet information sharing requirements at any time, across the full threat spectrum.
- Geo- Targeting Alert System (GTAS) will use NOAA's advanced weather input, particle modeling, and collaboration tools to predict how an incident will affect an area and to share that information with FEMA.
- Switch on Wheels (SOWS), mobile stations that can connect to local terrestrial phone lines.
- Web Alert Relay Network (WARN) provides an Opt-in Internet-based public warning capability which allows the public to receive alerts and warning at the WARN website.

- **IPAWS Initiative**

In June 2006, the President signed Executive Order 13407 requiring "an effective, reliable, integrated, flexible, and comprehensive system to alert and warn the American people in situations of war, terrorist attack, natural disaster or other hazards to public safety and well being." DHS designated FEMA to lead the executive order implementation. The Integrated Public Alert and Warning System (IPAWS) fulfill the goal of the executive order. The program's scope is summarized by the phrase "one message over more channels to more people at all times and places."

IPAWS leverages advanced communication technologies and existing federal, state, and local systems to communicate essential and accurate information to the public prior to, during, and after a catastrophe. This requires the implementation of a Digital Emergency Alert System (DEAS) providing secure, targeted, alerting capability via text, audio, and video disseminated via public television (PBS) and radio networks; implementation of a Geo-targeted Alerting System (GTAS), that provides geo-targeted alert and warning messages via telephones, cell phones, digital FM receivers and other media devices the public has access to on a regular basis; and a DHS Web Alert Relay Network (WARN) in association with a All-Hazard Web Alert Portal (AWAP), that will provide the capability for DHS to directly alert the public of natural or man-made disasters and emergencies based on appropriate geographic regions. Other key elements of the IPAWS program include:

- Inventory and evaluation of existing capabilities.
- Maintenance, protection, and, if necessary, restoration of communications facilities and capabilities necessary for the public alert and warning system.
- Conducting training, tests, and exercises for the public alert and warning system.

## **National Continuity Recent and Planned Accomplishments**

### **FY 2007**

- Conducted Quiet Sentinel 07 in conjunction with Pinnacle 07 and utilized a scenario that was a continuation of Pinnacle 05. The 18 FEMA Regional Offices, Administrations and Directorates participated to review essential functions and Continuity of Operations Relocation Site Plans to determine secondary Continuity of Operations site locations should the need arise for the dispersion or social distancing of Emergency Relocation Members.
- Conducted 50 COOP tabletop exercises, 44 of which were designed to assist Federal Continuity program managers with preparing for Continuity of Operations in a pandemic influenza environment.
- Delivered an additional 15 Continuity manager's train-the-trainers courses, resulting in 452 additional individuals trained and certified, reaching all 30 major departments and agencies.
- For the first time, 100 percent of Federal departments and agencies will have fully operational Continuity of Operations capabilities by the end of FY 2007.

### **FY 2008**

- Sustain continuity programs that are well-developed and operational; enhance interagency communications to support national-level command and control systems; and develop and deploy new technologies to improve contingency system programs.
- Increased funding for the Integrated Public Alert and Warning System (IPAWS) will continue work in the categories of protocols, standards and procedures; architecture for delivery over many paths; related test, training and exercises; public education, conferences, and web based opt-in alerts to computers, pagers, etc.; and mobile assets.

### **FY 2009**

- Continue to enhance interagency communications to support national-level command and control systems; and continue to develop and deploy new technologies to improve contingency system programs.
- Work to complete capability demonstration of the IPAWS program. The objective of IPAWS program is to warn and alert the American people in situations of war, terrorist attack, natural

disaster or other hazards to public safety and well being with threshold of 85% within 10 minutes and target of 95% within 10 minutes.

- Update protocol to communicate essential and accurate information to the public prior to, during and after a catastrophe.

#### **D) Logistics Management Directorate**

FEMA's Logistics Management Directorate's capabilities include the management of resources such as the logistics cadre, supplies, services, and equipment needed to respond to an all-hazards event. Much of the commodities purchased for a disaster as well as the contracts which help FEMA stand ready to support disaster are funded in the Disaster Relief Fund and the Disaster Readiness and Support Activities appropriations. OMA provides resources for the following Logistics Management activities and elements:

- **Logistics Distribution Management** consists of warehouse facilities and systems used to store, maintain, transport, and track supplies, services, material and equipment in emergencies and disasters. FEMA will also develop a plan that outlines a national logistics strategy that streamlines duplicative disaster response assets, warehouses, operating procedures, and associated management structures.
- **Logistics Operations** manages and executes command and coordination, and tracking and reporting for all hazards operations. Logistics operations serve as the central reporting element for the National Response Coordination Center on all logistics actions and operational activities.
- **Property Management** provides management and technical services for accountability, reutilization and disposal of the agency's personal property assets.
- **Logistics Office of Transformation and Initiative** coordinates and manages emerging transformation initiatives and concepts such as the Total Asset Visibility initiative, and exploration of 3rd Party Logistics (3PL) concepts. The Total Asset Visibility initiative is a system of information that provides the visibility of assets and commodities through their entire lifetime, from initial purchase through disposal.
- **Logistics Plans and Exercises** will continue to develop and to provide cohesive and synchronized logistics plans and exercises to achieve both short- and long-term requirements. It will develop and build upon the capacity to respond to diverse requirements in no-notice and short-notice environments effectively and efficiently to meet operational needs. These functions directly support both deliberate and crisis operations planning.

OMA funds for Disaster Logistics are complemented by disaster readiness support through the Disaster Readiness and Support Activities appropriation and disaster-specific resources from the Disaster Relief Fund.

#### **Logistics Management Directorate Recent and Planned Accomplishments**

##### **FY 2007**

- Elevated the logistics branch within the former Response Division to a directorate level organization and appointed a Chief Logistics Officer. Additional staff resources were added as part of an overall effort to increase technical skills, and institute sound business processes.

- Began developing the structures needed to re-define disaster logistics and move beyond simply providing commodities (i.e. ice, water, tarps, and Meals Ready to Eat (MREs)) to a holistic approach.

#### **FY 2008**

- Continue Logistics Management transformation efforts by recruiting and hiring a permanent workforce to better support current and expanded functions. Logistics Management will gain 25 additional PFT positions as a result of FEMA Vision initiatives.
- Develop and implement new internal management controls.

#### **FY 2009**

- Will transform logistics management of supplies and services by engaging the private sector and incorporating industry best practices. This includes incorporating a Third Party Logistics (3PL) structure into the Logistics Management Directorate.

#### **E) Disaster Operations Program**

FEMA's Disaster Operations Program provides core federal operational capabilities needed to save lives, minimize suffering, and protect property in a timely and effective manner in communities overwhelmed by acts of terrorism, natural disaster, or other emergencies. Disaster Operations (formerly FEMA's Response Program, absent the Logistics element) encompasses the following program activities and elements. NOTE: When a disaster threatens or occurs, many costs associated with program functions are supported through the Disaster Relief Fund.

- **Operational Direction, Command, and Control**

The Operational Direction, Command and Control program area manages and coordinates capabilities in support of emergency and disaster response operations, exercises, and special events to ensure appropriate readiness for response.

- **Operations Centers**

*National Response Coordination Center (NRCC).* The NRCC is a multi-agency center that functions as the operational component of the DHS National Operations Center (NOC) to provide federal coordination of disaster response operations and emergency management program implementation for natural and manmade disasters, including Incidents of National Significance. The NRCC maintains situational awareness links with State Emergency Operations Centers (EOC), selected local EOCs, regional DHS components, regional Emergency Support Functions (ESFs), State Fusion Centers, Joint Terrorism Task Forces, regional Department of Defense Operations Centers, and other key operational nodes. The NRCC supports disaster response and resource planning; monitors potential or developing Incidents of National Significance; supports regional and field component operations; and coordinates national-level disaster response activities and resource allocations for DHS and FEMA. In addition to maintaining a 24/7 Watch Team, the NRCC is augmented by the ESFs during disaster operations.

*Regional Response Coordination Centers (RRCC).* The RRCCs are regionally-based multi-agency coordination centers that perform a complementary role to the NRCC at the regional level. Operating in the ten FEMA Regions, each RRCC provides situational awareness information, identifies and coordinates response requirements, supports response operations,

performs capabilities analysis, and reports on the status of federal disaster response operations. The RRCCs deploy liaison officers and the Emergency Response Team-Advanced (ERT-A) to initiate federal support, facilitate initial delivery of goods and services to save lives and property and stabilize local infrastructures, and facilitate prioritizing “in theater” interagency resource allocation and coordination, and support multiple concurrent disaster operations within the region.

**FEMA Operations Center (FOC).** The FOC supports the NRCC with a 24/7 watch. The FOC implements myriad notifications to all Federal Executive Branch departments and agencies that support the NRCC, as well as activating emergency management staff. The FOC receives, analyzes, and disseminates all-hazards information within FEMA and DHS and to departments, agencies, and disaster response team members. The FOC, in coordination with the National Operations Center, facilitates distribution of warnings, alerts, and bulletins to the emergency management community using a wide variety of communications systems such the National Warning System (NAWAS), the Washington Area Warning System (WAWAS), and the National-level Emergency Alert System (EAS).

- **Disaster Workforce Management**

Disaster Workforce Management coordinates the deployment, tracking and credentialing of all disaster responders and develops overarching policies and procedures governing all Stafford Act employees. All responders sent into the field to respond to a disaster under the Stafford Act or other authorities are “rostered,” deployed, and tracked in order to maintain their visibility. This element will be improved through continued consolidation and upgrading of activities, systems, and resources of all response teams that are now part of the federal response.

- **Disaster Emergency Communications**

Provides integrated, interoperable emergency communications architecture that can provide immediate restoration of critical command and control platforms within states affected by disaster and real-time “reach-back” connectivity from incident commanders to JFOs, the NRCC, RRCCs, and other operations centers. The following state-of-the-art capabilities are provided: Tactical land mobile radios and repeater systems; Tactical cellular phones; Space-based satellite systems; High frequency and microwave line-of-sight systems interconnected by fiber optic cables to voice and data switches; Local area networks; and Desktop devices such as PCs and telephones.

- **Operational Teams**

The Operational Teams program area supports field response to disasters and special events, and participates in exercises.

- **Incident Management Assist Teams (IMAT)**

In accordance with the Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA), FEMA is developing a next generation of rapidly deployable interagency national and regional emergency response teams, identified as Incident Management Assist Teams (IMAT). These teams will be designed to provide a forward federal presence to better manage and coordinate the national response for catastrophic incidents. The primary mission of an IMAT is to rapidly deploy to an incident or incident-threatened venue, provide leadership in the identification and provision

of federal assistance, and coordinate and integrate inter-jurisdictional response in support of the affected state(s) or U.S. territory(s). The IMATs support efforts to meet the emergent needs of state and local jurisdictions; possess the capability to provide initial situational awareness for federal decision-makers; and support the initial establishment of a unified command. IMATs will meet the multi-disciplinary needs of emergency management and may include members from the inter-agency community as needed.

The national teams will have the capability to establish an effective federal presence within 12-hours of notification, to support the state, coordinate federal activities, provide initial situational awareness, and to be self sufficient for a minimum of 48-hours to augment potentially scarce local resources. Ultimately, three national-level IMATs and ten regional-level IMATs will be built and will subsume the roles and responsibilities of the Federal Incident Response Support Teams (FIRSTs), the National Emergency Response Teams (ERT-N) and Emergency Response Teams-Advanced (ERT-A). When not responding to disasters, IMATs will engage in a range of training exercises and other activities strengthening FEMA's critical relationships with state and local partners.

- ***Urban Search and Rescue (USAR) Task Forces***

USAR teams provide the coordinated, national, all-risk capability for locating, extricating, and stabilizing victims of structural collapse resulting from natural and human causes, including those involving terrorism and WMD. See the Urban Search and Rescue PPA for more detail.

- ***Incident Support Teams (IST)***

ISTs are pre-existing elements that make up the management cells for USAR.

- ***Mobile Emergency Response System (MERS)***

MERS detachments are mobile, self-sufficient emergency response units designed to support federal all-hazards response operations by providing integrated and interoperable communications and life support to meet the needs for disaster response activities, as well as the needs for planned special events. MERS detachments are managed centrally and are dispersed throughout the U.S. to improve the efficiency and cost-effectiveness of the NRF and to allow staff at the Joint Field Offices (JFOs) to focus on immediate response and recovery activities. Additionally, MERS operates the five MERS Operations Centers as an integral part of the FEMA network of operations centers.

- ***Hurricane Liaison Team***

This team operates at the National Hurricane Center to provide the liaison between the National Hurricane Center and the federal, state, tribal, and local governments' response system components, and provides an additional access point for critical interagency technology transfer to enhance all-hazards response capability.

- ***National Emergency Response Teams (ERT-N) and Emergency Response Teams-Advanced (ERT-A)***

These teams will ultimately be subsumed by the IMATs, but some will continue to exist in FY 2009 during the transition to IMATs. ERT-N and ERT-A teams are made up of individuals from FEMA Headquarters and Regions who have additional day-to-day responsibilities beyond their team assignments.

ERT-N teams are deployed by FEMA Headquarters in response to significant major disasters. Their purpose is to coordinate disaster response activities, coordinate and deploy key national response assets and resources, provide situational awareness, and maintain connectivity with key Department of Homeland Security operations centers and components. ERT-N members typically provide the initial staffing cadre for a JFO supporting a major disaster.

ERT-As are located in each of the ten FEMA Regions and can be deployed in the early phases of an incident to work directly with states to assess disaster impact, gain situational awareness, help coordinate the disaster response, and respond to specific state requests for assistance. The ERT-A initially establishes its presence in a State Emergency Operations Center and later staffs the JFO to support the disaster response. The ERT-As deploy with basic communications capabilities including cell phones, wireless laptop computers, and a limited number of satellite cell phones. As needed, they can also be supported by the MERS detachments and their capabilities.

- **Specialized Federal Teams**

- ***The Nuclear Incident Response Teams (NIRT)***

- NIRT teams are specialized teams managed day-to-day by the Department of Energy (DOE) / National Nuclear Security Administration (NNSA) and the Environmental Protection Agency (EPA). They are operationally controlled by DHS/FEMA when activated to provide expert technical advice and support in disaster response operations and other needs involving nuclear weapons accidents, radiological accidents, lost or stolen radioactive material incidents, and acts of nuclear terrorism.

- ***The Domestic Emergency Support Team (DEST)***

- The DEST is a specialized interagency U.S. Government team designed to expeditiously provide expert advice, guidance and support to the FBI On-Scene Commander (OSC) during a Weapons of Mass Effect (WME) incident or credible threat. The DEST is comprised of crisis and consequence management components and augments the FBI's Joint Operations Center with tailored expertise, assessment and analysis capabilities.

- **Operational Planning**

In depth operational planning, led by Disaster Operation's current Operational Planning Unit, is a core competency of the agency. This planning includes detailed and critical disaster response operational analyses, preparation of operational plans, and crisis action planning to ensure that the agency can lead and improve national all-hazard disaster responses. More specifically, the Operational Planning Unit will:

- Provide national and regional operational planning guidance and coordination.
  - Coordinate at the operational level the execution of all hazard contingency plans.
  - Provide forecasting and analysis of potential events.
  - Assist FEMA Regions in operational planning at the regional level.
  - Lead the development of DHS and FEMA hazard-specific contingency plans.

Operational response planning efforts are closely coordinated with FEMA's National Preparedness Program, Disaster Assistance Directorate, Mitigation Directorate, and DHS components, including the DHS Incident Management Planning Team (IMPT). FEMA will lead the coordinated planning for the Federal Government consistent with the intent of PKEMRA.

○ ***Catastrophic Disaster Response Planning***

Disaster Operations will continue to develop federal-level catastrophic disaster response plans, in partnership with states and local communities, that take into account the need for a significantly higher level of response assets, the possibility of little or no advance notice or warning, and the need for rapid response times with massive support. A catastrophic incident is defined by a sudden event which results in thousands of casualties and tens of thousands of evacuees, overwhelming the resources of the state and local governments and requiring life saving support from outside the area. Years of successful experience with disaster response operations have clearly demonstrated that positive results are achieved when federal response efforts are fully integrated with state, tribal, local, private sector and critical infrastructure. These same levels of integration will be continued in the catastrophic disaster response planning initiative in accordance with the principles of the NRF – Catastrophic Incident Annex.

○ ***Special Events Operations***

This division supports the readiness capabilities and planning for designated National Special Security Events to ensure an effective response to possible emergencies, to ensure public health and safety, and to protect property against threats or acts of terrorism. Support generally consists of activating operations centers and liaisons and is dependent upon the needs identified for each event.

○ ***Exercise Support***

Resources will contribute to exercise development and improved disaster response operations and capabilities. Exercises will be coordinated with other agencies and within FEMA to provide interaction and participation in national-level response exercises. This support is dependent upon the needs identified for each exercise, and is closely coordinated with the National Preparedness Program's Homeland Security Exercise and Evaluation Program (HSEEP).

## **Disaster Operations Recent and Planned Accomplishments**

### **FY 2007**

- Utilizing the results/recommendations of the FY 2007 FEMA Organizational Assessments in the areas of Disaster Emergency Communications and the Disaster Workforce, FEMA is taking appropriate steps to improve and implement business processes that will refine the Disaster Operations Program as we move toward the New FEMA.
- Communications and situational awareness – Real time information sharing occurred at all levels including federal, state, and local. Advances in technology were utilized – satellite imagery, upgraded radios and frequency management are the new standard.
- Operational planning – Initiated hiring of operational planners at FEMA Headquarters to supplement planning in support of 24-hour operations in the National Response Coordination Center; life saving and protection of property decision making by FEMA management during disaster operations; situational awareness; and tactical-level operational contingency planning for present and potential disasters based upon the 15 National Planning Scenarios.
- Catastrophic disaster response planning – Site-specific planning catastrophic disaster response planning was initiated.
  - 8 state planners, 4 regional planners, and 2 planners for FEMA Headquarters began work under contract to support New Madrid Seismic Zone planning.

- 7 state and local planners, 1 regional planner, and 1 planner for FEMA Headquarters began work under contract to support planning for a Category 5 hurricane potentially impacting the southern part of Florida.
- Contract support for catastrophic disaster response planning for California was initiated to support regional response planning.
- Federal Incident Response Support Teams
  - Improved Operational Readiness, including establishing funding sources to enable teams to immediately deploy.
  - Established additional satellite links for data transmission, to include video.
  - Continued participation in regionally-based meetings and national conferences.
  - Successfully deployed to two no-notice events thus far in FY 2007. Successfully met 12-hour arrival time for requirement.
  - Developed and implemented FY 2007 program goals documents.
  - Developed and implemented position-specific training matrix document for each member.
- ERT-N
  - Conducted cover-to-cover review, and updated, ERT-N Operations Plan.
  - Provided training to 75% of Red and Blue ERT-N Team members.
  - Successfully deployed and provided essential support to Region I during in New England hurricane exercise.
  - Improved operational readiness, including providing personal ERT-N related equipment to individual team members.
- FEMA tested new systems and processes for Hurricane Ernesto.
  - Upgraded National Response Coordination Center at FEMA became functional.
  - Video teleconferences included U.S. Northern Command and the National Guard Bureau.
  - Mobile Registration Intake Centers were exercised.
  - Logistics supply system and Total Asset Visibility programs were tested.

## **FY 2008**

- Operational Planners – Realize full staffing of operational planners at FEMA Headquarters and each FEMA Region.
- Disaster Workforce Management – Continue to work with EMI on the standardization of recruitment, hiring, training and credentialing of all disaster responders. Develop website for communication of policies and procedures to all disaster responders, including site information on all cadres.
- Catastrophic Disaster Response Planning – Conduct catastrophic scenario driven workshops for the following site specific areas:
  - New Madrid Seismic Zone – Alabama, Arkansas, Illinois, Indiana, Kentucky, Mississippi, Missouri, and Tennessee.
  - State of Florida for a Category 5 Hurricane impacting Southern Florida.
- National Response Coordination Center (NRCC) – Enhance disaster operation capabilities of the NRCC to support 24 hour watch operations, situational awareness, development of the common operating picture during disaster operations, and coordination of interagency response to all type of hazards and Presidentially declared disasters. Also, enhance geospatial imaging capabilities of the NRCC, RRCCs and the operational response teams.

## **FY 2009**

- Incident Management

- Professionalize the National Network of Emergency Managers.
- Expand the emergency management body of knowledge and strengthen emergency management education.
- Promote the integration and synchronization of preparedness across jurisdictions and all levels of government.
- Sustain national doctrine and policy, and actively administer national response doctrine.
- Strengthen FEMA's Incident Management Capability through 24/7 operational awareness.
- Strengthen FEMA's Regional operations and partnerships.
- Continue development of next generation of rapidly deployable interagency national and regional emergency response teams.
- Catastrophic Disaster Planning
  - Continue to increase national readiness for site-specific catastrophic events with federal, regional, state, local, tribal governments and the private sector (and the critical infrastructure sectors), utilizing scenario-driven response plan development process.
  - Support development of vertically and horizontally integrated Catastrophic Response Plans compliant with NIMS and the NRF.
- Operational Planning
  - Work within FEMA and with state partners to develop local, state, and regional operational plans, including incident-specific catastrophic plans.
  - Support the development of operational planning capabilities at all levels of emergency management.
  - Support tactical-level operational planning for the 15 National Planning Scenarios.
- National Response Coordination Center
  - Continue enhancement of disaster operation capabilities of the NRCC to support 24-hour watch operations, increased situational awareness, and support development of the common operating picture during disaster operations.
  - Coordination of interagency response to disasters and emergencies, regardless of cause.
- Emergency Communications
  - Solidify FEMA's role in Emergency Communications – before, during and after an incident.
  - Work with States to develop state and regional emergency communications plans.
  - Establish a template of essential emergency communications capabilities and plan for temporary communications to fill the gaps.
  - Provide support to Joint Field Office (JFOs) and enable Federal Command and Control.
  - Assist state offices of emergency communications and ensure the integrity of first responder networks.
  - Work with the National Communications System to ensure a smooth transition to long-term restoration.
  - Serve as a leading national advocate for disaster emergency communications issues and play a major supporting role in policy-making.

#### **F) Disaster Assistance Directorate**

The Disaster Assistance Directorate (DAD), formerly the Recovery Division, ensures individuals and communities affected by disasters of all sizes, including catastrophic and terrorist events, are able to return to normal functions with minimal suffering and disruption of services. Program activities focus on improving efficiency and expediting delivery of disaster assistance to eligible individuals; to state, local, and tribal governments; and to eligible nonprofit organizations, through a commitment to

streamline procedures to improve program policy, to minimize error, and to modernize service delivery technology.

The following DAD programs receive core staffing and operating expense support from the OMA appropriation. Disaster readiness and direct victim assistance requirements are funded from appropriations for the Disaster Readiness and Support Activities account, the Disaster Relief Fund, the Disaster Assistance Direct Loan Program, and Emergency Food and Shelter.

- **Individuals and Households Program (IHP)**

IHP includes several program elements offering various types of support for families and individual disaster victims. These include assistance for housing needs, other non-housing needs, crisis counseling and training, unemployment assistance, and legal services.

- **Public Assistance Program (PA)**

The PA Grant Program provides assistance to states, local governments, and certain nonprofit organizations to alleviate suffering and hardship resulting from major disasters or emergencies declared by the President. It provides supplemental federal disaster grant assistance for the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain private non-profit organizations.

- **Fire Management Assistance Grant Program (OMAGP)**

FEMA fire management assistance grants are made available to state and local governments, including tribal nations, to minimize immediate adverse effects, and to manage and control wildland fires that threaten to cause major disasters. OMAGP provides a 75% federal cost-share reimbursement to states for actual costs.

OMA resources also provide some support for other DAD activities related to implementation of the National Response Framework's Emergency Support Function #3 – Public Works and Engineering, Emergency Support Function #6 – Mass Care, Emergency Assistance, Housing, and Human Services, and Emergency Support Function # 14 – Long Term Community Recovery; voluntary agency coordination; donations management; cadre management and training; and the purchase and replacement of equipment on our life cycle schedule for HQ and regional employees.

The following DAD activities are funded primary or exclusively from OMA:

- **Catastrophic Planning**

FEMA has been actively engaged in Catastrophic Disaster Planning for its Disaster Assistance programs since September 2001, when it began developing the Catastrophic Disaster Housing Strategy. The Catastrophic Disaster Housing Strategy provided the principles and concepts that establish the framework for disaster housing recovery planning and capacity building being done today. FEMA has made significant progress in the last six years in increasing its capability to provide assistance to individuals, particularly in the areas of registration, applicant processing, and coordination with other agencies. During this time, we have also made strides in streamlining the Public Assistance Program for very large events through planning, training, and technology improvements. FEMA's experience with the 2005 and 2006 Hurricane Seasons highlighted a number of critical planning and capability requirements for Disaster Assistance, which are the focus of current and planned catastrophic disaster planning initiatives.

- **Collaboration with Stakeholders**

Because the delivery of disaster assistance programs depends on a seamless working relationship with state and local governments, consistent interaction with these stakeholders is essential. To that end, DAD staff participates in a number annual conferences, meetings, and workshops with internal and external partners on a wide range of initiatives. Additionally, OMA funding is used to host a variety of conferences, meetings, and workshops to ensure that we are working with our stakeholders as critical decisions are being made.

## **Disaster Assistance Directorate Recent and Planned Accomplishments**

### **FY 2007**

- DAD has continued work on Hurricane Katrina related activities as well as new disasters. In FY 2007, 68 major disasters and 11 emergencies were declared in 31 states. 54 Fire Management Assistance Grants have been approved in 13 states.
- Focused its catastrophic disaster assistance planning and capability enhancement efforts on supporting displaced populations, identifying alternative forms of temporary housing, and contaminated debris management planning.
- Developed FEMA evacuee hosting guidance and provided direct planning assistance to five potential host states and communities to initiate state hosting plans.
- Developed and implemented a software package (AIDMATRIX) that will enable government entities, voluntary agencies, and faith-based partners to coordinate offers of donated goods and services following disasters.
- Through the Joint Housing Solutions Group, FEMA has developed a tool to evaluate innovative and practical strategies and solutions for providing temporary housing in situations where large numbers of households are impacted for extended periods of time.
- The FEMA-led Interagency Work Group on Contaminated Debris Management completed a final working draft of its Contaminated Debris Task Force Concept of Operations (CONOPS).
- In April 2007, new software was built into NEMIS that maintains data on applicants in mobile homes and communicates real-time data to caseworkers and the auto-determination system in order to prevent duplicate housing payments to applicants receiving direct housing. In June 2007, address checks were implemented in NEMIS that flag “high risk” addresses such as check cashing stores, mail drops, cemeteries, and jails. Applications with “high risk” addresses require an intensive review prior to the delivery of assistance and prevent fraud on the part of disaster applicants. Additional enhancements to the NEMIS client in June 2007 include the implementation of a block on duplicative rental assistance payments for overlapping months. Edit checks have been built into NEMIS that require a processor to enter the period of assistance, and therefore, disallow payments for overlapping periods.

### **FY 2008**

- Refine evacuee hosting guidance and complete five state hosting plans for large numbers of evacuees. Complete enhancements to the National Shelter System and AIDMATRIX system to improve system security and user interface, and continue to provide technical assistance and training to users nationwide.
- Complete a compendium of potential alternative housing solutions with ratings and guidelines for best application of particular units given disaster conditions through the Joint Housing Solutions Group.

- Continue to refine the CONOPS and test it to the extent possible during actual disaster events and relevant exercises throughout FY 2008.
- Lead the development of a new methodology that uses the best available resources to produce accurate estimates for debris volumes following a large-scale disaster.
- Improve FEMA's planning capability for long-term recovery operations after major disasters through development of a standard protocol and trained staff to identify significant upcoming recovery issues and plan out the future operational needs of regional and field offices.
- Continue to develop plans and procedures for managing disaster assistance operations under the varying conditions of different catastrophic and extraordinary disaster scenarios.
- Continue to allocate targeted resources to improve the effectiveness and efficiency of recovery programs as delivered in the numerous disasters occurring annually, and to ensure that individual and public assistance can be provided to victims of the larger and more complex disasters that could occur as the result of terrorism or catastrophic natural events.

#### **FY 2009**

- Continue to improve FEMA's plans and capabilities for managing mass evacuations and the resulting displaced populations, including additional state and local plans and development and expansion of evacuee tracking systems.
- Continue to improve and test/exercise FEMA's capabilities for all of its Individual Assistance functions (mass care, emergency assistance, housing, and human services).
- Continue to improve and test FEMA's plans and capabilities for managing large amounts of debris, including contaminated debris.
- Continue to develop plans and procedures for managing disaster assistance operations under the varying conditions of different catastrophic and extraordinary disaster scenarios.
- Continue to allocate targeted resources to improve the effectiveness and efficiency of disaster assistance programs as delivered in the numerous disasters occurring annually, and to ensure that individual and public assistance can be provided to victims of the larger and more complex disasters that could occur as the result of terrorism or catastrophic natural events.

#### **G) Mitigation Directorate**

The Mitigation Directorate creates safer communities by reducing loss of life and property and preventing potential disaster losses. This is accomplished through three core strategies: Risk identification and assessment; Risk reduction; and Provision of flood insurance. These core activities work jointly to create safer communities by reducing the likelihood of future losses, enabling individuals to recover more rapidly from floods and other disasters, and minimizing the financial impact on the U.S. Treasury, states, and local and tribal communities in the event of a disaster. OMA resources for Mitigation activities are complemented by specific appropriations for the National Flood Insurance Fund, Pre-Disaster Mitigation, and Flood Map Modernization. The following Mitigation activities are supported by OMA:

- **Mitigation Disaster Operations and Management**

In FY 2006 Mitigation prioritized its disaster related efforts, reassigning personnel resources to a newly formed "Regional & Disaster Support Section" that fulfills the Mitigation disaster operations and management function. The main goals of the Regional & Disaster Support Section are to:

- Maintain an operational disaster response capability to effectively respond to mitigation needs.
- Act as the coordination point for Mitigation disaster operations/activities.

- Develop and integrate disaster operations policies, procedures, training, and cadre development consistent with the National Response Framework.
- Manage the Mitigation Disaster Workforce.
- Develop training and job aides to promote workforce capability to use disaster recovery as an opportunity to build communities stronger and safer.

The Regional and Disaster Support Section of Mitigation uses OMA funds to incorporate mitigation and insurance opportunities into catastrophic disaster planning, strengthen regions, standardize what tasks will be carried out in the JFO, clearly develop performance indicators, develop qualifying plans for persons holding disaster positions, and develop job aides, curriculum plans and training to ensure a prepared disaster workforce. Systems integration, information sharing across JFOs, and disaster planning for mitigation operations will increase standardization and maximize the potential of rebuilding stronger and safer communities.

- **National Dam Safety Program (NDSP)**

As the lead federal agency for the National Dam Safety Program, FEMA is responsible for coordinating efforts to secure the safety of dams throughout the United States. The program makes federal funds available to states, which are primarily responsible for protecting the public from dam failures of non-federal dams, and pursuing initiatives that enhance the safety and security of dams posing the greatest risk to people and property. Congress' passage of the Dam Safety Act of 2006 strengthened and reauthorized the program through FY 2011.

- **National Earthquake Hazards Reduction Program (NEHRP)**

Established by Congress in 1977, the National Earthquake Hazards Reduction Program (NEHRP) works to reduce risks to life and property resulting from earthquakes. Focusing on research, building code standards, technical guidance, and education, NEHRP is a collaborative effort among the Federal Emergency Management Agency (FEMA), the National Institute of Standards and Technology (NIST), the National Science Foundation (NSF), and the United States Geological Survey (USGS). The NEHRP agencies work together to reduce the Nation's vulnerability to earthquakes. The agencies research the causes and effects of earthquakes and produce technical guidance to develop earthquake resistant design, construction standards, and techniques and educate the public about earthquake hazards and mitigation. FEMA manages initiatives that increase the chances that people will survive earthquakes, including the following activities: (1) Translates research into technical guidance publications and best practices on seismic safety, building design and construction, building codes and standards, and reducing economic losses; (2) Assists state and local governments in building capabilities for determining potential damage and reducing the effects of earthquakes before they occur; and (3) Works with national codes and standards organizations to develop and improve seismic building standards.

- **National Hurricane Program (NHP)**

Established in 1985, the National Hurricane Program (NHP) provides the technical information, tools, and products that assist state and local governments in developing effective hurricane evacuation plans. The program is a multi-agency partnership, involving the Federal Emergency Management Agency (FEMA), the National Oceanic & Atmospheric Association (NOAA), the National Weather Service (NWS), the U.S. Department of Transportation (DOT), the U.S. Army Corps of Engineers (USACE), and numerous other federal agencies. The NHP conducts hurricane evacuation studies that guide the decision-making process for protecting the public when a hurricane threatens an area. These studies

help state and local communities establish evacuation plans by determining the probable effects of a hurricane, analyzing transportation systems, predicting public response to the threat and advisories, identifying appropriate shelters, and providing clearance times for safely evacuating the threatened public.

## **Mitigation Directorate Recent and Planned Accomplishments**

### **FY 2007**

- NEHRP provided training and technical assistance for state and local officials and provided technical assistance to state and local planners with the implementation of approved performance metrics for the program.
- NEHRP continued the development of tools and data to document losses avoided through successful mitigation activities.
- The National Hurricane Program completed 4 hurricane evacuation studies in coastal counties in the States of New York, New Jersey, Maryland's Western Shore, and Virginia by providing technical information in order to safely evacuate those coastal populations that may be impacted by potential storm surge inundation from Category 1-5 hurricanes.
- States participating in the Dam Safety Program were able to increase their inspections of high-and-significant-hazard potential dams, increase the number of Emergency Action plans (EAPs) for high-and significant hazards potential dams and exercise of the EAPs. This priority coupled with the inspections of dams helped to reduce the risk from dam failure in the United States.
- Regional and Disaster Support developed, field tested and finalized position task books for disaster workforce, developed disaster workforce training for mitigation staff, and compiled and tested standard operating procedures for both headquarters and JFO staff in support of mitigation and insurance disaster operations. The section also initiated development and Beta tested an automated system to provide mitigation information to disaster applicants.

### **FY 2008**

- The National Hurricane Program will complete two hurricane evacuation studies in FY 2008 that effect coastal counties in the States of Texas and Southeast Louisiana, plus two additional updated studies (to be determined) in two hurricane-prone states by providing technical information in order to safely evacuate those coastal populations that may be impacted by potential storm surge inundation from Category 1-5 hurricanes.
- NEHRP will continue to meet the statutory requirements and improve NEHRP metrics. It will also continue to develop tools and data to document losses avoided through successful earthquake mitigation activities.
- The National Dam Safety Program will meet projected performance increases established for reducing loss of life and damage to property from dam failure from any cause, including natural and man-made events.
- Regional and Disaster Support will continue workforce management improvements including development and pilot test training for mitigation and insurance staff serving disaster applicants; development and initiation of mitigation disaster operations leadership and management mentoring program; development of training and job aides to standardize use of automated system in providing mitigation information to disaster applicants; and development of qualifying plans for mitigation & insurance disaster workforce positions which will standardize qualifications of employees serving in the disaster workforce.

- The Mitigation Directorate will continue to identify and to implement requirements to fulfill the vision of FEMA as the Nation's Preeminent Emergency Management Agency, including implementation of PKEMRA.

### **FY 2009 Accomplishments**

- The National Hurricane Program will complete four hurricane evacuation studies in FY 2009 that effect coastal counties in four states (to be determined) by providing technical information in order to safely evacuate those coastal populations that may be impacted by potential storm surge inundation from Category 1-5 hurricanes.
- The National Dam Safety Program will continue the development and implementation of technologies and tools for the identification and prioritization of the risk associated with state-regulated high- and significant-hazard potential dams. Risk assessment and risk prioritization of our Nation's aging dam infrastructure is a clear priority.
- Regional and Disaster Support will develop a system to track and maintain relevancy of disaster field operations training; quantify best practices of mitigation and insurance disaster operations and provide mechanisms to standardize practices across JFOs; develop customer service feedback; and measure the impact of public mitigation information in increasing mitigation measures taken.

PPA: MANAGEMENT & ADMINISTRATION ACTIVITIES

|                              | <b>Perm</b>  |              |                  |
|------------------------------|--------------|--------------|------------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>1,059</b> | <b>1,059</b> | <b>\$269,525</b> |
| <b>2008 Enacted</b>          | <b>1,088</b> | <b>1,074</b> | <b>\$273,276</b> |
| 2009 Adjustments to Base     | 203          | 217          | (55,400)         |
| <b>2009 Current Services</b> | <b>1,291</b> | <b>1,291</b> | <b>\$217,876</b> |
| 2009 Program Change          | 36           | 18           | 144,294          |
| <b>2009 Request</b>          | <b>1,327</b> | <b>1,309</b> | <b>\$362,170</b> |
| Total Change 2008-2009       | 239          | 235          | 88,894           |

FEMA requests \$362.2 million for this activity. This is an increase of \$88.894 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Management and Administrative activities incorporate the Office of the Administrator and FEMA-wide Administrative Management who coordinate between Headquarters and Regional Offices all policy, managerial, resource, and administrative actions; maintain programs to address public information issues; and build partnerships with and among State and local governments, nongovernmental organizations, businesses, and industries. Operations, Management and Administrative activities also include the programs and functions that provide the infrastructure without which FEMA’s Mission Programs would fail; i.e. information technology services, financial, human capital, acquisition and facilities management.

**A) Office of the Administrator**

FEMA’s mission is to undertake a broad range of activities involving prevention, protection, response, recovery and mitigation both before and after terrorist events, natural and man-made disasters. The Administrator has the ultimate responsibility for providing the leadership and direction that enables FEMA to accomplish this mission. The Deputy Administrator and Chief Operating Officer are tasked with the overall operational responsibilities at FEMA. To this end, the Office of the Administrator encompasses those resources required to provide a cohesive administrative structure whereby the decisions and mandates of the executive leadership are carried out.

- Law Enforcement Advisor is a newly created function, mandated in the Post-Katrina Emergency Management Reform Act of 2006. The Law Enforcement Advisor function was created to nationally enhance communication and coordination between the FEMA and State, local and tribal law enforcement. The Law Enforcement Advisor is a part of FEMA’s senior leadership team—participating in our planning meetings and on-hand during times of crisis.
- Disability Coordinator is a new initiative, mandated in the Post-Katrina Emergency Management Reform Act of 2006. The Disability Coordinator integrates consideration for persons with disabilities into all FEMA disaster program applications. The position coordinates with government agencies, and nonprofit disability advocacy groups to insure equal access to FEMA services and benefits for survivors with disabilities. The Disability Coordinator provides guidance and coordination on matters related to individuals with disabilities in emergency planning requirements and relief efforts.

## **Office of the Administrator Recent and Planned Accomplishments**

### **FY 2007**

- Instituted a reorganization of FEMA that is more inclusive and incorporates many of the lessons learned from Hurricane Katrina.
- Created the new positions of Law Enforcement Advisor and Disability Coordinator.
- Filled all 10 Regional Administrator positions with experienced emergency management personnel.

### **FY 2008**

- Implement the first phase of the “Vision for a New FEMA” that will institute emergency management core competencies, implement new business approaches for managing risk and significantly increase the permanent workforce.

### **FY 2009**

- Implement the second phase of the “Vision for a New FEMA” that will continue the institutionalization of emergency management core competencies, the implementation of new business approaches for managing risk and the continued increase of FEMA’s permanent workforce.

## **B) Office of Policy and Program Analysis**

Formed in October 2006, the Office of Policy and Program Analysis is responsible for providing leadership, analysis, coordination and decision-making support on agency policies, plans, programs and key initiatives. Office of Policy and Program Analysis encompasses the following activities and elements:

- Defense Production Act (DPA) Program provides guidance and coordination for the use of DPA authorities by Federal and State governments and the private sector on the use of DPA authorities to expedite the procurement of critical supplies for national defense and homeland security purposes.
- Policy provides guidance and coordination for the agency’s policy system and represents the agency on department-level policy matters.
- Program Analysis & Evaluation (PA&E) provides the agency’s leadership with objective, comprehensive analyses of current and proposed FEMA programs and provides recommendations concerning program operations and alignment of objectives and resources with strategic priorities.
- Strategic Planning provides guidance and coordination in order to help the agency make innovative and informed decisions about FEMA’s long term direction, and to facilitate integrated strategic planning and decision-making.
- Transformation Management provides centralized organizational change management across the agency by providing the expertise and structure to execute agency-level projects and the continuity to ensure that change efforts lead to cumulative agency improvements that make FEMA better, stronger, and faster.

## **Office of Policy and Program Analysis Recent and Planned Accomplishments**

### **FY 2007**

- Managed and supported transition planning and implementation for the Post Katrina Emergency Management Reform Act of 2006, including the tactical and operational activities needed to complete administrative transfer of staff and programs.
- Established a Program Analysis and Evaluation Division.
- Updated FEMA's Strategic Plan to ensure consistency with the Secretary's goals, Administrator's Vision and the "Post-Katrina Emergency Management Reform Act of 2006," to provide clear strategic direction that guides agency programs, priorities, and resource allocation decisions.
- Developed the requirements for, and implemented, an Executive Management System to improve how FEMA manages information, saving significant staff time in searching, organizing and formatting information.

### **FY 2008**

- Complete the full integration of Preparedness and FEMA missions and functions, including the three major functions: Grants, Training and Regional activities into FEMA, as well as the development of plans for the upcoming Administration transition in 2009.
- Employ a business approach to the way we do business by establishing program analysis that provides a basis for institutionalizing a results oriented, return-on-investment management culture. This will help improve FEMA's ability to connect program budgets to strategy and policy, providing the FEMA Administrator with sound program analyses to help determine priorities among FEMA's many competing resource needs.
- Establish a standardized policy system that helps identify potential conflicts across policies and that allows quick and easy retrieval of FEMA policies for all users, internal and external.
- Fully implement the Executive Management System (EMS) to manage a concurrence clearance process, collecting feedback in a central location for thousands of documents. EMS will also become a data repository for FEMA documents and information, with built-in search functions and the ability to report on the status of documents.

### **FY 2009**

- Coordinate full implementation of the transition to a New FEMA including allocating staff resources in FEMA headquarters and the regions.
- Conduct additional rigorous and objective risk-based analyses of current FEMA programs, ensuring that agency resources are aligned with strategic priorities.
- Refine current FEMA data and performance measures, resulting in data and measures that better validate FEMA's success. Quantitative performance measures are a requirement for justifying FEMA's programs throughout the planning, programming, budget and execution (PPBE) process, and this effort will support the Department's FYHSP process.
- Manage and support transition planning and implementation for Post Katrina Emergency Management Reform Act of 2006 and the upcoming Administration transition in 2009.

### **C) Office of the Executive Secretariat**

The Office of the Executive Secretariat (OES) serves as the primary point of contact for FEMA's Office of the Administrator for coordinating and providing information on departmental taskings, briefing materials and official correspondence. The OES is the central coordination point within

FEMA responsible for ensuring proper and expeditious action on all taskers and correspondence addressed to and from FEMA.

#### **D) Office of the Associate Deputy Administrator**

The Office of the Associate Deputy Administrator serves as the agency's office through which all policy, managerial, resource and administrative actions that affect or impact the regions receive effective coordination between headquarters and regional offices. The Associate Deputy Administrator also ensures that FEMA policies, programs, administrative and management guidance are implemented in the regions in a manner consistent with the agency's overall goals. The Associate Deputy Administrator encompasses the following activities and elements:

- Regional Offices establish a regional, all-hazards, emergency management system of preparedness, mitigation, response, and recovery through close working relationships with Federal agencies, State, tribal and local governments, business and industry, and volunteer organizations in implementing FEMA's policies and programs. The 10 Regional Offices are the primary vehicle by which the agency's policies and programs are delivered and accomplished at the State and local levels of government. The Regional Offices serve as the implementation arm for the full range of the agency's programs. The Regional Offices, which are augmented by Area Offices in the Caribbean, Hawaii and Alaska, serve all 50 states and U.S. territories. Regional staff work directly with the States to help develop disaster preparedness plans, develop mitigation programs and respond to disasters when events exceed the capability of the State to effectively meet residents' needs.
- Office of Regional Operations serves as the agency's office through which all policy, managerial, resource and administrative actions that affect or impact the regions receive effective coordination between headquarters and the regional office. Regional Operations also ensures that FEMA policies, programs, administrative and management guidance are implemented in the regions in a manner consistent with the agency's overall goals.

#### **Office of the Associate Deputy Administrator Recent and Planned Accomplishments**

##### **FY 2007**

- Provided leadership, direction and program coordination.
- Continued to build State and local capability as measured against their annual plans.
- Increased effectiveness of regions and headquarters by implementing better communications management.
- Ensured that regions effectively carried out FEMA's emergency management mission.
- Developed performance measures and metrics for FEMA's core competencies.
- Developed regional organization and functions for the "New FEMA."

##### **FY 2008**

- Establish Regional Advisory Councils on emergency management issues specific to regions.
- Establish Regional Emergency Communication Coordination Working Groups to advise on all aspects of emergency communication.
- Expand FEMA's capability to work with State partners on operational planning capabilities.
- Continue policy and regulatory review and implementation.
- Continue professional staff development.

- Continue to provide support, coordination and communication between headquarters program offices and the regions.

### **FY 2009**

- Develop efficient and effective regional and State partnerships to facilitate a seamless end-to-end logistical system.
- Establish a proactive internal and external outreach program.
- Increase operational awareness with 24/7 Regional Response Coordination Centers.
- Continue to expand FEMA's capability to work with State partners on operational planning capabilities.
- Continue to strengthen core capabilities, competencies and capacities.
- Continue to provide support, coordination and communication between headquarters program offices and the regions.

### **E) Office of the Chief Financial Officer**

The Office of the Chief Financial Officer (OCFO) supports the FEMA mission by providing financial management information, fiscal services and policy support to FEMA's management and oversight organizations. The OCFO encompasses the following activities and elements: Budget, Accounting, Financial Policy, and Internal Controls.

- Budget performs an ongoing role in the planning, formulation, justification, analysis, and execution of FEMA's operating, mitigation and disaster budgets. Budget has the primary responsibility for making recommendations to the Administrator and presenting the FEMA's budget proposal to the Department, OMB, and Congress. After budgets are approved by the Congress and signed into law by the President, Budget monitors the agency's execution activities for conformance with executive and legislative intent.
- Accounting has the primary responsibility for maintaining FEMA's accounting system, central books of accounts and financial databases while also providing accounting services to the agency.
- Financial Policy develops agency-wide policies, procedures and standards for all financial areas and promulgates these and related government-wide financial management requirements throughout the agency.
- Internal controls are responsible for developing and implementing the Agency's Internal Controls program as defined by OMB Circular A-123.

### **Office of the Chief Financial Officer Recent and Planned Accomplishments**

In FY 2007, besides continuing to provide day-to-day fiscal services and financial operations, the OCFO:

- Conducted an organizational assessment to define the most efficient financial organization required to meet the mission of FEMA. The results of the organizational assessment and the subsequent strategic planning off-site for OCFO leadership produced a plan of action for a new OCFO structure to be instituted in FY 2008.
- Implemented the reorganization of resources from the Directorate of Preparedness to FEMA and a reorganization of FEMA resources to the Office of Health Affairs.

- Initiated FEMA's Internal Control program. In accordance with A-123, conducted assessment of internal controls for Financial Reporting, Fund Balance with Treasury, Budgetary Resource Management and others. Began implementing corrective action plans to address specific issues and root causes in these plans.
- Conducted testing of controls over improper payments for the Individual Housing Program and Vendor Payments. Also conducted a risk assessment of all FEMA payments.
- Conducted a system review to define the requirements and propose a system to replace FEMA's financial management (accounting) system (IFMIS).
- In conjunction with the Office of Policy and Program Analysis, instituted a financial/investment review process (the Investment Working Group) to provide FEMA-wide transparent review and recommendations of resources to support the senior leadership decision making process.

In FY 2008 and FY 2009, the OCFO will continue the implementation of a more efficient financial organization which will include OCFO budget resources imbedded in program offices and regions to assist in the interpretation and application of program/organizational requirements to the budget process. The OCFO will stand up the new automated financial management system and will institutionalize FEMA's internal control process, to include the regions.

#### **F) Office of Management**

The Office of Management (OM) provides operational services and leadership oversight to FEMA's mission for Human Capital Planning, Acquisition Management, Records and Document Management, Facilities Management, Security Services and Information Technology Services.

- Human Capital Management (OM-HC) plays a critical role in managing the agency's most important asset, its people. As "Vision for a New FEMA" states, the quality and performance of our people is what will enable FEMA to become the Pre-eminent Emergency Management Agency. Human Capital Management is responsible for a broad range of activities, including identifying and recruiting the best available talent, and partnering with managers to retain, develop and motivate FEMA's people to reach their fullest potential. Human Capital Management encompasses workforce planning, employment and recruitment, pay and performance, training, organizational development, employee and labor relations, awards, leave, workplace programs, employee grievances and appeals.
- Acquisition Management (OM-AM) is designed to provide a full range of acquisition services and business solutions to FEMA's programs, partners and stakeholders. Acquisition Management is responsible for all contracting and related activities to fulfill the agency's mission. As one of the business organization of the agency, Acquisition Management supports the procurement and contract management program's policies, procedures, operations, contract planning, awards, administration and closeouts. Acquisition Management also manages FEMA's Competitive Sourcing Program (FAIR Act – A-76).
- Facilities Management and Support Services role is to ensure that everything is available and operating properly for building occupants to do their work. Facilities Management and Support Services encompasses the following activities and elements: Customer Service (building emergencies, utility shutdowns, job tickets, help and referral); Building Care (custodial services, routine & project work, and furniture rental/purchase); Maintenance Management (routine and

capital maintenance, and renewal of facilities leases); Mechanical Maintenance (preventive maintenance and emergency call response); Printing and reprographics; Mail operations; and Occupational safety and health.

- Security Services provides a comprehensive set of security functions, services, programs and activities designed to protect FEMA personnel, facilities, information and equipment, including national security requirements. Security Services encompasses the following elements: Physical security, and Personnel security - background investigations. These security services support all fixed facilities and disaster operations nationwide.
- Information Technology Services (OM-IT) The Office of the CIO (OCIO) and the Information Technology Services Division (ITSD) provides IT services in support of FEMA's missions. These IT services are provided before, during, and after disasters. OCIO/ITSD offers services such as an internet web-page – [www.FEMA.gov](http://www.FEMA.gov) – which provides information to prepare for disasters; and conducts extensive planning to restore communications in the event they fail during a disaster. OCIO also provides communications networks to keep key decision makers apprised of unfolding events during disasters. In the aftermath of a disaster, OCIO teams continue to provide these networks until local authorities can restore communications. Additionally, all grants to States and individuals, as well as public assistance monies are processed through ITSD systems. The OCIO also provides IT service to FEMA employees, including a helpdesk, e-mail, internet access, computers, and telephones.

Through its program and activities, OCIO provides the following services: Tier 2 restoration support (Mt. Weather activities to repair FEMA's nationwide voice and data network); Timely and efficient governance, research, engineering, design, testing, and deployment of the enterprise IT infrastructure; Installation, integration and maintenance of FEMA IT applications, including the National Emergency Management Information System (NEMIS), reducing the likelihood of losses of life or property; FEMA COMSEC asset and key management support, nationwide; Coordination of IT requirements of FEMA programs and offices through a continuity of information technology services; and Ensures FISMA compliance.

## **Office of Management Recent and Planned Accomplishments**

### **FY 2007**

#### Acquisition Management:

- Provided technical support and training for the ProTrac and ProDoc systems, which contains a contract management and tracking module (ProTrac), a document generation module (ProDoc), funds and items manager (ProFund), a regulatory search engine (RegSearch), a vendor repository (VVR), and an electronic bid manager (BidView).
- Developed the implementation strategy for the migration to PRISM, which will replace ProTrac/ProDoc as the primary contract management and tracking system.
- Provided project management and subject matter expertise to plan, manage and facilitate a pilot restructuring of the current NIMS manual and ICS structure to include the procurement function as a potential seventh functional area.

#### Human Capital:

- Concentrated on improving core operational competencies, such as overall services and support to the Agency organizations.
- Hired additional staff to ramp up services and support agency-wide, this helped FEMA achieved and maintained a 95% staffing rate for funded base allocated positions for the first time in recent history, expanding the agency's ability to meet mission.
- Provided services for the hiring of approximately 14,000 disaster workforce employees.
- Revised and reinstated the agency's Federal Career Intern Program, hiring 19 interns and providing a feeder pool of talent for development.
- Streamlined and automated the agency's Voluntary Leave Transfer Program.
- Successfully completed the transfer of 10,000 National Disaster Medical System employees from FEMA to the Department of Health and Human Services.

#### Information Technology:

- Conducted reviews to define the agency's IT budget baseline.
- Redesigned and implemented the Information Technology Services web-site and established procedures for content management.
- Completed several initiatives, such as digitization of agency forms; the deployment of the Advanced Contact Center Network Phase II; consolidation of the help desk structures for both Tier I and Tier II levels; the establishment of a DHS steward Video Operations Center (VOC) to keep pace with growing requirements; and the establishment of a standardized, repeatable process and guidance for project and software management which will bring FEMA closer to a level 2 of the Government's Maturity Model.
- Completed mission/disaster initiatives, such as developing a new mobile home/travel trailer tracking capability; supporting a mandated extension to corporate (hotel/motel) program; and improved response to Individual Assistance Program, in response to the court decree resulting from the Association of Communities Reform Now (ACORN) law suit.

#### Facilities Management and Support Services:

- Completed such initiatives as the continued renovations at HQ's facilities to maximize space utilization; and conducted Management Evaluation Technical Assist Reviews (METARs) at 27 FEMA fixed facilities and 10 percent of disaster facilities nationwide to assess compliance with Federal, State and local regulatory requirements.

#### Security Services:

- Initiated the Electronic Questionnaire for Investigation Processing (eQIP).
- Continued work on the integration of the electronic fingerprint system (EFS) into FEMA LAN with Joint Field Offices (JFOs), HQ and MWEOC, along with connectivity of FEMA employees, particularly during disaster operations. As of June, approximately 7,000 sets of fingerprints were submitted to the FBI for processing.

### **FY 2008**

#### Acquisition Management:

- Use base resources to refine the acquisition functions to make it a more customer focused organization. These refinements will build on the changes started in FY 2007.
- Continue to identify and to implement requirements to fulfill the vision of a New FEMA; to implement the Post-Katrina Emergency Management Reform Act of 2006.

#### Human Capital:

- Continue the successful operations for staffing and customer service that resulted in accomplishment of a 95% staffing level.
- Implement new technology for staffing and recruitment and improve FEMA's performance in comparison to the Office of Personnel Management's 45 day hiring model.
- Expand existing Human Capital Information Systems Helpdesk capabilities, increase the use of employee self-service options, and establish Division Data Store for centralized access to shared Division data.

#### Information Technology:

- Develop and implement an IT Plan to centrally manage all FEMA IT investments.
- Develop and implement new systems/functionally such as a fully compliant electronic records management system to quickly identify, store, and preserve records; a compliance monitoring automation tool to assist project and program managers to comply with all Federal, DHS and FEMA software regulations; and migrate completely to the DHS One Net and the DHS IPv4 address space.
- Continue to upgrade security controls and improve on the protection of Personally Identifiable Information (PII).

#### Facilities Management, Support Services, and Security:

- Develop system requirements for a facilities management system.
- Continue to assess conditions of FEMA owned properties and make capital improvements; continue renovations at HQ; increase the number of METARs to all FEMA fixed facilities.

### **FY 2009**

#### Acquisition Management:

- Further refine services and functions, building on changes that began in FY 2007 and FY 2008.

#### Human Capital:

- Continue the successful operations of the Division staffing and customer service initiatives.
- Convene career development panels to identify the optimum learning and experience paths in critical occupational specialties to ensure continued availability of leaders and technical experts to support succession driven need.

#### Information Technology:

- Initiate the transition of IT systems and financial resources to the OCIO.
- Continue initiatives such as deployment of a fully compliant electronic records management system; improve help desk efficiency by monitoring both workflow and management escalation; begin Advanced Computer Technology Integration (CTI) system deployment for the Advanced Contact Center Network; and improve the Disaster Housing Inspection Management System security to overcome the vulnerability and risks of using tablet computers in the field that carry personal identification information.

#### Facilities Management, Support Services, and Security:

- Continue to implement the requirements identified in FY 2008.

### **G) Office of External Affairs**

The Office of External Affairs provides operational services and leadership oversight to FEMA's mission for Legislative Affairs, Public Affairs, Intergovernmental Affairs and International Affairs.

- Legislative Affairs serves as FEMA's primary liaison to members of Congress and their staff. The office responds to congressional committee oversight and other inquiries from individual Members and their congressional staff; notifies Congress about agency initiatives, policies, and programs; and has the responsibility for the development and implementation of strategies to advance the agency's legislative initiatives and other interests relating to Congress. Legislative Affairs also articulates the agency's position on legislation proposed by Congress, facilitates the appearance of agency witnesses at congressional hearings, and manages the DHS and OMB clearance process for all legislative queries. Legislative Affairs participates in the Senate confirmation process for all agency nominees requiring Senate confirmation. These functions are important to the agency's cooperative and productive relationship with Congress.
- Public Affairs coordinates FEMA's public message and serves as the primary point of contact with the media and the American public to communicate FEMA's actions, activities, responsibilities, and initiatives. Public Affairs coordinates with all FEMA offices to maintain a central pool of information; tracks and manages all contacts with the media; maintains FEMA's public communications, such as press releases and the FEMA web page; and educates FEMA employees through internal communications and meetings.
- Intergovernmental Affairs serves as FEMA's primary national level liaison for tribal, State, and local officials and the associations that represent their interests. The office supports senior FEMA leadership by coordinating meetings with intergovernmental partners and providing briefings and background materials. Intergovernmental Affairs also facilitates partner participation in the FEMA policy development process by circulating draft policies for comment and providing other opportunities for input. The office articulates the agency's positions and educates customers on FEMA policies and programs by participating in national conferences, sending e-mail notifications, and through regular correspondence. Intergovernmental Affairs is also developing a cadre of disaster assistance employees to serve as primary liaisons to tribal, State, and local officials during FEMA disaster field operations.
- International Affairs works toward developing cross border agreements with international partners in order to support U.S. domestic all-hazards preparedness, response, recovery, and mitigation. The office's work is currently focused on Canada, Mexico, and NATO countries. International Affairs is also responsible for managing the International Assistance System. This system is a set of plans, policies, and procedures for managing international assistance following a disaster.

## **Office of External Affairs Recent and Planned Accomplishments**

### **FY 2007 – FY 2009**

The Office of External Affairs plans to accomplish the following on an annual basis:

#### Intergovernmental Affairs:

- Develop and deploy a cadre of disaster assistance employees to serve as primary liaisons to tribal, State, and local officials during FEMA disaster field operations.

#### International Affairs:

- Identify and coordinate the exchange of technical expertise and emergency management experience with international partners in order to enhance FEMA's all-hazards capabilities. For example, in FY 2007, International Affairs coordinated a video teleconference (VTC) between FEMA and officials in the United Kingdom involved in the subway bombing as one way to ensure FEMA staff have access to the UK's critical experiences in dealing with a major incident underground.

Public Affairs:

- Continue to provide information to the American public that will help them prepare for, prevent, respond to, and recovery from disasters.
- Establish and maintain effective, on-going relationships with the media to promote the agency's programs, goals, and core values.

Legislative Affairs:

- Continue to provide timely information about FEMA and national security issues to members of Congress and will continue the development and implementation of strategies to advance the Agency's legislative initiatives and other interests relating to Congress.

**H) Office of Equal Rights**

The Office of Equal Rights (OER) serves the agency and the Nation by promoting affirmative employment, and a discrimination-free workplace, and equal access to FEMA programs and benefits. OER encompasses the following activities and elements:

- Civil Rights Program entitles any person eligible to receive disaster aid or other services from FEMA to those benefits without discrimination. The Civil Rights Program provides the following services: Technical Assistance, and Complaints Resolution. Technical assistance is provided through policy guidance to the agency in meeting Civil Rights mandates, to include Title VI of the Civil Rights Act of 1964, Section 504 and 508 of the Rehabilitation Act of 1973, and Section 308 of the Robert T. Stafford Emergency Management and Disaster Assistance Act. In disaster operations, staff work closely with community organizations to resolve tensions and eliminate potential complaints. The office also provides assistance to FEMA and the national emergency management community in the effort to make publications, programs, and facilities accessible to people with disabilities. Complaints resolution is provided for anyone who believes they have been discriminated against in receiving services or benefits from FEMA. Disaster applicants can obtain help from an Equal Rights Officer (ERO) through the FEMA Helpline. If the ERO cannot resolve the issue, a formal written complaint may be filed with OER. OER is responsible for processing complaints and ensuring issuing final decisions.
- Equal Employment Opportunity (EEO) Program enforces Federal discrimination laws that cover all FEMA personnel, including DAEs and applicants for employment. This includes Title VII of the Civil Rights Act of 1964, Section 501 of the Rehabilitation Act of 1973 and the Age Discrimination in Employment Act of 1967, as amended. Through the EEO program, OER provides a variety of services, including equal rights training for managers, supervisors, and employees; developing and maintaining an informal and formal EEO discrimination complaint process; providing required training for discrimination complaint investigators and collateral duty EEO Counselors; implementing compliance requirements, and conducting barrier analysis and follow-up for developing a model EEO program as required by DHS Management Directive 715;

increasing resolution of complaints through Alternative Dispute Resolution (ADR); and, proactively recruiting employees and Special Emphasis programs.

## **Office of Equal Rights Recent and Planned Accomplishments**

### **FY 2007**

- Initiated a web-based EEO training program covering the complaint filing process, alternative dispute resolution process, and an overview of FEMA employee rights and responsibilities.
- Maintained capabilities and skills of all EEO investigators, EEO counselors and Equal Rights Officers through annual training.
- Developed agency guidelines to address Limited English Proficiency problems in emergency assistance and civil rights.
- Developed a disability awareness training to ensure managers and supervisors are aware of methods/process of procuring goods and services related to reasonable accommodations.
- Maintained reporting requirements for quarterly and annual reports.
- Developed a plan of action to conduct a compliance review focusing on the Katrina disaster. This plan includes team selection, gathering background information, scope of review, and outline of how the team proposes to conduct the review.

### **FY 2008**

- Continue the development of web-based EEO training programs.
- Maintain capabilities and skills of all EEO investigators, EEO counselors and Equal Rights Officers through annual training.
- Continue agency guidelines to address Limited English Proficiency problems in emergency assistance and civil rights.
- Maintain reporting requirements for quarterly and annual reports.
- Continue with plan of action to conduct compliance review focusing on the Katrina disaster.

### **FY 2009**

- Maintain capabilities and skills of all EEO investigators, EEO counselors and Equal Rights Officers through annual training.
- Continue management training at all FEMA facilities to help in understanding civil rights laws, the application of the laws in the Federal sector and their responsibilities as managers.
- Develop disability awareness training to ensure managers and supervisors are aware of methods/process of procuring goods and services related to reasonable accommodations.
- Develop a plan of action to conduct a FY 2009 compliance review focusing on a disaster from the previous year.
- Maintain reporting requirements for quarterly and annual reports.

### **I) Office of Chief Counsel**

The Office of Chief Counsel (OCC) provides professional legal services to the Administrator, FEMA senior leadership, and the DHS General Counsel on all legal and policy matters before the agency and its organizational elements to support and facilitate the mission and reducing obstacles to the achievement of DHS and FEMA goals. The OCC provides legal assistance to the agency's diverse mission elements, including services related to acquisition, grants, and property management; alternative dispute resolution; budgetary and fiscal law; ethics and contractor integrity; human capital management, labor relations, and equal opportunity; information, intellectual property and privacy

matters; legislation and regulations; litigation and claims; and policy coordination. OCC also provides legal assistance through Field Attorneys, who are located across the United States.

PPA: URBAN SEARCH AND RESCUE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>8</b>            | <b>8</b>   | <b>\$26,350</b> |
| <b>2008 Enacted</b>          | <b>8</b>            | <b>8</b>   | <b>\$32,500</b> |
| 2009 Adjustments to Base     | 0                   | 0          | 0               |
| <b>2009 Current Services</b> | <b>8</b>            | <b>8</b>   | <b>\$32,500</b> |
| 2009 Program Change          | 0                   | 0          | (7,500)         |
| <b>2009 Request</b>          | <b>8</b>            | <b>8</b>   | <b>\$25,000</b> |
| Total Change 2008-2009       | 0                   | 0          | (7,500)         |

FEMA requests \$25.0 million for this activity. This is a decrease of \$7.5 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The National Urban Search and Rescue (US&R) system is comprised of 28 task forces that provide a coordinated, national, all-risk capability to assist State and local governments in responding to structural collapse incidents when the President declares a major disaster emergency under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). These task forces are highly trained and possess the necessary expertise to extricate and medically treat victims in heavy rescue situations.

Each task force consists of two 31-person teams, four canines, and a comprehensive equipment cache. US&R task force members work in four areas of specialization: Search, to find victims trapped after a disaster; Rescue, which includes safely digging victims out of tons of collapsed concrete and metal; Technical, made up of structural specialists who make rescues safe for the rescuers; and Medical, which cares for the victims before and after a rescue.

In addition to search-and-rescue support, FEMA provides hands-on training in search-and-rescue techniques and equipment, technical assistance to local communities, and in some cases Federal grants to help communities better prepare for urban search-and-rescue operations.

**Recent and Planned Accomplishments**

**FY 2007 and FY 2008**

FEMA will use funding to operate and train the existing task forces, maintain the equipment caches, and replace/repair equipment that has been used in training and actual disasters.

**FY 2009**

The US&R program will continue the Operational Readiness Evaluations (ORE) to ensure Task Force readiness capabilities. Performing OREs will ensure that the task forces meet the standardized operational requirements. Because training is an essential part of maintaining operational readiness of the teams, a continual training program will provide a more experienced and robust capability. Additionally, Cooperative Agreement funding to the Task Forces will enable the teams to maintain their operational readiness.

PPA: NATIONAL CAPITAL REGION COORDINATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>7</b>            | <b>7</b>   | <b>\$1,989</b> |
| <b>2008 Enacted</b>          | <b>20</b>           | <b>14</b>  | <b>\$6,000</b> |
| 2009 Adjustments to Base     | 0                   | 6          | 342            |
| <b>2009 Current Services</b> | <b>20</b>           | <b>20</b>  | <b>\$6,342</b> |
| 2009 Program Change          | 0                   | 0          | 0              |
| <b>2009 Request</b>          | <b>20</b>           | <b>20</b>  | <b>\$6,342</b> |
| Total Change 2008-2009       | 0                   | 0          | 342            |

FEMA requests \$6.3 million for this activity. This is an increase of \$0.342 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

In FY 2009, NCRC will continue its aggressive efforts to advance homeland security and all hazards preparedness in the National Capital Region (NCR), serving as a model for other parts of the country. NCRC will focus on developing a common regional approach to homeland security that results in integrated strategies and interoperability among Federal, State, regional, local and private/nonprofit stakeholders.

As Congress intended in creating NCRC (Homeland Security Act of 2002, Section 882), NCRC is uniquely positioned to bring together the numerous and diverse stakeholders (Federal, State, regional, local, private and nonprofit sectors) of the National Capital Region to proactively address inter-agency, multi-jurisdictional issues that would be difficult for any one stakeholder to complete. Many of these challenges (e.g. interoperability, identity management, and strategic and catastrophic planning) have surfaced in the region because of actual events, including 9/11, anthrax attacks and natural disasters such as Hurricane Isabel. Subsequent events of national scope, including Hurricane Katrina, have once again underscored the need for multi-jurisdictional coordination to proactively address such challenges.

Additionally, NCRC’s daily responsibilities include coordinating and participating in the implementation of national programs and priorities (e.g. the National Response Plan), and numerous major incidents, events, drills and exercises that occur annually in the NCR. NCRC also serves on behalf of the Secretary and the FEMA Administrator as a principal in the NCR’s unique regional governance structure and coordinates regularly with NCR’s Regional Emergency Support functions to improve preparedness in the NCR.

**Examples of NCRC’s Multi-Jurisdictional Coordination Activities**

- **Interoperability and Information Sharing**  
 NCRC will continue prior efforts to ensure integration and interoperability between key Federal, State, regional and local authorities and stakeholders. The focus of NCRC and its homeland security partners is (1) situational awareness - voice and data interoperability, and (2) identity management processes via the landmark NCR First Responder Partnership Initiative (FRPI). NCRC will continue working in collaboration with numerous Federal, State and local partners,

including the region's Interoperability Committee, the National Operations Center (formerly HSOC), DHS and FEMA Chief Information Officers, and other appropriate stakeholders.

- **Strategic Planning and Coordination**

Per Secretarial and Congressional direction, NCRC initiated and facilitated the development of the NCR Homeland Security Strategic Plan, the first regional homeland security strategic planning effort in the Nation. In FY 2009, NCRC will continue coordination of Federal elements of this plan, and will continue supporting State and local implementation. The strategic plan establishes coordinated regional goals and priorities for the enhancement of homeland security and first responder capabilities in the NCR.

- **Catastrophic Planning**

NCRC will continue efforts to address the long-standing need for catastrophic event planning. NCRC will support State and local efforts to integrate jurisdictional plans related to catastrophic events (e.g. evacuation, and shelter-in-place) and with surrounding areas, per the FY 2007 Appropriations Conference Report. Additionally, NCRC will build on its efforts with regard to the coordination of Federal protective measures and protocols (e.g. alert and notification, CBRNE). The uniquely large presence of the Federal Government in the NCR makes the coordination of Federal protective measures and protocols in advance of an incident especially important. In past incidents, unilateral and uncoordinated actions on the part of some Federal agencies have caused confusion and hampered State and local response efforts. As a result, this area is a top priority in the NCR Homeland Security Strategic Plan.

- **Roll Out of National Plans and Priorities**

NCRC will initiate a more sustained effort, working with its regional homeland security partners, to coordinate the implementation of national plans and priorities in the National Capital Region, including the National Response Framework (NRF); National Incident Management System (NIMS); and National Strategy on Pandemic Influenza.

- **Events, Exercises and Drills**

NCRC is called upon to help prepare for, coordinate, lead and/or participate in several dozen events, incidents and drills of mass scale each year, including changes in alert status (e.g. Yellow to Orange), state funerals, Nationally Significant Security Events (NSSEs), July 4<sup>th</sup> Celebrations, demonstrations (e.g. IMF/World Bank) and actual incidents resulting after action reviews (e.g. March 2005 Pentagon/Skyline anthrax scare). Additionally, NCRC will continue facilitating joint (rather than disparate) Federal, State, and local exercise participation in the NCR, home to more exercises than any other area of the country, and integrating lessons learned into future events and exercises, to avoid "recreating the wheel."

- **Regional Governance Participation and Coordination**

The NCRC Director actively participates in the region's unique governance structures and processes. Of special note, the NCRC Director represents the DHS Secretary and FEMA Administrator as a principal member of the Senior Policy Group (SPG), the senior regional decision-making body for homeland security. The SPG is comprised of the Homeland Security Advisors and Directors of Emergency Management from Virginia, Maryland and the District of Columbia (DC) – each of whom represent their respective Governor or, in the case of DC, the Mayor.

The NCRC Director also represents DHS to the Metropolitan Washington Council of Governments and its related committees, including the NCR Emergency Preparedness Committee (private and nonprofit sectors); the Chief Administrative Officers Committee; and the Region's various Emergency Support Functions (R-ESFs), among many others.

On the Federal level, the NCRC Director chairs the Joint Federal Committee (JFC), which represents the Legislative, Judicial and Executive Branches and serves as an important means to develop, coordinate, and implement inter-agency and departmental activities and plans for the NCR. This is just one example of many decision-making and advisory bodies in which NCRC participates to bolster coordination of Federal activities in the NCR.

- **Regional Emergency Support Function Coordination**

NCRC is the Federal homeland security portal to the region's 15 Emergency Support Functions (R-ESFs), as outlined in the National Response Framework (e.g. emergency management; law enforcement; fire, emergency response services and hazardous materials; mass care and medical surge). With additional staff, added in FY 2008, NCRC will be able to work more closely and consistently with selected major ESFs to support and facilitate implementation of regional homeland security priorities, and will continue these efforts in FY 2009.

- **Test Bed for National Ideas and to Solve National Problems**

The NCR is an ideal test bed and, in FY 2009, NCRC anticipates increased pilot programs to test national ideas and initiatives. NCRC will ensure that homeland security pilot programs are adequately coordinated in advance and, where possible, integrated with the plans and operations of affected State, regional and local stakeholders. NCRC, working with its NCR homeland security partners, will assemble a sound knowledge base from which other multi-jurisdictional efforts can draw to improve coordination methods and processes. A portion of this funding will sustain a core component of improving preparedness -- a system for documenting lessons-learned and maintaining the focus to follow-through to correct systemic inadequacies. The unique nature of the NCR and its responsibilities position this office as a model for multi-jurisdictional efforts nationwide.

## **Recent and Planned Accomplishments**

### **FY 2007**

- Supported initial implementation of the NCR Strategic Plan for Homeland Security by State and local partners and coordinated more full Federal integration.
- Demonstrated and coordinated the fielding of a functional First Responder Partnership Initiative credential on a limited basis to achieve multi-jurisdictional physical and logical access at all hazards incidents.
- Conducted extensive coordination and advisory work with the Transportation Worker Identification Credential (TWIC) program and US-VISIT, at their request, to speed adoption of a FIPS 201 technology-compliant approach for all-hazards multi-jurisdictional interoperability of credentialing.
- Coordinated education and outreach sessions on FIPS 201 technology for all hazards multi-jurisdictional interoperability with NRF Emergency Support Functions (ESFs) and NIPP Sector

personnel as Virginia and Maryland move toward state-wide implementation of the First Responder Access Credential.

- Established an operable, secure, communications network using STE, secure cell phones, and secure video conferencing between DHS and State and local jurisdictions and regional authorities.
- Initiated efforts to integrate the DHS HSIN and the NCR's web-based Emergency Operations Center Network (WEBEOC), and to provide NCR stakeholders with early access to other DHS systems.
- Conducted baseline assessment of NCR Operations Centers' capabilities.
- Reviewed occupancy and emergency plans and identified protective measures at selected Federal agencies, along with possible impacts on the community.
- Initiated efforts with State, regional and local partners to align the existing Regional Emergency Coordination Plan (RECP) and other regional plans with the NRF.
- Facilitated and coordinated the NCR's initial implementation of national policy guidance on avian influenza.
- Identified the top ten anticipated problem areas in the event of a pandemic flu outbreak, working with regional partners; facilitated working groups to address selected issue areas (e.g. medical surge and mass care; security; public communications).
- Led, coordinated and/or participated in events, drills, preparation, response, and after actions for several dozen events and exercises.
- Produced an annual report to Congress, per the Homeland Security Act of 2002, and annual reports on NCR/West Virginia/Pennsylvania evacuation planning, per the FY 2007 Appropriations Conference Report.

### **FY 2008**

- Build on catastrophic event planning efforts, utilizing new FTE and resources to support State, local and regional partners in integrating jurisdictional plans, and to coordinate Federal protective measures and protocols, mass care and medical surge planning, and other related activities.
- Support State, local and regional homeland security partners' efforts to implement the NCR Homeland Security Strategic Plan, and conducted initial coordinated initial first stage of Federal protective measures, continue coordination of Federal elements of the plan.
- Coordinate demonstrations with public health, medical, transportation and other stakeholders for all-hazards preparedness, response and surge capacity using First Responder Partnership FIPS 201 technology-compliant credentials for multi-jurisdictional interoperability.
- Strengthen coordination and synchronization of exercises in the NCR, with the new Exercise and Training FTEs actively participating with DOD and State and local officials in the NCR Exercise and Training Operations Panel (ETOP) and exercise and training synchronizing meetings.
- Develop a report identifying all current information sharing protocols and best practices with regard to CBRNE sensors.
- Strengthen interoperability by coordinating agreements between DHS and the NCR for sharing the DHS Critical infrastructure Warning Network and the NCR Interconnection Network.
- Form a Joint Common Operational Picture Committee, JCOP, with Federal, State and local officials to ensure unity of effort to enhance operational situational awareness.
- Assist NCR partners in developing requirements to ensure robust and interoperable telecommuting networks across all levels of government.

- Advanced implementation of the National Response Framework, NIMS and pandemic flu policy guidance; new FTE permit NCRC to more adequately coordinate with the Regional Emergency Support Functions (R-ESFs) and other stakeholders.
- Lead, coordinate and/or participate in planning, preparation, response, and after action reviews for several dozen events, drills and exercises.
- Produce Annual Report to Congress, per Homeland Security Act of 2002, Section 882, and quarterly reports on the status of NCR / WV / PA evacuation planning.

### **FY 2009**

- Coordinate the development of a common emergency notification and response mechanism, working with homeland security partners, to enhance public safety and security operations and emergency notifications within the NCR.
- Further leverage First Responder Partnership Initiative to speed NIMS implementation by expanding the definition of attributes beyond NCRC's pilot work in previous years with the U.S. Fire Administration.
- Strengthen interoperability by integrating additional Federal (DHS) situational awareness and information sharing systems across the NCR, including additional iCAV / HSIN Communities of Interest and also Federal tactical communications systems with NCR Public Safety Communications systems.
- Obtain Concept Plan approval of the Virtual Workplace program which focuses on interoperability of disparate telecommuting systems in place across all levels of government in the NCR.
- Build on FY 2008 efforts to fully field a capability to capture "lessons learned" from incidents and exercises, and integrate them into future activities to ensure continued improvement in preparedness and to minimize "recreating the wheel" with each exercise.
- Build on previous efforts to strengthen operations center coordination, including integration of functional guidelines and best practices; outline a common certification program for Ops Center Technicians; and draft and submit MSEL and exercise injects into ETOP regional-level exercise schedules.
- Introduce all the identified Special Security Areas within the NCR to the Protective Measures Program, building on prior efforts.
- Facilitate a CBRNE stakeholder workshop for Sensor data CONOPS, and develop an action plan for building an integrated information sharing protocol among NCR stakeholders.
- Advanced implementation of the National Response Framework, NIMS and pandemic flu policy guidance; new FTE permit NCRC more adequately to coordinate with the Regional Emergency Support Functions (R-ESFs) and other stakeholders.
- Lead, coordinate and/or participate in planning, preparation, response, and after action reviews for several dozen events, drills and exercises.
- Produce Annual Report to Congress, per Homeland Security Act of 2002, Section 882, and quarterly reports on the status of NCR / WV / PA evacuation planning.

PPA: UNITED STATES FIRE ADMINISTRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actuals</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| 2008 Adjustments to Base     | <b>115</b>          | <b>115</b> | 40,913          |
| <b>2009 Current Services</b> | <b>115</b>          | <b>115</b> | <b>\$40,913</b> |
| 2009 Program Change          | 0                   | 0          | 0               |
| <b>2009 Request</b>          | <b>115</b>          | <b>115</b> | <b>\$40,913</b> |
| Total Change 2008-2009       | 0                   | 0          | (2,387)         |

FEMA requests \$40.913 million for this activity. This is a decrease of \$2.387 million over the amount requested in FY 2008 via a separate USFA appropriation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

USFA prepares the Nation’s fire responder through on-going and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all hazard and terrorism emergencies. USFA coordinates with other Federal, State, and local emergency service agencies, the private sector, and with colleges, universities and other DHS educational consortium participants. In fulfilling its mission, USFA utilizes the assets of the National Fire Academy (NFA), the National Emergency Training Center (NETC) Facilities and Support Services, the National Fire Data Center (NFDC), and USFA’s National Fire Programs (NFP) Division.

**A) National Fire Academy (NFA)**

NFA promotes the professional development of the fire and the emergency response community and its allied professionals. To supplement and support State and local fire service training programs, NFA delivers educational and training courses having a national focus.

**Recent and Planned Accomplishments**

**FY 2007**

- Delivered 3,010 training programs to 75,675 fire and emergency response personnel.
- Launched NFA OnLine, the USFA’s new web-based learning management system for distance learning training.
- Began development of new preparedness curriculum; 6-day courses and designated 2-week resident courses.

**FY 2008**

- Increase the number of students receiving NFA training programs through USFA’s technology-based distance learning program. The program includes internet course delivery, blended learning courses, web-based graphic simulations, and other online formats such as web casts.

- Plan and initial implementation of the Preparedness Leadership Institute training and education programs.
- Update hand-off courses to include NIMS/NRF, expand modeling in Arson & Prevention curricula, and continue conversion of remaining 2-week to 6-day courses.

#### **FY 2009**

- Continue to expand fire and emergency response training programs through the use of online distance learning program, through the expansion of its fire and emergency services higher education partnership agreements.
- Increase the delivery of NFA courses at the State and local level through the use of State fire training assistance partnership agreements.
- Deliver newly developed training and education programs through the Preparedness Leadership Institute.

### **B) National Emergency Training Center (NETC) Facilities and Support Services**

The NETC Facilities and Support Services manage, operate and maintain the NETC in the most efficient and effective manner providing administrative, operational and emergency services in support of the program activities and special groups at NETC.

#### **Recent and Planned Accomplishments**

##### **FY 2007**

- Managed, operated, and maintained the NETC, providing administrative, operational, and emergency services in support of the program activities and special groups; student admission, registration, ground transportation, and housekeeping services; and scheduled maintenance, repairs, and replacement of capital assets.
- PREPnet continued to provide DHS/FEMA/USFA a television broadcast network capable of reaching large portions of the public in a disaster affected area with critical survival and recovery information before, during, and after catastrophic events.
- Provided administrative support to the Assistance to Firefighter Grant Program peer review and criteria development sessions held at NETC.

##### **FY 2008**

- Manage, operate, and maintain the NETC, providing administrative, operational, and emergency services in support of the program activities and special groups; student admission, registration, ground transportation, and housekeeping services; and scheduled maintenance, repairs, and replacement of capital assets.
- Expand PrepNet's training, education and informational distribution systems to support efforts to reduce community risks and help first responders and the public prepare for, respond to, and recover from natural and man made disasters.
- Provide administrative support to the Assistance to Firefighter Grant Program peer review and criteria development sessions held at NETC.

##### **FY 2009**

- Continue to manage, operate, and maintain the National Emergency Training Center (NETC) in the most efficient and effective manner providing administrative, operational and emergency services in support of the program activities and special groups held at NETC.

### **C) National Fire Data Center (NFDC)**

The NFDC is responsible for the collection, analysis, publication, dissemination and marketing of information related to the Nation's fire problem and USFA programs. It manages USFA research efforts in fire detection, prevention, suppression and first responder health, safety and effectiveness.

#### **Recent and Planned Accomplishments**

##### **FY 2007**

- Disseminated preparedness, prevention, response, and recovery information via printed publications, multimedia kits, website hits, and documented loans to libraries and information centers across America. Updated media for greater ease and speed in access and distribution.
- Completed research studies of responder safety, department communications, residential sprinklers, and cooking fires.
- Enhanced NFIRS data collection and analysis with revised output tool and framework for reporting; new methodologies for coding fire causes and preparing preliminary estimates; and geocoding of database in order to integrate location-based methodologies into analysis.

##### **FY 2008**

- Disseminate preparedness, prevention, response, and recovery information in a variety of formats to reach both professional audiences and the American public.
- Implement revised output tool and framework for National Fire Incident Reporting System (NFIRS) reporting.
- Conduct studies of technologies and operations to improve and enhance responder performance and public safety.

##### **FY 2009**

- Manage the collection, analysis, publication, and dissemination of information related to the Nation's fire problem and USFA programs.
- Enhance first responder performance and public safety by conducting studies of emergency response technologies and operations.

### **D) National Fire Programs (NFP) Division**

NFP is responsible for the development and management of programs that increase the capacity of the Nation's fire and emergency services and the public to prevent, mitigate, prepare for, and respond to local, regional and national emergencies.

#### **Recent and Planned Accomplishments**

##### **FY 2007**

- Developed and disseminated new resident and distance learning response, planning, prevention, public education and preparedness courses and programs.
- Developed and delivered new National Integration Center (NIC), National Incident Management System (NIMS), All Hazards Incident Management Team (AHIMT) Technical Assistance Program,

and Incident Command System (ICS) curricula supporting Department of Homeland Security (DHS), NIC/NIMS/ICS and Urban Area Security Initiative (UASI) priorities.

- Deployed staff and program work to support the rebuilding of the New Orleans fire department post-Katrina, including significant program work in support of the DHS/Katrina response and a tabletop all-hazards exercise. USFA funded staff payroll costs. FEMA funded contract costs with disaster funds.

#### **FY 2008**

- Develop a new one-week resident curriculum; refine NIMS ICS command staff training; develop and disseminate new prevention, public education and preparedness program information and modify existing courses to support emergency preparedness information; develop and pilot experimental distance learning methodologies and related programs addressing reducing the Nation's risk and vulnerabilities to technological hazards.
- Develop, manage, and maintain activities related to USFA's responsibilities in the National Response Framework, Emergency Support Function – 4 (ESF-4: Firefighting).
- Conduct Type 3 State/UASI and Type 4 team developments under the All-Hazards Incident Management Team Technical Assistance Program.

#### **FY 2009**

- Modify existing courses to support emergency preparedness information and develop experimental distance learning methodologies addressing the Nation's risk and vulnerabilities to technological hazards.
- Conduct comprehensive training supporting the NIC and nationwide implementation of NIMS. The training will include new courses in ICS, crisis communications management, and multi-agency coordination.
- Continue activities related to USFA's responsibilities in the National Response Framework, Emergency Support Function – 4 (ESF-4: Firefighting).

#### IV. Program Justification of Changes

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 1:** Modernize and Integrate FEMA IT Systems

**Strategic Goal(s) & Objective(s):** Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4.1 and 4.2

**PPA:** Management and Administration Activities

**Program Increase:** Positions: 0 FTE: 0 Dollars: \$20,750

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted Budget |     |                 | FY 2009 Request |          |                 |
|------------------------|-----------------|-----|-----------------|------------------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos                    | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                 |     |                 |                        |     |                 |                 |          |                 |
| Program Increase       |                 |     |                 |                        |     |                 | 0               | 0        | \$20,750        |
| <b>Total Request</b>   |                 |     |                 |                        |     |                 | <b>0</b>        | <b>0</b> | <b>\$20,750</b> |

#### Description of Item

FEMA requests \$20,750,000 to develop and implement a multi-year Information Technology Plan that will guide the agency's capital IT investments and the requirements needed to sustain IT at all levels of FEMA. Employing technology as a strategic tool is crucial to FEMA's success in meeting the challenge of becoming the preeminent emergency management agency. In FY 2009, FEMA's Office of the Chief Information Officer (OCIO) requests resources to make investments in four major areas: Enhancement of Current Mission Systems; Enhancement of Current Business Systems; IT Infrastructure and Cyber Security; and Systems Engineering and Applications Development. Requested funding increases reflect implementation of FEMA's Five-Year IT Master Plan, which has been briefed in detail to the DHS CIO. The investment items described in the sections below were developed to be interdependent, maximizing the efficacy of each investment dollar.

#### Justification

##### **A) Enhance Current Mission Systems (\$2,477,000)**

To meet operational needs, FEMA must achieve information technical superiority in its core mission areas. Technical superiority can only be achieved through careful planning, investment, and management of FEMA's IT processes and systems. FEMA can achieve this goal by devoting resources to three key areas:

- **Implement an improved capital planning and investment control (CPIC) process:** In 2009, the FEMA OCIO will implement a rigorous capital planning and investment control process that complements the Investment Working Group (IWG) chaired by FEMA's head of Program Analysis and Evaluation. The process will use automated tools and yield investment

recommendations based on three measures: Interoperability and information sharing; Security; and Cost efficiency. The improved CPIC process will ensure that FEMA makes IT investments that are best able to support its core mission.

- **Establish and Implement Procedures for Technical Support (\$316,000):** The CIO will establish and implement well-documented procedures to provide cost-efficient, state-of-the-art technical support. The agency will be able to resolve all technical issues on par with industry standards.

### **B) Enhancement of Current FEMA Business Systems (\$3,000,000)**

FEMA's current IT business systems cannot meet the needs of a 21<sup>st</sup> century Federal agency. The agency's current systems are not "best in class" technologies, nor do they provide managers with real-time decision-making information. FEMA needs to enhance its current IT business systems, integrating and streamlining its financial management and workforce management processes. These enhancements will provide an efficient means of budgeting, bill paying, receipt management, asset management, and cash management. Resources will be used for the following:

- **Integrate FEMA's Acquisition, Human Resource, and Financial Management Systems:** In FY 2009, OCIO will design the interface that will allow FEMA's new acquisition system (PRISM) to share information with FEMA's next generation Human Resources and Financial Management systems. Integrating FEMA's Acquisition, Human Resource, and Financial Management Systems ensure that FEMA operate seamlessly with IT solutions used in the DHS and national security enterprise. These improvements will provide managers with real-time decision making information.
- **Enhance FEMA's Financial Management System (IFMIS):** FEMA will replace IFMIS with a new financial management system that interfaces with the acquisition and human resource systems. The new system will strengthen FEMA's financial monitoring capabilities through better tracking of resource levels and spending patterns. The increased functionality of the new system will ensure that FEMA's financial business function provides the best support possible to disaster victims, grant recipients, State, tribal, and local entities, DHS, and its components.

### **C) IT Infrastructure and Cyber Security (\$9,136,000)**

As FEMA enhances its mission and business systems, the agency must invest in leading edge infrastructure technology that meets established security requirements. In FY 2009, FEMA will use additional resources to accomplish the following:

- **Invest in Leading Edge IT Security:** In 2009 the OCIO will continue to acquire and implement software that provides Disk Encryption for all FEMA desktops and laptops. Acquiring and implementing IT security software ensures that the FEMA's IT environment is protected, its data is secure, and that the agency complies with all DHS and Federal security guidelines. These funds will significantly reduce FEMA's vulnerability to cyber attack and security breaches.
- **Implement IT Infrastructure Solutions:** In conjunction with implementing IT security software solutions, the OCIO will replace outdated document imaging and client server technologies throughout the agency. Replacing outdated technologies with state-of-the-art hardware will dramatically increase performance and reduce vulnerabilities by lessening the number of servers and leveraging advanced security features inherent in the modern hardware.
- **Begin FEMA Upgrade to Oracle 10g:** In FY 2009, the OCIO will upgrade the agency to Oracle 10g. The upgrade will ensure that FEMA's IT data is available to all authorized users and that the agency's critical mission and business systems share data seamlessly with DHS and outside agencies. Without this upgrade, FEMA's systems will require multiple inefficient

and costly interfaces to share information.

#### **D) Systems Engineering and Applications Development (\$6,137,000)**

FEMA will begin implementing a Five-Year IT Master Plan that will enable faster change, eliminate legacy systems, provide the capability to recover mission and business critical systems, and reduce IT maintenance cost. The increase in funding supports initiating the plan and implementing the first year of the plan. Specifically, financial resources will be allocated to the following initiatives:

- **Implement Phase I of the IT Master Plan:** The initial phase of the IT Master Plan includes a comprehensive assessment and review of all mission critical and support systems (including NEMIS and the Logistics system) and services against the Agency Enterprise Architecture target architecture. This phase includes a review of mission alignment, support of data sharing, security and the maturity of the supporting technologies. This analysis will identify the systems that will be eliminated or transformed to support critical functions. An EA assessment and analysis ensures that FEMA's IT environment interoperates and shares information in the DHS enterprise. It will also evaluate system security and cost-efficiency.
- **Eliminate Legacy Systems and Transition Remaining Systems:** Legacy systems identified for elimination will be phased out of FEMA's inventory and the remaining systems will transitioned to consolidated computing service environments. The transition ensures that FEMA's IT environment is stable, its data assured and available to all authorized users within the agency, DHS, and the larger National Security enterprise. It also will reduce and harden the network entry points against cyber attack with state-of-the-art security technologies. Without these funds, FEMA will continue to pay for a multitude of infrastructure configurations spread across the country, and IT assets will not be used to their full capabilities.
- **Transition to DHS OneNet:** The transition to DHS's OneNet complements the transition to the consolidated computing services center. The consolidation of FEMA's network onto a centrally managed and defended department-wide network will significantly reduce the costs to lease circuits used by each DHS agency accessing the Internet. The transition to OneNet ensures that FEMA obtains cost efficiencies by leveraging the department's IT enterprise environment, which is stable, assured and available to all authorized users within the agency.
- **Implement Agency-wide Enterprise Data Solution:** To fully realize the savings derived from consolidated computing and data centers and the physical network infrastructure of OneNet, FEMA will implement an enterprise data management solution to support service management, data access, and data sharing requirements for all authorized users. This data solution ensures that FEMA's IT environment is stable, its data assured and available to all authorized users within the agency. Storage Area Networks and Operational Data Stores will be used to their full capabilities.
- **Upgrade COOP Capability for Mission Critical and Business Systems:** Supporting the FEMA mission relies on the availability of critical systems in the event of catastrophic failure of primary systems. FEMA's current technology and operations infrastructure does not effectively support a comprehensive Continuity of Operations (COOP) capability. In 2009, FEMA will implement storage, application, and support solutions in a consolidated computing services environment, where the information, applications, and other services used by mission critical and business systems will be stored and replicated. Upgrading FEMA's COOP capability ensures that the agency's systems can recover from outages and continue to support the mission.
- **Implement Web-Based Grants Management Function:** FEMA plans to retire the legacy approach to achieving the functionality of the Grants Management application and begin implementing a web-based, electronic Grants Management Program. Implementing a web-

based grants management function ensures that grant applicants have access to an easy-to-use application that shares information with all entities involved in the grants process. This investment will increase the efficacy of the application, reduce hardware needed to support the legacy application, and save funds.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

Significant improvements and upgrades to FEMA's IT systems, hardware, and processes, are critical to the agency's ability to support emergency preparedness and response. FEMA's mission requires numerous IT systems that should be able to communicate with each other, providing a seamless interface that supports faster, better-informed decision making. FEMA needs an IT infrastructure with security protections equal to the agency's role in homeland security. Without these enhancements, FEMA will be working to address 21<sup>st</sup> century problems with 20<sup>th</sup> century technology, and jeopardize attainment of DHS's strategic goal to "build a nimble, effective emergency response system and a culture of preparedness."

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 2:** Critical Infrastructure Improvements

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objectives 4.1 and 4.2

PPA: Management and Administration

Program Increase: Positions: 0 FTE: 0 Dollars: \$10,000

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted Budget |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|------------------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos                    | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                        |     |                 |                 |          |                 |
| Program Increase       |                |     |                 |                        |     |                 | 0               | 0        | \$10,000        |
| <b>Total Request</b>   |                |     |                 |                        |     |                 | <b>0</b>        | <b>0</b> | <b>\$10,000</b> |

**Description of Item**

FEMA requests \$10,000,000 for infrastructure improvements (capital, repairs and maintenance). From space requirements on expiring leases to the expansion of new and current facilities these funds will significantly help close the funding gap currently realized. Health and safety improvements will also be made FEMA-wide.

**Justification**

FEMA’s headquarters and most of FEMA’s Regional Offices are located in leased facilities. In FY 2009, the headquarter lease and five of the nine regional office leases will expire. FEMA requests \$10,000,000 in preparation and anticipation of a move for any of these locations. In addition to the expirations expected in FY 2009, there are two leases expiring in FY 2010 and two in FY 2013.

All leases entered into by the Federal government have a termination clause and an expiration date. As the Nation’s landlord, the General Services Administration (GSA) will determine whether FEMA will remain in these current locations or move to other sites. However, Federal agencies are required to acquire the funding necessary for relocation, to include the costs of new leases, security, IT infrastructure, furniture installation, electricity at the new space, common space fit out, and move costs.

Each of the FEMA Regional Offices accommodates between 75 and 90 occupants. The estimate for each regional office is \$2 million per office. The five regions scheduled for lease renewal and/or relocation costs for FY 2009 are: Region I (Boston), Region II (New York), Region III (Philadelphia), Region V (Chicago) and Region VIII (Denver).

The FY 2009 funding request does not include an estimate for the relocation and new lease costs for the headquarters facility. DHS has undertaken a long-range plan to relocate many of the Washington,

DC agencies into one secure facility. FEMA will make every effort to extend its current headquarters lease in anticipation of the outcome of the DHS plan.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 3:** Vision for a New FEMA, Phase II – Shape the Workforce

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objectives 4.1 and 4.2

**PPA:** Operating Activities

**Program Increase:** Positions: 82 FTE: 41 Dollars: \$25,721

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted Budget |              |                  | FY 2009 Request |              |                  |
|------------------------|----------------|-----|-----------------|------------------------|--------------|------------------|-----------------|--------------|------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos                    | FTE          | Dollars (\$000)  | Pos             | FTE          | Dollars (\$000)  |
| Current Services Level |                |     |                 |                        |              |                  | 1,667           | 1,667        | <b>\$473,361</b> |
| Program Increase       |                |     |                 |                        |              |                  | 82              | 41           | \$25,721         |
| <b>Total Request</b>   |                |     |                 | <b>1,477</b>           | <b>1,368</b> | <b>\$412,224</b> | <b>1,749</b>    | <b>1,708</b> | <b>\$499,082</b> |

**Description**

In FY 2007 and 2008, FEMA initiated Phase I of transforming FEMA into the *Nation's Preeminent Emergency Management Agency*. Through our vision for a New FEMA, we are strengthening core capabilities, competencies, and capacities; building strong Regions; strengthening our partnerships with States; and professionalizing the national emergency management system. By focusing on core capabilities and the partnerships and people that comprise the Nation's preparedness and emergency management system, we are able to marshal an effective national response; deliver service of value to the public; reduce vulnerability to life and property; and instill public confidence. Following these guiding principles, we will continue with Phase II to build FEMA's operational core competencies and use requested resources as follows:

| Initiative                                   | FEMA Program        | Funds    | Pos | FTE |
|--|---------------------|----------|-----|-----|
| • Incident Management – IMATs                | Disaster Operations | \$5,046  | 15  | 8   |
| • Incident Management – NRCC/RRCC 24/7 Watch | Disaster Operations | \$1,898  | 15  | 7   |
| • Operational Planning                       | Disaster Operations | \$1,265  | 10  | 5   |
| • Emergency Communications – MERS            | Disaster Operations | \$2,200  | 0   | 0   |
| • Transform Logistics Management             | Logistic Management | \$10,295 | 30  | 15  |
| • Service to Disaster Victims                | Disaster Assistance | \$1,012  | 8   | 4   |
| • Hazard Mitigation – Risk Reduction         | Mitigation          | \$4,006  | 4   | 2   |

**Justification**

- **Disaster Operations.** The additional funding request for Disaster Operations is \$10,409,000, 26 positions and 20 FTE

FEMA's ability to marshal an effective response to disasters must be based on a professional, national network of emergency managers skilled in incident management, operational planning, and emergency communications. At all levels of government, emergency management personnel must be trained and certified experts who operate well together across the full spectrum of emergency management planning and operations. FEMA must be more than a facilitator and standard bearer for the profession of emergency management. FEMA must be a leader and model of effective implementation of disaster operations. The following provides a further breakdown of how the requested funding for Disaster Operations will be used.

❖ *Incident Management – IMATs – \$5,046,000, 15 Positions, and 8 FTE.*

Incident Management is more than a process as it has inherent operational aspects in the form of sustained situational awareness; a command, control, communications and coordination system comprised of a national and regional command and coordination centers; national and regional incident management assist teams; and it promotes the integration and synchronization of preparedness across jurisdictions and at all levels of government.

Incident Management Assessment Teams (IMATs) are a critical element in the development FEMA's incident management competency, and fulfill the 2006 Post-Katrina Emergency Management Reform Act (PKEMRA) mandate to establish national and regional dedicated response teams. The primary mission of a FEMA IMAT is to rapidly deploy to an incident or incident-threatened venue, provide leadership in the identification and provision of Federal assistance, improve situational awareness, and coordinate the integrated inter-jurisdictional response in support of the affected State(s) or US territories. The national teams are envisioned to have the capability to establish an effective Federal presence within 12-hours of notification, to support the State, coordinate Federal activities, provide initial situational awareness, and to be self-sufficient for a minimum of 48 hours to augment potentially scarce local resources.

In FY 2009, the requested increase will support the stand-up of one additional Regional Incident Management teams. This IMAT will join regional teams established in FY 2007 in Regions 4, 5, and 6 and projected for Region 2 in FY 2008, along with the national IMATs to be stood-up in the National Capitol Region (FY 2007) and Western section of the United States (FY 2008). As envisioned, the full complement of 10 regional and three national teams would be in place by FY 2010, contingent on availability of the necessary budget resources. In addition to staff IMAT funding will:

- Maintain recurring costs for teams established in FY 2007 and FY 2008.
- Enable procurement of equipment (laptops, cellular phones, blackberry, personal gear).
- Purchase 2 SUV-type & 2 IRV situational awareness and communications support vehicles.

In addition to fulfilling a Congressional Mandate, the IMAT program is a vital element of FEMA's plan to more effectively establish a forward Federal presence. The teams will aid significantly in facilitating the delivery of Federal support to meet the emergent needs of the State and local jurisdictions. This program will be negatively impacted in several ways if this program increase is not funded:

- FEMA will continue to lack a full time trained and dedicated staff to rapidly respond to and provide immediate assistance to State and local officials.

- Lack of full funding will impact the implementation timeline, which will result in disparity between the regions' ability to meet their disaster response responsibilities.
  - This capability gap is mission critical to FEMA and will directly affect its success during future catastrophic events. If not addressed, expect a significant loss in command and coordination support capabilities, required by FEMA to manage large scale disaster operations.
- ❖ *Incident Management – NRCC and RRCC 24/7 Watch Capabilities – \$1,898,000, 15 positions, and 7 FTE.*

The National Response Coordination Center (NRCC) is the operational arm of the Department of Homeland security (DHS) National Operations Center (NOC) for all hazards response and recovery operations. FEMA will move towards 24/7 operational awareness capability at both the NRCC at headquarters and the agency's ten Regional Response Coordination Centers (RRCCs) by adding 15 positions and making needed upgrades to equipment and facilities. Combined with existing resources, the additional positions will allow for achievement of the significant goal of establishing a sustainable 24/7 watch in hurricane prone regions. The additional staff will help establish and maintain a steady watch operation capable of providing senior leadership with decision making information; activating, deploying and coordinating the initial Federal response; and providing accurate and timely status updates. This increase further enhances FEMA's ability to act swiftly and decisively in both notice and no-notice all-hazard events to activate and coordinate Federal response actions.

Funds will also be used to upgrade the NRCC to function at classified level, which may require SCIF modifications, and to establish duplicate capabilities at the NRCC COOP site at the Mt. Weather Emergency Operations Center. The NRCC currently operates at an unclassified level which limits options when incidents need to be discussed at the classified level. Many of our Federal partners operate at the SECRET level in everyday operations. Until the NRCC has that capability, it can only operate at the unclassified level. This does not support FEMA's strategic vision for the future.

- ❖ *Operational Planning – \$1,265,000, 10 positions, and 5 FTE.*

FEMA Operational Planners assist State and local jurisdictions in developing specific operational plans that guide their response activities. Through our regional offices, FEMA works with States to ensure the development of coordinated and integrated State-Federal plans. As an example, FEMA Operational Planners provide technical planning assistance to States in developing evacuation plans, assessing storm surge estimates, evacuation zones, evacuation clearance times, transportation capacities, and shelter capacities. The increase in resources in Phase II will allow us to expand our capability in working with our State partners in developing operational planning capabilities.

The funding increase will also augment newly-assigned operational planners with contract planning support to address critical planning shortfalls both FEMA-wide and in the regions.

If this initiative is not funded, FEMA HQ and Regional Offices will be unable to meet the requirements to develop and maintain operational plans in support of the 15 National Planning scenarios. During FY 2008, FEMA intends to implement a national comprehensive, integrated planning capability in concert with DHS that will ensure consistent direction, clear roles and responsibilities, and adequate resources to directly support State and local planning efforts.

Operational planners will build off the Gap Analysis Tool products to ensure Federal plans directly support State and local plans. Reduced funding will significantly hamper this effort.

❖ *Emergency Communications – MERS – \$2,200,000, 0 positions, and 0 FTE.*

Mobile Emergency Response Support (MERS) is one of DHS/FEMA's most valuable disaster emergency communications mission support assets. It must be maintained as a highly capable organization to ensure effective catastrophic disaster interoperable communications response support consistent FEMA's Vision for emergency communications. During an event, FEMA employs its MERS and the Mobile Air Transportable Telecommunications System (MATTS) capability to support the Joint Field Office (JFO) and to assist State offices of emergency communications. The MERS and MATTS teams deploy tactical command, control, and communications (C3) vehicles designed to provide voice, data, and video to FEMA's national and regional Incident Management Assistance Teams (IMATs).

Measures are required now to strengthen the MERS program with additional personnel and state-of-the-art emergency communications capabilities to meet demonstrated command, control, and communications requirements with Federal, State, tribal, and local response organizations across the full spectrum of natural and manmade all-crisis events. The funding increase will primarily fund new equipment purchases in each of the 10 regions to maintain and support communications systems. More specifically, funds will increase FEMA's large capacity communications systems with the ability to deliver T-1 carrier links to first responders. Investments will include a combination of Tactical Incident Response Vehicles, Tactical Network Switch Vehicles and Power Generation Equipment units.

The MERS enhancements funded by this increase will support the ability to rapidly deploy emergency response support anywhere in the United States and its insular area. Effective communications brought by MERS will enhance command and control to IMATs and other specialized teams. Critical communications during the initial phases of the disaster can be the decisive variable in an effective response.

MERS will address issues documented in the GAO Report to Congressional Committees, "*Catastrophic Disasters*" dated September 2006; "*Hurricane Katrina Lessons Learned Status for the President's Management Agenda*," specifically Critical Action #3 for rapid deployable communications; and DHS OIG Report "*A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina*."

Without the program increase, FEMA's development of core competencies in disaster emergency communications will be negatively affected. FEMA will continue to lack an in-depth rapid emergency communications response capability. This threat, if not addressed, will likely cost lives and increase victim suffering as demonstrated during 9/11 and Hurricane Katrina. Filling the current capability gap is mission critical to FEMA and will directly affect its success during future catastrophic events. If not addressed, a significant loss in operational support capabilities, agility, and interoperable disaster emergency communications, required by FEMA to manage large scale disaster operations, can be expected.

- **Logistics Management.** The funding request for Logistics Management is \$10,295,000, 30 positions, and 15 FTE.

FEMA has an important dual role to play in disaster logistics. FEMA is, first and foremost, the overall national leader for coordinating and activating the all-source availability, arrival, deployment and mobilization of assets, teams and other Federal capabilities in support of State requirements. FEMA is also a recognized direct provider to States of core logistics support, including disaster commodities, when ne. To meet its dual responsibility as both national coordinator and direct provider, FEMA adopted a new approach to disaster logistics management that required an innovative balance of manpower, processes, strategic partnerships, and technology. To establish this competency, FEMA identified resources – in terms of dollars and permanent full time positions – for redefining Logistics Management, establishing a Logistics Directorate, and employing an inclusive methodology to establish strategic partnerships, and new paradigms for State-FEMA relationships.

The FY 2008 President’s Budget request set-out Phase I, which directed resources toward foundational elements of the Logistics Management Directorate. This request increases funding for Phase II, provides further resources to fully constitute the Logistics Management Directorate, and institutes an efficient and effective regional and State partnership to facilitate a seamless end-to-end logistical system.

The 30 additional positions will help to institutionalize command and control of strategic logistics planning, operations, and management while pushing operational control down to the most effective level of execution. Positions are currently envisioned to include:

- *Logistics Planners (Regions 20 positions)* – To enhance regional logistics planning capabilities.
- *Logistics Planners (HQ 2 positions)* – To develop effective, coherent, executable logistics plans and exercises.
- *Logistics Operations Specialists (HQ 2 positions)* – To assist in management and execution command and control, tracking and reporting for all hazards logistics operations.
- *National Emergency Housing Unit Site Managers (6 positions)* – To ensure accountability at the emergency housing units.

These positions are critical to ensure better internal management controls, accountability as well as the development of FEMA’s logistics capabilities.

Increased funding will support:

- *Transformation to & maintenance of a robust logistics capability.* Based on the outcome of Logistics Management Transformation Initiative’s Consultant Inventory (Phase I), FEMA will transition and incorporate a comprehensive Third Party Logistics environment into the logistics structure. A third-party logistics provider (3PL) is being considered that would provide outsourced logistics services for some or all supply chain management functions – this could include, for example, warehousing and transportation services. As of 4<sup>th</sup> quarter FY 2007, the Logistics Management Directorate is working to hire a consultant to conduct an inventory of existing practices and capabilities to determine what, if any, elements of the Logistics Management Directorate should be and/or could be considered for privatization.
- *Effective management the national transportation mission (to be transferred from DOT December 31, 2007).*

- *Implementation & maintenance of a modernized enterprise logistics property management system.* Acquire new systems, upgrades, enhancements, and inter-faces.
  - *Development & maintenance of a logistics management certification program.* Establish a certification program for agency logisticians to ensure a pool of technically qualified personnel and a robust logistics community.
- **Disaster Assistance.** The funding request for Disaster Assistance is \$1,012,000, 8 positions, and 5 FTE

The Disaster Assistance Directorate is responsible for delivering high-impact Individual and Public Assistance Programs in the aftermath of a Presidentially-declared major disaster or emergency. Following Hurricane Katrina, operational lessons learned highlighted the following issues in support of expanded staffing:

- Identified a critically insufficient number of personnel with Individual Assistance expertise, especially at the management level, to support Hurricanes Katrina/Rita.
- Compromised regional ability to support program/disaster activities due to staff drainage in support of Gulf Coast requirements.
- Impact of new legislation, White House, and internal requirements have produced an immense increase in the scope of and expectations for the disaster assistance mission, associated programs, and processes.
- Expanded responsibilities, such as the assignment of FEMA as the primary agency for ESF#6, Mass Care, Emergency Assistance, Housing, and Human Services, requires additional support to effectively manage.

Additionally, during FY 2007, FEMA underwent a major reorganization guided by the New Vision for FEMA that resulted in major changes for the Disaster Assistance Directorate at Headquarters and in the regions. In order to address the issues outlined above and appropriately staff our new organizational structure, the Disaster Assistance Directorate (DAD) identified leadership and Subject Matter Expert gaps and used FTE provided in FY 2007 to address them at Headquarters (focused on Individual Assistance management requirements), Regional Offices (focus on Individual Assistance), and the National Processing Service Centers (NPSCs). In FY 2008, DAD plans to use anticipated FTEs to further bolster regional capabilities, specifically division management and the Individual and Public Assistance Programs, as well as address remaining leadership gaps at Headquarters.

**Mitigation.** The funding request for Mitigation is \$4,006,000, 4 positions, and 2 FTE.

The requested FY 2009 increase in FEMA mitigation is for Risk Reduction. Risk Reduction creates safer communities by proactively reducing risk and enhancing the capability of States and local communities to reduce their risk from natural hazards. After disasters, delivery of hazard mitigation assistance encourages future resilience. The requested funding supports enhancements to the National Earthquake Hazards Reduction Program (NEHRP) and Building Science programs.

The requested funding and positions support the implementation of the “Ramp-Up Initiatives” identified over the last year. These “Ramp-Up Initiatives” (the name given to this initiative by the cooperating agencies is “NEHRP Ramp-Up Program Plan”) have been briefed to Administration representatives within the four agencies [National Institute of Standards and Technology (NIST), U.S.

Geological Survey (USGS), National Science Foundation (NSF), and FEMA] for consideration for increases in FY 2009 and beyond.

This investment directly advances the DHS priority of renewing emphasis on earthquake risk reduction and designing and implementing new strategies for reducing catastrophic earthquake risk. The largest portion of this request is for an increase to State grants. These grants enable States to implement earthquake mitigation activities they cannot implement without NEHRP funding. The grants mainly focus on State capability to conduct earthquake assessments for existing buildings and critical infrastructure, planning, and public education regarding seismic risk. These seismic readiness and risk reduction initiatives, similar to the New Madrid catastrophic planning effort currently underway, cannot be implemented without FEMA NEHRP funding. The additional positions will possess the necessary technical skills and knowledge to staff the ramp-up effort, as well as the critical technical capacity for planning and assessment. Funding the Ramp-Up initiative is critical to implementing the overall Federal NEHRP strategic plan.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

The requested funding increase will enhance FEMA's ability to successfully achieve DHS Strategic Goal 4: Build a nimble, effective emergency response system and a culture of preparedness. Funding increases will strengthen FEMA's core competencies and move the agency towards its vision of being the Nation's Preeminent Emergency Management agency.

*DHS Response and Recovery Mission* – The follow initiatives support achievement of DHS Objective 4.1 - Response and Recovery: Incident Management – IMATs, Incident Management – NRCC/RRCC 24/7 Watch, Operational Planning, Emergency Communications – MERS, Transform Logistics Management, and Service to Disaster Victims.

*DHS Preparedness Mission* – The following initiatives support achievement of DHS Objective 4.2 Preparedness: Hazard Mitigation, Integrated Preparedness and IPAWS.

Activities under each of these initiatives contribute in critical ways to the attainment of DHS's strategic vision for its Response, Recovery and Preparedness missions, and specific performance targets established in FHYSPP. The increases provide essential resources as FEMA's continues its development into a more robust emergency management agency. While great progress was made in FY 2007 and is anticipated for FY 2008, the transformation of FEMA is a multi-year project requiring a solid and sufficiently funded annual budget. All of the initiatives outlined here will make a difference, but they must happen together. Proficiency in Incident Management cannot happen without successful Operational Planning and reliable Emergency Communications – and proficiency within any of the core competencies will not be possible if we do not adopt a business approach for achieving results, as outlined in the requests under the Operations, Management and Administration PPA.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 4:** Shape the Workforce – Capacity Building for Business Activities

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objectives 4.1 and 4.2

**PPA:** Management and Administration Activities

**Program Increase:** Positions: 36 FTE: 18 Dollars: \$8,029

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted Budget |     |                 | FY 2009 Request |             |                  |
|------------------------|----------------|-----|-----------------|------------------------|-----|-----------------|-----------------|-------------|------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos                    | FTE | Dollars (\$000) | Pos             | FTE         | Dollars (\$000)  |
| Current Services Level |                |     |                 |                        |     |                 | 1291            | 1291        | \$250,031        |
| Program Increase       |                |     |                 |                        |     |                 | 36              | 18          | \$8,029          |
| <b>Total Request</b>   |                |     |                 |                        |     |                 | <b>1327</b>     | <b>1309</b> | <b>\$258,060</b> |

**Description of Item**

A critical component of realizing the vision for a new FEMA is building the management capacity, administrative processes, and staff levels necessary to manage and support changes to FEMA’s programs. Stronger business processes will ensure that FEMA’s emergency preparedness and response programs can focus on their core missions rather than administrative tasks and challenges. The funding requested for capacity building will support the offices and activities described below:

| <b>FEMA Office</b>                    | <b>Funds</b>    | <b>Pos</b> | <b>FTE</b> |
|---------------------------------------|-----------------|------------|------------|
| Regional Administration               | \$ 1,263        | 4          | 2          |
| Office of Policy and Program Analysis | \$ 1,498        | 5          | 3          |
| Office of the Chief Financial Officer | \$ 3,070        | 20         | 10         |
| Office of Chief Counsel               | \$ 347          | 2          | 1          |
| Office of Management                  | \$ 1,851        | 5          | 3          |
| <b>Total</b>                          | <b>\$ 8,029</b> | <b>36</b>  | <b>18</b>  |

**Justification**

- **Regional Administration.** The funding request for Regional Administration is \$1,263,000, 4 positions, and 2 FTE.

This increase will help support the management of FEMA’s Regional Offices through an increase in the Office of Regional Operations (ORO). Additional staff will provide stronger management, guidance, and support services from headquarters to the regions. The new positions will help Regional Administrators strengthen collaboration and cooperation with their State counterparts and support

Administration and Resource Planning Division (ARP) activities related to human resources, acquisition, grants management, IT, budgeting, and financial management. The four positions will increase the current ORO staff level by 50%, doubling the office's ability to provide planning guidance, management support, and technical assistance to FEMA regions. Regional communication and coordination will become stronger, the Regional Administrators and Regional Offices will have an increased ability to manage and direct response and recovery from disasters, emergencies, and terrorist attacks. Without these additional positions, ORO will be unable to meet the growing needs and demands of the Regional Offices or to provide the offices with the resources necessary to fully support the regions' role in emergency response.

Specifically, the Office of Regional Operations requests the following new positions:

- Executive Officer (1 position) to serve as Policy Advisor to the Associate Deputy Administrator (ADA) and perform liaison functions between Regional Administrators (RAs) and the ADA.
- Program Analysts (2 positions) to provide IT support, human resources guidance, preparedness expertise and guidance to the regions and to execute special initiatives for the ADA. The positions will strengthen the core competencies and capabilities of the regions by delivering specific expertise to guide and support regional functions and duties specified by Homeland Security Presidential Directives.
- Administrative Assistant (1 position) to perform travel management, event coordination, and human resources functions for the Associate Administrator and ORO.

In addition to new positions, the Regional Administration funding request will provide equipment and IT resources for ORO staff and will support the added operating costs for new staff members. Funds will also be used for staff development and professional development training for ORO and Regional Office personnel, as well as to support planning efforts for expanding the role and authority of Regional Offices.

- **Office of Policy & Program Analysis.** The funding request for the Office of Policy and Program Analysis is \$1,498,000, 5 positions, and 3 FTE.

In October 2006, FEMA created the Office of Policy and Program Analysis (OPPA). OPPA provides leadership, analysis, coordination and decision-making support on agency policies, plans, programs, and key initiatives. The requested funding will support positions in the Policy, Program Analysis and Evaluation, and Transition/Transformation components of the office. Funding will continue the planned growth of this organization and the professional development of both current and future employees. Additional staff will bolster FEMA's efforts to conduct further analysis and evaluate existing FEMA policies, plans, programs, and key initiatives. The staffing increase will provide enhanced capability to connect program budgets to strategy and policy, providing the Administrator with sound analyses to determine priorities among FEMA's competing resource needs. This capability is critical to advancing FEMA's strategic vision of capacity building for its business activities by institutionalizing a results-oriented, return-on-investment management culture. The requested funds will support OPPA's efforts to develop guidance on FEMA's policy development process and to establish an agency-wide policy system. Additional OPPA staff will also be used to conduct more evaluations of current FEMA data and performance measures, resulting in refined data and measures that better evaluate FEMA's success. Quantitative performance measures are a requirement for

justifying FEMA's programs throughout the budget process, and this effort will support DHS's FYHSP process.

OPPA's work is essential to providing the data and analysis necessary for FEMA's Administrator to implement the agency's new strategic vision. The office's stronger analytical capacity will ensure the objective prioritization of funding across FEMA's programs, directly advancing the department's strategic priorities.

- **Office of the Chief Financial Officer.** The funding request for the Office of the Chief Financial Officer is \$3,070,000, 20 positions, and 10 FTE.

In FY 2009, the Office of the Chief Financial Officer (OCFO) requests 20 new positions to continue the implementation of a more efficient financial management organization. The additional staff will augment FEMA's current budget personnel so that the OCFO can provide stronger analysis and oversight of agency resource needs and provide better and more comprehensive support to FEMA customers for budget execution support and reporting. The new positions will provide greater support to the budget offices in the program offices and regions. These staff will assist in interpreting and applying program/organizational requirements to the budget process. In addition, six of the new positions would be used to strengthen and expand internal control and financial management policies. These positions would allow FEMA to implement and manage policies and processes for internal controls over financial management and would provide an increased capacity for development and interpretation of financial policy. The funding increase will also be used for professional development/certifications, and the development of tools for budget data analysis.

- **Office of Chief Counsel.** The funding request for the Office of Chief Counsel is \$347,000, 2 positions, and 1 FTE.

The additional positions requested for the Office of Chief Counsel (OCC) will support the department and the agency's regulatory and policy program. With the Post Katrina Emergency Management Reform Act, the 9/11 Act, and other Congressional legislation, FEMA must continually add new regulations, revise existing regulations, and issue guidance. The current regulatory team is overburdened and struggling to meet the demands placed upon them by DHS and agency needs. Faced with the newly implemented requirements on the issuance of significant guidance documents, current staff have been stretched to achieve new goals and have not been able to afford sufficient attention to improving the agency's regulations.

The requested attorneys will draft new regulations, aid in the removal or revision of obsolete and/or inconsistent regulations that often pre-date DHS's creation, assist in issuing guidance to the private sector on homeland security-related matters, and support compliance with new Presidential mandates concerning legal review and processing of significant guidance documents. Without these assets, the agency may continue to be restricted by outdated and obsolete regulations that limit its action. It could fail to meet legislative mandates and may not meet Presidentially mandated requirements with respect to significant guidance documents. Additional attorneys are necessary to ensure that the new FEMA will have the regulatory framework essential to achieving its mission.

The post-Katrina environment has demonstrated that new regulations are critical to effectuating optimal delivery of disaster assistance and customer service. The creation of clear, consistent and

organized regulations and policies would not only allow FEMA and the Department of Homeland Security to run smoothly before, during, and after a disaster, but would allow other agencies within and outside DHS, as well as the general public, to rely upon FEMA regulations with confidence.

- **Office of Management.** The funding request for the Office of Management is \$1,851,000, 5 positions, and 3 FTE.

During FY 2007, the Office of Management (OM) was created as part of the “New FEMA” to better align the agency with lines of business of the department. FEMA’s Office of Management provides oversight and leadership to five service organizations:

- Office of Human Capital (OHC).
- Office of Facilities Management and Support Services (OFM).
- Office of Information Technology Services (OIT).
- Office of Acquisition Management (OAM).
- Office of Security (OS).

The consolidation of these support units under one organization head promotes the integration and synchronization of service across jurisdictions and at all levels of FEMA.

FEMA requests an increase of five positions to be used in the OM Executive Office and Office of Acquisition Management (OAM). These positions will allow the executive level of OM to strengthen its oversight of the service organizations and their ability to support the agency-wide mission. The resources will also help OAM manage the emerging acquisition requirements in an efficient and timely manner. This program increase addresses the lack of staff needed to manage FEMA’s emerging acquisition requirements in an efficient and timely manner and to support managing those acquisitions through their entire lifecycle. Also, this request aids in building an efficient acquisition process that incorporates the right policies, systems, and procedures, supported by the appropriate workload distribution, and establishes contract management as a key skill set within the agency. These resources are crucial to accomplishing as much pre-event procurement as possible, ensuring that when an event occurs all that remains is the order to activate the necessary assets and resources. In addition to staff increases, this request provides funds for the Office of Human Capital to increase FEMA-wide staff and professional development opportunities. Among the items to be included are professional certifications, tuition assistance, and leadership training.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

The requested funding increases support the DHS Strategic Goal of building an effective, nimble emergency response system and a culture of preparedness. The initiatives outlined above are essential as FEMA continues implementation of an improved business approach. These management and administrative activities provide critical support infrastructure without which FEMA’s Mission Programs would fail to achieve their goals. By strengthening FEMA’s capacity to manage its operations and business processes, the agency will be prepared to respond when called to action.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 5:** Mt. Weather Capital Improvement Plan

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4.2 - Preparedness

**PPA:** Operating Activities

Program Increase: Positions: 0 FTE: 0 Dollars: \$10,413

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |          |                  |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|----------|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000)  |
| Current Services Level |                |          |                 |                        |          |                 |                 |          | \$0              |
| Program Increase       |                |          |                 |                        |          |                 | 0               | 0        | \$ 10,413        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$ 10,413</b> |

**Description of Item**

FEMA requests \$10,413,000 to continue upgrading the Mt. Weather Emergency Operations Center (MWEOC) critical and essential infrastructure. These upgrades include mechanical infrastructure improvements, safety enhancements, information technology site improvements, and utility distribution systems. Increased funding will also ensure compliance with environmental laws and regulations.

**Justification**

The infrastructure of Mt. Weather, constructed in the 1950s by President Eisenhower, has exceeded its service life. The Mt. Weather mission is growing as the entire facility requires additional support. This mission provides active support to Federal programs critical to national security, homeland security, and the safety of the American people. The Mt. Weather Steering Committee, which consists of the Executive Office of the President, DHS, FEMA, and other Federal departments and agencies, has requested that Mt. Weather be brought back from 30 years of neglect.

The MWEOC infrastructure upgrades cannot be completed utilizing funds earned solely through the Working Capital Fund, without drastically increasing the fees charged to customers.

Funding from the Mt. Weather tenants generates only enough revenue to maintain current operations. These funds cannot be increased through the tenant's budgetary process in a timely manner to ensure the facility's immediate readiness. Requested funding will also allow FEMA to begin to transition to a tiered structure for tenant revenue, based on prioritized space requirements.

New funding is necessary to ensure the immediate readiness of facilities that house FEMA disaster response support activities, 24-hour watch centers, centralized Automated Data Processing (ADP), protected telecommunications infrastructure as well as essential national security missions and capabilities.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The MWEOC provides a critically important venue to FEMA, DHS, and many other departments and agencies. It allows these entities to maintain critical capability and functionality during catastrophic events. Without continuing to upgrade the critical infrastructure of this government-wide asset, the performance of entities utilizing the MWEOC would be adversely impacted or inoperable if, for example, there were problems with utilities (such as the loss of the East Coast Power Grid). In addition to FEMA, the upgrades to Mt. Weather will impact many DHS components and other agencies outside DHS.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 6:** Fixed Disaster Support Costs – Phase III

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4.1 and 4. 2

**PPA:** Operating Activities

Program Increase: Positions: 298 FTE: 298 Dollars: \$43,485

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |            |                 |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |          |                 |                        |          |                 | 187             | 187        | \$29,418        |
| Program Increase       |                |          |                 |                        |          |                 | 298             | 298        | \$43,485        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        | <b>485</b>      | <b>485</b> | <b>\$72,903</b> |

**Description of Item**

FEMA requests \$43,485,000 to complete the conversion of 4-year CORE employees to permanent Operating Activities positions and resources for activities that are not disaster specific or disaster readiness and support activities.

**Justification**

When the Disaster Support Account of the DRF was administratively created and implemented in 1996, FEMA expected that although the workload associated with disaster recovery and closeout would fluctuate, certain fixed costs and facilities would remain and need to be maintained in order to meet the mission and sustain a ready state. As FEMA’s mission has evolved, the distinction between activities funded through the DSA and through the Operations, Management and Administration appropriation has blurred. Today, both accounts fund similar types of activities/items and provide funds to support the administration of preparedness, mitigation, response, recovery, administrative, and support functions. Funds also are used for line items such as salaries, benefits, travel, rents, purchase of equipment, necessary upgrades, maintenance of information technology systems, maintenance of property, and many other common object classes. For FY 2009, FEMA is requesting to fund these activities in the FEMA Operations, Management and Administration (OMA) account to allow for more efficient administration and increase budgetary discipline and accountability.

Over the past ten years, FEMA has relied on temporary employees hired under the authority of the Stafford Act to staff positions at fixed facilities, headquarters, and regional offices. The current workforce structure has not kept pace with the changing demands and organizational transitions within FEMA and DHS. The level of preparedness and response capability required of FEMA demands a restructuring of its workforce to include a transition of 4-year CORE personnel from temporary employees to permanent full-time employees (PFT). As FEMA’s workload has increased and the

mission has evolved, the Agency has come to rely heavily on workers hired under the temporary authority whose workload remains constant and whose duties are no different from those of Title 5 employees. The only difference between PFT and CORE personnel is that the Stafford Act employees may only work on DRF-funded activities and programs. This has led to inequity issues, and in some cases, inefficiencies because functions and operations that support both DRF-funded and non-DRF funded programs are often identical in nature.

The FY 2007 Homeland Security Appropriations Act, P.L. 109-295, Section 682, provided \$30,000,000 to fund up to 250 permanent staff to replace existing temporary Stafford Act workforce. The FY 2008 Omnibus Bill permitted the transfer of \$60,000,000 from the DRF to OMA to provide FEMA with additional personnel resources to more efficiently and effectively manage both DRF and non-DRF funded operations by establishing a core cadre of full-time, deployable subject matter experts to provide continuity, supervision, and leadership during disaster response and recovery operations. This requested funding will establish permanent base funds to permanently support these positions, thereby completing the transfers initiated in FY 2007 and FY 2008.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

The requested funding increases support the DHS Strategic Goal of building an effective, nimble emergency response system and a culture of preparedness. The initiatives outlined above are essential as FEMA continues implementation of an improved business approach. These management and administrative activities provide critical support infrastructure without which FEMA's Mission Programs would fail to achieve their goals. By strengthening FEMA's capacity to manage its operations and business processes, the agency will be prepared to respond when called to action.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 7:** Fixed Disaster Support Costs – Phase III

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4.1 and 4. 2

**PPA:** Management and Administration Activities

Program Increase: Positions: 0 FTE: 0 Dollars: \$105,515

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |            |                  |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|------------|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE        | Dollars (\$000)  |
| Current Services Level |                |          |                 |                        |          |                 | 203             | 203        | \$22,582         |
| Program Increase       |                |          |                 |                        |          |                 | 0               | 0          | \$105,515        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        | <b>203</b>      | <b>203</b> | <b>\$128,097</b> |

**Description of Item**

FEMA requests an additional \$105,515,000 to complete the transfer of Fixed Disaster Support activities to Management and Administration Activities that are not disaster specific or disaster readiness and support activities.

**Justification**

When the Disaster Support Account of the DRF was administratively created and implemented in 1996, FEMA expected that although the workload associated with disaster recovery and closeout would fluctuate, certain fixed costs and facilities would remain and need to be maintained in order to meet the mission and sustain a ready state. As FEMA’s mission has evolved, the distinction between activities funded through the DSA and through the Operations, Management and Administration appropriation has blurred. Today, both accounts fund similar types of activities/items and provide funds to support the administration of preparedness, mitigation, response, recovery, administrative, and support functions. Funds also are used for line items such as salaries, benefits, travel, rents, purchase of equipment, necessary upgrades, maintenance of information technology systems, maintenance of property, and many other common object classes. For FY 2009, FEMA is requesting to transfer the final resources for these activities into the FEMA Operations, Management and Administration (OMA) account to allow for more efficient administration and increase budgetary discipline and accountability.

Over the past ten years, FEMA has relied on temporary employees hired under the authority of the Stafford Act to staff positions at fixed facilities, headquarters, and regional offices. The current workforce structure has not kept pace with the changing demands and organizational transitions within FEMA and DHS. The level of preparedness and response capability required of FEMA demands a restructuring of its workforce to include a transition of 4-year CORE personnel from temporary

employees to permanent full-time employees (PFT). As FEMA's workload has increased and the mission has evolved, the Agency has come to rely heavily on workers hired under the temporary authority whose workload remains constant and whose duties are no different from those of Title 5 employees. The only difference between PFT and CORE personnel is that the Stafford Act employees may only work on DRF-funded activities and programs. This has led to inequity issues, and in some cases, inefficiencies because functions and operations that support both DRF-funded and non-DRF funded programs are often identical in nature.

The FY 2007 Homeland Security Appropriations Act, P.L. 109-295, Section 682, provided \$30,000,000 to fund up to 250 permanent staff to replace existing temporary Stafford Act workforce. The FY 2008 Omnibus Bill permitted the transfer of \$60,000,000 from the DRF to OMA to provide FEMA with additional personnel resources to more efficiently and effectively manage both DRF and non-DRF funded operations by establishing a core cadre of full-time, deployable subject matter experts to provide continuity, supervision, and leadership during disaster response and recovery operations. This requested funding will enable the transfer of all remaining CORE positions and associated support costs and ensure that the Disaster Relief Fund can be fully utilized for direct disaster costs.

### **Impact on Performance (Relationship of Increase to Strategic Goals)**

The requested funding increases support the DHS Strategic Goal of building an effective, nimble emergency response system and a culture of preparedness. The initiatives outlined above are essential as FEMA continues implementation of an improved business approach. These management and administrative activities provide critical support infrastructure without which FEMA's Mission Programs would fail to achieve their goals. By strengthening FEMA's capacity to manage its operations and business processes, the agency will be prepared to respond when called to action.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 8:** Reduction to Urban Search and Rescue

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4.1 and 4.2

**PPA:** Urban Search and Rescue

Program Decrease: Positions: 0 FTE: 0 Dollars: (\$7,500)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                        |          |                 | 8               | 8        | \$32,500        |
| Program Decrease       |                |          |                 |                        |          |                 | 0               | 0        | (\$7,500)       |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        | <b>8</b>        | <b>6</b> | <b>\$25,000</b> |

**Description**

The Urban Search and Rescue is reduced by (\$7,500,000) programmatically in FY 2009 from FY 2008. The total decrease equals (\$7,500,000) from the FY 2008 enacted level.

**Justification**

The reduction in the Urban Search and Rescue Program is based on several factors including the substantial level of funds awarded over the past five years and a reprioritization of FEMA resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national program to enhance overall preparedness.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The Urban Search and Rescue Program currently supports the strategic goal to build a nimble, effective emergency response system and a culture of preparedness. The reduction in funding will result in a minimal impact on the overall Urban Search and Rescue Program performance.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Operations, Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 9:** Reduction to U.S. Fire Administration

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4. 2

**PPA:** U.S. Fire Administration

Program Decrease: Positions: 0 FTE: 0 Dollars: (\$2,387)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |            |                 |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |          |                 |                        |          |                 | 115             | 115        | \$43,300        |
| Program Decrease       |                |          |                 |                        |          |                 | 0               | 0          | (\$2,387)       |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        | <b>115</b>      | <b>115</b> | <b>\$40,913</b> |

**Description**

The U.S. Fire Administration FY 2009 funding request contains a \$2,387,000 net decrease from FY 2008 enacted level.

**Justification**

The reduction in the U.S. Fire Administration Program is based on several factors including the substantial level of funding over the past five years and a reprioritization of FEMA resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national program to enhance overall preparedness.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The U.S. Fire Administration currently supports the strategic goal to build a nimble, effective emergency response system and a culture of preparedness. The reduction in funding will result in a minimal impact on the overall U.S. Fire Administration Program performance.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management and Administration  
Appropriation Language**

For necessary expenses for *operations*, management, and administration of the Federal Emergency Management Agency, [\$664,000,000] \$957,405,000, including activities authorized by the National Flood Insurance Act of 1968, (42 U.S.C. 4001 et seq.) *as amended*, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, (42 U.S.C. 5121 et seq.) *as amended*, the Earthquake Hazards Reduction Act of 1977, (42 U.S.C. 7701 et seq.) *as amended*, the Defense Production Act of 1950, (50 U.S.C. App. 2061 et seq.) *as amended*, sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), *and* the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.), *as amended* [, and the Post-Katrina Emergency Management Reform Act of 2006 (Public Law 109-295; 120 Stat. 1394)]: *Provided*, That not to exceed \$3,000 shall be for official reception and representation expenses: [*Provided further*, That the President’s budget submitted under section 1105 (a) of title 31, United States Code, shall be detailed by the office for the Federal Emergency Management Agency:] *Provided further*, That of the total amount made available under this heading, [\$32,500,000] \$25,000,000 shall be for the Urban Search and Rescue Response System, of which not to exceed \$1,600,000 may be made available for administrative costs; [and \$6,000,000]: *Provided further*, *That of the total amount made available under this heading no less than \$6,342,000 shall be for the Office of the National Capital Region Coordination: [Provided further*, That for purposes of planning, coordination, execution, and decision-making related to mass evacuation during a disaster, the Governors of the State of West Virginia and the Commonwealth of Pennsylvania, or their designees, shall be incorporated into efforts to integrate the activities of Federal, State and local governments in the National Capital Region, as defined in section 882 of Public Law 107-296, the Homeland Security Act of 2002] *Provided further*, *That of the total amount made available under this heading \$40,913,000 shall be for necessary expenses of the United States Fire Administration and for other purposes, as authorized by the Federal Fire Prevention and Control Act of 1974 and the Homeland Security Act of 2002, as amended. (Department of Homeland Security Appropriations Act, 2008.)*

#### **Explanation of Changes:**

Language to include the United States Fire Administration in the appropriation has been added.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management and Administration  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u>       | <u>FTE</u>        | <u>Amount</u>         |
|---|-------------------|-------------------|-----------------------|
| <b>FY 2007 Actuals</b> .....                          | <b>2,330</b>      | <b>2,321</b>      | <b>557,918</b>        |
| <b>2008 Enacted</b> .....                             | <b>2,593</b>      | <b>2,464</b>      | <b>724,000</b>        |
| <b>Adjustments-to-Base</b>                            |                   |                   |                       |
| Transfers to and from other accounts:                 | ---               | ---               | ---                   |
| Realignment of all funding from USFA account          | 115               | 115               | 40,913                |
| Realignment of administrative cost from DADLP account | 3                 | 3                 | 580                   |
| Total Transfers.....                                  | <u>118</u>        | <u>118</u>        | <u>41,493</u>         |
| Increases   |                   |                   |                       |
| Annualization of FEMA Vision positions.....           | ---               | 129               | 14,689                |
| Annualization of 2008 pay raise.....                  | ---               | ---               | 6,674                 |
| 2009 pay increase.....                                | ---               | ---               | 11,021                |
| GSA Rent.....   | ---               | ---               | 3,115                 |
| FEMA Core Conversion Positions                        | 390               | 390               | ---                   |
| Total Increases.....                                  | <u>390</u>        | <u>519</u>        | <u>35,499</u>         |
| Decreases   |                   |                   |                       |
| Reduction of one time FY 2008 transfer from DRF       | ---               | ---               | (60,000)              |
| Total Decreases.....                                  | <u>---</u>        | <u>---</u>        | <u>(60,000)</u>       |
| <b>Total Adjustments to Base</b> .....                | <b><u>508</u></b> | <b><u>637</u></b> | <b><u>16,992</u></b>  |
| <b>2009 Current Services</b>                          | <b>3,101</b>      | <b>3,101</b>      | <b>740,992</b>        |
| <b>Program Changes</b>                                |                   |                   |                       |
| Program Increases                                     |                   |                   |                       |
| Modernize and Integrate IT Systems                    | ---               | ---               | 20,750                |
| Critical Infrastructure                               | ---               | ---               | 10,000                |
| Shape the Workforce- Operating Activities             | 82                | 41                | 25,721                |
| Shape the Workforce- Administrative Support           | 36                | 18                | 8,029                 |
| COOP- Mt. Weather Infrastructure                      | ---               | ---               | 10,413                |
| Fixed Disaster Support Cost- Phase III                | 298               | 298               | 149,000               |
| Program Decreases                                     |                   |                   |                       |
| Reduction to Urban Search and Rescue                  | ---               | ---               | (7,500)               |
| <b>Total Program Changes</b>                          | <b><u>416</u></b> | <b><u>357</u></b> | <b><u>216,413</u></b> |
| <b>2009 Request</b>                                   | <b>3,517</b>      | <b>3,458</b>      | <b>957,405</b>        |
| <b>2008 to 2009 Total Changes</b>                     | <b><u>924</u></b> | <b><u>994</u></b> | <b><u>233,405</u></b> |

*Note: FY 2008 enacted reflects the \$60 million transfer from the DRF per 110-161*

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management and Administration  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |              |                  |
|--|--------------|--------------|------------------|
|  | Perm. Pos.   | FTE          | Amount           |
| <b>FY 2007 Actual</b>  | <b>2,330</b> | <b>2,321</b> | <b>\$557,918</b> |
| <b>2008 Enacted</b>  | <b>2,593</b> | <b>2,464</b> | <b>724,000</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |              |                  |
| Transfers  | 118          | 118          | 41,493           |
| Increases  | 390          | 519          | 35,499           |
| Decreases  | ---          | ---          | (60,000)         |
| <b>Total Adjustments-to-Base</b>   | <b>508</b>   | <b>637</b>   | <b>16,992</b>    |
| <b>2009 Current Services</b>   | <b>3,101</b> | <b>3,101</b> | <b>740,992</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 416          | 357          | 216,413          |
| <b>2009 Total Request</b>  | <b>3,517</b> | <b>3,458</b> | <b>957,405</b>   |
| 2008 to 2009 Total Change  | 924          | 994          | 233,405          |

| Estimates by Program/Project Activity      | 2008 Enacted |              |                   | 2009 Adjustments-to-Base |            |                  | 2009 Program Change |            |                   | 2009 Request |              |                   | 2008 to 2009 Total Change |            |                   |
|--|--------------|--------------|-------------------|--------------------------|------------|------------------|---------------------|------------|-------------------|--------------|--------------|-------------------|---------------------------|------------|-------------------|
|  | Pos.         | FTE          | Amount            | Pos.                     | FTE        | Amount           | Pos.                | FTE        | Amount            | Pos.         | FTE          | Amount            | Pos.                      | FTE        | Amount            |
| 1 Operating Activities                     | 1,477        | 1,368        | \$ 412,224        | 190                      | 299        | \$ 31,137        | 380                 | 339        | \$ 79,619         | 2,047        | 2,006        | \$ 522,980        | 570                       | 638        | 110,756           |
| 2 management and Administration Activities | 1,088        | 1,074        | 273,276           | 203                      | 217        | (55,400)         | 36                  | 18         | 144,294           | 1,327        | 1,309        | 362,170           | 239                       | 235        | 88,894            |
| 3 United States Fire Administration        | ---          | ---          | ---               | 115                      | 115        | 40,913           | ---                 | ---        | ---               | 115          | 115          | 40,913            | 115                       | 115        | 40,913            |
| 4 National Capital Region Coordination     | 20           | 14           | 6,000             | ---                      | 6          | 342              | ---                 | ---        | ---               | 20           | 20           | 6,342             | ---                       | 6          | 342               |
| 5 Urban Search and Rescue                  | 8            | 8            | 32,500            | ---                      | ---        | ---              | ---                 | ---        | (7,500)           | 8            | 8            | 25,000            | ---                       | ---        | (7,500)           |
| <b>Total</b>                               | <b>2,593</b> | <b>2,464</b> | <b>\$ 724,000</b> | <b>508</b>               | <b>637</b> | <b>\$ 16,992</b> | <b>416</b>          | <b>357</b> | <b>\$ 216,413</b> | <b>3,517</b> | <b>3,458</b> | <b>\$ 957,405</b> | <b>924</b>                | <b>994</b> | <b>\$ 233,405</b> |

Note: FY 2008 enacted reflects the \$60 million transfer from the DRF per 110-161

## D. Summary of Reimbursable Resources

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration**  
Summary of Reimbursable Resources  
(Dollars in Thousands)

| Collections by Source                     | 2007 Actual |           |                | 2008 Estimate |           |                | 2009 Estimate |           |                | Increase/Decrease |            |            |
|---|-------------|-----------|----------------|---------------|-----------|----------------|---------------|-----------|----------------|-------------------|------------|------------|
|   | Pos.        | FTE       | Amount         | Pos.          | FTE       | Amount         | Pos.          | FTE       | Amount         | Pos.              | FTE        | Amount     |
| Dept. of Health & Human Services          | ---         | ---       | 7,792          | ---           | ---       | ---            | ---           | ---       | ---            | ---               | ---        | ---        |
| DOT - RSPA                                | ---         | ---       | 64             | ---           | ---       | 300            | ---           | ---       | 300            | ---               | ---        | ---        |
| DOT - NHTSA                               | ---         | ---       | 103            | ---           | ---       | 200            | ---           | ---       | 200            | ---               | ---        | ---        |
| Department of Agriculture, Forest Service | ---         | ---       | 140            | ---           | ---       | 500            | ---           | ---       | 500            | ---               | ---        | ---        |
| Dept. of Justice                          | ---         | ---       | 288            | ---           | ---       | 300            | ---           | ---       | 300            | ---               | ---        | ---        |
| Department of Defense                     | ---         | ---       | 10,242         | ---           | ---       | 200            | ---           | ---       | 200            | ---               | ---        | ---        |
| US Army - CSEPP                           | 36          | 36        | 73,327         | 36            | 36        | 127,697        | 36            | 36        | 127,697        | ---               | ---        | ---        |
| Department of Interior                    | ---         | ---       | 206            | ---           | ---       | 160            | ---           | ---       | 160            | ---               | ---        | ---        |
| EPA                                       | ---         | ---       | 324            | ---           | ---       | ---            | ---           | ---       | ---            | ---               | ---        | ---        |
| USAID                                     | ---         | ---       | 145            | ---           | ---       | 463            | ---           | ---       | 463            | ---               | ---        | ---        |
| Country of Canada                         | ---         | ---       | 8              | ---           | ---       | ---            | ---           | ---       | ---            | ---               | ---        | ---        |
| Dept. of Homeland Security                | 22          | 22        | 491,688        | ---           | ---       | 27,705         | ---           | ---       | 27,705         | ---               | ---        | ---        |
| <b>Total Budgetary Resources</b>          | <b>58</b>   | <b>58</b> | <b>584,710</b> | <b>36</b>     | <b>36</b> | <b>157,866</b> | <b>36</b>     | <b>36</b> | <b>157,866</b> | <b>---</b>        | <b>---</b> | <b>---</b> |

| Obligations by Program/Project Activity | 2007 Actual |           |                | 2008 Estimate |           |                | 2009 Estimate |           |                | Increase/Decrease |            |            |
|---|-------------|-----------|----------------|---------------|-----------|----------------|---------------|-----------|----------------|-------------------|------------|------------|
|   | Pos.        | FTE       | Amount         | Pos.          | FTE       | Amount         | Pos.          | FTE       | Amount         | Pos.              | FTE        | Amount     |
| Operations Activities                   | 58          | 58        | \$573,016      | 36            | 36        | \$157,866      | 36            | 36        | \$157,866      | ---               | ---        | ---        |
| Management and Administration           | ---         | ---       | \$11,694       | ---           | ---       | ---            | ---           | ---       | ---            | ---               | ---        | ---        |
| <b>Total Obligations</b>                | <b>58</b>   | <b>58</b> | <b>584,710</b> | <b>36</b>     | <b>36</b> | <b>157,866</b> | <b>36</b>     | <b>36</b> | <b>157,866</b> | <b>---</b>        | <b>---</b> | <b>---</b> |

**E. Summary of Requirements by Object Class**  
**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Operations, Management, and Administration**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$155,396         | \$213,780        | \$281,889        | \$68,109              |
| 11.3 Other than full-time permanent                   | \$521             | \$7,270          | \$7,925          | 655                   |
| 11.5 Other Personnel Compensation                     | \$6,623           | \$6,765          | \$10,405         | 3,640                 |
| 11.8 Special Service Pay                              | \$0               | \$0              | \$0              | ---                   |
| 12.1 Benefits   | \$42,725          | \$63,049         | \$91,878         | 28,829                |
| 13.0 Benefits - former                                | \$0               | \$0              | \$0              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$205,266</b>  | <b>\$290,864</b> | <b>\$392,096</b> | <b>\$101,232</b>      |
| Other Object Classes:                                 |                   |                  |                  |                       |
| 21.0 Travel   | \$8,052           | \$11,974         | \$17,078         | 5,104                 |
| 22.0 Transportation of things                         | \$428             | \$2,088          | \$2,166          | 77                    |
| 23.1 GSA rent   | \$23,363          | \$26,000         | \$40,979         | 14,979                |
| 23.2 Other rent                                       | \$3               | \$6,154          | \$6,192          | 38                    |
| 23.3 Communications, utilities, & other misc. charges | \$4,506           | \$11,019         | \$17,873         | 6,854                 |
| 24.0 Printing and reproduction                        | \$4,285           | \$4,273          | \$4,785          | 512                   |
| 25.1 Advisory and assistance services                 | \$38,713          | \$90,190         | \$99,303         | 9,113                 |
| 25.2 Other services                                   | \$160,307         | \$138,913        | \$97,399         | (41,514)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$36,544          | \$42,316         | \$61,419         | 19,103                |
| 25.4 Operation & maintenance of facilities            | \$6,027           | \$10,630         | \$21,566         | 10,936                |
| 25.5 Research and development contracts               | \$0               | \$363            | \$363            | 0                     |
| 25.6 Medical care                                     | \$0               | \$0              | \$0              | ---                   |
| 25.7 Operation and maintenance of equipment           | \$748             | \$5,347          | \$38,900         | 33,553                |
| 25.8 Subsistence and support of persons               | \$4               | \$0              | \$0              | ---                   |
| 26.0 Supplies and materials                           | \$4,456           | \$7,796          | \$10,902         | 3,106                 |
| 31.0 Equipment  | \$16,683          | \$41,241         | \$69,625         | 28,384                |
| 32.0 Land & structures                                | \$74              | \$17,181         | \$44,259         | 27,078                |
| 41.0 Grants/Subsidies/Contributions                   | \$48,461          | \$37,747         | \$32,500         | (5,247)               |
| 42.0 Indemnity  | \$0               | \$0              | \$0              | ---                   |
| 91.0 Unvouchered                                      | \$0               | \$0              | \$0              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$352,653</b>  | <b>\$453,232</b> | <b>\$565,309</b> | <b>\$112,077</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$557,918</b>  | <b>\$744,096</b> | <b>\$957,405</b> | <b>\$213,309</b>      |
| Unobligated balance, start of year                    | (90,862)          | (22,887)         | ---              |                       |
| Unobligated balance, transferred                      | 12,900            | ---              | ---              |                       |
| Unobligated balance, end of year                      | 22,887            | ---              | ---              |                       |
| Rescission per P.L. 110-161                           |                   | 2,791            |                  |                       |
| <b>Total requirements</b>                             | <b>\$502,843</b>  | <b>\$724,000</b> | <b>\$957,405</b> |                       |

*Note: FY 2007 reflects the combined total of the old Administration & Regional Operations (ARO); Readiness, Mitigation, Response & Recovery (RMRR) and the Operations, Management & Administration (OMA) actuals; which reflect supplemental appropriations and transfers from the Preparedness Directorate.*

*Obligation Requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.*

*FY 2008 Enacted reflects \$60 million transfer from the DRF per P.L. 110-161.*

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 51             | 51              | 54              | 3                      |
| Total, EX                        | ---            | ---             | ---             | ....                   |
|                                  |                |                 | ---             | ....                   |
| GS-15                            | 236            | 236             | 244             | 8                      |
| GS-14                            | 422            | 422             | 432             | 10                     |
| GS-13                            | 561            | 824             | 1,672           | 848                    |
| GS-12                            | 623            | 623             | 637             | 14                     |
| GS-11                            | 157            | 157             | 169             | 12                     |
| GS-10                            | 1              | 1               | 1               | ....                   |
| GS-9                             | 129            | 129             | 136             | 7                      |
| GS-8                             | 25             | 25              | 30              | 5                      |
| GS-7                             | 77             | 77              | 89              | 12                     |
| GS-6                             | 18             | 18              | 20              | 2                      |
| GS-5                             | 18             | 18              | 19              | 1                      |
| GS-4                             | 9              | 9               | 11              | 2                      |
| GS-3                             | 1              | 1               | 1               | ....                   |
| GS-2                             | 2              | 2               | 2               | ....                   |
| Other Graded Positions           | ---            | ---             | ---             | ....                   |
| Ungraded Positions               | ---            | ---             | ---             | ....                   |
| <b>Total Permanent Positions</b> | <b>2,330</b>   | <b>2,593</b>    | <b>3,517</b>    | <b>924</b>             |
| Unfilled Positions EOY           | 116            | 123             | 173             | 50                     |
| Total Perm. Employment EOY       | 2,210          | 2,341           | 3,285           | 944                    |
| <b>FTE</b>                       | <b>2,321</b>   | <b>2,464</b>    | <b>3,458</b>    | <b>994</b>             |
| Headquarters                     | 1,740          | 2,003           | 2,300           | <b>297</b>             |
| U.S. Field                       | 590            | 590             | 1,217           | <b>627</b>             |
| Foreign Field                    | ---            | ---             | ---             | ....                   |
| <b>Total Permanent Positions</b> | <b>2,330</b>   | <b>2,593</b>    | <b>3,517</b>    | <b>924</b>             |
| <b>Average ES Salary</b>         | \$ 150,001     | \$ 153,301      | \$ 157,900      | \$ 4,599               |
| <b>Average GS Salary</b>         | \$ 81,711      | \$ 83,509       | \$ 86,014       | \$ 2,505               |
| <b>Average GS Grade</b>          | 12.16          | 12.18           | 12.55           | 0.37                   |

**G. Capital Investment and Construction Initiative Listing**

| INITIATIVE NAME  | FY 2009 FUNDING REQUEST<br>(\$000) |                |        | FUNDING FROM:   |                                  |
|--|------------------------------------|----------------|--------|-----------------|----------------------------------|
|  | Current Services Level             | New Initiative | Total  | Budget Activity | Program/s Name                   |
| Enterprise Records, Documents, and Contents Management System Renamed "DMART - Document Management and Records Tracking" | 1,783                              |                | 1,783  | OMA             | Disaster Assistance Directorate  |
| Alert Warning System (Legacy)  | 5,130                              |                | 5,130  | OMA             | National Continuity Program      |
| ASD Business Management  | 1,828                              |                | 1,828  | OMA             | All FEMA                         |
| FEMA - EASI Integration for Gulf Coast Recovery (2009)   | 1,555                              |                | 1,555  | OMA             | Regional Operations              |
| FEMA Quick Time  | 135                                |                | 135    | OMA             | Grants                           |
| HazardUS (HAZUS)   | 1,003                              |                | 1,003  | OMA             | Mitigation                       |
| Identity Access Control System   | 1,000                              |                | 1,000  | OMA             | All FEMA                         |
| IFMIS Replacement System   | 688                                |                | 688    | OMA             | Grants                           |
| Integrated Public Alert Warning System (IPAWS)   | 28,400                             |                | 28,400 | OMA             | National Continuity Program      |
| Logistics Information Management System (LIMS)   | 677                                |                | 677    | OMA             | Logistics Management Directorate |
| Minor Acquisition System   | 350                                |                | 350    | OMA             | All FEMA                         |
| Minor Personnel Training System  | 750                                |                | 750    | OMA             | All FEMA                         |

|   |           |  |           |     |   |
|---|-----------|--|-----------|-----|---|
| Mitigation Division Administrative Services                 | 720       |  | 720       | OMA | Disaster Assistance Directorate/Grants/<br>Mitigation |
| Mobile Emergency Response Support (MERS)                    | 34,331    |  | 34,331    | OMA | Preparedness  |
| Response Radio Communications                               | 170       |  | 170       | OMA | Disaster Operations Directorate                       |
| Team Alert Notification                                     | 159       |  | 159       | OMA | Disaster Operations Directorate                       |
| The FEMA Integrated Financial Management Information System | 2,722     |  | 2,722     | OMA | All FEMA  |
| National Fire Incident Reporting System (NFIRS)             | 1,179     |  | 1,179     | OMA | Fire/Emergency Prep                                   |
| NETC Learning Resource Center                               | 20,000    |  | 20,000    | OMA | Fire/Emergency Prep                                   |
| USFA Admissions System                                      | 447       |  | 447       | OMA | Fire/Emergency Prep                                   |
| Total Non-IT Total Non- IT investments \$5 million or more  | 0         |  | 0         |     |   |
| Total Non-IT initiatives under \$5 million                  | 0         |  | 0         |     |   |
| Total Non-IT Investments                                    | 0         |  | 0         |     |   |
| Total of IT Investments                                     | \$103,019 |  | \$103,019 |     |   |
| Total all IT and Non-IT Investments                         | \$103,019 |  | \$103,019 |     |   |

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration  
PPA: Operations Activities  
Funding Schedule  
(Dollars in Thousands)**

| PPA: PPA Name                       |  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------------|--|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>              |  |                |                 |                 |                        |
| 11.1                                | Perm Positions                             | \$76,107       | 123,798         | 169,934         | \$46,136               |
| 11.3                                | Other than perm                            | 385            | 4,123           | 4,640           | 517                    |
| 11.5                                | Other per comp                             | 3,057          | 4,027           | 6,647           | 2,620                  |
| 11.8                                | Spec Srvc Pay                              | ---            | 0               | 0               | ---                    |
| 12.1                                | Benefits                                   | 19,945         | 36,379          | 55,246          | 18,867                 |
| 13.0                                | Benefits-former                            | ---            | 0               | 0               | ---                    |
| 21.0                                | Travel                                     | 5,903          | 8,294           | 7,962           | (332)                  |
| 22.0                                | Transportation of things                   | 191            | 1,012           | 1,012           | (0)                    |
| 23.1                                | GSA rent                                   | 1,266          | 494             | 7,764           | 7,270                  |
| 23.2                                | Other rent                                 | 0              | 3,702           | 3,700           | (2)                    |
| 23.3                                | Communication, Utilities, and misc charges | 908            | 8,869           | 9,551           | 682                    |
| 24.0                                | Printing                                   | 3,863          | 3,759           | 3,757           | (2)                    |
| 25.1                                | Advisory & Assistance Services             | 8,652          | 85,682          | 70,901          | (14,781)               |
| 25.2                                | Other Services                             | 85,605         | 48,642          | 55,461          | 6,819                  |
| 25.3                                | Purchase from Govt. Accts.                 | 20,885         | 38,773          | 41,213          | 2,440                  |
| 25.4                                | Operation & maintenance of facilities      | 553            | 9,094           | 9,090           | (4)                    |
| 25.5                                | Research & Development                     | ---            | 0               | 0               | ---                    |
| 25.6                                | Medical care                               | ---            | 0               | 0               | ---                    |
| 25.7                                | Operation & maintenance of equipment       | 192            | 3,544           | 5,188           | 1,644                  |
| 25.8                                | Subsistence & Support of persons           | ---            | 0               | 0               | ---                    |
| 26.0                                | Supplies & materials                       | 2,999          | 4,371           | 6,492           | 2,121                  |
| 31.0                                | Equipment                                  | 10,793         | 31,245          | 49,459          | 18,214                 |
| 32.0                                | Land & Structures                          | 31             | 420             | 6,842           | 6,422                  |
| 41.0                                | Grants/Subsidies/Contributions             | 18,718         | 9,995           | 8,121           | (1,874)                |
| 42.0                                | Indemnity                                  | ---            | 0               | 0               | ---                    |
| 91.0                                | Unvouchered                                | ---            | 0               | 0               | ---                    |
| <b>Total, Operations Activities</b> |  | <b>260,053</b> | <b>426,224</b>  | <b>522,980</b>  | <b>\$96,756</b>        |
| Full Time Equivalents               |  | 1,247          | 1,368           | 2,006           | 638                    |

Note: Obligations requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

**PPA Mission Statement**

Operations Activities include the basic functions of all FEMA’s major mission organizations. The programs funded through this PPA include: the National Preparedness Directorate, the Grant Programs Directorate, the Mitigation Directorate, the Disaster Assistance Directorate, the Disaster Operations Directorate, the Logistics Management Directorate, and National Continuity Programs. These programs directly support FEMA’s primary mission to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$99,494      | \$168,328      | \$236,467      | \$68,139            |

Salaries and Benefits includes costs for 2,006 FTEs. The FY 2009 request includes an increase of \$68,139,045 for inflation, the proposed FY 2009 3 percent salary increase, and 638 additional FTE for annualizations and new budget initiatives.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$5,903       | \$8,294        | \$7,962        | (\$332)             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a decrease of \$332,000 due to the absence of carryover resources under this classification.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$191         | \$1,012        | \$1,012        | (\$0)               |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 reflects no change from the FY 2008 request.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$1,266</b> | <b>\$494</b>   | <b>\$7,764</b> | <b>\$7,270</b>      |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$7,270,000 due to inflation and new budget initiatives with significant space requirements.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | <b>\$0</b>    | <b>\$3,702</b> | <b>\$3,700</b> | <b>(\$2)</b>        |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes a decrease of \$2,000 due to the absence of carryover resources under this classification.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and Misc. Charges</b> | <b>\$908</b>  | <b>\$8,869</b> | <b>\$9,551</b> | <b>\$682</b>        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$682,000 due to inflation.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$3,863</b> | <b>\$3,759</b> | <b>\$3,757</b> | <b>(\$2)</b>        |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes a decrease of \$2,000 due to the absence of carryover resources under this classification.

|   | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|----------------|-----------------|-----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$8,652</b> | <b>\$85,682</b> | <b>\$70,901</b> | <b>(\$14,781)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an decrease of \$14,781 due to the absence of carryover resources under this classification.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$85,605</b> | <b>\$48,642</b> | <b>\$55,461</b> | <b>\$6,819</b>      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes a an increase of \$6,819,000 due to carryover resources under this classification.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$20,885</b> | <b>\$38,773</b> | <b>\$41,213</b> | <b>\$2,440</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$2,440,000 due to inflation and new budget initiatives.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$553</b>  | <b>\$9,094</b> | <b>\$9,090</b> | <b>(\$4)</b>        |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a decrease of \$4,000 due to the absence of carryover resources under this classification.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$192          | \$3,544         | \$5,188         | \$1,644                |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes a increase of \$1,644,000 due to inflation and new budget initiatives.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; Materials</b> | \$2,999        | \$4,371         | \$6,492         | \$2,121                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$2,121,000 due to inflation and new budget initiatives.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$10,793       | \$31,245        | \$49,459        | \$18,214               |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$18,214,000 due to inflation and new budget initiatives, primarily Disaster Operations activities.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$31           | \$420           | \$6,842         | \$6,422                |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$6,422,000 due to inflation and new budget initiatives, mainly Mt. Weather activities.

|                                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$18,718       | \$9,995         | \$8,121         | (\$1,874)              |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes a decrease of \$1,874,000 due to the absence of carryover resources under this classification.

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration  
Management and Administration**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>                        |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$78,085               | 87,917                  | 100,763                 | \$12,846                       |
| 11.3  | Other than perm                            | 134                    | 3,063                   | 3,114                   | \$51                           |
| 11.5  | Other per comp                             | 3,465                  | 2,681                   | 3,475                   | \$794                          |
| 11.8  | Spec Srvc Pay                              | ---                    | 0                       | 0                       | \$0                            |
| 12.1  | Benefits                                   | 22,475                 | 26,098                  | 33,062                  | \$6,964                        |
| 13.0  | Benefits-former                            | ---                    | 0                       | 0                       | \$0                            |
| 21.0  | Travel                                     | 2,021                  | 3,436                   | 8,552                   | \$5,116                        |
| 22.0  | Transportation of things                   | 208                    | 976                     | 974                     | (\$2)                          |
| 23.1  | GSA rent                                   | 22,092                 | 25,506                  | 33,215                  | \$7,709                        |
| 23.2  | Other rent                                 | 3                      | 2,452                   | 2,450                   | (\$2)                          |
| 23.3  | Communication, Utilities, and misc charges | 3,297                  | 2,115                   | 5,030                   | \$2,915                        |
| 24.0  | Printing                                   | 421                    | 484                     | 484                     | (\$0)                          |
| 25.1  | Advisory & Assistance Services             | 29,905                 | 625                     | 24,520                  | \$23,895                       |
| 25.2  | Other Services                             | 71,341                 | 86,901                  | 27,675                  | (\$59,226)                     |
| 25.3  | Purchase from Govt. Accts.                 | 15,462                 | 3,175                   | 17,887                  | \$14,712                       |
| 25.4  | Operation & maintenance of facilities      | 5,473                  | 1,536                   | 6,536                   | \$5,000                        |
| 25.5  | Research & Development                     | ---                    | 363                     | 363                     | \$0                            |
| 25.6  | Medical care                               | 0                      | 0                       | 0                       | \$0                            |
| 25.7  | Operation & maintenance of equipment       | 552                    | 1,803                   | 33,712                  | \$31,909                       |
| 25.8  | Subsistence & Support of persons           | 4                      | 0                       | 0                       | \$0                            |
| 26.0  | Supplies & materials                       | 1,387                  | 3,321                   | 3,628                   | \$307                          |
| 31.0  | Equipment                                  | 5,774                  | 9,990                   | 19,314                  | \$9,324                        |
| 32.0  | Land & Structures                          | 42                     | 16,761                  | 37,417                  | \$20,656                       |
| 41.0  | Grants/Subsidies/Contributions             | 7,385                  | 169                     | 0                       | (\$169)                        |
| 42.0  | Indemnity                                  | ---                    | 0                       | 0                       | \$0                            |
| 91.0  | Unvouchered                                | ---                    | 0                       | 0                       | \$0                            |
| <b>Total, Management and Administration</b> |  | <b>\$269,525</b>       | <b>\$279,373</b>        | <b>\$362,171</b>        | <b>\$82,798</b>                |
| Full Time Equivalents                       |  | 1,315                  | 1,074                   | 1,309                   | 235                            |

*Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.*

**PPA Mission Statement**

The Management & Administrative Activities PPA includes the full range of mission-critical administrative support functions. This PPA funds the full-range of FEMA's administrative offices, including the Office of the Administrator, the Office of Management, the Office of External Affairs, the Office of the Chief Financial Officer, the Office of Policy and Program Analysis, and the Office of Regional Operations. The activities of these organizations are essential in FEMA's pursuit of an enhanced business approach to achieving results. These organizations provide the finance, budget, human resource, and information systems support capabilities designed and scaled to enhance FEMA's mission success.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|------------------------------|------------------|------------------|------------------|---------------------|
|                              | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$104,159</b> | <b>\$119,758</b> | <b>\$140,414</b> | <b>\$20,656</b>     |

Salaries and Benefits includes costs for 1,309 FTEs. The FY 2009 request includes an increase of \$20,656,000 for inflation, the proposed FY 2009 3 percent salary increase, annualization of FY08 positions and new budget initiatives, and an increase of 235 FTE.

|               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|----------------|----------------|----------------|---------------------|
|               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$2,021</b> | <b>\$3,436</b> | <b>\$8,552</b> | <b>\$5,116</b>      |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$5,116,000 due to inflation, new budget initiatives, and a reduction in carryover resources.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | <b>\$208</b>  | <b>\$976</b>   | <b>\$974</b>   | <b>(\$2)</b>        |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes a decrease of \$2,000 due to a reduction in carryover resources.

|                 | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------|-----------------|-----------------|-----------------|---------------------|
|                 | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$22,092</b> | <b>\$25,506</b> | <b>\$33,215</b> | <b>\$7,709</b>      |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$7,709,000 due to inflation, new budget initiatives, and a reduction in carryover resources.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | <b>\$3</b>    | <b>\$2,452</b> | <b>\$2,450</b> | <b>(\$2)</b>        |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes a decrease of \$2,000 due to a reduction in carryover resources.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and Misc Charges</b> | <b>\$3,297</b> | <b>\$2,115</b> | <b>\$5,030</b> | <b>\$2,915</b>      |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$2,915,000 due to inflation and new budget initiatives.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$421</b>  | <b>\$484</b>   | <b>\$484</b>   | <b>(\$0)</b>        |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-----------------|----------------|-----------------|---------------------|
|   | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$29,905</b> | <b>\$625</b>   | <b>\$24,520</b> | <b>\$23,895</b>     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$23,895,000 due to inflation, new budget initiatives; specifically the transition of Disaster Support activities.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$71,341</b> | <b>\$86,901</b> | <b>\$27,675</b> | <b>(\$59,226)</b>   |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an decrease of \$59,226 due to the absence of carryover resources under this classification.

|  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$15,462</b> | <b>\$3,175</b> | <b>\$17,887</b> | <b>\$14,712</b>     |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$14,712,000 due to inflation and new budget initiatives, mainly IT related activities.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$5,473</b> | <b>\$1,536</b> | <b>\$6,536</b> | <b>\$5,000</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$5,000,000 due to inflation and new budget initiatives.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$0</b>    | <b>\$363</b>   | <b>\$363</b>   | <b>\$0</b>          |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request reflects no changes from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---|---------------|----------------|-----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$552</b>  | <b>\$1,803</b> | <b>\$33,712</b> | <b>\$31,909</b>     |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$31,909,000 due to inflation and new budget initiatives.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; Materials</b> | <b>\$1,387</b> | <b>\$3,321</b> | <b>\$3,628</b> | <b>\$307</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$307,000 due to inflation and new budget initiatives.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|----------------|----------------|-----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$5,774</b> | <b>\$9,990</b> | <b>\$19,314</b> | <b>\$9,324</b>      |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$9,324,000 due inflation and new budget initiatives, mainly IT activities.

|                              | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------------------|---------------|-----------------|-----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$42</b>   | <b>\$16,761</b> | <b>\$37,417</b> | <b>\$20,656</b>     |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes an increase of \$20,656,000 due to inflation and new budget initiatives.

|                                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|----------------|----------------|----------------|---------------------|
|                                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$7,385</b> | <b>\$169</b>   | <b>\$0</b>     | <b>(\$169)</b>      |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes a decrease of \$169,000 due to a reduction in carryover resources.

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration  
United States Fire Administration**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>   |   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b> |   |                         |                         |                         |                                |
| 11.1                   | Perm Positions                              | \$0                     | \$0                     | \$8,916                 | \$8,916                        |
| 11.3                   | Other than perm                             | ---                     | ---                     | \$87                    | \$87                           |
| 11.5                   | Other per comp                              | ---                     | ---                     | \$226                   | \$226                          |
| 11.8                   | Spec Srvc Pay                               | ---                     | ---                     | \$0                     | ---                            |
| 12.1                   | Benefits                                    | ---                     | ---                     | \$2,909                 | \$2,909                        |
| 13.0                   | Benefits-former                             | ---                     | ---                     | ---                     | ---                            |
| 21.0                   | Travel                                      | ---                     | ---                     | 320                     | \$320                          |
| 22.0                   | Transportation of things                    | ---                     | ---                     | 80                      | \$80                           |
| 23.1                   | GSA rent                                    | ---                     | ---                     | ---                     | ---                            |
| 23.2                   | Other rent                                  | ---                     | ---                     | 42                      | \$42                           |
| 23.3                   | Communication, Utilities, and misc. charges | ---                     | ---                     | 3,257                   | \$3,257                        |
| 24.0                   | Printing                                    | ---                     | ---                     | 514                     | \$514                          |
| 25.1                   | Advisory & Assistance Services              | ---                     | ---                     | ---                     | ---                            |
| 25.2                   | Other Services                              | ---                     | ---                     | 10,893                  | \$10,893                       |
| 25.3                   | Purchase from Govt. Accts.                  | ---                     | ---                     | 1,909                   | \$1,909                        |
| 25.4                   | Operation & maintenance of facilities       | ---                     | ---                     | 5,940                   | \$5,940                        |
| 25.5                   | Research & Development                      | ---                     | ---                     | ---                     | ---                            |
| 25.6                   | Medical care                                | ---                     | ---                     | ---                     | ---                            |
| 25.7                   | Operation & maintenance of equipment        | ---                     | ---                     | ---                     | ---                            |
| 25.8                   | Subsistence & Support of persons            | ---                     | ---                     | ---                     | ---                            |
| 26.0                   | Supplies & materials                        | ---                     | ---                     | 678                     | \$678                          |
| 31.0                   | Equipment                                   | ---                     | ---                     | 847                     | \$847                          |
| 32.0                   | Land & Structures                           | ---                     | ---                     | ---                     | ---                            |
| 41.0                   | Grants/Subsidies/Contributions              | ---                     | ---                     | 4,296                   | \$4,296                        |
| 42.0                   | Indemnity                                   | ---                     | ---                     | ---                     | ---                            |
| 91.0                   | Unvouchered                                 | ---                     | ---                     | ---                     | ---                            |
| <b>Total, USFA</b>     |   | <b>\$0</b>              | <b>\$0</b>              | <b>\$40,913</b>         | <b>\$40,913</b>                |
| Full Time Equivalents  |   |                         |                         | 115                     | 115                            |

**PPA Mission Statement**

The mission of the United States Fire Administration (USFA) is to reduce life and economic losses due to fire and related emergencies through leadership, coordination, and support. USFA prepares the Nation’s fire responders through on-going and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all-hazard and terrorism emergencies of all kinds.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$0                     | \$12,137                | \$12,137                       |

Salaries and Benefits includes costs for 115 FTEs. The FY 2009 request includes an increase of \$12,137,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$0                     | 320                     | \$320                          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$320,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$0                     | \$80                    | \$80                           |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes an increase of \$80,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$42</b>    | <b>\$42</b>         |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$42,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and Misc. Charges</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$3,257</b> | <b>\$3,257</b>      |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$3,257,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$514</b>   | <b>\$514</b>        |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$514,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$0</b>     | <b>10,893</b>  | <b>\$10,893</b>     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes an increase of \$10,893,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$1,909</b> | <b>\$1,909</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$1,909,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$5,940</b> | <b>\$5,940</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$5,940,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$678</b>   | <b>\$678</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes an increase of \$678,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$847</b>   | <b>\$847</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$847,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

|                                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|---------------|----------------|----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$4,296</b> | <b>\$4,296</b>      |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes an increase of \$4,296,000 due to both the realignment of the USFA appropriation to the FEMA Operations, Management and Administration appropriation plus inflation.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Operations, Management, and Administration**  
**National Capitol Region Coordination**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>                              |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                            |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$586                  | \$1,424                 | \$1,634                 | \$210                          |
| 11.3  | Other than perm                            | 1                      | 84                      | 84                      | 0                              |
| 11.5  | Other per comp                             | 68                     | 42                      | 42                      | 0                              |
| 11.8  | Spec Srvc Pay                              | ---                    | ---                     | 0                       | ---                            |
| 12.1  | Benefits                                   | 144                    | 401                     | 491                     | 90                             |
| 13.0  | Benefits-former                            | ---                    | ---                     | 0                       | ---                            |
| 21.0  | Travel                                     | 8                      | 34                      | 34                      | ---                            |
| 22.0  | Transportation of things                   | 0                      | ---                     | 0                       | ---                            |
| 23.1  | GSA rent                                   | 4                      | ---                     | 0                       | ---                            |
| 23.2  | Other rent                                 | ---                    | ---                     | 0                       | ---                            |
| 23.3  | Communication, Utilities, and misc charges | 5                      | ---                     | 0                       | ---                            |
| 24.0  | Printing                                   | 1                      | ---                     | 0                       | ---                            |
| 25.1  | Advisory & Assistance Services             | 156                    | 3,822                   | 3,822                   | ---                            |
| 25.2  | Other Services                             | 576                    | 6                       | 6                       | ---                            |
| 25.3  | Purchase from Govt. Accts.                 | 198                    | 168                     | 210                     | 42                             |
| 25.4  | Operation & maintenance of facilities      | 1                      | ---                     | 0                       | ---                            |
| 25.5  | Research & Development                     | ---                    | ---                     | 0                       | ---                            |
| 25.6  | Medical care                               | ---                    | ---                     | 0                       | ---                            |
| 25.7  | Operation & maintenance of equipment       | 4                      | ---                     | 0                       | ---                            |
| 25.8  | Subsistence & Support of persons           | ---                    | ---                     | 0                       | ---                            |
| 26.0  | Supplies & materials                       | 16                     | 19                      | 19                      | ---                            |
| 31.0  | Equipment                                  | 86                     | ---                     | 0                       | ---                            |
| 32.0  | Land & Structures                          | 2                      | ---                     | 0                       | ---                            |
| 41.0  | Grants/Subsidies/Contributions             | 133                    | ---                     | 0                       | ---                            |
| 42.0  | Indemnity                                  | ---                    | ---                     | 0                       | ---                            |
| 91.0  | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, National Capitol Region Coordinatio</b> |  | <b>\$1,989</b>         | <b>\$6,000</b>          | <b>\$6,342</b>          | <b>\$342</b>                   |
| Full Time Equivalents                             |  | 7                      | 14                      | 20                      | 6                              |

**PPA Mission Statement**

National Capital Region Coordination (NCRC) program advances homeland security, including all hazards preparedness, in the National Capital Region. The program serves as a model for other regions of the country. NCRC focuses on developing and refining a common regional approach to homeland security that results in integrated strategies and interoperability among Federal, State, local, regional and private/non-profit stakeholders. NCRC’s primary responsibilities include coordinating and participating in programs and initiatives aimed at enhancing the homeland security posture of the region. NCRC also plays valuable roles in events, drills, and exercises that occur annually in the NCR. NCRC also serves as a principal in the NCR’s regional governance structure and coordinates with the NCR’s Regional Emergency Support Functions (R-ESFs) to improve preparedness in the NCR.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$946                  | \$1,951                 | \$2,251                 | \$300                          |

Salaries and Benefits includes costs for 20 FTEs. The FY 2009 request includes an increase of \$300,000 for the 3 percent salary increase.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$8                    | \$34                    | \$34                    | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no changes from FY 2008.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$156                  | \$3,822                 | \$3,822                 | \$0                            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$576                  | \$6                     | \$6                     | \$0                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$198</b>  | <b>\$168</b>   | <b>\$210</b>   | <b>\$42</b>         |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects an increase of \$42,000 from FY 2008.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; Materials</b> | <b>\$16</b>   | <b>\$19</b>    | <b>\$19</b>    | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Operations, Management, and Administration**  
**Urban Search and Rescue**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>                  |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                |  |                        |                         |                         |                                |
| 11.1                                  | Perm Positions                             | \$617                  | \$642                   | \$642                   | \$0                            |
| 11.3                                  | Other than perm                            | 1                      | ---                     | 0                       | ---                            |
| 11.5                                  | Other per comp                             | 34                     | 15                      | 15                      | 0                              |
| 11.8                                  | Spec Srvc Pay                              | ---                    | ---                     | 0                       | ---                            |
| 12.1                                  | Benefits                                   | 162                    | 171                     | 171                     | ---                            |
| 13.0                                  | Benefits-former                            | ---                    | ---                     | 0                       | ---                            |
| 21.0                                  | Travel                                     | 120                    | 210                     | 210                     | ---                            |
| 22.0                                  | Transportation of things                   | 28                     | 100                     | 100                     | ---                            |
| 23.1                                  | GSA rent                                   | ---                    | ---                     | 0                       | ---                            |
| 23.2                                  | Other rent                                 | ---                    | ---                     | 0                       | ---                            |
| 23.3                                  | Communication, Utilities, and misc charges | 296                    | 35                      | 35                      | ---                            |
| 24.0                                  | Printing                                   | ---                    | 30                      | 30                      | ---                            |
| 25.1                                  | Advisory & Assistance Services             | ---                    | 60                      | 60                      | ---                            |
| 25.2                                  | Other Services                             | 2,785                  | 3,364                   | 3,364                   | ---                            |
| 25.3                                  | Purchase from Govt. Accts.                 | ---                    | 200                     | 200                     | ---                            |
| 25.4                                  | Operation & maintenance of facilities      | ---                    | ---                     | 0                       | ---                            |
| 25.5                                  | Research & Development                     | ---                    | ---                     | 0                       | ---                            |
| 25.6                                  | Medical care                               | ---                    | ---                     | 0                       | ---                            |
| 25.7                                  | Operation & maintenance of equipment       | ---                    | ---                     | 0                       | ---                            |
| 25.8                                  | Subsistence & Support of persons           | ---                    | ---                     | 0                       | ---                            |
| 26.0                                  | Supplies & materials                       | 53                     | 85                      | 85                      | ---                            |
| 31.0                                  | Equipment                                  | 30                     | 5                       | 5                       | 0                              |
| 32.0                                  | Land & Structures                          | ---                    | ---                     | 0                       | ---                            |
| 41.0                                  | Grants/Subsidies/Contributions             | 22,225                 | 27,583                  | 20,083                  | (7,500)                        |
| 42.0                                  | Indemnity                                  | ---                    | ---                     | 0                       | ---                            |
| 91.0                                  | Unvouchered                                | ---                    | ---                     | 0                       | ---                            |
| <b>Total, Urban Search and Rescue</b> |  | <b>\$26,350</b>        | <b>\$32,500</b>         | <b>\$25,000</b>         | <b>(7,500)</b>                 |
| Full Time Equivalents                 |  | 8                      | 8                       | 8                       | ---                            |

**PPA Mission Statement**

The National US&R Response System is comprised of 28 task forces that provide a coordinated, national, all-risk capability to assist State and local governments in responding to structural collapse incidents when the President declares a major disaster or emergency under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). These task forces are highly trained and possess the necessary expertise to extricate and medically treat victims in heavy rescue situations. In FY 2009, FEMA will use funding to operate and train the existing task forces, maintain the equipment caches, and replace/repair equipment that has been used in training and actual disasters. In addition, FEMA will enhance the teams' operational capabilities for responding to incidents involving weapons of mass destruction (WMDs).

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$814                  | \$828                   | \$828                   | \$0                            |

Salaries and Benefits include costs for 8 FTEs and 8 positions. The FY 2009 request reflects no change from FY 2008.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$120                  | \$210                   | \$210                   | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$28                   | \$100                   | \$100                   | \$0                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Changes</b> | \$296                  | \$35                    | \$35                    | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request reflects no change from FY 2008.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$30                    | \$30                    | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$0</b>    | <b>\$60</b>    | <b>\$60</b>    | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$2,785</b> | <b>\$3,364</b> | <b>\$3,364</b> | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$0</b>    | <b>\$200</b>   | <b>\$200</b>   | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$53</b>   | <b>\$85</b>    | <b>\$85</b>    | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$30</b>   | <b>\$5</b>     | <b>\$5</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

|                                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                       | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$22,225</b> | <b>\$27,583</b> | <b>\$20,083</b> | <b>(\$7,500)</b>    |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects a decrease of \$7,500,000 for grants.

## I. Changes in FTE

**Department of Homeland Security  
Federal Emergency Management Agency  
Operations, Management, and Administration  
Changes in Full-Time Equivalents**

|   | FY 2007      | FY 2008      | FY 2009      |
|---|--------------|--------------|--------------|
| Base: Year-end Actual from Prior Year                         | 1,621        | 2,321        | 2,464        |
| <b>INCREASES</b>  |              |              |              |
| Increase #1: Conversion of 4-Year CORE positions to PFT       | 110          |              | 688          |
| Increase #2: Transfers from National Preparedness             | 34           |              |              |
| Increase #3: New positions established through reprogramming  | 190          |              |              |
| Increase #4: New Initiatives- FEMA Vision Positions           | 180          | 127          | 58           |
| Increase #5: New Initiatives - NCRC                           |              | 7            |              |
| Increase #6: Annualizations of Prior year position increases  |              | 9            | 130          |
| Increase #7: Catch-up on Hiring Lag during FY07               | 106          |              |              |
| Increase #8: Transfer of FTE from USFA and DADLPA             |              |              | 118          |
| <b>Sub-Total Increases</b>                                    | <b>620</b>   | <b>143</b>   | <b>994</b>   |
| <b>DECREASES</b>  |              |              |              |
| Decrease #1: National Disaster Medical System Transfer to HHS | (80)         |              |              |
| <b>Sub-Total Decreases</b>                                    | <b>(80)</b>  | <b>0</b>     | <b>0</b>     |
| <b>Year-end Actual/Estimated FTEs</b>                         | <b>2,321</b> | <b>2,464</b> | <b>3,458</b> |
| Net Change from prior year base to Budget Year Estimate:      | 700          | 143          | 994          |

# Department of Homeland Security

*Federal Emergency Management Agency  
State and Local Programs*

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Fiscal Year 2009  
Congressional Budget Submission

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **STATE AND LOCAL PROGRAMS**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation:**

Through the appropriation for State and Local Programs, FEMA fulfills its role as the principal component of the Department of Homeland Security (DHS) responsible for preparing state and local governments to prevent, protect against, respond to and recover from incidents of terrorism and other catastrophic events. The appropriation provides for grants, training, exercises and other support to assist federal agencies, states, territories, tribal, and local jurisdictions to prepare for terrorism and major disasters. State and Local Program funds are administered by two different organizations within FEMA, both created in 2007 – the Grant Programs Directorate (GPD) and the National Preparedness Directorate (NPD).

#### **B. Budget Activities:**

##### Management and Administration

Management and Administration (M&A) requirements for State and Local Programs (SLP) are funded from a percentage of grants and training funds. Up to three percent of the M&A will be transferred to the FEMA Operations, Management and Administration (OMA) appropriation. Those resources are distributed to the National Preparedness and Grant Programs Directorates to support the full range SLP administrative activities, including contributions to the Departmental working capital contributions.

##### Grant Programs Directorate

In support of the National Preparedness Guidelines and the National Strategy for Homeland Security of 2007, FEMA's Fiscal Year (FY) 2009 budget for State and Local Programs divides a portfolio of nine homeland security grant programs into two focus areas: Prevention and Protection Programs; and Response and Recovery Programs. A third category, Other State and Local Support Programs, covers exercises, training, technical assistance and evaluations.

#### **Prevention & Protection Programs:**

Prevention & Protection Programs include seven grant programs which provide resources to support preparedness projects that build state and local capabilities to support the Prevention and Protection mission areas as outlined in the National Preparedness Guidelines, the Target Capabilities List, and National Strategy for Homeland Security of 2007. The first of these programs is the State Homeland Security Program (SHSP). This program awards grants to all 50 states, the District of Columbia, Puerto Rico and four U.S. territories on the basis of risk and need. A second state program, the National Security and Terrorism Prevention Grant Program, provides competitive grants to state and local agencies to fund specific projects which address national vulnerabilities identified by the

Secretary. In FY 2009, this program will include support for REAL ID implementation initiatives as well as buffer zone protection projects for select critical infrastructure.

Prevention & Protection Programs also includes the Urban Area Security Initiative (UASI) which provides funding to support regional collaboration on enhanced security and terrorism readiness in the Nation's highest risk urban areas. In support of these efforts, there is also a suite of four targeted grant programs which support Transportation Infrastructure Protection. These programs are designed to enhance prevention and protection capabilities at the Nation's critical economic and transportation assets. Funding is allocated on the basis of DHS' assessment of the risk of terrorist attacks at key mass transit systems, port assets, and other key transportation infrastructure sites.

### **Response & Recovery Programs:**

Response & Recovery Programs include two additional grant programs which provide resources to support preparedness projects that build state and local capabilities to support the Response and Recovery mission area as outlined in the National Preparedness Guidelines, the Target Capabilities List, and National Strategy for Homeland Security of 2007. The first of these programs is the Emergency Management and Performance Grants (EMPG) Program. The EMPG Program provides funds to support emergency management initiatives at the state and local level, and improve mitigation, preparedness, response, and recovery capabilities for all hazards. The second program, the Citizen Corps Grant Program (CCP), is the Department's grass-roots initiative to actively involve all citizens in hometown preparedness through personal readiness, training, and volunteer service.

In addition to these two programs, the Grant Programs Directorate also supports state and local response and recovery capabilities by administering direct grants to the Nation's fire departments for equipment, training, and fire prevention activities through the Assistance to Firefighters Grant Program (AFG). AFG is detailed separately under the Assistance to Firefighters Grants request justification.

### **Other State and Local Support Programs:**

#### National Exercise Programs (NEP)

The National Exercise Program oversees the Department's federal, state and local exercise programs, which includes the Top Officials (TOPOFF) exercise series. It is responsible for testing the capacity, at all levels of government, to effectively implement best practices, take corrective action on lessons learned, and deploy response plans and assets efficiently and effectively.

#### State and Local Training Programs

The State and Local Training Program manages the development of, and approves training to prepare emergency responders for a Weapon of Mass Destruction (WMD) terrorism event. This program identifies and addresses training needs of state and local communities and prioritizes those needs to facilitate the identification of existing and new funding for course development. This program also includes the Center for Domestic Preparedness—the only WMD training facility that provides hands-on training to civilian emergency responders in a toxic chemical agent environment—and the National Domestic Preparedness Consortium, which includes four training institutions which specialize in delivering CBRNE-related training to America's first responders.

### Technical Assistance (TA) Program

The TA program provides direct assistance to state, regional, local, and tribal jurisdictions to improve their ability to enhance their capabilities to prevent, protect against, respond to, and recover from major events, including threats or acts of terrorism. A primary objective of the program is to enhance the capacity of state and local jurisdictions, as well as special needs jurisdictions (e.g., port authorities and mass transit agencies) to develop, plan, and implement effective preparedness strategies for chemical, biological, radiological, nuclear, and explosive (CBRNE) incidents and other major events.

### Evaluations and National Assessments

Through Evaluations and Assessments, FEMA is working to implement a comprehensive system to measure the effectiveness of DHS programs, including HSPD-8 and the impact on our national readiness. Many of the measures in the National Preparedness Guidelines (NPG) will gauge the accomplishment of key milestones and events that will contribute to improved performance. The measures in the NPG all contribute to critical outcomes, and are most appropriately described as indicator measures of national preparedness. This program gathers, analyzes, and interprets national and program specific data. As the focal point for information collection and evaluation, this program reviews and assesses the execution of State Strategies against the supporting threat, vulnerability, and needs assessment data.

### **C. Budget Request Summary:**

In FY 2009, FEMA requests 278 positions, 278 FTE, and \$1,900,000,000 for State and Local Programs. The total adjustments-to-base, excluding emergency funding provided in P.L. 110-161, is 0 FTE and a decrease of \$1,467,800,000 from the FY 2008 enacted level. The FY 2009 request proposes a new PPA structure and includes \$1.9 billion to fund the following:

**(1) PPA – Homeland Security Prevention and Protection Programs (\$1,540,000,000):** In FY 2009, FEMA requests \$1,540 million for Homeland Security Prevention and Protection Programs, which includes Urban Area Security Initiative (UASI) Grants, the State Homeland Security Program (SHSP), the National Security and Terrorism Prevention Grant Program, and a suite of Transportation and Port Security Grants. Due to efficiencies in the grant programs and limited budgetary resources, FEMA requests a decrease of \$1,157,500,000 from FY 2008. The decrease is partially offset by a request for new funding for a national competitive grant program and increases for UASI and the Over-the-Road Bus Security Grants.

**(2) PPA – Homeland Security Response and Recovery Programs (\$215,000,000):** In FY 2009, FEMA requests \$215 million for Homeland Security Response and Recovery Programs, which includes Emergency Management Performance Grants (EMPG), and the Citizen Corps Program (CCP). Due to efficiencies in the grant programs and limited budgetary resources, FEMA requests a decrease of \$261,000,000 from FY 2008.

**(3) PPA – Other State and Local Support Programs (\$145,000,000):** In FY 2009, FEMA requests \$145 million for Other State and Local Support Programs, which includes the National Exercise Programs, Technical Assistance Program, Evaluations and Assessments, and State and Local Training Programs. Due to efficiencies and overlap across all FEMA programs and limited budgetary resources, FEMA requests a decrease of \$179,300,000 from FY 2008.

# I-A. Crosswalk Table for New PPA Proposed Structure

## State and Local Programs and Firefighter Grants

Dollars in Thousands

| BUDGET ACTIVITY  |   | FY07             | FY08             | BUDGET ACTIVITY   |  | FY09             |
|--|---|------------------|------------------|---|--|------------------|
|  |   | Revised          | Enacted**        | (proposed structure for FY09)                               |  | Request          |
|  |   | Enacted*         |                  |   |  |                  |
| <b>State and Local Programs</b>                          |   |                  |                  |   |  |                  |
| <b>State Preparedness Grants Program</b>                 |   | <b>1,198,000</b> | <b>1,356,000</b> | <b>Homeland Security Prevention and Protection Programs</b> |  | <b>1,540,000</b> |
| 1  | State Homeland Security Grants                    | 525,000          | 890,000          | 1   | Urban Area Security Initiative (UASI)                    | 825,000          |
| 2  | Citizen Corps                                     | 15,000           | 15,000           | 1   | State Homeland Security Grant Program (SHSGP)            | 200,000          |
| 1  | Law Enforcement Terrorism Prevention Program      | 375,000          | ****             | 1   | Law Enforcement Terrorism Prevention Program (LETPP)     | ****             |
| 1  | Stonegarden**                                     | -                | 60,000           | 1   | Stonegarden  | -                |
| 2  | Metropolitan Medical Response System              | 33,000           | 41,000           | 1   | National Security and Terrorism Prevention (REAL ID/BZP) | 110,000          |
| 2  | Emergency Management Performance Grants           | 250,000          | 300,000          | 1   | Real ID Grants   | -                |
| 1  | Real ID Grants**                                  | -                | 50,000           | 1   | Buffer Zone Protection Grants (BZP)                      | -                |
| 1  | National Security and Terrorism Prevention Grants | -                | -                | 1   | Port Security Grants                                     | 210,000          |
|  |   |                  |                  | 1   | Rail/Transportation Security Grants                      | 175,000          |
|  |   |                  |                  | 1   | Over-the-Road Bus Security Grants                        | 12,000           |
|  |   |                  |                  | 1   | Trucking Industry Security Grants                        | 8,000            |
| <b>Targeted Infrastructure Capability Grants Program</b> |   | <b>1,474,000</b> | <b>1,817,500</b> | <b>Homeland Security Response and Recovery Programs</b>     |  | <b>215,000</b>   |
| 1  | UASI Regional Grants                              | 770,000          | 820,000          | 2   | Assistance to Firefighter Grants (AFG)***                | -                |
| 1  | Port Security Grants*                             | 320,000          | 400,000          | 2   | Fire Grants  | [300000]         |
| 1  | Rail/Transportation Security Grants*              | 275,000          | 400,000          | 2   | SAFER Grants   | -                |
| 1  | Over-the-Road Bus Security Grants                 | 12,000           | 11,500           | 2   | Emergency Management Performance Grants                  | 200,000          |
| 1  | Buffer Zone Protection Grants                     | 50,000           | 50,000           | 2   | Metropolitan Medical Response System (MMRS)              | -                |
| 1  | Trucking Industry Security Grants                 | 12,000           | 16,000           | 2   | Citizen Corps Program (CCP)                              | 15,000           |
| 2  | Regional Catastrophic Preparedness*               | 35,000           | 35,000           | 2   | Regional Catastrophic Preparedness                       | -                |
| 2  | Interoperable Emergency Comm. Grants              | -                | 70,000           | 2   | Interoperable Emergency Comm. Grants                     | -                |
| 2  | Emergency Operations Centers                      | -                | 15,000           | 2   | Emergency Operations Centers                             | -                |
| 3  | <b>National Exercise Programs</b>                 | <b>49,000</b>    | <b>50,000</b>    | <b>Other State and Local Support Programs</b>               |  | <b>145,000</b>   |
| <b>State and Local Training Program</b>                  |   | <b>223,500</b>   | <b>218,300</b>   | 3   | Commerical Equip Direct Assist. Program                  | -                |
| 3  | Continuing and Emerging Training Grants           | 31,000           | 31,000           | 3   | Continuing Training Grants                               | -                |
| 3  | Center for Domestic Preparedness                  | 62,500           | 62,500           | 3   | Demonstration Training Grants                            | -                |
| 3  | National Domestic Preparedness Consortium         | 88,000           | 88,000           | 3   | National Domestic Preparedness Consortium                | 32,000           |
| 3  | Demonstration Training Grants                     | 30,000           | 28,000           | 3   | Center for Domestic Preparedness                         | 47,000           |
| 3  | Rural Domestic Preparedness Consortium            | 12,000           | 8,800            | 3   | Rural Domestic Preparedness Consortium                   | -                |
| 3  | <b>Technical Assistance Program*</b>              | <b>8,000</b>     | <b>12,000</b>    | 3   | National Exercise Programs                               | 40,000           |
| 3  | <b>Evaluation and National Assessment Program</b> | <b>19,000</b>    | <b>19,000</b>    | 3   | Technical Assistance Program                             | 10,000           |
| 3  | <b>Commerical Equip Direct Assist. Program</b>    | <b>50,000</b>    | <b>25,000</b>    | 3   | Evaluations and Assessments (PPPA)                       | 16,000           |
| 3  | <b>Management and Administration</b>              |                  | <b>0</b>         | 3   | Management and Administration                            | -                |
| <b>Total</b>   |   | <b>3,021,500</b> | <b>3,497,800</b> | <b>Total</b>  |  | <b>1,900,000</b> |
| <b>Assistance to Firefighter Grants***</b>               |   |                  |                  |   |  |                  |
| 2  | Fire Grants                                       | 547,000          | 560,000          |   |  |                  |
| 2  | SAFER Grants                                      | 115,000          | 190,000          |   |  |                  |
| <b>Total</b>   |   | <b>662,000</b>   | <b>750,000</b>   |   |  |                  |

\*FY07 Revised Enacted includes \$297 million emergency funding (PL 110-28)

\*\*FY08 Enacted includes \$130 million in emergency funding (PL 110-161)

\*\*\*Assistance to Firefighters Grants are funded under a separate appropriation

\*\*\*\*25% of UASI and SHSP will be used for LETPP related activities in FY08 and FY09

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Budget Activity   | FY 2007*        |                     | FY 2008*   |                     | FY 2009    |                     | Increase (+) or Decrease (-) For FY 2009 |                       |                 |                       |                     |          |
|---|-----------------|---------------------|------------|---------------------|------------|---------------------|--|-----------------------|-----------------|-----------------------|---------------------|----------|
|   | Revised Enacted |                     | Enacted    |                     | Request    |                     | Total Changes                            |                       | Program Changes |                       | Adjustments-to-Base |          |
|   | FTE             | AMOUNT              | FTE        | AMOUNT              | FTE        | AMOUNT              | FTE                                      | AMOUNT                | FTE             | AMOUNT                | FTE                 | AMOUNT   |
| <b>State and Local Programs</b>                         |                 |                     |            |                     |            |                     |  |                       |                 |                       |                     |          |
| Homeland Security Prevention and Protection Programs    | 58              | \$2,129,000         | 72         | \$2,587,500         | 72         | \$1,540,000         | -  | (\$1,047,500)         | -               | (\$1,047,500)         | -                   | -        |
| Homeland Security Response and Recovery Programs        | 36              | \$248,000           | 72         | \$456,000           | 72         | \$215,000           | -  | (\$241,000)           | -               | (\$241,000)           | -                   | -        |
| Other State and Local Support Programs                  | 110             | \$347,500           | 134        | \$324,300           | 134        | \$145,000           | -  | (\$179,300)           | -               | (\$179,300)           | -                   | -        |
| <b>Subtotal, Budget Authority (All Sources)</b>         | <b>204</b>      | <b>\$ 2,724,500</b> | <b>278</b> | <b>\$ 3,367,800</b> | <b>278</b> | <b>\$ 1,900,000</b> | <b>-</b>                                 | <b>\$ (1,467,800)</b> | <b>-</b>        | <b>\$ (1,467,800)</b> | <b>-</b>            | <b>-</b> |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>204</b>      | <b>\$ 2,724,500</b> | <b>278</b> | <b>\$ 3,367,800</b> | <b>278</b> | <b>\$ 1,900,000</b> | <b>-</b>                                 | <b>\$ (1,467,800)</b> | <b>-</b>        | <b>\$ (1,467,800)</b> | <b>-</b>            | <b>-</b> |

\* Note: FY 2007 does not include funding from emergency supplemental (P.L 110-28); FY 2008 does not include emergency funding (P.L. 110-161)

\* Note: Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Budget Activity   | FY 2007<br>Revised Enacted |                     | FY 2008<br>Enacted |                     | FY 2009<br>Request |                     | Increase (+) or Decrease (-) For FY 2009 |                       |                 |                       |                     |          |
|---|----------------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--|-----------------------|-----------------|-----------------------|---------------------|----------|
|   |                            |                     |                    |                     |                    |                     | Total Changes                            |                       | Program Changes |                       | Adjustments-to-Base |          |
|   | FTE                        | AMOUNT              | FTE                | AMOUNT              | FTE                | AMOUNT              | FTE                                      | AMOUNT                | FTE             | AMOUNT                | FTE                 | AMOUNT   |
| <b>State and Local Programs</b>                         |                            |                     |                    |                     |                    |                     |  |                       |                 |                       |                     |          |
| Homeland Security Prevention and Protection Programs    | 58                         | \$2,339,000         | 72                 | \$2,697,500         | 72                 | \$1,540,000         | -  | (\$1,157,500)         | -               | (\$1,157,500)         | -                   | -        |
| Homeland Security Response and Recovery Programs        | 36                         | \$333,000           | 72                 | \$476,000           | 72                 | \$215,000           | -  | (\$261,000)           | -               | (\$261,000)           | -                   | -        |
| Other State and Local Support Programs                  | 110                        | \$349,500           | 134                | \$324,300           | 134                | \$145,000           | -  | (\$179,300)           | -               | (\$179,300)           | -                   | -        |
| <b>Subtotal, Budget Authority (All Sources)</b>         | <b>204</b>                 | <b>\$ 3,021,500</b> | <b>278</b>         | <b>\$ 3,497,800</b> | <b>278</b>         | <b>\$ 1,900,000</b> | <b>-</b>                                 | <b>\$ (1,597,800)</b> | <b>-</b>        | <b>\$ (1,597,800)</b> | <b>-</b>            | <b>-</b> |
| <b>Net, Enacted Appropriations and Budget Estimates</b> | <b>204</b>                 | <b>\$ 3,021,500</b> | <b>278</b>         | <b>\$ 3,497,800</b> | <b>278</b>         | <b>\$ 1,900,000</b> | <b>-</b>                                 | <b>\$ (1,597,800)</b> | <b>-</b>        | <b>\$ (1,597,800)</b> | <b>-</b>            | <b>-</b> |

\* **Note:** FY 2007 includes funding from emergency supplemental (P.L 110-28); FY 2008 includes emergency funding (P.L 110-161)

\* **Note:** Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**  
**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**State and Local Programs**

(Dollars in Thousands)

| BUDGET ACTIVITY   | FY 2007*        |                  | FY 2008*   |                  | FY 2009        |                  | INCREASE (+) OR DECREASE (-) FOR FY 2009 |                    |                 |                    |               |        |
|---|-----------------|------------------|------------|------------------|----------------|------------------|--|--------------------|-----------------|--------------------|---------------|--------|
|   | Revised Enacted |                  | Enacted    |                  | Budget Request |                  | Total Changes                            |                    | Program Changes |                    | Other Changes |        |
|   | FTE             | Amount           | FTE        | Amount           | FTE            | Amount           | FTE                                      | Amount             | FTE             | Amount             | FTE           | Amount |
| <b>1 Homeland Security Prevention and Protection Programs</b> | <b>58</b>       | <b>2,129,000</b> | <b>72</b>  | <b>2,587,500</b> | <b>72</b>      | <b>1,540,000</b> | -  | <b>(1,047,500)</b> | -               | <b>(1,047,500)</b> | -             | -      |
| Urban Area Security Initiative (UASI)                         |                 | 770,000          |            | 820,000          |                | 825,000          |  | 5,000              |                 | 5,000              |               | -      |
| State Homeland Security Grant Program (SHSGP)                 |                 | 525,000          |            | 890,000          |                | 200,000          |  | (690,000)          |                 | (690,000)          |               | -      |
| Law Enforcement Terrorism Prevention Program (LETPP)          |                 | 375,000          |            | -                |                | -                |  | -                  |                 | -                  |               | -      |
| National Security and Terrorism Prevention (REAL ID/BZP)      |                 | -                |            | -                |                | 110,000          |  | 110,000            |                 | 110,000            |               | -      |
| Real ID Grants  |                 | -                |            | -                |                | -                |  | -                  |                 | -                  |               | -      |
| Buffer Zone Protection Grants (BZP)                           |                 | 50,000           |            | 50,000           |                | -                |  | (50,000)           |                 | (50,000)           |               | -      |
| Port Security Grants  |                 | 210,000          |            | 400,000          |                | 210,000          |  | (190,000)          |                 | (190,000)          |               | -      |
| Rail/Transportation Security Grants                           |                 | 175,000          |            | 400,000          |                | 175,000          |  | (225,000)          |                 | (225,000)          |               | -      |
| Over-the-Road Bus Security Grants                             |                 | 12,000           |            | 11,500           |                | 12,000           |  | 500                |                 | 500                |               | -      |
| Trucking Industry Security Grants                             |                 | 12,000           |            | 16,000           |                | 8,000            |  | (8,000)            |                 | (8,000)            |               | -      |
| Stonegarden   |                 | -                |            | -                |                | -                |  | -                  |                 | -                  |               | -      |
| <b>2 Homeland Security Response and Recovery Programs</b>     | <b>36</b>       | <b>248,000</b>   | <b>72</b>  | <b>456,000</b>   | <b>72</b>      | <b>215,000</b>   | -  | <b>(241,000)</b>   | -               | <b>(241,000)</b>   | -             | -      |
| Emergency Management Performance Grants                       |                 | 200,000          |            | 300,000          |                | 200,000          |  | (100,000)          |                 | (100,000)          |               | -      |
| Metropolitan Medical Response System (MMRS)                   |                 | 33,000           |            | 41,000           |                | -                |  | (41,000)           |                 | (41,000)           |               | -      |
| Citizen Corps Program (CCP)                                   |                 | 15,000           |            | 15,000           |                | 15,000           |  | -                  |                 | -                  |               | -      |
| Regional Catastrophic Preparedness                            |                 | -                |            | 35,000           |                | -                |  | (35,000)           |                 | (35,000)           |               | -      |
| Interoperable Emergency Comm. Grants                          |                 | -                |            | 50,000           |                | -                |  | (50,000)           |                 | (50,000)           |               | -      |
| Emergency Operations Centers                                  |                 | -                |            | 15,000           |                | -                |  | (15,000)           |                 | (15,000)           |               | -      |
| <b>3 Other State and Local Support Programs</b>               | <b>110</b>      | <b>347,500</b>   | <b>134</b> | <b>324,300</b>   | <b>134</b>     | <b>145,000</b>   | -  | <b>(179,300)</b>   | -               | <b>(179,300)</b>   | -             | -      |
| National Exercise Program                                     | 30              | 49,000           | 30         | 50,000           | 30             | 40,000           | -  | (10,000)           | -               | (10,000)           | -             | -      |
| State and Local Training Programs:                            | 44              | 223,500          | 68         | 218,300          | 68             | 79,000           | -  | (139,300)          | -               | (139,300)          | -             | -      |
| Continuing and Emerging Training Grants                       |                 | 31,000           |            | 31,000           |                | -                |  | (31,000)           |                 | (31,000)           |               | -      |
| Center for Domestic Preparedness                              |                 | 62,500           |            | 62,500           |                | 47,000           |  | (15,500)           |                 | (15,500)           |               | -      |
| National Domestic Preparedness Consortium                     |                 | 88,000           |            | 88,000           |                | 32,000           |  | (56,000)           |                 | (56,000)           |               | -      |
| Competitive/Demonstration Training Grants                     |                 | 30,000           |            | 28,000           |                | -                |  | (28,000)           |                 | (28,000)           |               | -      |
| Rural Domestic Preparedness Consortium                        |                 | 12,000           |            | 8,800            |                | -                |  | (8,800)            |                 | (8,800)            |               | -      |
| Technical Assistance Program                                  | 12              | 6,000            | 12         | 12,000           | 12             | 10,000           | -  | (2,000)            | -               | (2,000)            | -             | -      |
| Evaluation and National Assessment Program                    | 24              | 19,000           | 24         | 19,000           | 24             | 16,000           | -  | (3,000)            | -               | (3,000)            | -             | -      |
| Commerical Equipment Direct Assistance Program                | -               | 50,000           | -          | 25,000           | -              | -                | -  | (25,000)           | -               | (25,000)           | -             | -      |
| <b>Subtotal, Budget Authority (All Sources)</b>               | <b>204</b>      | <b>2,724,500</b> | <b>278</b> | <b>3,367,800</b> | <b>278</b>     | <b>1,900,000</b> | -  | <b>(1,467,800)</b> | -               | <b>(1,467,800)</b> | <b>44</b>     | -      |
| <b>Total enacted appropriations and budget estimates</b>      | <b>204</b>      | <b>2,724,500</b> | <b>278</b> | <b>3,367,800</b> | <b>278</b>     | <b>1,900,000</b> | -  | <b>(1,467,800)</b> | -               | <b>(1,467,800)</b> | <b>44</b>     | -      |

\* Note: FY 2007 does not funding from emergency supplemental (P.L. 110-28); FY 2008 does not include emergency funding (P.L. 110-161)

\* Note: Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs**

(Dollars in Thousands)

| BUDGET ACTIVITY   | FY 2007 *       |                  | FY 2008    |                  | FY 2009        |                  | INCREASE (+) OR DECREASE (-) FOR FY 2009 |                    |                 |                    |               |          |
|---|-----------------|------------------|------------|------------------|----------------|------------------|--|--------------------|-----------------|--------------------|---------------|----------|
|   | Revised Enacted |                  | Enacted    |                  | Budget Request |                  | Total Changes                            |                    | Program Changes |                    | Other Changes |          |
|   | FTE             | Amount           | FTE        | Amount           | FTE            | Amount           | FTE                                      | Amount             | FTE             | Amount             | FTE           | Amount   |
| <b>1 Homeland Security Prevention and Protection Programs</b> | <b>58</b>       | <b>2,339,000</b> | <b>72</b>  | <b>2,697,500</b> | <b>72</b>      | <b>1,540,000</b> | -  | <b>(1,157,500)</b> | -               | <b>(1,177,500)</b> | -             | -        |
| Urban Area Security Initiative (UASI)                         |                 | 770,000          |            | 820,000          |                | 825,000          |  | 5,000              |                 | 5,000              |               | -        |
| State Homeland Security Grant Program (SHSGP)                 |                 | 525,000          |            | 890,000          |                | 200,000          |  | (690,000)          |                 | (710,000)          |               | -        |
| Law Enforcement Terrorism Prevention Program (LETPP)          |                 | 375,000          |            | -                |                | -                |  | -                  |                 | 0                  |               | -        |
| National Security and Terrorism Prevention (REAL ID/BZP)      |                 | -                |            | -                |                | 110,000          |  | 110,000            |                 | 110,000            |               | -        |
| Real ID Grants  |                 | -                |            | 50,000           |                | -                |  | (50,000)           |                 | (50,000)           |               | -        |
| Buffer Zone Protection Grants (BZP)                           |                 | 50,000           |            | 50,000           |                | -                |  | (50,000)           |                 | (50,000)           |               | -        |
| Port Security Grants  |                 | 320,000          |            | 400,000          |                | 210,000          |  | (190,000)          |                 | (190,000)          |               | -        |
| Rail/Transportation Security Grants                           |                 | 275,000          |            | 400,000          |                | 175,000          |  | (225,000)          |                 | (225,000)          |               | -        |
| Over-the-Road Bus Security Grants                             |                 | 12,000           |            | 11,500           |                | 12,000           |  | 500                |                 | 500                |               | -        |
| Trucking Industry Security Grants                             |                 | 12,000           |            | 16,000           |                | 8,000            |  | (8,000)            |                 | (8,000)            |               | -        |
| Stonegarden   |                 | -                |            | 60,000           |                | -                |  | (60,000)           |                 | (60,000)           |               | -        |
| <b>2 Homeland Security Response and Recovery Programs</b>     | <b>36</b>       | <b>333,000</b>   | <b>72</b>  | <b>476,000</b>   | <b>72</b>      | <b>215,000</b>   | -  | <b>(261,000)</b>   | -               | <b>(241,000)</b>   | -             | -        |
| Emergency Management Performance Grants                       |                 | 250,000          |            | 300,000          |                | 200,000          |  | (100,000)          |                 | (100,000)          |               | -        |
| Metropolitan Medical Response System (MMRS)                   |                 | 33,000           |            | 41,000           |                | -                |  | (41,000)           |                 | (41,000)           |               | -        |
| Citizen Corps Program (CCP)                                   |                 | 15,000           |            | 15,000           |                | 15,000           |  | -                  |                 | 0                  |               | -        |
| Regional Catastrophic Preparedness                            |                 | 35,000           |            | 35,000           |                | -                |  | (35,000)           |                 | (35,000)           |               | -        |
| Interoperable Emergency Comm. Grants                          |                 | -                |            | 70,000           |                | -                |  | (70,000)           |                 | (50,000)           |               | -        |
| Emergency Operations Centers                                  |                 | -                |            | 15,000           |                | -                |  | (15,000)           |                 | (15,000)           |               | -        |
| <b>3 Other State and Local Support Programs</b>               | <b>110</b>      | <b>349,500</b>   | <b>134</b> | <b>324,300</b>   | <b>134</b>     | <b>145,000</b>   | -  | <b>(179,300)</b>   | -               | <b>(179,300)</b>   | -             | -        |
| National Exercise Program                                     | 30              | 49,000           | 30         | 50,000           | 30             | 40,000           |  | (10,000)           |                 | (10,000)           |               | -        |
| State and Local Training Program                              | 44              | 223,500          | 68         | 218,300          | 68             | 79,000           |  | (139,300)          |                 | (139,300)          |               | -        |
| Continuing and Emerging Training Grants                       |                 | 31,000           |            | 31,000           |                | -                |  | (31,000)           |                 | (31,000)           |               | -        |
| Center for Domestic Preparedness                              |                 | 62,500           |            | 62,500           |                | 47,000           |  | (15,500)           |                 | (15,500)           |               | -        |
| National Domestic Preparedness Consortium                     |                 | 88,000           |            | 88,000           |                | 32,000           |  | (56,000)           |                 | (56,000)           |               | -        |
| Competitive/Demonstration Training Grants                     |                 | 30,000           |            | 28,000           |                | -                |  | (28,000)           |                 | (28,000)           |               | -        |
| Rural Domestic Preparedness Consortium                        |                 | 12,000           |            | 8,800            |                | -                |  | (8,800)            |                 | (8,800)            |               | -        |
| Technical Assistance Program                                  | 12              | 8,000            | 12         | 12,000           | 12             | 10,000           |  | (2,000)            |                 | (2,000)            |               | -        |
| Evaluation and National Assessment Program                    | 24              | 19,000           | 24         | 19,000           | 24             | 16,000           |  | (3,000)            |                 | (3,000)            |               | -        |
| Commerical Equipment Direct Assistance Program                | -               | 50,000           | -          | 25,000           | -              | -                |  | (25,000)           |                 | (25,000)           |               | -        |
| <b>Subtotal, Budget Authority (All Sources)</b>               | <b>204</b>      | <b>3,021,500</b> | <b>278</b> | <b>3,497,800</b> | <b>278</b>     | <b>1,900,000</b> | <b>0</b>                                 | <b>(1,597,800)</b> | <b>0</b>        | <b>(1,597,800)</b> | <b>0</b>      | <b>0</b> |
| <b>Total enacted appropriations and budget estimates</b>      | <b>204</b>      | <b>3,021,500</b> | <b>278</b> | <b>3,497,800</b> | <b>278</b>     | <b>1,900,000</b> | <b>0</b>                                 | <b>(1,597,800)</b> | <b>0</b>        | <b>(1,597,800)</b> | <b>0</b>      | <b>0</b> |

\* Note: FY 2007 includes funding from emergency supplemental (P.L 110-28); FY 2008 includes emergency funding (P.L 110-161)

\* Note: Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**State and Local Programs**  
**Program Performance Justification**  
 (Dollars in thousands)

**PPA: HOMELAND SECURITY PREVENTION AND PROTECTION PROGRAMS**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Revised Enacted</b>  | <b>58</b>           | <b>58</b>  | <b>\$2,339,000</b> |
| <b>2008 Enacted</b>          | <b>72</b>           | <b>72</b>  | <b>\$2,697,500</b> |
| 2009 Adjustments to Base     | 0                   | 0          | 0                  |
| <b>2009 Current Services</b> | <b>72</b>           | <b>72</b>  | <b>\$2,697,500</b> |
| 2009 Program Changes         | 0                   | 0          | (\$1,157,500)      |
| <b>2009 Request</b>          | <b>72</b>           | <b>72</b>  | <b>\$1,540,000</b> |
| Total Changes 2008-2009      | 0                   | 0          | (\$1,157,500)      |

FEMA requests \$1,540,000,000 for this activity. This is a decrease of \$1,157,500,000 from FY 2008 enacted level.

The above table includes emergency funding of \$110 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$1,540,000,000. Excluding emergency funds provided, the decrease from FY 2008 is \$1,047,500,000.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Homeland Security Prevention and Protection Programs suite includes seven grant programs: the Urban Area Security Initiative (UASI), State Homeland Security Grant Program (SHSP), the National Security and Terrorism Prevention Grant Program, the Port Security Grant Program (PSGP), the Public Transportation Security Grant Program (TSGP), the Over-the-Road Bus Security Grant Program, and the Trucking Industry Security Program (TSP).

**Urban Area Security Initiative Grants (UASI) - \$825 million**

The Urban Area Security Initiative (UASI) addresses the unique multi-disciplinary planning, operations, equipment, training, and exercise needs of high-threat, high-density urban areas, and assists them in building and sustaining capabilities to prevent, protect against, respond to, and recover from threats or acts of terrorism. This program provides funding to high-risk urban areas based on risk and effectiveness.

In FY 2008, program participants may use UASI funding to achieve or enhance all of the 37 capabilities outlined in National Preparedness Guidelines and Target Capabilities List, as long as they enhance the capability to prevent, protect against, respond to, or recover from acts of terrorism. Proposed Investments under the UASI program should focus on the National Priorities and the most urgent state/local priorities.

### **State Homeland Security Program (SHSP) - \$200 million**

The State Homeland Security Program (SHSP) is a primary funding source for building homeland security capabilities that align with the National Preparedness Guidelines (NPG) at the state and local levels. States and localities use SHSP funds to build a wide range of homeland security capabilities. Most capabilities specific to terrorism are also applicable to large-scale natural disasters and public health emergencies. Grant allocations are based on an analysis of risk and effectiveness but each state is assured a minimum allocation. Projects funded under SHSP support building and sustaining capabilities at the state and local levels through planning, equipment, training, and exercise activities and helps states to implement the strategic goals and objectives included in state homeland security strategies. The SHSP supports activities within all four homeland security mission areas, as well as the National Priorities identified in the National Preparedness Guidelines. SHSP funding remains primarily focused on enhancing capabilities to prevent, protect against, respond to, or recover from CBRNE incidents. However, the allowable scope of SHSP activities includes catastrophic events, provided that these activities also build capabilities that relate to terrorism.

The accelerated funding cycle, under which guidance and applications must be developed and released in a matter of weeks, has impeded the program's ability to require grantees to develop a coordinated grant allocation strategy that can be used to track program resources. This methodology establishes a more deliberate and up-front planning process. As such, greater time is allotted for state application development and application review; DHS anticipates making grant awards by the 3rd quarter of FY 2008, similar to FY 2007.

### **National Security and Terrorism Prevention Grants (NSTPG) - \$110 million**

The National Security and Terrorism Prevention program provides \$110 million for competitive grants that will support both capital projects and operational staffing proposals. Rather than rely on formulaic allocation and pass-through mechanisms, this program provides competitive grants to specific state and local agencies to support proposals which address national vulnerabilities identified by the Secretary as priorities. In 2009, the Secretary will invite states to submit project proposals to support REAL ID implementation and buffer zone protection for critical infrastructure. Final grant allocations will be determined competitively by the Secretary on the basis of how well proposals address these identified national vulnerabilities.

### **Transportation Infrastructure Protection Programs (IPP)**

Together, the IPP grants fund a range of preparedness activities, including strengthening infrastructure against explosive attacks, preparedness, planning, equipment purchase, training, exercises, security management, and administration costs. IPP programs support objectives outlined in the National Preparedness Guidelines and related national preparedness doctrine, such as the National Incident Management System (NIMS), National Response Framework (NRF), and the National Infrastructure Protection Plan (NIPP) and include:

- **Port Security Grant Program (\$210 million)**

The Port Security Grant Program (PSGP) provides grant funding to port areas for the protection of critical port infrastructure from terrorism. PSGP funds are primarily

intended to assist ports in enhancing port-wide risk management capabilities, enhanced domain awareness, capabilities to prevent, detect, respond to and recover from attacks involving improvised explosive devices (IEDs) and other non-conventional weapons, as well as training and exercises.

PSGP funds are allocated to the Nation's highest risk port areas to address priorities identified in NPG, the NIPP and the National Strategy for Maritime Security. The pool of eligible port applicants has been expanded to reflect the changes required by the SAFE Port Act, which states that all entities covered by an Area Maritime Security Plan may submit an application for consideration. PSGP funds support the development of an integrated risk-based decision-making process for each port area patterned after the risk management framework articulated in the NIPP. At the recommendation of the U.S. Coast Guard, in several cases, multiple port areas have been grouped together to reflect geographic proximity, shared risk and a common waterway.

- **Public Transportation Security Grants Program (\$175 million)**  
The Public Transportation Security Grants Program (TSGP) provides grant funding to support mass transit agencies within the Nation's key high-threat urban areas in their efforts to enhance security measures for critical transit infrastructure including bus, rail and ferry systems. This program also provides funding to Amtrak for continued security enhancements for intercity rail operations between key, high-risk urban areas throughout the United States. A risk-based approach is used to allocate TSGP funding to eligible mass transit and intra-city bus systems on a regional basis to address priorities identified in the National Preparedness Guidelines, the NIPP and the National Strategy for Transportation Security (NSTS), with particular focus on high-risk and high consequence transit systems.
- **Over-the-Road Bus Security Grant Program (\$12 million)**  
The purpose of this program is to create a sustainable program for the protection of intercity bus systems and the traveling public from terrorism, especially explosives and non-conventional threats that would cause major loss of life and severe disruption. Grants awarded under this program go directly to the owners and operators of fixed route intercity and/or charter bus services using over-the-road buses to address priorities identified in the NPG, NIPP, and NSTS. Grants are used to improve facility security in defined UASI jurisdictions, passenger and baggage screening, driver and vehicle security along with enhancing emergency communication technology, coordination with local police and emergency responders, and training and exercises. Each of these funding priorities seek to further enhance prevention and protection against terrorist activities and will greatly serve to assist with response and recovery efforts in the event of an attack.
- **Trucking Security Program (\$8 million)**  
The Trucking Security Program (TSP) continues the Highway Watch® Program as a sustainable national program to enhance security and overall preparedness on the Nation's highways. TSP provides competitive grant funds for continued operations of Highway Watch® Program activities which include identifying and recruiting program

participants; delivering training to highway professionals to identify and report security and safety situations on the Nation's highways; maintaining a Highway Watch® call center; and operating a Highway Information and Sharing Analysis Center located at the Transportation Security Operations Center (TSOC) in Herndon, VA.

## **Recent and Planned Accomplishments**

### **FY 2007 Accomplishments**

- In FY 2007, the following number of grants were made within Homeland Security Prevention and Protection Programs PPA:
  - Twenty-nine (29) UASI grant awards, totaling \$746,900,000.
  - Two-hundred fifty-eight (258) Port Security grant awards, totaling \$202,247,293.
  - Thirty-five (35) Public Transportation Security grant awards, totaling \$171,180,207.
  - Thirty-nine (39) Over-the-Road Bus Security grant awards, totaling \$11,640,000.
  - Forty-six (46) Buffer Zone Protection grant awards, totaling \$48,500,000.
  - One Trucking Industry Security grant award, totaling \$11,640,000.
  - Fifty-six (56) State Homeland Security awards, totaling \$509,250,000.
  - Fifty-six (56) Law Enforcement Terrorism Prevention Program grant awards, totaling \$363,750,000.
  - Four (4) Stonegarden grant awards, totaling \$2,996,487.
- Included a tier structure for FY 2007 UASI grant participants, which reflects recognition of the highest risk areas. There are seven cities in Tier 1, and 39 cities in Tier 2. Each city only competes for funding against the other cities in its tier.
- Aligned transportation infrastructure components with SHSP and UASI grants to ensure a holistic approach to preparedness in states and high-risk urban areas.
- Instituted a new 36-month period of performance for IPP grants, based on stakeholder input.
- Issued Tactical Interoperable Communication Scorecards for 75 Urban and Metropolitan Areas in January 2007.
- Instituted a more transparent SHSP grant application process that involves more interaction with external partners and stakeholders ensuring that the projects submitted offer the best potential for reducing risk.
- Brought together more than 100 state and local homeland security experts to evaluate State and Urban Area applications.

### **FY 2008 Planned Accomplishments**

- Update the existing Homeland Security State/Urban Area Strategies as necessary.
- Institutionalize the program alignment, metrics/reporting system and capabilities based planning accomplishments from FY 2007.
- Continue monitoring and enhancement of internal evaluation capabilities to further guide program planning and targeting of technical assistance efforts.
- Provide additional feedback to state and local partners on the outcome of the above analysis through customized risk and effectiveness profiles.

- Issue final awards in a timely manner.
- Provide \$81.8 million to states for REAL ID implementation. The FY 2008 REAL ID Systems Integration and Data Verification Grant Program represents a second round of funding for state drivers' licensing authorities and is one of four REAL ID grant initiatives offered by DHS. These funding initiatives include: 1) the FY 2008 REAL ID Systems Integration and Data Verification Grant Program; 2) a REAL ID Pilot Project already underway with the Commonwealth of Kentucky to test a birth records verification software tool; 3) the FY 2008 Vital Events Verifications State Project Grant, that will provide all states with web access to the birth records verification software Kentucky is testing, and 4) the FY 2008 REAL ID Demonstration Grant Program.
- In response to the Post-Katrina Emergency Management Reform Act of 2006 Preparedness transitioned into FEMA, resulting in the establishment of two new directorates, the Grant Programs Directorate (GPD) and the National Preparedness Directorate (NPD).
- Building a new FEMA Directorate from multiple legacy grant management organizations: FEMA Grants Management Branch, and DHS Office of Grants and Training (Office of Grant Operations and Capabilities Division).
- Transitioning key grant programs and functions to the regions to establish the FEMA regions as primary liaisons to state and local partners.
- Managing the financial and programmatic grant management functions for 49 grant programs constituting over 20 billion dollars in total grant funds.
- Support states/territories in creating more informative State Preparedness Reports with a focus on increased specificity in reporting enhanced levels of preparedness.
- Develop an Integrated Planning System and associated deliverables with NPD.

#### **FY 2009 Planned Accomplishments**

- Update the existing Homeland Security State/Urban Area Strategies as necessary.
- Continue monitoring and enhancement of internal evaluation capabilities to further guide program planning and targeting of technical assistance efforts.
- Provide additional feedback to state and local partners on the outcome of the above analysis through customized risk and effectiveness profiles.
- Issue final awards in a timely manner.

PPA: HOMELAND SECURITY RESPONSE AND RECOVERY PROGRAMS

|                              | Perm<br>Pos | FTE       | Amount           |
|------------------------------|-------------|-----------|------------------|
| <b>2007 Revised Enacted</b>  | <b>36</b>   | <b>36</b> | <b>\$333,000</b> |
| <b>2008 Enacted</b>          | <b>72</b>   | <b>72</b> | <b>\$476,000</b> |
| 2009 Adjustments to Base     | 0           | 0         | 0                |
| <b>2009 Current Services</b> | <b>72</b>   | <b>72</b> | <b>\$476,000</b> |
| 2009 Program Changes         | 0           | 0         | (\$261,000)      |
| <b>2009 Request</b>          | <b>72</b>   | <b>72</b> | <b>\$215,000</b> |
| Total Changes 2008-2009      | 0           | 0         | (\$261,000)      |

FEMA requests \$215,000,000 for this activity. This is a decrease of \$261,000,000 from the FY 2008 enacted level.

The above table includes emergency funding of \$20 million provided in P.L. 110-161 for an interoperable communication grant. The FY 2009 Budget Request is \$215,000,000. Excluding emergency funds provided, the decrease from FY 2008 is \$241,000,000.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

This PPA is made up of a portfolio of grant programs that address emergency response and recovery activities and includes funding for the Emergency Management Performance Grants (EMPG), and the Citizen Corps Program (CCP).

**Emergency Management Performance Grants (EMPG) - \$200 million**

EMPG helps states and urban areas achieve target levels of capability to sustain and enhance the effectiveness of their emergency management programs. The EMPG Program provides critical planning and staffing assistance to sustain and enhance state and local emergency management capabilities.

**The Citizen Corps Program (CCP) - \$15 million**

Citizen Corps supports Citizen Corps Councils with efforts to engage citizens in personal preparedness, exercises, ongoing volunteer programs, and surge capacity response, in order to better prepare citizens to be fully aware, trained, and practiced on how to prevent, protect/mitigate, prepare for, and respond to all threats and hazards. This program provides funding by formula basis to all 50 states and 6 territories. CCP was established post-9/11 to empower American citizens to take responsibility for their own safety and security against all types of threats and disasters. The CCP works to raise awareness about basic steps individuals can take in their own homes, as well as to provide information, training and volunteer opportunities to save lives and property. Five years after 9/11, there are over 2,000 Citizen Corps Councils reaching 73 percent of the population and operating in all 50 states and six U.S. territories.

**Recent and Planned Accomplishments**

**FY 2007 Accomplishments**

- In FY 2007, the following number of grants were made within Homeland Security Response and Recovery Programs PPA:

- Forty-one (41) Metropolitan Medical Response System grant awards, totaling \$32,009,993
- Fifty-five (55) Citizen Corps Program grant awards, totaling \$14,550,000
- Fifty-eight (58) Emergency Management Performance Grants, totaling \$194,000,000.

#### **FY 2008 Planned Accomplishments**

- Require states to develop and adopt a Statewide Interoperable Communications Plan (SICP). The Public Safety Interoperable Communication (PSIC) Grant Program will utilize the SICP in developing grant program plans and focus areas.
- PSIC will complete its peer review of Investment Justifications in February 2008 and begin releasing funding for approved Investments by March 2008. For Investments that are not approved in the first round, robust technical assistance will be provided to the states to assist with Investment Justification revisions with a goal of releasing all remaining funds by July 2008. Ongoing programmatic assistance and post-award monitoring will ramp up in 3rd and 4th quarters of 2008. These outreach services are designed to support grantees and ensure that programmatic goals are achieved.
- Institutionalize the program alignment, metrics/reporting system and capabilities based planning accomplishments from FY 2007.
- Continue monitoring and enhancement of internal evaluation capabilities to further guide program planning and targeting of technical assistance efforts.
- Provide additional feedback to state and local partners on the outcome of the above analysis through customized risk and effectiveness profiles.
- Issue final awards in a timely manner.

#### **FY 2009 Planned Accomplishments**

- Continue monitoring and enhancement of internal evaluation capabilities to further guide program planning and targeting of technical assistance efforts.
- Provide additional feedback to state and local partners on the outcome of the above analysis through customized risk and effectiveness profiles.
- Issue final awards in a timely manner.

PPA: OTHER STATE AND LOCAL SUPPORT PROGRAMS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Revised Enacted</b>  | <b>110</b>          | <b>110</b> | <b>\$349,500</b> |
| <b>2008 Enacted</b>          | <b>134</b>          | <b>134</b> | <b>\$324,300</b> |
| 2009 Adjustments to Base     | 0                   | 0          | 0                |
| <b>2009 Current Services</b> | <b>134</b>          | <b>134</b> | <b>\$324,300</b> |
| 2009 Program Changes         | 0                   | 0          | (179,300)        |
| <b>2009 Request</b>          | <b>134</b>          | <b>134</b> | <b>\$145,000</b> |
| Total Changes 2008-2009      | 0                   | 0          | (179,300)        |

FEMA requests \$145,000,000 for this activity. This is a decrease of \$179,300,000 from FY 2008 enacted level.

**CURRENT SERVICES DESCRIPTION**

This PPA is made up of a portfolio of grant, exercise, assistance and training programs and includes: the National Exercise Programs, State and Local Training Programs, Technical Assistance Program, and the Evaluation and Assessment Program.

**National Exercise Programs (NEP) - \$40 million**

The National Exercise Programs (NEP) meets the Homeland Security Presidential Directive (HSPD-8) and Homeland Security Act of 2002 requirement to establish a national, interagency-wide program to coordinate homeland security preparedness-related exercise activities. The NEP provides an organized approach to set priorities for exercises, reflect those priorities in a multi-year schedule of exercises that serves the strategic and policy goals of the U.S. Government, and to address findings from those exercises in a disciplined interagency process. The White House Homeland Security Council maintains the purview of the NEP, while subcomponent programs within the NEP are managed by the National Exercise Division (NED).

The September 11 attacks and Hurricane Katrina reinforced the importance of timely integrated planning, decision-making, strategic coordination, and operational awareness of federal, state, local, and private sector officials for domestic incidents. HSPD-8 required the Secretary of the Department of Homeland Security (DHS) to establish a national program to conduct homeland security preparedness-related exercises; however, requirements for interagency crisis coordination under other multiple Presidential directives and strategies extend beyond homeland security concerns. On January 26, 2007, the Homeland Security Council’s Deputies Committee, along with the Assistant to the President for Homeland Security and Counterterrorism and the Assistant to the President for National Security Affairs reached unanimous concurrence to establish the National Exercise Program to enhance the capabilities of the Nation’s leaders to fulfill their responsibilities under any combination of emergencies and crises that may occur. Furthermore, on April 11, 2007, the President signed into action the NEP Implementation Plan, planting an official imprimatur to realize the NEP.

The NEP is based on the following:

- *National Level Exercises*: Cabinet officers and other key officials will be required to participate in five exercise events annually. One of these will be an operations-based exercise (i.e., full scale or functional/command post), the National Level Exercise (NLE).

NLEs will test existing policies, plans, and capabilities in concert with intergovernmental, private sector, and international partners where appropriate.

- *Proposed National Level Exercises:*
  - *FY 09 - International Terrorism – Prevention Focus*
  - *FY 10 - Domestic Non-Terrorism – Major Earthquake*
  - *FY 11 – Domestic Terrorism – Improvised Nuclear Device*
  - *FY 12 – International / Defense Crisis – Cyber Attack*
  - *FY 13 – Domestic Non-Terrorism – Major Hurricane*

In addition, four discussion-based exercises (i.e., tabletops or seminars), known as Principle Level Exercises (PLE), will be conducted each year to address emerging issues.

- *Interagency Ownership:* The Domestic Readiness Group (DRG) Exercise and Evaluation Sub-Policy Coordination Committee (E&E Sub-PCC) will recommend priorities, schedules, and corrective action issues to the Deputies Committee. A multi-agency NEP Executive Steering Committee, chaired by DHS, will provide day-to-day coordination of the program and frame issues for the full E&E Sub-PCC (and the DRG as appropriate).
- *Five Year Exercise Schedule:* A multi-year schedule of exercises and exercise topics will be presented to the Deputies no later than June 30 of each year, in advance of the budget call. Existing DHS and Department of Defense (DOD) exercise scheduling conferences will be used. The schedule will be driven by U.S. Government-wide strategic priorities.
- *Corrective Action Program (CAP):* To ensure meaningful exercise outcomes, a NEP CAP process will identify, analyze, prioritize, assign, and track progress on issues identified in NEP exercises.
- *Loose Alignment of Other Exercises:* The NEP does not replace other exercise programs, although some individual Department and Agency exercises may be incorporated into NEP exercises where they align closely with the goals and objectives. With only one NLE (rather than two), more schedule time is available for Department and Agency internal preparatory activities, which may be used to prepare for future NEP events (given the Five Year Schedule) or to address other organizational priorities.

### **State and Local Training Programs - \$79 million**

The State and Local Training Program provides first responders with a comprehensive Weapons of Mass Destruction (WMD) training program that improves their capacity to prevent, protect against, respond to, and recover from acts of terrorism. In administering this program, the Training and Exercise Integration (TEI) Division oversees, coordinates, and strives to institutionalize the development and delivery of comprehensive training that targets members of the responder community, providing WMD knowledge to enhance their skills and abilities. Ensuring the quality and consistency of training of first responders is a key element in FEMA's preparedness mission.

- **Center for Domestic Preparedness (\$47 million)**

Funds for the Center for Domestic Preparedness (CDP), now a component of FEMA's National Integration Center (NIC), will be allocated to provide specialized terrorism preparedness training for state, local, and tribal emergency responders on capacity-building skills tied to national priorities especially those related to WMD. CDP is the only federally chartered WMD training facility. In addition to developing and delivering emergency responder training at various levels, for a broad range of disciplines, the CDP also participates in efforts to standardize and decentralize training for state, local and tribal responders while maintaining training quality and gathering meaningful evaluation data for continuous program improvement and effective program management. The CDP also performs response-focused test and evaluation of emergency response equipment. The CDP

provides a unique training facility and environment for emergency responders to conduct specialized, advanced hands-on training in a toxic agent training venue that is not available at the state and local level.

- **National Domestic Preparedness Consortium (NDPC) (\$32 million)**

Funds for the NDPC are administered and managed by the Training and Exercise Integration (TEI) Division, a component of the NIC. The NDPC works with other NIC training branches to identify training needs for all emergency response disciplines responsible for terrorism and other catastrophic event prevention, deterrence, and incident response. Current NDPC membership is a partnership between university and government:

- The Energetic Materials Research and Testing Center (EMRTC), New Mexico Institute of Mining and Technology (New Mexico Tech), Socorro, NM.
- The National Center for Bio-Medical Research and Training (NCBRT), Louisiana State University (LSU), Baton Rouge, LA.
- The National Emergency Response and Rescue Training Center (NERRTC) at Texas A&M University, College Station, TX.
- The U.S. Department of Energy's (DOE) Nevada Test Site (NTS)/Counter Terrorism Operations Support (CTOS).

Each of the institutions focus on development and delivery of products and services according to their institutional basis of expertise. Under this arrangement, the NDPC demonstrated results in the Nation's unified effort to bring all levels of government, business, and the emergency response community to enhanced levels of preparedness. Initially, the courses were focused on (WMD), but Homeland Security Presidential Directive 8 (HSPD-8) expanded the course portfolio of the NDPC to encompass all hazards.

### **Technical Assistance Programs - \$10 million**

The Technical Assistance (TA) program is a capabilities-based program that is structured to build and sustain state and local capacity in priority preparedness activities. Under this vision, the TA services developed and delivered to state and local homeland security personnel address the full spectrum of the goals, priorities, and capabilities outlined in the National Preparedness Guidelines. As capability gaps are identified, the TA program develops services that can address those needs and build priority capabilities in the most critical areas. The TA program is designed to be an agile program that addresses present day areas of greatest state and local need, is committed to transferring and institutionalizing knowledge at the state and local level, provides a dynamic menu of services that is responsive to National priorities, is performance-based, and effectively leverages limited resources.

Additionally we are requesting that a separate budget line item for Grants Management Technical Assistance be added. The *Grants Management Technical Assistance Program* facilitates grants management through focused technical assistance for all FEMA's grantees on pressing issues and concerns faced in the management of FEMA grants. The main objectives of the Grants Management Technical Assistance are to: (1) help participants in developing/revising effective policies, procedures, and practices in critical areas of grants management; (2) facilitate problem-solving in addressing specific grants management issues; (3) apply proven business practices that will create greater efficiency in use of human capital to meet grants management priorities (i.e., monitoring, strategic planning, organization, program implementation, staff training, auditing, performance measurement); (4) improve participants' ability to conduct successful federal and state

programmatic and financial monitoring; (4) prepare participants for performance and financial audits; (5) improve participants' decision-making skills by focusing on more performance-oriented solutions which are consistent with state strategies and priorities; and (6) improve collaboration among policy, program, and financial staff as an effective means to integrate grants management operations.

### **Evaluation and Assessment Programs - \$16 million**

Through Evaluations and Assessments, DHS is working to implement a comprehensive system to measure the effectiveness of DHS programs, including HSPD-8 and the impact on our national readiness. Many of the measures in the National Preparedness Guidelines (NPG) will gauge the accomplishment of key milestones and events that will contribute to improved performance. The measures in the NPG all contribute to critical outcomes, and are more appropriately described as indicator measures of preparedness. This program gathers, analyzes, and interprets national and program specific data. As the focal point for information collection and evaluation, this program reviews and assesses the execution of State Strategies against the supporting threat, vulnerability, and needs assessment data.

- **Homeland Security Presidential Directive 8 (HSPD-8).** HSPD-8 requires the development of the NPG, to include measurable readiness priorities and targets, readiness metrics, standards for preparedness assessments and strategies, and a system for assessing the Nation's overall preparedness. Recent legislation, including the Post Katrina Emergency Management Reform Act of 2006 (PKEMRA) and the Implementing the 9/11 Commission Recommendations Act of 2007, reaffirmed and emphasized the need to develop measurable performance objectives that can serve as the basis of an objective system to assess DHS's progress and tie decisions to measurable national priorities for preparedness. This effort has resulted in the National Preparedness Guidelines and associated Target Capabilities List (TCL) which was published in September, 2007. The National Preparedness Guidelines establishes a vision for preparedness, national priorities, and an approach for organizing and synchronizing resources and capabilities.

This program is used to gather, analyze, and interpret national and program specific data that will directly measure the Nation's overall preparedness. The Evaluation and Assessment program results will directly contribute to the Annual Report to the President, and to key national evaluations of readiness, such as the TOPOFF 4 exercise series, by providing the analysis and assessment that supports achieving HSPD-8 initiatives.

- **Prevention and Deterrence Activities.** It is a critical priority for the Nation to help states, local jurisdictions, and our federal partners in achieving prevention related national priorities identified in the National Preparedness Guidelines. The Prevention and Deterrence Program is designed to meet this critical priority by integrating all state and local prevention-related activities, including technical assistance, training, and exercises, into a single, comprehensive prevention preparedness program. The goal is to design and build state and local prevention programs, appropriately allocate prevention resources, and create prevention capabilities. To achieve this goal, the program will identify the major planning tasks, deliverables, priorities and milestones, as well as provide policy oversight for Prevention and Deterrence technical assistance, training, exercises, and evaluations and assessments. The activities within this program also include serving as an executive agent managing and maintaining the National Planning Scenarios (NPS) and the NPS Universal

Adversary (UA) (prevention) Prequels for DHS on behalf of the interagency/intergovernmental clients.

- **National Preparedness System.** The goal of the National Preparedness System (NPS) is to provide a comprehensive overview of national preparedness. It will be designed to help policy-makers and practitioners at all levels to identify their capability requirements; define who will provide what capability resources for a major event (mutual aid partners, state, federal, private, etc.); identify gaps; track and improve readiness; locate additional resources, as needed; and make informed decisions to manage risk. NPS will be used fundamentally as a planning and assessment tool. Regular reports on preparedness will be produced using the System. HSPD-8 requires the development of system for assessing the Nation's overall preparedness to respond to major events, especially those involving acts of terrorism.
- **Program Management Activities.** The goal of Program Management activities is to create a performance management culture among National Preparedness program managers and deliver more successful projects. To achieve this goal, the program will help align the organization's investments with its strategic goals; develop and track performance measures in support of the organization's goals and objectives; develop project management processes and tools; build project management professionalism; and oversee training and certification of project managers and contracting officers' technical representatives.

**Commercial Equipment Direct Assistance Program (CEDAP) – No funds requested in FY09**

The Commercial Equipment Direct Assistance Program (CEDAP) transfers technologies directly to smaller jurisdictions and eligible metropolitan areas to prevent, deter, and respond to terrorist attacks, as identified in state homeland security strategies. CEDAP offers equipment with training in the following categories: Personal Protective Equipment, Rescue Tools, Detection and Sensor Devices, Information Sharing Software, Risk Assessment Software, and Communications Interoperability Systems. This competitive program is a direct assistance program, not a grant program, and provides the equipment and technical assistance directly to the selected jurisdictions.

The System Assessment and Validation for Emergency Responders (SAVER) Program provides high quality, impartial, operationally relevant evaluations and validations of critical emergency responder related equipment, and provides those results to the community in a useful form. SAVER provides decision makers and responders with information to better select, procure, use, and maintain emergency response equipment. The SAVER website has a total of 47,715 registered users and 271 reports. This sharing of information is a life-saving and cost-saving asset to the U.S. Department of Homeland Security, as well as to federal, state, local, and tribal users of emergency response equipment.

## **Recent and Planned Accomplishments**

### National Exercise Programs

#### **FY 2007 Accomplishments:**

- Completed the majority of TOPOFF 4 mid-term and final planning conferences and the National-level and Venue Seminars for the full-scale exercise conducted in October 2007.
- Conducted two principal-level exercises related to IEDs and RDDs..
- Revised and released the HSEEP methodology to support the NEP.
- Finalized and established the NEP I-Plan.
- Conducted four prevention exercises throughout various regions in the United States to include pre-full scale prevention component of TOPOFF 4.
- Provided 100 Direct Exercise Support deliveries to state and local governments.
- Released the Homeland Security Exercise and Evaluation Program (HSEEP) Toolkit, a web-based system which provides Federal, state and local exercise planners with automated tools to schedule, plan, conduct, and evaluate exercises in accordance with the HSEEP Policy and Guidance.

#### **FY 2008 Planned Accomplishments:**

- Conduct T4 TOPOFF full-scale exercise and Long-Term Recovery Tabletop Exercise and produce after action documentation and conduct After Action Conference to include National After Action Conference.
- Implement the Corrective Action Program (CAP) to identify areas for improvement and assign and track to completion. Identify lessons learned and best practices to be disseminated via Lessons Learned Information Sharing (LLIS.gov). Review the programs and identify best practices for a fully integrated system.
- Conduct Tier 1 National-Level Exercise.
- Implement Regional Exercise Support Program (to promote Regional collaboration and replace the former Direct Support Program)
- Support FEMA international exercise planning initiatives.
- Conduct Principal-level exercises.
- Continue to refine and improve the HSEEP Toolkit.
- Release prevention-specific HSEEP guidance.
- Initiate development of a National SIMCELL capability. Conduct research and analysis of existing capabilities and submit proposal for future funding.

#### **FY 2009 Planned Accomplishments:**

- Continue development of a National Simulation Cell capability (dependent on available funds and interagency objectives).
- Conduct Tier 1 National-Level Exercise.
- Develop Transition Training to support administration change.
- Continue to refine NEP and HSEEP Policies and guidance.
- Use the exercise design, development, conduct and evaluation process to develop doctrine and a prototype System.

## State and Local Training Programs

### **FY 2007 Accomplishments**

- Administered the funding for the FY 2007 Competitive Training Grant Program (CTGP), and the FY 2007 Homeland Security National Training Program (HSNTP) which includes the NDPC, Rural Domestic Preparedness Consortium (RDPC) and the Continuing and Emerging Grant Program.
- Through the HSNTP and CTGP, TEI trained over 180,000 responders in resident, non-resident, and Train-the-Trainer programs, and reached out to more than 360,000 with preparedness information through satellite broadcasts.
- Continued the support of the Level 1 Evaluation system that reaches 100% of course participants in DHS approved courses. The system was designed to gauge student perception of instructor preparedness, course effectiveness, and applicability of material to participant's job.
- Trained 60,000 responders in resident, non-resident, and Train-the-Trainer programs through 2,605 course iterations at the Center for Domestic Preparedness.
- Completed course certification process for 14 of the 22 courses offered by the Center for Domestic Preparedness
- Integrated the Noble Training Center facility, a transfer from the US Fire Administration, including 150,000 square feet of additional training space and 240 additional dormitory rooms.

### **FY 2008 Planned Accomplishments**

- Continue implementing a Level 1 Evaluation system that reaches 100% of course participants in TEI approved courses. The system is designed to gauge student perception of instructor preparedness, course effectiveness, and the applicability of the material to the participant's job.
- Continue to map all courses to a minimum of three target capabilities and reconfigure courses to align.
- Train 70,000 responders in resident, non-resident, Train-the-Trainer and blended learning programs through 2,865 course iterations.
- Continue clean-up and renovation of Noble facilities; conduct 120 hands-on training courses in this new space.
- Develop and implement three new courses based on training needs assessments.

### **FY 2009 Planned Accomplishments**

- **Level 2 Evaluation System:** Continue to refine the Level 2 System that standardizes the form used to scan course participants' knowledge and skills acquired during courses.
- **Instructor Audit:** Continue conducting course audits in ten percent of TED approved classes. The course audit process is designed to monitor instructor effectiveness.
- **Course Review:** Continue conducting course review and certification of 100% of courses developed by TEI Training Partners. To ensure the highest standard of quality, the course review process requires that subject matter experts review both the content and flow of all courses prior to offering them to the public.
- **TCL Course Alignment Project:** Continue to map all courses to a minimum of three target capabilities and reconfigure courses to align.
- Provide communication and outreach to the training partners, internal and external customers (TRADE, IAB).

## Technical Assistance

### **FY 2007 Accomplishments**

- Provided TA to 75 cities for the development of evacuation and catastrophic plans per the Nationwide Plan Review. Developed analysis and scorecards.
- Developed and delivered investment planning TA to 45 states and territories.
- Developed and delivered program management TA to 27 states and territories.
- Partnered with the Department of Justice (DOJ) to provide 22 TA services to facilitate the development of state and local intelligence fusion centers.

### **FY 2008 Planned Accomplishments**

- Each individual technical assistance service developed and delivered by the TA program has short- and long-term objectives. Similarly, the overall TA program also has specific objectives that guide it.
- Short-term objective: Ensure that technical assistance services are oriented to support the alignment with the NPG and specifically address National Priorities and target capabilities.
- Long-term objective: Develop sustainable solutions and effective tools to assist state and local jurisdictions in building capabilities that address their areas of greatest need and support overall alignment with the NPG.
- Develop a program structure that is built around national priority elements that include intelligence sharing, information sharing, interoperable communications and catastrophic planning.
- Provide further TA on catastrophic planning based on results of Nationwide Plan Review and TICP scorecards.
- Continue to deliver a suite of 11 fusion process TA services to facilitate the development of a baseline level of capability in fusion centers nationwide.

### **FY 2009 Planned Accomplishments**

- Institutionalize program structure that is built around national priority elements that include intelligence sharing, information sharing, interoperable communications, and catastrophic planning. Incorporate new priorities into structure as appropriate.
- Continue to expand design, development, and delivery of TA on catastrophic planning based on results of Nationwide Plan Review and TICP scorecards.
- Design, develop, and deliver new chapter of fusion process TA services to facilitate the development of advanced fusion process capabilities in fusion centers nationwide
- Design, develop and deliver new TA services (preparedness and program management) as necessary and appropriate.

## Evaluations and Assessments

### **FY 2007 Accomplishments**

- Published annual report detailing performance and accomplishments of state and local programs.
  - Identify, assess, evaluate, and develop risk based-earned value preparedness plans which will strategically allocate and position limited assets and resources.
  - Analyze catastrophic planning gaps and identify requirements shortfalls. Define capability structure that serves as the basis for grant guidance
  - Evaluate all hazard preparedness planning for the most vulnerable segment of the population. FY 2007 activities to include a baseline definition and initial segment evaluation.
- Completed comprehensive plan for each of 15 major catastrophe scenarios in National Response Framework (NRF).
- Augmented the National Preparedness Assessment and Reporting system including system development and establishment of the management processes. Established a dedicated program executive staff to oversee contractual efforts, support readiness management processes, and compile required readiness reports. This supports the requirement in HSPD-8 to provide an annual status report on the preparedness of the United States.
- Monitored program improvement actions developed as a result of the Program Assessment Rating Tool (PART) findings and implement required changes.
- Supported Program Assessment Rating Tool (PART) review of the Assistance to Firefighter Grants (AFG).
- Developed, monitored, and reported program performance measures quarterly for state and local grant programs, and training and exercise programs for Future Years Homeland Security Program.
- Established and shared a disciplined, collaborative, and integrated system for homeland security planning at all levels of government as outlined in the National Preparedness Guidelines.

### **FY 2008 Planned Accomplishments**

- Complete comprehensive plan for each of 15 major catastrophe scenarios in National Response Framework (NRF).
- Ensure each state has implemented a statewide interoperable communications plan.
- Establish program and project manager training and certification in accordance with applicable DHS management directives
- Implement project management processes and quarterly reviews for projects across the organization.
- Leverage existing and developmental data systems to provide program status summary reports and dashboard for management team reflecting alignment to performance management goals.
- As directed by Annex 1 of Homeland Security Presidential Directive 8, issued in December 2007, DHS has taken the lead in developing an Integrated Planning System (IPS) to provide an all-hazards planning process across all levels of government.
- Develop an Integrated Planning System and associated deliverables (NPD's area not GPD's)

### **FY 2009 Planned Accomplishments**

- Establish and share a disciplined, collaborative, and integrated system for homeland security planning at all levels of government as outlined in the National Preparedness Guidelines.
- Develop national doctrine for homeland security operational planning through the exercise design, development, performance and evaluation process.
- Establish of nationwide performance measurement system for levels of preparedness and readiness.
- Provide grant recipients with method to conduct baseline resource inventories.

### Commercial Equipment Direct Assistance Program (CEDAP)

#### **FY 2007 Accomplishments**

- FEMA provided 1,853 awards totaling \$33.7 million in equipment and training directly to first responder agencies of smaller communities further strengthening the Nation's unified capability to prevent, protect against, respond to, and recover from incidents of terrorism and other catastrophic events.
- Of the 1,853 awards, 56 were interoperable communications equipment awards totaling \$710,597 in equipment and training
- CEDAP equipment and training was provided in five categories: personal protective equipment (PPE); thermal imaging, night vision, and video surveillance tools; chemical and biological detection tools; information technology and risk management tools; and interoperable communications equipment.
- Since the program's inception in FY 2005, the Department has provided over \$103 million in CEDAP equipment and training.
- 518 SAVER projects/reports were posted to the SAVER website.

#### **FY 2008 Planned Accomplishments**

- FEMA estimates awarding over \$16 million in equipment and training directly to first responder agencies of smaller communities further strengthening the Nation's unified capability to prevent, protect against, respond to, and recover from incidents of terrorism and other catastrophic events.
- SAVER anticipates completing and posting 250 SAVER projects/reports to the SAVER website.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
State and Local Programs  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Change 1:** Reduction to Homeland Security Prevention and Protection Programs

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4. 2

**PPA:** Homeland Security Prevention and Protection Programs

Program Decrease: Positions: 0 FTE: 0 Dollars: (\$1,157,500)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |     |                    |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|-----|--------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE | Dollars (\$000)    |
| Current Services Level |                |          |                 |                        |          |                 |                 |     | \$2,697,500        |
| Program Decrease       |                |          |                 |                        |          |                 | 0               | 0   | (\$1,157,500)      |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        |                 |     | <b>\$1,540,000</b> |

**Description**

The FY 2009 request for the grant programs that comprise the Homeland Security Prevention and Protection Program PPA reflects a \$1,157,500 decrease from FY 2008 enacted level for these programs.

**Justification**

The reduction in the Homeland Security Prevention and Protection Grant Programs is based on several factors including the substantial level of funding over the past six years and a reprioritization of DHS resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national grant program to enhance state and local preparedness.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The Homeland Security Prevention and Protection Program currently supports the strategic goal to build a nimble, effective emergency response system and a culture of preparedness.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
State and Local Programs  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 2:** Reduction to Homeland Security Response and Recovery Programs

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4. 2

**PPA:** Homeland Security Response and Recovery Programs

Program Decrease: Positions: 0 FTE: 0 Dollars: (\$261,000)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |     |                  |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|-----|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE | Dollars (\$000)  |
| Current Services Level |                |          |                 |                        |          |                 |                 |     | \$476,000        |
| Program Decrease       |                |          |                 |                        |          |                 | 0               | 0   | (\$261,000)      |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        |                 |     | <b>\$215,000</b> |

**Description**

The FY 2009 request for the grant programs that comprise the Homeland Security Response and Recovery Program PPA reflects a \$261,000,000 decrease from FY 2008 enacted level for these programs.

**Justification**

The reduction in the Homeland Security Response and Recovery Programs is based on several factors including the substantial level of funding over the past six years and a reprioritization of DHS resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national grant program to enhance state and local preparedness.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The Homeland Security Response and Recovery Program currently supports the strategic goal to build a nimble, effective emergency response system and a culture of preparedness.

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
State and Local Programs  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 3:** Reduction to Other State and Local Support Programs

**Strategic Goal(s) & Objective(s):** DHS Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness, Objective 4. 2

**PPA:** Other State and Local Support Programs

Program Decrease: Positions: 0 FTE: 0 Dollars: (\$179,300)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted Budget |          |                 | FY 2009 Request |     |                  |
|------------------------|----------------|----------|-----------------|------------------------|----------|-----------------|-----------------|-----|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos                    | FTE      | Dollars (\$000) | Pos             | FTE | Dollars (\$000)  |
| Current Services Level |                |          |                 |                        |          |                 |                 |     | \$324,300        |
| Program Decrease       |                |          |                 |                        |          |                 | 0               | 0   | (\$179,300)      |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>               | <b>0</b> | <b>0</b>        |                 |     | <b>\$145,000</b> |

**Description**

The FY 2009 request for the programs that comprise the Other State and Local Support Programs PPA reflects a \$179,300,000 decrease from FY 2008 enacted level for these activities.

**Justification**

The reduction in the Other State and Local Support Programs is based on several factors including the substantial level of funding over the past five years and a reprioritization of FEMA resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national grant program to enhance state and local preparedness.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The Other State and Local Support Programs currently supports the strategic goal to build a nimble, effective emergency response system and a culture of preparedness.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Emergency Management Agency  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

State and Local Programs  
(including transfer of funds)

For grants, contracts, cooperative agreements, and other activities, [\$3,177,800,000] \$1,900,000,000 shall be allocated as follows:

(1) [\$950,000,000] \$200,000,000 shall be for the State Homeland Security Grant Program under section 2004 of the Homeland Security Act of 2002 (6 U.S.C. 605) as amended by Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53): [Provided, That of the amount provided by this paragraph, \$60,000,000 shall be for Operation Stonegarden and is designated as described in section 5 (in the matter preceding division A of this consolidated Act):] *Provided further*, That notwithstanding subsection (c)(4) of such section 2004, for fiscal year [2008]2009, the Commonwealth of Puerto Rico shall make available to local and tribal governments amounts provided to the Commonwealth of Puerto Rico under this paragraph in accordance with subsection (c)(1) of such section 2004.

(2) [\$820,000,000] \$825,000,000 shall be for the Urban Area Security Initiative under section 2003 of the Homeland Security Act of 2002 (6 U.S.C. 604) as amended by Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53).[, of which, notwithstanding subsection (c)(1) of such section, \$15,000,000 shall be for grants to organizations (as described under section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax section 501(a) of such code) determined by the Secretary to be at high-risk of a terrorist attack.]

[ (3) \$35,000,000 shall be for Regional Catastrophic Preparedness Grants.]

[ (4) \$41,000,000 shall be for the Metropolitan Medical Response System under section 635 of the Post-Katrina Emergency Management Reform Act of 2006 (6 U.S.C. 723)].

[ (5) ](3) \$15,000,000 shall be for the Citizens Corps Program;

[ (6) ](4) \$200,000,000 shall be for emergency management performance grants, as authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), and Reorganization Plan No. 3 of 1978 (5 U.S.C. App.).

(5) [\$400,000,000] \$175,000,000 shall be for Public Transportation Security Assistance [and Railroad Security Assistance] under section[s] 1406 [and 1513] of the Implementing

Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53; 6 U.S.C. 1135 [and 1163), of which not less than \$25,000,000 shall be for Amtrak security].

[(7)](6) [\$400,000,000] \$210,000,000 shall be for Port Security Grants in accordance with 46 U.S.C. 70107.

[(8)](7) [\$11,500,000] \$12,000,000 shall be for Over-the-Road Bus Security Assistance under section 1532 of the Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53; 6 U.S.C. 1182).

[(9)](8) [\$16,000,000] \$8,000,000 shall be for Trucking Industry Security Grants.

[(10)](9) \$110,000,000 shall be for the National Security and Terrorism Prevention Grant Program to provide competitive grant awards for projects which address national risks and vulnerabilities identified by the Secretary;

[ \$50,000,000 shall be for Buffer Zone Protection Program Grants.]

[(11) \$50,000,000 shall be for grants under section 204 of the REAL ID Act of 2005 (Public Law 109-13; 49 U.S.C. 30301 note): *Provided*, That the amount provided under this paragraph shall be designated as described in section 5 (in the matter preceding division A of this consolidated Act).(12) \$25,000,000 shall be for the Commercial Equipment Direct Assistance Program.]

[(13) \$50,000,000 shall be for the Interoperable Emergency Communications Grant Program under section 1809 of the Homeland Security Act of 2002 (6 U.S.C. 579) as amended by Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53).]

[(14) \$15,000,000 shall be for grants for construction of Emergency Operations Centers under section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) as amended by Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53).] *and*

[(15)] (10)[\$299,300,000] \$145,000,000 shall be for training, exercises, technical assistance, and other programs:

*Provided*, That not to exceed [3]three percent of the amounts provided under this heading may be transferred to the Federal Emergency Management Agency "Management and Administration" account for program administration: *Provided further*, That for grants under paragraphs (1) through ([5]3), the applications for grants shall be made available to eligible applicants not later than [25]45 days after the date of enactment of this Act, that eligible applicants shall submit applications not later than 90 days after the grant announcement, and that the Administrator of the Federal Emergency Management Agency shall act within 90 days after receipt of an application: *Provided further*, That for grants under paragraphs ([6]4) through ([11]7), the applications for grants shall be made available to eligible applicants not later than [30]75 days after the date of enactment of this Act, that eligible applicants shall submit applications within 45 days after the grant announcement, and that the Federal Emergency Management Agency shall act not later than 60 days after receipt of an application: *Provided further, for grants under paragraphs (1) and (2), the installation of communications towers as determined necessary by the Secretary of*

*Homeland Security, shall not be subject to any limitation in 6 U.S.C. 609(b)(3)(B)(ii)(III): Provided further, That grantees shall provide additional reports on their use of funds, as determined necessary by the Secretary of Homeland Security: Provided further, That (a) the Center for Domestic Preparedness may provide training to emergency response providers from the Federal Government, foreign governments, or private entities, if the Center for Domestic Preparedness is reimbursed for the cost of such training, and any reimbursement under this subsection shall be credited to the account from which the expenditure being reimbursed was made and shall be available, without fiscal year limitation, for the purposes for which amounts in the account may be expended, (b) the head of the Center for Domestic Preparedness shall ensure that any training provided under (a) does not interfere with the primary mission of the Center to train state and local emergency response providers: [Provided further, That the Government Accountability Office shall report to the Committees on Appropriations of the Senate and the House of Representatives regarding the data, assumptions, and methodology that the Department uses to assess risk and allocate Urban Area Security Initiative and State Homeland Security Grants not later than 45 days after the date of enactment of this Act: Provided further, That the report shall include the reliability and validity of the data used, the basis for the assumptions used, how the methodology is applied to determine the risk scores for individual locations, an analysis of the usefulness of placing states and cities into tier groups, and the allocation of grants to eligible locations: Provided further, That the Department provide the Government Accountability Office with the actual data that the Department used for its risk assessment and grant allocation for at least two locations at the discretion of the Government Accountability Office for the 2007 grant allocation process: Provided further, That the Department provide the Government Accountability Office with access to all data needed for its analysis and report, including specifics on all changes for the fiscal year 2008 process, including, but not limited to, all changes in data, assumptions, and weights used in methodology within seven days after the date of enactment of this Act: Provided further, That any subsequent changes made regarding the risk methodology after the initial information is provided to the Government Accountability Office shall be provided within seven days after the change is made.] (Department of Homeland Security Appropriations Act, 2008.)*

**Explanation of Changes:**

Resource amounts were updated to reflect changes in enacted levels and requested levels. Emergency Management Performance Grant funding language was added. The new National Security and Terrorism Prevention Program language was added.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs  
FY 2008 to FY 2009 Budget Changes  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>      |
|--|-------------|------------|--------------------|
| 2007 Revised Enacted.....  | 204         | 204        | 3,021,500          |
| 2008 Enacted.....  | 278         | 278        | 3,497,800          |
| <b>Adjustments-to-Base</b>   |             |            |                    |
| <b>Total Adjustments to Base.....</b>  | <b>-</b>    | <b>-</b>   | <b>-</b>           |
| <b>2009 Current Services</b>   | <b>278</b>  | <b>278</b> | <b>3,497,800</b>   |
| <b>Program Changes</b>   |             |            |                    |
| Decreases  |             |            |                    |
| Permanent Reduction to Homeland Security Prevention and Protection Programs..... | -           | -          | (1,157,500)        |
| Permanent Reduction to Homeland Security Response and Recovery Programs.....     | -           | -          | (261,000)          |
| Permanent Reduction to Other State and Local Support Programs.....               | -           | -          | (179,300)          |
| <b>Total Decreases.....</b>  | <b>-</b>    | <b>-</b>   | <b>(1,597,800)</b> |
| <b>Total Program Changes</b>   | <b>-</b>    | <b>-</b>   | <b>(1,597,800)</b> |
| <b>2009 Request</b>  | <b>278</b>  | <b>278</b> | <b>1,900,000</b>   |
| <b>2008 to 2009 Total Changes</b>  | <b>-</b>    | <b>-</b>   | <b>(1,597,800)</b> |

\* Note: FY 2007 includes funding from emergency supplemental (P.L 110-28); FY 2008 includes emergency funding (P.L 110-161)

\* **Note:** Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

## C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs  
Summary of Requirements  
(Dollars in Thousands)**

|  |  |  |  |  |  |  |  |  |  |  |  |  | 2009 Request  |     |             |
|--|--|--|--|--|--|--|--|--|--|--|--|--|---------------|-----|-------------|
|  |  |  |  |  |  |  |  |  |  |  |  |  | Perm.<br>Pos. | FTE | Amount      |
| <b>2007 Revised Enacted</b>  |  |  |  |  |  |  |  |  |  |  |  |  | 204           | 204 | \$3,021,500 |
| <b>2008 Enacted</b>  |  |  |  |  |  |  |  |  |  |  |  |  | 278           | 278 | 3,497,800   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |  |  |  |  |  |  |  |  |  |  |  |  |               |     |             |
| Transfers  |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | ---         |
| Increases  |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | ---         |
| Decreases  |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | ---         |
| Total Adjustments-to-Base  |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | ---         |
| <b>2009 Current Services</b>   |  |  |  |  |  |  |  |  |  |  |  |  | 278           | 278 | 3,497,800   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | (1,577,800) |
| <b>2009 Total Request</b>  |  |  |  |  |  |  |  |  |  |  |  |  | 278           | 278 | 1,920,000   |
| 2008 to 2009 Total Change  |  |  |  |  |  |  |  |  |  |  |  |  | ---           | --- | (1,577,800) |

| Estimates by Program/Project Activity                  | 2008<br>Enacted |            |                     | 2009<br>Adjustments-to-Base |      |        | 2009<br>Program Change |      |                       | 2009<br>Request |            |                     | 2008 to 2009<br>Total Change |      |                       |
|--|-----------------|------------|---------------------|-----------------------------|------|--------|------------------------|------|-----------------------|-----------------|------------|---------------------|------------------------------|------|-----------------------|
|  | Pos.            | FTE        | Amount              | Pos.                        | FTE  | Amount | Pos.                   | FTE  | Amount                | Pos.            | FTE        | Amount              | Pos.                         | FTE  | Amount                |
| 1 Homeland Security Prevention and Protection Programs | 72              | 72         | \$2,697,500         | ....                        | .... | ....   | ....                   | .... | (\$1,157,500)         | 72              | 72         | \$1,540,000         | ....                         | .... | (\$1,157,500)         |
| 2 Homeland Security Response and Recovery Programs     | 72              | 72         | \$476,000           | ....                        | .... | ....   | ....                   | .... | (\$261,000)           | 72              | 72         | \$215,000           | ....                         | .... | (\$261,000)           |
| 3 Other State and Local Support Programs               | 134             | 134        | \$324,300           | ....                        | .... | ....   | ....                   | .... | (\$179,300)           | 134             | 134        | \$145,000           | ....                         | .... | (\$179,300)           |
| <b>Total</b>   | <b>278</b>      | <b>278</b> | <b>\$ 3,477,800</b> | ---                         | ---  | ....   | ---                    | ---  | <b>\$ (1,577,800)</b> | <b>278</b>      | <b>278</b> | <b>\$ 1,900,000</b> | ---                          | ---  | <b>\$ (1,577,800)</b> |

\* **Note:** Amounts and FTE in the Congressional Justification and Budget Appendix may differ.

## D. Summary of Reimbursable Resources

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**State and Local Programs**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |     |                | 2008 Revised Estimate |     |        | 2009 Estimate |     |        | Increase/Decrease |     |        |
|----------------------------------|----------------|-----|----------------|-----------------------|-----|--------|---------------|-----|--------|-------------------|-----|--------|
|                                  | Pos.           | FTE | Amount         | Pos.                  | FTE | Amount | Pos.          | FTE | Amount | Pos.              | FTE | Amount |
| Department of Commerce           |                |     | \$969,651      |                       |     |        |               |     |        | ---               | --- | ---    |
| <b>Total Budgetary Resources</b> | ---            | --- | <b>969,651</b> | ---                   | --- | ---    | ---           | --- | ---    | ---               | --- | ---    |

| Obligations by Program/Project Activity | FY 2007 Actual |     |                | 2008 Revised Estimate |     |        | 2009 Estimate |     |        | Increase/Decrease |     |        |
|---|----------------|-----|----------------|-----------------------|-----|--------|---------------|-----|--------|-------------------|-----|--------|
|   | Pos.           | FTE | Amount         | Pos.                  | FTE | Amount | Pos.          | FTE | Amount | Pos.              | FTE | Amount |
| PPA 1 State and Local Training Program  |                |     | \$969,651      |                       |     |        |               |     |        | ---               | --- | ---    |
| <b>Total Obligations</b>                | ---            | --- | <b>969,651</b> | ---                   | --- | ---    | ---           | --- | ---    | ---               | --- | ---    |

## E. Summary of Requirements By Object Class

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual  | 2008<br>Enacted    | 2009<br>Request    | 2008 - 2009<br>Change |
|---|--------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$18,002           | \$25,339           | \$25,759           | \$420                 |
| 11.3 Other than full-time permanent                   | 1,678              | \$2,362            | 2,401              | 39                    |
| 11.5 Other Personnel Compensation                     | 423                | \$595              | 605                | 10                    |
| 11.8 Special Service Pay                              |                    | \$0                | ---                | ---                   |
| 12.1 Benefits   | 4,623              | \$6,508            | \$6,616            | \$108                 |
| 13.0 Benefits - former                                |                    |                    | ---                | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$24,726</b>    | <b>\$34,803</b>    | <b>\$35,381</b>    | <b>\$577</b>          |
| Other Object Classes:                                 |                    |                    |                    |                       |
| 21.0 Travel   | 5,179              | 2,303              | 1,354              | (949)                 |
| 22.0 Transportation of things                         |                    |                    | ---                | ---                   |
| 23.1 GSA rent   | ---                | 10,655             | 10,759             | 104                   |
| 23.2 Other rent                                       |                    |                    | ---                | ---                   |
| 23.3 Communications, utilities, & other misc. charges |                    | ---                | ---                | ---                   |
| 24.0 Printing and reproduction                        |                    | 567                | 334                | (233)                 |
| 25.1 Advisory and assistance services                 |                    | ---                | ---                | ---                   |
| 25.2 Other services                                   | 148,431            | 267,973            | 138,567            | (129,406)             |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 114,038            | ---                | ---                | ---                   |
| 25.4 Operation & maintenance of facilities            |                    |                    | ---                | ---                   |
| 25.5 Research and development contracts               |                    |                    | ---                | ---                   |
| 25.6 Medical care                                     |                    |                    | ---                | ---                   |
| 25.7 Operation and maintenance of equipment           |                    | ---                | ---                | ---                   |
| 25.8 Subsistence and support of persons               |                    |                    | ---                | ---                   |
| 26.0 Supplies and materials                           |                    | 3,968              | 2,332              | (1,636)               |
| 31.0 Equipment  |                    | 1,889              | 1,110              | (779)                 |
| 32.0 Land & structures                                |                    |                    | ---                | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 2,738,916          | 3,227,096          | 1,710,162          | (1,516,934)           |
| 42.0 Indemnity  |                    |                    | ---                | ---                   |
| 91.0 Unvouchered                                      |                    |                    | ---                | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$3,006,564</b> | <b>\$3,514,451</b> | <b>\$1,864,619</b> | <b>(\$1,649,832)</b>  |
| <b>Total, Direct Obligations</b>                      | <b>\$3,031,290</b> | <b>\$3,549,254</b> | <b>\$1,900,000</b> | <b>(\$1,649,255)</b>  |
| Unobligated balance, start of year                    | (83,619)           | (83,982)           |                    | 83,982                |
| Recoveries of prior year obligations                  | (4,133)            |                    |                    | ---                   |
| Unobligated balances expiring                         |                    |                    |                    | ---                   |
| Offsetting collections                                |                    |                    |                    | ---                   |
| Unobligated balance, end of year                      | 83,982             |                    |                    | ---                   |
| Emergency funding P.L. 110-161                        |                    | 20,000             |                    | (20,000)              |
| Rescission per P.L. 110-161                           |                    | 12,528             |                    | (12,528)              |
| <b>Total requirements</b>                             | <b>\$3,027,520</b> | <b>\$3,497,800</b> | <b>\$1,900,000</b> | <b>(\$1,597,801)</b>  |

*Note: Total requirements for FY 2008 include the \$12.528 million rescission per P.L. 110-161. Obligations requirement in the Congressional Justification and Budget Appendix may differ due to rounding.*

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007                    | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|-------------------------|-----------------|-----------------|-----------------|
|                                  | Revised Enacted<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | 4                       | 4               | 4               | ---             |
| Total, EX                        | 1                       | 1               | 1               | ---             |
| GS-15                            | 23                      | 27              | 27              | ---             |
| GS-14                            | 34                      | 63              | 63              | ---             |
| GS-13                            | 61                      | 101             | 101             | ---             |
| GS-12                            | 28                      | 13              | 13              | ---             |
| GS-11                            | 26                      | 10              | 10              | ---             |
| GS-10                            | ---                     | ---             | ---             | ---             |
| GS-9                             | 14                      | 4               | 4               | ---             |
| GS-8                             | ---                     | 1               | 1               | ---             |
| GS-7                             | 7                       | 6               | 6               | ---             |
| GS-6                             | 2                       | 1               | 1               | ---             |
| GS-5                             | ---                     | ---             | ---             | ---             |
| GS-4                             | 2                       | ---             | ---             | ---             |
| GS-3                             | 2                       | ---             | ---             | ---             |
| GS-2                             | ---                     | ---             | ---             | ---             |
| Other Graded Positions           | ---                     | ---             | ---             | ---             |
| Ungraded Positions               | ---                     | 47              | 47              | ---             |
| <b>Total Permanent Positions</b> | <b>204</b>              | <b>278</b>      | <b>278</b>      | <b>---</b>      |
| Unfilled Positions EOY           | ---                     | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 204                     | 278             | 278             | ---             |
| <b>FTE</b>                       | <b>204</b>              | <b>278</b>      | <b>278</b>      | <b>---</b>      |
| Headquarters                     | 169                     | 222             | 222             | ---             |
| U.S. Field                       | 35                      | 56              | 56              | ---             |
| Foreign Field                    | ---                     | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>204</b>              | <b>278</b>      | <b>278</b>      | <b>---</b>      |
| <b>Average ES Salary</b>         | \$ 136,187              | \$ 143,883      | \$ 147,623      | \$ 3,740        |
| <b>Average GS Salary</b>         | \$ 77,231               | \$ 78,818       | \$ 80,867       | \$ 2,049        |
| <b>Average GS Grade</b>          | 12.42                   | 12.64           | 13.00           | 0.36            |

### G. Capital Investment and Construction Initiative Listing

| INITIATIVE NAME  | FY 2009 FUNDING REQUEST (\$000) |                |              | FUNDING FROM:              |  |
|--|---------------------------------|----------------|--------------|----------------------------|--|
|  | Current Services Level          | New Initiative | Total        | Budget Activity            | Program/s Name   |
| Communications Asset and Survey Management (CASM) Tool | \$895,872                       | \$0            | \$895,872    | State and Local Assistance | National Preparedness Directorate                                |
| Data Collection Tool                                   | \$4,746,745                     | \$0            | \$4,746,745  | State and Local Assistance | Grant Programs Directorate                                       |
| Extranet Secure Portal                                 | \$1,359,372                     | \$0            | \$1,359,372  | State and Local Assistance | National Preparedness Directorate                                |
| First Responder Training System                        | \$3,501,595                     | \$0            | \$3,501,595  | State and Local Assistance | National Preparedness Directorate                                |
| Grant Reporting Tool                                   | \$2,123,372                     | \$0            | \$2,123,372  | State and Local Assistance | Grant Programs Directorate                                       |
| Homeland Security Exercise and Evaluation Program      | \$1,455,678                     | \$0            | \$1,455,678  | State and Local Assistance | National Preparedness Directorate                                |
| Homeland Security Virtual Assistance Center            | \$623,372                       | \$0            | \$623,372    | State and Local Assistance | National Preparedness Directorate                                |
| Total of IT Investments                                | \$14,706,006                    | \$0            | \$14,706,006 | State and Local Assistance | National Preparedness Directorate and Grant Programs Directorate |
| Total all IT and Non-IT Investments                    | \$14,706,006                    | \$0            | \$14,706,006 | State and Local Assistance | National Preparedness Directorate and Grant Programs Directorate |

## I. Changes in FTE

**Department of Homeland Security  
Federal Emergency Management Agency  
State and Local Programs  
Changes in Full-Time Equivalents**

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 204     | 204     | 278     |
| INCREASES   |         |         |         |
| Increase #1:  |         | ---     |         |
| Description: Conversion of contractors, reorganization of GPD and NPD, and permanent additional FTEs to support FEMA grant programs |         | 74      |         |
| DECREASES   |         |         |         |
|   | ---     | ---     | ---     |
| Year-end Actual/Estimated FTEs  | 204     | 278     | 278     |
| Net Change from prior year base to Budget Year Estimate:  | ---     | 74      | ---     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*Assistance to Firefighter Grants*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **ASSISTANCE TO FIREFIGHTER GRANTS**

### **I. Appropriation Overview**

#### **A. Mission Statement for Assistance to Firefighter Grants (AFG):**

The Assistance to Firefighter Grants (AFG) Program provides support to fire departments and non-affiliated emergency medical services (EMS) to improve the readiness and capability of local first-responders during all-hazards emergencies including firefighting and EMS operations. Assistance to Firefighter Grants are an integral part of the Department of Homeland Security's grant programs that assist federal agencies, states, territories, tribal, and local jurisdictions protect against, prevent, plan for, and respond to acts of terrorism and other catastrophic events. The Assistance to Firefighter Grants program is administered through FEMA's Grant Programs Directorate.

#### **B. Budget Activities:**

The AFG Program awards one-year grants directly to fire departments and non-affiliated emergency medical services (EMS) organizations throughout the United States to support the Nation's first-responders in improving the effectiveness of firefighting and EMS operations.

#### **C. Budget Request Summary:**

For the AFG Program, FEMA requests 54 positions, 54 FTE, and \$300,000,000 for FY 2009. This request represents a program reduction of \$450,000,000 from the FY 2008 enacted level.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Assistance to Firefighter Grants**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                    |                 |                    |                     |            |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|--------------------|-----------------|--------------------|---------------------|------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                    | Program Changes |                    | Adjustments-to-Base |            |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT             | FTE             | AMOUNT             | FTE                 | AMOUNT     |
| Assistance to Firefighter Grants                             | ---               | \$191,107        | ---                | \$522,500        | ---                | \$287,000        | ---                                      | (\$235,500)        | ---             | (235,500)          | ---                 | \$0        |
| Program Administration                                       | 33                | \$21,505         | 54                 | \$37,500         | 54                 | \$13,000         |  | (\$24,500)         | ---             | (24,500)           | ---                 | ---        |
| SAFER Act  | ---               | ---              | ---                | 190,000          |                    |                  |  | (\$190,000)        |                 | (190,000)          | ---                 | ---        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>33</b>         | <b>\$212,612</b> | <b>54</b>          | <b>\$750,000</b> | <b>54</b>          | <b>\$300,000</b> | <b>---</b>                               | <b>(\$450,000)</b> | <b>---</b>      | <b>(\$450,000)</b> | <b>---</b>          | <b>\$0</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |                    |                 |                    |                     |            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>33</b>         | <b>\$212,612</b> | <b>54</b>          | <b>\$750,000</b> | <b>54</b>          | <b>\$300,000</b> | <b>---</b>                               | <b>(\$450,000)</b> | <b>---</b>      | <b>(\$450,000)</b> | <b>---</b>          | <b>\$0</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Assistance to Firefighter Grants**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: FIRE PROGRAM ACTIVITIES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$191,107</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>522,500</b>   |
| 2009 Adjustments-to-Base     | 0                   | 0          | 0                |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>522,500</b>   |
| 2009 Program Change          | 0                   | 0          | (235,500)        |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>287,000</b>   |
| Total Change 2008-2009       | 0                   | 0          | (235,500)        |

FEMA requests \$287,000,000 for this activity in FY 2009. This is a decrease of \$235,500,000 from the FY 2008 enacted level.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Assistance to Firefighters Grant (AFG) Program awards grants directly to fire departments and non-affiliated emergency medical services (EMS) organizations throughout the United States to support one-year projects improving the effectiveness of the Nation's first-responders in homeland security, firefighting, and EMS operations.

FEMA's Grant Programs Directorate administers the program, in cooperation with the U.S. Fire Administration. The entire AFG process is fully automated in an e-grant system. Applicants apply on-line; grants are awarded electronically; grantees manage their grants (payment requests, amendments, etc.) on-line; and grants are monitored and closed out electronically.

For FY 2008, grantees will again be invited to submit an application for assistance in the following two program areas most critical to enhancing the capabilities of the fire and EMS services:

- Operations and Safety Program, which includes training, equipment, and personal protective equipment;
- Firefighting Vehicles Acquisition Program, which includes pumpers, brush trucks, tankers/tenders, rescue vehicles, ambulances, quints, aerials, foam units, and fireboats.

The FY 2008 and FY 2009 invitation to apply will not include wellness/fitness activities or modifications to facilities for firefighter safety. As long as some of our Nation's first-responders lack personal protective gear, training, and critical response equipment, federal preparedness funds should be used for those activities, not for personal health or facility alterations. As in past years, a percentage of funds will be reserved for the Fire Prevention and Safety grants, which include public education and awareness activities, fire code enforcement activities, fire inspector certifications and inspection activities, purchase and installation of smoke alarms and/or fire suppression systems, wild land mitigation awareness, and arson prevention and detection activities.

In FY 2007, the Department received approximately 23,000 applications under the AFG program. Funding priorities for each of the funding activities are announced by DHS, based on the Department's National Preparedness Guidelines as well as recommendations from the Nation's fire service, as represented by nine major fire service organizations. The applications that most closely relate to these announced priorities are reviewed by peer panels. The peer review panels typically take three weeks to complete and commence within two weeks of the end of the grant application period. The grant awards are based primarily on the results of the peer review panels.

In their applications, applicants have to demonstrate financial need, articulate the benefits to be derived from the grant funds, and provide details regarding the effect the grant would have on the applicant's daily operations. The grants are intended to supplement a fire department's or EMS organization's current budget rather than supplant it. To this end, grantees must agree to maintain expenditures in the selected grant category at the organization's average spending rate as determined by the previous two years.

Volunteer and combination departments must receive a proportion of the total grant funding that is at least equal to the proportion of the Nation's population that those fire departments protect. In preparation for the FY 2008 and 2009 grant cycles, the Grant Programs Directorate will use the most current information available to estimate the proportion of the Nation's population protected by volunteer and combination fire departments.

Other legislated restrictions include a ceiling on the cumulative value of vehicle awards set at 25 percent of the total appropriation. Beginning in FY 2005, DHS was directed by Congress to award no less than three and one-half (3.5) percent of the appropriation for EMS activities, with no more than two (2) percent of the total appropriation going to non-affiliated EMS organizations.

The maximum size of each grant is based on the grantee's population protection. The grantees generally must also share in the cost of the funded project the percentage based on the population of their respective jurisdictions. Those limits and cost-sharing requirements are listed below.

These tables show the respective population-based requirements under grants awarded for *Operations and Safety or Vehicle Acquisition*:

Maximum Grant Per Fiscal Year:

| <u>Jurisdiction Size</u> | <u>Maximum Grants per FY</u>                      |
|--------------------------|---|
| Up to 500,000            | Lesser of \$1,000,000, or 0.5% of available funds |
| 500,000 – 1,000,000      | Lesser of \$1,750,000, or 0.5% of available funds |
| Over 1,000,000           | Lesser of \$2,750,000, or 0.5% of available funds |

Grant cost-sharing requirements for the Assistance to Firefighters Grant Program:

| <u>Jurisdiction Size</u> | <u>Local Cost-Share</u> |
|--------------------------|-------------------------|
| Below 20,000             | 5%                      |
| 20,000 and 50,000        | 10%                     |
| Above 50,000             | 20%                     |

Fire Prevention and Safety grants have a \$1,000,000 limit with no cost sharing requirements for non-fire department applicants. Fire departments, however, are subject to the same population-based cost sharing requirements detailed above.

## **Recent and Planned Accomplishments**

### **FY 2007**

- Received approximately 23,000 applications and issued approximately 5,000 grant awards. Of these, 20,739 were applications for AFG including 1,276 (6.2%) from urban jurisdictions, 3,436 (16.6%) from suburban jurisdictions, and 16,027 (77.2%) from rural jurisdictions. Grants awards began at the end of July 2007 and continued throughout the 2007 calendar year.
- Utilized results of National Academy of Public Administration (NAPA) project to begin establishing a strategic planning process and evaluating the AFG program's future direction.
- Initiated outreach efforts to improve application quality and responsiveness to applicant needs.

### **FY 2008**

- Complete the first stage of strategic planning and redirection of the AFG program.
- Establish enhanced performance measures and performance measure reporting as recommended by NAPA in its 2007 report to AFG.

### **FY 2009**

- Collect performance measure data per recommendations from the 2007 NAPA report and initiate the evaluation thereof.
- Initiate planning for the use and application of the performance data gathered during the previous year.
- Initiate the first phase of the redirection of the AFG program as recommended by NAPA.

PPA: ASSISTANCE TO FIREFIGHTER GRANTS PROGRAM ADMINISTRATION

|                              | <b>Perm</b> |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>           | <b>33</b>   | <b>33</b>  | <b>\$21,505</b> |
| <b>2008 Enacted</b>          | <b>54</b>   | <b>54</b>  | <b>37,500</b>   |
| 2009 Adjustments-to-Base     | 0           | 0          | 0               |
| <b>2009 Current Services</b> | <b>54</b>   | <b>54</b>  | <b>37,500</b>   |
| 2009 Program Change          | 0           | 0          | (24,500)        |
| <b>2009 Request</b>          | <b>54</b>   | <b>54</b>  | <b>13,000</b>   |
| Total Change 2008-2009       | 0           | 0          | (24,500)        |

FEMA requests 54 positions, 54 FTE and \$13 million for this activity. This request represents a decrease of \$24,500,000 from the FY 2008 enacted level.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

FEMA requests \$13 million and 54 FTEs for the management and administration of the Assistance to Firefighter Grants program. Management and administration includes traditional operations and program management resources. The AFG program is administered by FEMA’s Grant Programs Directorate (GPD). GPD awards and manages the AFG grants, providing support and oversight to the thousands of AFG grant awards each year. These funds support the salary and benefit costs for GPD staff working on the AFG program.

The program administration PPA also funds the support contracts necessary for the full and complete implementation of the AFG program. The major support contractor provides staff and information data support for the panel review process, web management, grants administration, payment/amendment processing, closeout, and logistical support for the panel review process. The staff provided range from clerks to subject matter specialists, as the task dictates. This PPA also funds formal audits of AFG grants by a qualified third party.

#### IV. Program Justification of Changes

**Program Decrease 1:** Reduction to Firefighter Grants

Strategic Goal(s) & Objective(s): Increase Preparedness  
 PPA: Assistance to Firefighter Grants

Program Decrease: Positions 0 FTE 0 Dollars \$ (235,500)

Funding Profile (\$ in thousands)

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |          |                  |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|----------|------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000)  |
| Current Services Level |                |     |                 |                 |     |                 | 0               | 0        | \$522,500        |
| Program Decrease       |                |     |                 |                 |     |                 | 0               | 0        | (235,500)        |
| <b>Total Request</b>   |                |     | <b>191,107</b>  |                 |     | <b>522,500</b>  | <b>0</b>        | <b>0</b> | <b>\$287,000</b> |

Description of Item

The Assistance to Firefighter Grants program is reduced by \$235,500,000 in FY 2009 from FY 2008.

Justification

A funding level of \$287,000,000 is requested to fund applications that enhance the most critical capabilities of local response to fire-related hazards in the event of a terrorist attack or major disaster. The Administration believes that \$287 million is an appropriate level of funding given the availability of significant amounts of funding for first responder preparedness missions from other DHS grant programs which are coordinated with state and local homeland security strategies and, unlike AFG, are allocated on the basis of risk.

**Program Decrease 2:**                      Reduction to Program Administration

Strategic Goal(s) & Objective(s): Increase Preparedness  
 PPA: Assistance to Firefighter Grants

Program Decrease:      Positions 0                      FTE 0                      Dollars \$ (24,500)

Funding Profile (\$ in thousands)

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 54              | 54       | \$ 37,500       |
| Program Decrease       |                |           |                 |                 |           |                 | 0               | 0        | (24,500)        |
| <b>Total Request</b>   | <b>33</b>      | <b>33</b> | <b>21,505</b>   | <b>54</b>       | <b>54</b> | <b>37,500</b>   | <b>0</b>        | <b>0</b> | <b>\$13,000</b> |

Description of Item

The Assistance to Firefighter Grants Program Administration is increased by \$386,000 for inflation and reduced by (\$24,886,000) programmatically in FY 2009 from FY 2008. The net reduction totals (\$24,500,000).

Justification

This reduction is a result of the lower requested amount in AFG grant funding and the elimination of the SAFER grant program. A reduction in the number and types of grants awarded lowers the amount of administrative resources required to effectively run the program.

**Program Decrease 3:** Elimination of SAFER Grants

Strategic Goal(s) & Objective(s): Increase Preparedness  
 PPA: Assistance to Firefighter Grants

Program Decrease: Positions 0 FTE 0 Dollars \$ (190,000)

Funding Profile (\$ in thousands)

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | 0               | 0        | \$ 190,000      |
| Program Decrease       |                |     |                 |                 |     |                 | 0               | 0        | (190,000)       |
| <b>Total Request</b>   |                |     | <b>0</b>        |                 |     | <b>190,000</b>  | <b>0</b>        | <b>0</b> | <b>\$0</b>      |

Description of Item

No funds are requested for the SAFER grant program in FY 2009. This request represents a decrease of \$190,000,000 from the FY 2008 enacted level.

Justification

The Administration provides billions of dollars in annual support to train, exercise, and equip state and local public safety personnel, including firefighters, so that they are adequately prepared to respond to a terrorist attack or other major incident. Federal support has been directed in order to better focus scarce resources on enhancing target capabilities, and to avoid supplanting basic public safety investments at the state and local level. A federally funded hiring program for firefighters risks replacing state and local funding for general purpose public safety staffing with federal resources, and therefore does not forward the common goal of enhancing national preparedness capabilities.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Assistance to Firefighter Grants**  
**Appropriation Language**

For necessary expenses for programs authorized by the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), [\$750,000,000 of which \$560,000,000] \$300,000,000 shall be available to carry out *subsections 33 (b)(3)(B), (H), and (I) of section 33* of that Act (15 U.S.C. 2229) [and \$190,000,000 shall be available to carry out section 34 of that Act (15 U.S.C. 2229a), \$300,000,000] to remain available until September 30, [2009]2010: *Provided*, That not to exceed five percent of this amount shall be available for program administration. (*Department of Homeland Security Appropriation Act, 2008.*)

#### **Justification of Changes**

The proposed legislative language limits the allowable uses for fire department grants to training, equipment, and personal protective gear needed to respond to a terrorist incident or the use of a weapon of mass destruction.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
Federal Emergency Management Agency  
Assistance to Firefighter Grants  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....                             | <b>33</b>   | <b>33</b>  | <b>\$212,612</b> |
| <b>2008 Enacted</b> .....                               | <b>54</b>   | <b>54</b>  | <b>750,000</b>   |
| <b>Adjustments-to-Base</b>                              |             |            |                  |
| Increases   |             |            |                  |
| Annualization of 2008 pay raise.....                    | ---         | ---        | 41               |
| 2009 pay increase.....                                  | ---         | ---        | 124              |
| <b>Total Increases</b> .....                            | <b>---</b>  | <b>---</b> | <b>165</b>       |
| Decreases   |             |            |                  |
| Management and Technology Efficiencies.....             | ---         | ---        | (165)            |
| <b>Total Decreases</b> .....                            | <b>---</b>  | <b>---</b> | <b>(165)</b>     |
| <b>Total Adjustments-to-Base</b> .....                  | <b>---</b>  | <b>---</b> | <b>0</b>         |
| <b>2009 Current Services</b> .....                      | <b>54</b>   | <b>54</b>  | <b>750,000</b>   |
| <b>Program Changes</b>                                  |             |            |                  |
| Program Increases/(Decreases)                           |             |            |                  |
| Permanent Reduction to Assistance to Firefighter Grants |             |            | (235,500)        |
| Permanent Reduction to Program Administration           |             |            | (24,500)         |
| Permanent Reduction to SAFER                            | ---         | ---        | (190,000)        |
| <b>Total Program Changes</b> .....                      | <b>---</b>  | <b>---</b> | <b>(450,000)</b> |
| <b>2009 Request</b> .....                               | <b>54</b>   | <b>54</b>  | <b>300,000</b>   |
| <b>2008 to 2009 Total Change</b> .....                  | <b>---</b>  | <b>---</b> | <b>(450,000)</b> |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Assistance to Firefighter Grants  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |           |                  |
|--|--------------|-----------|------------------|
|  | Perm. Pos.   | FTE       | Amount           |
| <b>FY 2007 Actual</b>  | <b>33</b>    | <b>33</b> | <b>\$212,612</b> |
| <b>2008 Enacted</b>  | <b>54</b>    | <b>54</b> | <b>750,000</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                  |
| Transfers  | ---          | ---       | ---              |
| Increases  | ---          | ---       | 165              |
| Decreases  | ---          | ---       | (165)            |
| Total Adjustments-to-Base  | ---          | ---       | ---              |
| <b>2009 Current Services</b>   | <b>54</b>    | <b>54</b> | <b>750,000</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |           | (450,000)        |
| <b>2009 Total Request</b>  | <b>54</b>    | <b>54</b> | <b>300,000</b>   |
| 2008 to 2009 Total Change  | ---          | ---       | (450,000)        |

| Estimates by Program/Project Activity | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |            |            | 2009 Program Change |            |                    | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                    |
|---------------------------------------|--------------|-----------|------------------|--------------------------|------------|------------|---------------------|------------|--------------------|--------------|------------|------------------|---------------------------|------------|--------------------|
|                                       | Pos.         | FTE       | Amount           | Pos.                     | FTE        | Amount     | Pos.                | FTE        | Amount             | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount             |
| 1 Assistance to Firefighter Grants    |              |           | \$522,500        | ---                      | ---        | \$0        | ---                 | ---        | (\$235,500)        | ---          | ---        | \$287,000        | ---                       | ---        | (\$235,500)        |
| 2 Program Administration              | 54           | 54        | \$37,500         | ---                      | ---        | \$0        | ---                 | ---        | (\$24,500)         | 54           | 54         | \$13,000         | ---                       | ---        | (\$24,500)         |
| 3 SAFER Act                           |              |           | \$190,000        | ---                      | ---        | \$0        | ---                 | ---        | (\$190,000)        | ---          | ---        | ---              | ---                       | ---        | (\$190,000)        |
| <b>Total</b>                          | <b>54</b>    | <b>54</b> | <b>\$750,000</b> | <b>---</b>               | <b>---</b> | <b>\$0</b> | <b>---</b>          | <b>---</b> | <b>(\$450,000)</b> | <b>---</b>   | <b>---</b> | <b>\$300,000</b> | <b>---</b>                | <b>---</b> | <b>(\$450,000)</b> |

#### **D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Assistance to Firefighter Grants**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted    | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|--------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$685             | \$4,500            | \$4,635          | \$135                 |
| 11.3 Other than full-time permanent                   | ---               | ---                | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | 34                | ---                | ---              | ---                   |
| 11.8 Special Service Pay                              | ---               | ---                | ---              | ---                   |
| 12.1 Benefits   | 534               | 1,008              | 1,038            | 30                    |
| 13.0 Benefits - former                                | ---               | ---                | ---              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$1,253</b>    | <b>\$5,508</b>     | <b>\$5,673</b>   | <b>\$165</b>          |
| Other Object Classes:                                 |                   |                    |                  |                       |
| 21.0 Travel   | 81                | 1,350              | 84               | (1,266)               |
| 22.0 Transportation of things                         | ---               | ---                | ---              | ---                   |
| 23.1 GSA rent   | ---               | ---                | ---              | ---                   |
| 23.2 Other rent                                       | ---               | ---                | ---              | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---                | ---              | ---                   |
| 24.0 Printing and reproduction                        | ---               | ---                | ---              | ---                   |
| 25.1 Advisory and assistance services                 | ---               | ---                | ---              | ---                   |
| 25.2 Other services                                   | 20,171            | 30,544             | 7,145            | (23,399)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---               | ---                | ---              | ---                   |
| 25.4 Operation & maintenance of facilities            | ---               | ---                | ---              | ---                   |
| 25.5 Research and development contracts               | ---               | ---                | ---              | ---                   |
| 25.6 Medical care                                     | ---               | ---                | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---                | ---              | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---                | ---              | ---                   |
| 26.0 Supplies and materials                           | ---               | 98                 | 98               | ---                   |
| 31.0 Equipment  | ---               | ---                | ---              | ---                   |
| 32.0 Land & structures                                | ---               | ---                | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 191,107           | 1,187,714          | 287,000          | (900,714)             |
| 42.0 Indemnity  | ---               | ---                | ---              | ---                   |
| 43.0 Interest & dividends                             | ---               | ---                | ---              | ---                   |
| 44.0 Refunds  | ---               | ---                | ---              | ---                   |
| 91.0 Unvouchered                                      | ---               | ---                | ---              | ---                   |
| 99.0 Other  | ---               | ---                | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$211,359</b>  | <b>\$1,219,706</b> | <b>\$294,327</b> | <b>(\$925,379)</b>    |
| <b>Total, Direct Obligations</b>                      | <b>\$212,612</b>  | <b>\$1,225,214</b> | <b>\$300,000</b> | <b>(\$925,214)</b>    |
| Unobligated balance, start of year                    | (15,276)          | (475,214)          | ---              | 475,214               |
| Unobligated balance, end of year                      | 475,214           | ---                | ---              | ---                   |
| Recoveries of prior year obligations                  | ---               | ---                | ---              | ---                   |
| <b>Total requirements</b>                             | <b>\$672,550</b>  | <b>\$750,000</b>   | <b>\$300,000</b> | <b>(450,000)</b>      |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Federal Emergency Management Agency  
Assistance to Firefighter Grants  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | ---            | ---             |                 | ---             |
| Total, EX                        | ---            | ---             |                 | ---             |
| GS-15                            | 3              | 5               | 5               | ---             |
| GS-14                            | 5              | 7               | 7               | ---             |
| GS-13                            | 12             | 16              | 16              | ---             |
| GS-12                            | 5              | 8               | 8               | ---             |
| GS-11                            | 2              | 5               | 5               | ---             |
| GS-10                            | ---            | ---             | ---             | ---             |
| GS-9                             | 3              | 7               | 7               | ---             |
| GS-8                             | ---            | 2               | 2               | ---             |
| GS-7                             | 1              | 2               | 2               | ---             |
| GS-6                             | ---            | ---             | ---             | ---             |
| GS-5                             | ---            | ---             | ---             | ---             |
| GS-4                             | 1              | 1               | 1               | ---             |
| GS-3                             | 1              | 1               | 1               | ---             |
| GS-2                             | ---            | ---             | ---             | ---             |
| Other Graded Positions           | ---            | ---             | ---             | ---             |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>33</b>      | <b>54</b>       | <b>54</b>       | <b>---</b>      |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 33             | 54              | 54              | ---             |
| <b>FTE</b>                       | <b>33</b>      | <b>54</b>       | <b>54</b>       | <b>---</b>      |
| Headquarters                     | 21             | 42              | 54              | 12              |
| U.S. Field                       | 12             | 12              | ---             | (12)            |
| Foreign Field                    | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>33</b>      | <b>54</b>       | <b>54</b>       | <b>---</b>      |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---          |
| <b>Average GS Salary</b>         | \$ 78,032      | \$ 79,748       | \$ 82,140       | \$ 2,392        |
| <b>Average GS Grade</b>          | 13.00          | 13.00           | 13.00           | ---             |

**G. Capital Investment and Construction Initiative Listing**

| INITIATIVE NAME                              | FY 2009 FUNDING REQUEST (\$000) |                |             | FUNDING FROM:                    |                            |
|--|---------------------------------|----------------|-------------|----------------------------------|----------------------------|
|  | Current Services Level          | New Initiative | Total       | Budget Activity                  | Program/s Name             |
| AFG Grants Management System                 | \$3,263,372                     | \$0            | \$3,263,372 | Assistance to Firefighter Grants | Grant Programs Directorate |
| AFG Website                                  | \$509,260                       | \$0            | \$509,260   | Assistance to Firefighter Grants | Grant Programs Directorate |
| AFG PEER/TECH Review Tracking and Management | \$790,338                       | \$0            | \$790,338   | Assistance to Firefighter Grants | Grant Programs Directorate |
| Total of IT Investments                      | \$4,562,970                     | \$0            | \$4,562,970 | Assistance to Firefighter Grants | Grant Programs Directorate |
|  |                                 |                |             |                                  |                            |
| Total all IT and Non-IT Investments          | \$4,562,970                     | \$0            | \$4,562,970 | Assistance to Firefighter Grants | Grant Programs Directorate |

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
Assistance to Firefighter Grants  
PPA: Assistance to Firefighter Grants Program  
Funding Schedule  
(Dollars in Thousands)**

| PPA: PPA Name                                  |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|--|--|------------------|------------------|------------------|------------------------|
| <b>Object Classes:</b>                         |  |                  |                  |                  |                        |
| 11.1   | Perm Positions                             | \$0              | \$0              | \$0              | \$0                    |
| 11.3   | Other than perm                            | ---              | ---              | ---              | ---                    |
| 11.5   | Other per comp                             | ---              | ---              | ---              | ---                    |
| 11.8   | Spec Srvc Pay                              | ---              | ---              | ---              | ---                    |
| 12.1   | Benefits                                   | ---              | ---              | ---              | ---                    |
| 13.0   | Benefits-former                            | ---              | ---              | ---              | ---                    |
| 21.0   | Travel                                     | ---              | ---              | ---              | ---                    |
| 22.0   | Transportation of things                   | ---              | ---              | ---              | ---                    |
| 23.1   | GSA rent                                   | ---              | ---              | ---              | ---                    |
| 23.2   | Other rent                                 | ---              | ---              | ---              | ---                    |
| 23.3   | Communication, Utilities, and misc charges | ---              | ---              | ---              | ---                    |
| 24.0   | Printing                                   | ---              | ---              | ---              | ---                    |
| 25.1   | Advisory & Assistance Services             | ---              | ---              | ---              | ---                    |
| 25.2   | Other Services                             | ---              | ---              | ---              | ---                    |
| 25.3   | Purchase from Govt. Accts.                 | ---              | ---              | ---              | ---                    |
| 25.4   | Operation & maintenance of facilities      | ---              | ---              | ---              | ---                    |
| 25.5   | Research & Development                     | ---              | ---              | ---              | ---                    |
| 25.6   | Medical care                               | ---              | ---              | ---              | ---                    |
| 25.7   | Operation & maintenance of equipment       | ---              | ---              | ---              | ---                    |
| 25.8   | Subsistence & Support of persons           | ---              | ---              | ---              | ---                    |
| 26.0   | Supplies & materials                       | ---              | ---              | ---              | ---                    |
| 31.0   | Equipment                                  | ---              | ---              | ---              | ---                    |
| 32.0   | Land & Structures                          | ---              | ---              | ---              | ---                    |
| 41.0   | Grants/Subsidies/Contributions             | 191,107          | 522,500          | 287,000          | (235,500)              |
| 42.0   | Indemnity                                  | ---              | ---              | ---              | ---                    |
| 91.0   | Unvouchered                                | ---              | ---              | ---              | ---                    |
| <b>Total, Assistance to Firefighter Grants</b> |  | <b>\$191,107</b> | <b>\$522,500</b> | <b>\$287,000</b> | <b>(\$235,500)</b>     |
| Full Time Equivalent                           |  | ---              | ---              | ---              | ---                    |

### PPA Mission Statement

Assistance to Firefighter Grants plays a vital role in providing fire departments and non-affiliated emergency medical services (EMS) support to improve the readiness and capability of local first-responders during all-hazards emergencies including firefighting and EMS operations. Assistance to Firefighter Grants are an integral part of the Department of Homeland Security's grant programs that assist federal agencies, states, territories, tribal, and local jurisdictions to prepare, prevent, plan for, and respond to acts of terrorism and other catastrophic events.

### Summary Justification and Explanation of Changes

|                                       | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---------------------------------------|------------------|------------------|------------------|---------------------|
|                                       | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$191,107</b> | <b>\$522,500</b> | <b>\$287,000</b> | <b>(\$235,500)</b>  |

The FY 2009 request includes a program decrease of \$235,500,000 for award of all firefighter grants. The Administration believes that \$287 million is an appropriate level of funding given the significant amount of funding available for similar purposes from other programs such as the State Homeland Security and Urban Area Security Initiative grant programs.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Assistance to Firefighter Grants**  
**PPA: Assistance to Firefighter Grants Program Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>                 |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>               |  |                        |                         |                         |                                |
| 11.1                                 | Perm Positions                             | \$685                  | \$4,500                 | \$4,635                 | \$135                          |
| 11.3                                 | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                 | Other per comp                             | 34                     | ---                     | ---                     | ---                            |
| 11.8                                 | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                 | Benefits                                   | 534                    | 1,008                   | 1,038                   | 30                             |
| 13.0                                 | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                 | Travel                                     | 81                     | 1,350                   | 84                      | (1,266)                        |
| 22.0                                 | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                 | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                                 | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                 | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0                                 | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                                 | Advisory & Assistance Services             | ---                    | ---                     | ---                     | ---                            |
| 25.2                                 | Other Services                             | 20,171                 | 30,544                  | 7,145                   | (23,399)                       |
| 25.3                                 | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4                                 | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                 | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                 | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                 | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8                                 | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                 | Supplies & materials                       | ---                    | 98                      | 98                      | ---                            |
| 31.0                                 | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0                                 | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                 | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                                 | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                 | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Program Administration</b> |  | <b>\$21,505</b>        | <b>\$37,500</b>         | <b>\$13,000</b>         | <b>(\$24,500)</b>              |
| Full Time Equivalent                 |  | 33                     | 54                      | 54                      | ---                            |

### PPA Mission Statement

The Program Administration PPA includes funding for traditional operations and program management resources. The AFG program is administered by FEMA's Grant Programs Directorate (GPD). GPD awards and manages the AFG grants, providing support and oversight to the thousands of AFG grant awards each year. This PPA supports the salary and benefit costs for GPD staff working on the AFG program as well as contractor support.

### Summary Justification and Explanation of Changes

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$1,253</b>         | <b>\$5,508</b>          | <b>\$5,673</b>          | <b>\$165</b>                   |

Salaries and Benefits includes costs for 54 FTEs. The FY 2009 request includes an increase of \$145,000 for the proposed January 2009 increase in personnel compensation and annualization of the FY 2008 pay increase.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$81</b>            | <b>\$1,350</b>          | <b>\$84</b>             | <b>(\$1,266)</b>               |

The FY 2009 request includes a decrease of \$1,266,000 due to the lower requested amount in overall AFG grant funding.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | <b>\$20,171</b>        | <b>\$30,544</b>         | <b>\$7,145</b>          | <b>(\$23,399)</b>              |

The FY 2009 request includes a decrease of \$23,399,000 due to the lower requested amount in overall AFG grant funding.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | <b>\$0</b>             | <b>\$98</b>             | <b>\$98</b>             | <b>\$0</b>                     |

The FY 2009 request of \$98,000 remains consistent with the FY 2008 funding level.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Assistance to Firefighter Grants**  
**PPA: SAFER Act**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: SAFER Act</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>  |  |                        |                         |                         |                                |
| 11.1                    | Perm Positions                             | ---                    | \$0                     | \$0                     | ---                            |
| 11.3                    | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                    | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                    | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                    | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                    | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                    | Travel                                     | ---                    | ---                     | ---                     | ---                            |
| 22.0                    | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                    | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                    | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                    | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0                    | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                    | Advisory & Assistance Services             | ---                    | ---                     | ---                     | ---                            |
| 25.2                    | Other Services                             | ---                    | ---                     | ---                     | ---                            |
| 25.3                    | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4                    | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                    | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                    | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                    | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8                    | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                    | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0                    | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0                    | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                    | Grants/Subsidies/Contributions             | ---                    | 190,000                 | ---                     | (190,000)                      |
| 42.0                    | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                    | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, SAFER Act</b> |  | <b>\$0</b>             | <b>\$190,000</b>        | <b>\$0</b>              | <b>(\$190,000)</b>             |
| Full Time Equivalents   |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

SAFER grants are competitive grants for: 1) hiring of (paid) firefighters, and 2) recruitment and retention of volunteer firefighters.

**Summary Justification and Explanation of Changes**

|                                       | <b>2007</b>   | <b>2008</b>      | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|---------------|------------------|----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b>   | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$0</b>    | <b>\$190,000</b> | <b>\$0</b>     | <b>(\$190,000)</b>  |

There are no requested funds in FY 2009. The Administration has requested significant funds over the several years to support public safety preparedness at the state and local level. Congress has appropriated and the Administration has granted billions of dollars to support training, exercising, and equipping public safety personnel, including firefighters, across the Nation. The Administration believes that federal support should be focused on enhancing, not replacing, local preparedness efforts. Furthermore, the Administration does not believe that a federally-funded hiring program is consistent with the enhancement of existing, local preparedness capabilities.

## I. Changes in FTE

**Department of Homeland Security  
Federal Emergency Management Agency  
Assistance to Firefighter Grants  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                            | 33      | 33      | 54      |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:   | 0       | 21      |         |
| Description: Conversion of reimbursable support staff to AFG FTE |         |         |         |
| Sub-Total Increases  | 0       | 21      | 0       |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Description:   |         |         |         |
| Sub-Total Decreases  | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs                                   | 33      | 54      | 54      |
| Net Change from prior year base to Budget Year Estimate:         | 0       | 21      | 0       |

**J. FY 2009 Schedule of Working Capital fund by Program/Project/Activity**

# Department of Homeland Security

*Federal Emergency Management Agency*

*Radiological Emergency Preparedness Program*

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Fiscal Year 2009  
Congressional Budget Submission

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

### **I. Appropriation Overview**

#### **A. Mission Statement for Radiological Emergency Preparedness Program (REPP):**

The Radiological Emergency Preparedness Program (REPP) assists state, local, and tribal governments in the development of offsite radiological emergency preparedness plans within the emergency planning zones of Nuclear Regulatory Commission (NRC) licensees of commercial nuclear power facilities. The REPP fund is financed from user fees assessed and collected from the NRC licensees to cover budgeted costs for radiological emergency planning, preparedness, and response activities in the following year.

#### **B. Budget Activities:**

REPP estimates the Fiscal Year (FY) 2009 offsetting collection authority to be \$25,919,000. The proposed budget represents a four percent inflationary increase over the FY 2008 Enacted level.

#### **C. Budget Request Summary:**

FEMA requests budget authority of \$25,919,000 in FY 2009 to:

- Conduct and evaluate REPP exercises.
- Support the NRC and nuclear industry with offsite planning activities related to new reactor license applications.
- Perform routine annual reviews of offsite radiological emergency response plans and related preparedness activities.
- Conduct radiological courses for federal, state, tribal and local emergency response personnel.
- Review alert and notification systems installed around nuclear power facilities.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Federal Emergency Management Agency**  
**Radiological Emergency Preparedness Program**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                   | FY 2008<br>Enacted |                   | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                |                 |            |                     |                |
|--|-------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--|----------------|-----------------|------------|---------------------|----------------|
|  |                   |                   |                    |                   |                    |                   | Total Changes                            |                | Program Changes |            | Adjustments-to-Base |                |
|  | FTE               | AMOUNT            | FTE                | AMOUNT            | FTE                | AMOUNT            | FTE                                      | AMOUNT         | FTE             | AMOUNT     | FTE                 | AMOUNT         |
| Radiological Emergency Preparedness Program                  | 130               | \$21,569          | 170                | \$24,922          | 170                | \$25,919          | ---                                      | \$997          |                 | \$0        |                     | \$997          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>130</b>        | <b>\$21,569</b>   | <b>170</b>         | <b>\$24,922</b>   | <b>170</b>         | <b>\$25,919</b>   |  | <b>\$997</b>   |                 | <b>\$0</b> | <b>---</b>          | <b>\$997</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>          | <b>---</b>        | <b>(\$24,922)</b> | <b>---</b>         | <b>(\$25,919)</b> | <b>---</b>         | <b>(\$26,424)</b> | <b>---</b>                               | <b>(\$505)</b> | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>(\$505)</b> |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>130</b>        | <b>(\$3,353)</b>  | <b>170</b>         | <b>(\$997)</b>    | <b>170</b>         | <b>(\$505)</b>    | <b>---</b>                               | <b>\$492</b>   | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>\$492</b>   |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Radiological Emergency Preparedness Program**  
**Program Performance Justification**

(Dollars in thousands)

PPA: RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

|                                      | <b>Perm</b> |            |                 |
|--------------------------------------|-------------|------------|-----------------|
|                                      | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>                   | <b>130</b>  | <b>130</b> | <b>\$21,569</b> |
| <b>2008 Enacted</b>                  | <b>170</b>  | <b>170</b> | <b>\$24,922</b> |
| 2009 Adjustments-to-Base             |             |            | 997             |
| <b>2009 Current Services</b>         | <b>170</b>  | <b>170</b> | <b>\$25,919</b> |
| 2009 Program Change                  | 0           | 0          | 0               |
| <b>2009 Budget Authority Request</b> | <b>170</b>  | <b>170</b> | <b>\$25,919</b> |
| Total Change 2008-2009               | 0           | 0          | \$997           |

FEMA requests \$25,919,000 representing a \$997,000 increase over FY 2008. The requested budget represents a four percent inflationary increase from FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

REPP plans and executes nationally coordinated, locally executed radiological emergency preparedness and response activities. The program assists state and local governments in the development of off-site radiological emergency preparedness plans within the emergency planning zones of NRC licensed commercial nuclear power facilities. REPP's success lies in its ability to integrate and enhance federal, tribal nation, state, and local governments' planning preparedness, and response capabilities for all types of peacetime radiological emergencies.

Funds for REPP activities are generated through licensing fees charged to each participating reactor. Amounts available for obligation in a given year rely on the level of collections received in the prior fiscal year. In FY 2008, fees are currently projected to increase by four percent over the FY 2007 level, generating a four percent increase in funds available for obligation in FY 2009.

#### **Terrorism-based Initiatives**

Since September 11, 2001, REPP has received requests to participate in exercises, drills, roundtable discussions, issue committees and working groups associated with nuclear power plant security as well as emergency preparedness planning for incidents involving a radiological dispersal device or improvised nuclear device. REPP does not have the capacity to support all of these activities and so it provides support to those activities given the highest priority.

In addition, REPP has received a significant number of requests from our federal department/agency partners and state, local, tribal, and private sector stakeholders to conduct a comprehensive revision and update of the current REPP policies, guidance and regulations. Many of these operative program documents are 10-20 years old and some of the information is outdated.

FY 2007 terrorism-based initiatives increased the program's nuclear and radiological responsibilities in the Nuclear/Radiological Annex of the National Response Framework and Radiological Dispersal Device/Improvised Nuclear Device (RDD/IND) activities. An additional 40 FTE were authorized in FY 2007 (30 FTE for FEMA Headquarters and 10 FTE allocated regionally) to help support these initiatives.

In the regional offices, REPP is working to establish a 1:1 ratio of site specialist to each plant in order to handle and address the increase in site-specific issues that have surfaced since the 9/11 terrorist attacks. REPP has also noticed that as these plants begin to seek operating license extensions, the number of issues involving opposition from local citizens and intervenor/public interest groups increases dramatically.

### **New Reactor License Applications**

In FY 2009, REPP anticipates continuing work on at least 25 new reactor license applications generated since the enactment of the Energy Policy Act of 2005. Each application requires an offsite emergency preparedness review, preparation of documents that will be contained in the Safety Evaluation Reports, delivery of expert testimony if necessary, and the production of reasonable assurance findings for the NRC. To support the increased workload associated with these new applications, REPP has requested an additional 40 FTEs for FY 2008 and supporting resources such as contractor support, travel, etc.

### **Federal Radiological Preparedness Coordinating Committee**

On an ongoing basis, REPP coordinates the activities of federal agencies with responsibilities in the radiological emergency planning and preparedness process. As the Chair of the Federal Radiological Preparedness Coordinating Committee (FRPCC), HQ REPP management provides policy direction with respect to federal assistance to state, local and tribal governments in their radiological emergency planning and preparedness activities; coordinates research and study efforts of its member agencies relative to state, local and tribal government radiological emergency preparedness to ensure minimum duplication and maximum benefits to state, local and tribal governments; and establishes subcommittees to aid in carrying out its functions.

### **FY 2007 Accomplishments**

- Provided support and oversight to conduct, evaluate, and report findings to the NRC on 28 joint exercises (utility, state, and local) and any necessary remedial exercises of offsite plans to resolve deficiencies identified during the joint exercises.
- Addressed the issue of three site-specific, formal Rule 44 CFR 350 determinations on the adequacy of offsite REPP plans and preparedness activities.
- Conducted routine annual reviews of offsite plans and related preparedness activities at all 64 nuclear sites; reviewed annual certifications of state and local governments; and completed periodic reviews of public information materials for all sites.
- Conducted 17 REPP courses to train federal, state, local and tribal emergency response personnel in the detection, reporting, assessment, protection against, and reduction of effects of radioactive materials introduced into the environment in the event of nuclear power plant accidents; and provided training on the REPP Evaluation Methodology procedures.
- Embarked on an effort to revise REPP policy and guidance documents.

- Analyzed REPP exercises to identify and address problem areas in offsite REPP response planning and preparedness activities.
- Participated in 32 DHS-led, interagency “Comprehensive Reviews” of the nuclear power plants to identify potential vulnerabilities, gaps and enhancements in onsite and offsite emergency planning beyond design basis threats.
- Reviewed and approved eleven modifications to Alert & Notification System design reports in accordance with FEMA-REP-10 guidance.

### **FY 2008 Planned Accomplishments**

- Support the NRC with emergency preparedness activities and plan reviews associated with 19 Early Site Permits and combined operating licenses applications anticipated for submission in FY 2008.
- Provide support and oversight to conduct, evaluate, and report findings to the NRC on 31 joint exercises and any associated remedial exercises.
- Conduct 15 training courses for federal, state, local and tribal emergency response personnel (as discussed under FY 2007 accomplishments) and provide training on REPP evaluation methodology.
- Continue to share program lessons learned to homeland security initiatives at the federal, state, local and tribal levels. The states and counties participating in REPP have been recognized as having developed robust emergency response capabilities that are models across the Nation for response to all hazards.
- Print new or revised guidance and policy documents in support of REPP.

### **FY 2009 Planned Accomplishments**

- Provide support and oversight to conduct, evaluate, and report findings to the NRC on 33 joint exercises and any associated remedial exercises.
- Conduct 15 training courses for federal, state, local and tribal emergency response personnel (as discussed under FY 2007 accomplishments) and provide training on REPP evaluation methodology.
- Continue to revise REPP policy and guidance documents; analyze REPP exercises to identify and address problem areas in offsite REPP response planning and preparedness activities. Print and distribute new documents as appropriate.
- Continue working to transfer program lessons learned to homeland security initiatives at the federal, state, local and tribal levels.
- Participate in activities associated with the 19 reactor licensing applications anticipated for FY 2008 and 6 additional applications anticipated in FY 2009 (conduct offsite emergency preparedness reviews, prepare Emergency Preparedness documents that will be contained in the Safety Evaluation Reports, deliver expert testimony if necessary, and provide the NRC with reasonable assurance findings for each of these applications).

#### **IV. Program Justification of Changes**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in Radiological Emergency Preparedness Program  
Appropriation Language**

The aggregate charges assessed during fiscal year [2008] 2009, as authorized in title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (42 U.S.C. 5196e), shall not be less than 100 percent of the amounts anticipated by the Department of Homeland Security necessary for its Radiological Emergency Preparedness Program for the next fiscal year: *Provided*, That the methodology for assessment and collection of fees shall be fair and equitable and shall reflect costs of providing such services, including administrative costs of collecting such fees: *Provided further*, That fees received under this heading shall be deposited in this account as offsetting collections and will become available for authorized purposes on October 1, [2008]2009, and remain available until expended. (*Department of Homeland Security Appropriations Act, 2008.*)

#### **Explanation of Changes:**

There are no substantive changes for REPP.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Radiological Emergency Preparedness Program  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---|-------------|------------|-----------------|
| <b>FY 2007 Actuals</b> .....              | <b>130</b>  | <b>130</b> | <b>\$21,569</b> |
| <b>2008 Enacted</b> .....                 | <b>170</b>  | <b>170</b> | <b>\$24,922</b> |
| <b>Adjustments-to-Base</b>                |             |            |                 |
| Transfers to and from other accounts:     | ---         | ---        | \$0             |
| Increases                                 |             |            |                 |
| Annualization of 2008 pay raise.....      | ---         | ---        | \$68            |
| 2009 pay increase.....                    | ---         | ---        | \$205           |
| GSA Rent.....                             | ---         | ---        | \$29            |
| Non-pay inflation excluding GSA Rent..... | ---         | ---        | \$695           |
| Total Increases.....                      | ---         | ---        | \$997           |
| <b>Total Adjustments to Base</b> .....    | ---         | ---        | <b>\$997</b>    |
| <b>2009 Current Services</b>              | <b>170</b>  | <b>170</b> | <b>\$25,919</b> |
| <b>Program Changes</b>                    |             |            |                 |
| <b>Total Program Changes</b>              | ---         | ---        | <b>\$0</b>      |
| Adjustment for Other Funding Sources      | ---         | ---        | (\$26,424)      |
| <b>2009 Request</b>                       | <b>170</b>  | <b>170</b> | <b>(\$505)</b>  |
| <b>2008 to 2009 Total Changes</b>         | ---         | ---        | <b>\$997</b>    |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Radiological Emergency Preparedness Program  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>FY 2007 Actual</b>  | 130          | 130 | \$21,569 |
| <b>2008 Enacted</b>  | 170          | 170 | 24,922   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |          |
| Transfers  | ---          | --- | ---      |
| Increases  | ---          | --- | 997      |
| Decreases  | ---          | --- | ---      |
| Total Adjustments-to-Base  | ---          | --- | 997      |
| <b>2009 Current Services</b>   | 170          | 170 | 25,919   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | --- | ---      |
| Adjustment for other funding sources                                     | ---          | --- | (26,424) |
| <b>2009 Total Request</b>  | 170          | 170 | (505)    |
| 2008 to 2009 Total Change  | ---          | --- | 997      |

| Estimates by Program/Project Activity         | 2008 Enacted |            |                 | 2009 Request |            |                 | 2008 to 2009 Total Change |            |               |
|---|--------------|------------|-----------------|--------------|------------|-----------------|---------------------------|------------|---------------|
|   | Pos.         | FTE        | Amount          | Pos.         | FTE        | Amount          | Pos.                      | FTE        | Amount        |
| 1 Radiological Emergency Preparedness Program | 130          | 130        | \$ (997)        | 130          | 130        | \$ (505)        | ---                       | ---        | 997           |
| <b>Total</b>                                  | <b>130</b>   | <b>130</b> | <b>\$ (997)</b> | <b>130</b>   | <b>130</b> | <b>\$ (505)</b> | <b>---</b>                | <b>---</b> | <b>\$ 997</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Federal Emergency Management Agency  
Radiological Emergency Preparedness Program**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$7,668           | \$7,898         | \$8,135         | \$237                 |
| 11.3 Other than full-time permanent                   | \$0               | \$0             | \$0             | ---                   |
| 11.5 Other Personnel Compensation                     | \$246             | \$253           | \$261           | 8                     |
| 11.8 Special Service Pay                              | \$0               | \$0             | \$0             | ---                   |
| 12.1 Benefits   | \$937             | \$965           | \$994           | 29                    |
| 13.0 Benefits - former                                | ---               | \$0             | \$0             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$8,851</b>    | <b>\$9,117</b>  | <b>\$9,390</b>  | <b>\$273</b>          |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 781               | 1,416           | 1,040           | (376)                 |
| 22.0 Transportation of things                         | 15                | 27              | 20              | (7)                   |
| 23.1 GSA rent   | 1,409             | 1,437           | 1,466           | 29                    |
| 23.2 Other rent                                       | ---               | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 31                | 56              | 41              | (15)                  |
| 24.0 Printing and reproduction                        | ---               | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 395               | 716             | 526             | (190)                 |
| 25.2 Other services                                   | 9,566             | 17,338          | 12,741          | (4,597)               |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 47                | 85              | 63              | (22)                  |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | 1                 | 2               | 1               | (1)                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | 297               | 538             | 396             | (142)                 |
| 31.0 Equipment  | 176               | 319             | 234             | (85)                  |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---             | ---                   |
| 42.0 Indemnity  | ---               | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$12,718</b>   | <b>\$21,934</b> | <b>\$16,529</b> | <b>(\$5,405)</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$21,569</b>   | <b>\$31,051</b> | <b>\$25,919</b> | <b>(\$5,132)</b>      |
| Unobligated balance, start of year                    | (3,739)           | (6,129)         | ---             |                       |
| Unobligated balance, end of year                      | 6,129             |                 |                 |                       |
| Offsetting Collections                                | (24,922)          | (25,919)        | (26,424)        |                       |
| Recoveries of prior year obligations                  | (125)             | ---             | ---             |                       |
| Previously unavailable                                | 1,088             |                 |                 |                       |
| <b>Total requirements</b>                             | <b>\$0</b>        | <b>(\$997)</b>  | <b>(\$505)</b>  |                       |

*Note: The previous year's offsetting collections are available for obligation the following year, making the total requirements reflect the difference between the current year and prior year offsetting collections.*

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
Radiological Emergency Preparedness Program  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | ---            | ---             | ---             | ---             |
| Total, EX                        | ---            | ---             | ---             | ---             |
| GS-15                            | 3              | 2               | 2               | ---             |
| GS-14                            | 14             | 12              | 12              | ---             |
| GS-13                            | 25             | 97              | 97              | ---             |
| GS-12                            | 37             | 37              | 37              | ---             |
| GS-11                            | 8              | 6               | 6               | ---             |
| GS-10                            | ---            | ---             | ---             | ---             |
| GS-9                             | 30             | 3               | 3               | ---             |
| GS-8                             | 1              | ---             | ---             | ---             |
| GS-7                             | 10             | 10              | 10              | ---             |
| GS-6                             | 2              | 2               | 2               | ---             |
| GS-5                             | ---            | 1               | 1               | ---             |
| GS-4                             | ---            | ---             | ---             | ---             |
| GS-3                             | ---            | ---             | ---             | ---             |
| GS-2                             | ---            | ---             | ---             | ---             |
| Other Graded Positions           | ---            | ---             | ---             | ---             |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>130</b>     | <b>170</b>      | <b>170</b>      | <b>---</b>      |
| Unfilled Positions EOY           | 58             | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 72             | 170             | 170             | ---             |
| <b>FTE</b>                       | <b>130</b>     | <b>170</b>      | <b>170</b>      | <b>---</b>      |
| Headquarters                     | 32             | 66              | 66              | ---             |
| U.S. Field                       | 98             | 104             | 104             | ---             |
| Foreign Field                    | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>130</b>     | <b>170</b>      | <b>170</b>      | <b>---</b>      |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---          |
| <b>Average GS Salary</b>         | \$ 76,554      | \$ 78,238       | \$ 80,585       | \$ 2,347        |
| <b>Average GS Grade</b>          | 12.60          | 12.30           | 12.67           | 0.37            |

Note: FY 2007 positions reflect current grades while FY 2008 and FY 2009 reflect target grades for each position.

**G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

### Federal Emergency Management Agency Radiological Emergency Preparedness Program

#### Funding Schedule

(Dollars in Thousands)

| PPA: PPA Name          |  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------|--|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b> |  |                |                 |                 |                        |
| 11.1                   | Perm Positions                             | \$7,668        | \$7,898         | \$8,135         | \$237                  |
| 11.3                   | Other than perm                            | ---            |                 |                 | ---                    |
| 11.5                   | Other per comp                             | 246            | 253             | \$261           | 8                      |
| 11.8                   | Spec Srvc Pay                              |                |                 |                 | ---                    |
| 12.1                   | Benefits                                   | 937            | 965             | \$994           | 29                     |
| 13.0                   | Benefits-former                            |                |                 |                 | ---                    |
| 21.0                   | Travel                                     | 781            | 1,416           | 1,040           | (376)                  |
| 22.0                   | Transportation of things                   | 15             | 27              | 20              | (7)                    |
| 23.1                   | GSA rent                                   | 1,409          | 1,437           | 1,466           | 29                     |
| 23.2                   | Other rent                                 | ---            | ---             | ---             | ---                    |
| 23.3                   | Communication, Utilities, and misc charges | 31             | 56              | 41              | (15)                   |
| 24.0                   | Printing                                   | ---            | ---             | ---             | ---                    |
| 25.1                   | Advisory & Assistance Services             | 395            | 716             | 526             | (190)                  |
| 25.2                   | Other Services                             | 9,566          | 17,338          | 12,741          | (4,597)                |
| 25.3                   | Purchase from Govt. Accts.                 | 47             | 85              | 63              | (22)                   |
| 25.4                   | Operation & maintenance of facilities      | ---            | ---             | ---             | ---                    |
| 25.5                   | Research & Development                     | ---            | ---             | ---             | ---                    |
| 25.6                   | Medical care                               | ---            | ---             | ---             | ---                    |
| 25.7                   | Operation & maintenance of equipment       | 1              | 2               | 1               | (1)                    |
| 25.8                   | Subsistence & Support of persons           | ---            | ---             | ---             | ---                    |
| 26.0                   | Supplies & materials                       | 297            | 538             | 396             | (142)                  |
| 31.0                   | Equipment                                  | 176            | 319             | 234             | (85)                   |
| 32.0                   | Land & Structures                          | ---            | ---             | ---             | ---                    |
| 41.0                   | Grants/Subsidies/Contributions             | ---            | ---             | ---             | ---                    |
| 42.0                   | Indemnity                                  | ---            | ---             | ---             | ---                    |
| 91.0                   | Unvouchered                                | ---            |                 |                 | ---                    |
| <b>Total, REPP</b>     |  | 21,569         | 31,051          | 25,919          | <b>(\$5,132)</b>       |
| Full Time Equivalents  |  | 130            | 170             | 170             | ---                    |

## PPA Mission Statement

The Radiological Emergency Preparedness Program (REPP) assists state, local and tribal governments in the development of offsite radiological emergency preparedness plans within the emergency zones of Nuclear Regulatory Commission (NRC) licensees of commercial nuclear power facilities. The REPP fund is financed from user fees assessed and collected from the NRC licensees to cover budgeted costs for radiological emergency planning, preparedness, and response activities in the following year.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$8,851        | \$9,117         | \$9,390         | \$273                  |

Salaries and Benefits supports 170 FTE, for FY 2009. The FY 2008 salary and benefit is \$8,151,000 and benefits is \$965,000. The FY2009 salary and benefit is \$8,396,000 and benefit is \$994,000. FY 2009 has a slight increase from the FY2008, reflecting inflation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$781          | \$1,416         | \$1,040         | (\$376)                |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. FY 2009 is a decrease from FY 2008.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$15           | \$27            | \$20            | (\$7)                  |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. FY 2009 is reflects a slight decrease from FY 2008.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$1,409        | \$1,437         | \$1,466         | \$29                   |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. FY 2009 includes a minor inflationary increase from FY2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$31           | \$56            | \$41            | (\$15)                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$395          | \$716           | \$526           | (\$190)                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. FY 2009 reflects a slight decrease from FY 2008 due to the absence of carryover.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$9,566        | \$17,338        | \$12,741        | (\$4,597)              |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 requests reflects a decrease from FY 2008 due to the absence of carryover.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$47           | \$85            | \$63            | (\$22)                 |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects a slight decrease from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1            | \$2             | \$1             | (\$1)                  |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a decrease of

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$297          | \$538           | \$396           | (\$142)                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$176          | \$319           | \$234           | (\$85)                 |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. FY 2009 includes an inflationary increase of \$85,000 from the FY 2008

## I. Changes In FTE

Federal Emergency Management Agency  
Radiological Emergency Preparedness Program  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 90      | 130     | 170     |
| INCREASES   |         |         |         |
| Increase #1:  | 40      | 40      | 0       |
| Description: Increase to support workload associated with new reactor licences. |         |         |         |
| Sub-Total Increases   | 40      | 40      | 0       |
| Year-end Actual/Estimated FTEs  | 130     | 170     | 170     |
| Net Change from prior year base to Budget Year Estimate:                        | 40      | 40      | 0       |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*United State Fire Administration*

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Fiscal Year 2009  
Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **UNITED STATES FIRE ADMINISTRATION**

### **I. Appropriation Overview**

#### **A. Mission Statement for Appropriation Name:**

The mission of the United States Fire Administration (USFA) is to reduce life and economic losses due to fire and related emergencies through leadership, coordination, and support. USFA prepares the Nation's fire responders through ongoing and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all-hazard and terrorism emergencies of all kinds.

#### **B. Budget Activities:**

USFA coordinates with other federal, state, and local emergency service agencies, the private sector, colleges, universities, and other DHS educational consortium participants. In fulfilling its mission, USFA utilizes the assets of the National Fire Academy (NFA), the National Emergency Training Center (NETC) Facilities and Support Services, the National Fire Data Center (NFDC), and USFA's National Fire Programs (NFP) Division.

#### **National Fire Academy (NFA)**

NFA promotes the professional development of the fire and the emergency response community and its allied professionals. To supplement and support state and local fire service training programs, NFA delivers educational and training courses with a national focus.

#### **National Emergency Training Center (NETC) Facilities and Support Services**

The NETC Facilities and Support Services manage, operate, and maintain the NETC in the most efficient and effective manner, providing administrative, operational and emergency services in support of the program activities and special groups at NETC.

#### **National Fire Data Center (NFDC)**

The NFDC is responsible for the collection, analysis, publication, dissemination and marketing of information related to the Nation's fire problems and USFA programs. It manages USFA research efforts in fire detection, prevention, suppression, and first responder health, safety, and effectiveness.

#### **National Fire Programs (NFP) Division**

NFP is responsible for developing and managing programs that increase the capacity of the Nation's fire and emergency services and the public to prevent, mitigate, prepare for, and respond to local, regional, and national emergencies.

#### **C. Budget Request Summary:**

For the U.S. Fire Administration appropriation, FEMA requests 0 positions/FTE and \$0 for FY 2009. The adjustments-to-base reflect a decrease of \$43,300,000 and 115 FTE, resources which have been realigned to FEMA's Operations, Management and Administration appropriation. This shift of administrative functions and resources improves management efficiency by consolidating funding streams for core FEMA operations.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
Federal Emergency Management Agency  
U. S. Fire Administration**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |            | Increase (+) or Decrease (-) For FY 2009 |                   |                 |            |                     |                   |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|------------|--|-------------------|-----------------|------------|---------------------|-------------------|
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT     | Total Changes                            |                   | Program Changes |            | Adjustments-to-Base |                   |
|  |                   |                 |                    |                 |                    |            | FTE                                      | AMOUNT            | FTE             | AMOUNT     | FTE                 | AMOUNT            |
| United States Fire Administration                            | 114               | \$45,149        | 114                | \$43,300        | ---                | \$0        |  | (\$43,300)        | ---             | ---        | ---                 | (\$43,300)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>114</b>        | <b>\$45,149</b> | <b>114</b>         | <b>\$43,300</b> | <b>---</b>         | <b>\$0</b> | <b>---</b>                               | <b>(\$43,300)</b> | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>(\$43,300)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                 |                    |                 |                    |            |  |                   |                 |            |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>114</b>        | <b>\$45,149</b> | <b>114</b>         | <b>\$43,300</b> | <b>---</b>         | <b>\$0</b> | <b>---</b>                               | <b>(\$43,300)</b> | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>(\$43,300)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**U.S. Fire Administration**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: U.S. FIRE ADMINISTRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>115</b>          | <b>114</b> | <b>\$45,149</b> |
| <b>2008 Enacted</b>          | <b>115</b>          | <b>114</b> | <b>43,300</b>   |
| 2009 Adjustments-to-Base     | (115)               | (114)      | (43,300)        |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| 2009 Program Change          | ...                 | ...        | ...             |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| Total Change 2008-2009       | (115)               | (114)      | (43,300)        |

USFA requests \$0 million for this activity. This is a decrease of \$43.3 million due to the realignment of all funds and activities to the Operations, Management and Administration appropriation.

#### **IV. Program Justification of Changes**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

[For necessary expenses of the United States Fire Administration and for other purposes, as authorized by 15 U.S.C. 2201 et seq. and 6 U.S.C. 101 et seq., \$43,300,000.]

#### **Explanation of Changes:**

No legislative language is required due to the transfer of the USFA appropriation into the Operations, Management and Administration (OMA) appropriation. FY 2009 USFA legislative language appears in the OMA appropriation.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
United States Fire Administration  
FY 2008 to FY 2009 Budget Changes  
(Dollars in Thousands)**

|   | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>   |
|---|--------------|--------------|-----------------|
| 2007 Actual.....  | 115          | 114          | \$45,149        |
| 2008 Enacted.....   | 115          | 114          | \$43,300        |
| <b>Adjustments-to-Base</b>                                |              |              |                 |
| Transfers to and from other accounts:                     |              |              |                 |
| Transfer USFA appropriation to the OMA appropriation..... | (115)        | (114)        | (43,300)        |
| Total Transfers.....                                      | (115)        | (114)        | (43,300)        |
| <b>Total Adjustments-to-Base.....</b>                     | <b>(115)</b> | <b>(114)</b> | <b>(43,300)</b> |
| 2009 Current Services.....                                |              | ---          | ---             |
| 2009 Request.....   |              | ---          | ---             |
| 2008 to 2009 Total Changes.....                           | (115)        | (114)        | (43,300)        |

### C. Summary of Requirements

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**United States Fire Administration**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |       |          |
|--|--------------|-------|----------|
|  | Perm. Pos.   | FTE   | Amount   |
| <b>2007 Actual</b>   | 115          | 114   | \$45,149 |
| <b>2008 Enacted</b>  | 115          | 114   | \$43,300 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |          |
| Transfers  | (115)        | (114) | (43,300) |
| Increases  | ---          | ---   | ---      |
| Decreases  | ---          | ---   | ---      |
| Total Adjustments-to-Base  | (115)        | (114) | (43,300) |
| <b>2009 Current Services</b>   | ---          | ---   | ---      |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---   | ---      |
| <b>2009 Total Request</b>  | ---          | ---   | ---      |
| 2008 to 2009 Total Changes   | (115)        | (114) | (43,300) |

| Estimates by Program/Project Activity | 2008 Enacted |            |                 | 2009 Adjustments-to-Base |              |                   | 2009 Program Change |            |            | 2009 Request |            |            | 2008 to 2009 Total Change |              |                   |
|---------------------------------------|--------------|------------|-----------------|--------------------------|--------------|-------------------|---------------------|------------|------------|--------------|------------|------------|---------------------------|--------------|-------------------|
|                                       | Pos.         | FTE        | Amount          | Pos.                     | FTE          | Amount            | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount     | Pos.                      | FTE          | Amount            |
| 1 U.S. Fire Administration            | 115          | 114        | \$43,300        | (115)                    | (114)        | (\$43,300)        | ---                 | ---        | \$0        | ---          | ---        | \$0        | (115)                     | (114)        | (\$43,300)        |
| <b>Total</b>                          | <b>115</b>   | <b>114</b> | <b>\$43,300</b> | <b>(115)</b>             | <b>(114)</b> | <b>(\$43,300)</b> | <b>---</b>          | <b>---</b> | <b>\$0</b> | <b>---</b>   | <b>---</b> | <b>\$0</b> | <b>(115)</b>              | <b>(114)</b> | <b>(\$43,300)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Federal Emergency Management Agency  
U.S. Fire Administration  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source            | FY 2007 Actual |     |            | 2008 Revised Estimate |     |            | 2009 Estimate |     |        | Increase/Decrease |     |              |
|----------------------------------|----------------|-----|------------|-----------------------|-----|------------|---------------|-----|--------|-------------------|-----|--------------|
|                                  | Pos.           | FTE | Amount     | Pos.                  | FTE | Amount     | Pos.          | FTE | Amount | Pos.              | FTE | Amount       |
| 1. Department of Transportation  |                |     | \$166      |                       |     | \$500      |               |     | \$0    | ---               | --- | (500)        |
| 2. Department of Agriculture     |                |     | 140        |                       |     | 100        |               |     | ---    | ---               | --- | (100)        |
| 3. Department of Interior        |                |     | 159        |                       |     | 150        |               |     | ---    | ---               | --- | (150)        |
| 4. DHS Science & Technology      |                |     | 75         |                       |     | ---        |               |     | ---    | ---               | --- | ---          |
| 5. DHS Chief Medical Officer     |                |     | 18         |                       |     | ---        |               |     | ---    | ---               | --- | ---          |
| 6. Department of Justice         |                |     | 125        |                       |     | ---        |               |     | ---    | ---               | --- | ---          |
| <b>Total Budgetary Resources</b> | ---            | --- | <b>683</b> | ---                   | --- | <b>750</b> | ---           | --- | ---    | ---               | --- | <b>(750)</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |     |            | 2008 Revised Estimate |     |            | 2009 Estimate |     |        | Increase/Decrease |     |        |
|---|----------------|-----|------------|-----------------------|-----|------------|---------------|-----|--------|-------------------|-----|--------|
|   | Pos.           | FTE | Amount     | Pos.                  | FTE | Amount     | Pos.          | FTE | Amount | Pos.              | FTE | Amount |
| U.S. Fire Administration                |                |     |            |                       |     |            |               |     |        | ---               | --- | ---    |
| <b>Total Obligations</b>                | ---            | --- | <b>683</b> | ---                   | --- | <b>750</b> | ---           | --- | ---    | ---               | --- | ---    |

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**U.S. Fire Administration**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$9,083           | \$8,656         | \$0             | (\$8,656)             |
| 11.3 Other than full-time permanent                   | 15                | 84              | ---             | (84)                  |
| 11.5 Other Personnel Compensation                     | 422               | 219             | ---             | (219)                 |
| 11.8 Special Service Pay                              | ---               | ---             | ---             | ---                   |
| 12.1 Benefits   | 1,940             | 2,823           | ---             | (2,823)               |
| 13.0 Benefits - former                                | ---               | ---             | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$11,460</b>   | <b>\$11,782</b> | <b>\$0</b>      | <b>(\$11,782)</b>     |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 307               | 315             | ---             | (315)                 |
| 22.0 Transportation of things                         | 58                | 78              | ---             | (78)                  |
| 23.1 GSA rent   | ---               | ---             | ---             | ---                   |
| 23.2 Other rent                                       | 208               | 41              | ---             | (41)                  |
| 23.3 Communications, utilities, & other misc. charges | 3,534             | 3,193           | ---             | (3,193)               |
| 24.0 Printing and reproduction                        | 320               | 504             | ---             | (504)                 |
| 25.1 Advisory and assistance services                 | 857               | ---             | ---             | ---                   |
| 25.2 Other services                                   | 10,957            | 13,902          | ---             | (13,902)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 2,188             | 1,872           | ---             | (1,872)               |
| 25.4 Operation & maintenance of facilities            | 7,734             | 5,906           | ---             | (5,906)               |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | 1,390             | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | 47                | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | 825               | 665             | ---             | (665)                 |
| 31.0 Equipment  | 1,207             | 830             | ---             | (830)                 |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 4,057             | 4,212           | ---             | (4,212)               |
| 42.0 Indemnity  | ---               | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$33,689</b>   | <b>\$31,518</b> | <b>\$0</b>      | <b>(\$31,518)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$45,149</b>   | <b>\$43,300</b> | <b>\$0</b>      | <b>(\$43,300)</b>     |
| Unobligated balance, start of year                    | ---               | ---             | ---             |                       |
| Unobligated balance, end of year                      | ---               | ---             | ---             |                       |
| Recoveries of prior year obligations                  | ---               | ---             | ---             |                       |
| <b>Total requirements</b>                             | <b>\$45,149</b>   | <b>\$43,300</b> | <b>\$0</b>      | <b>(43,300)</b>       |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
United States Fire Administration  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 2              | 3               | ---             | (3)                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 5              | 6               | ---             | (6)                    |
| GS-14                            | 10             | 9               | ---             | (9)                    |
| GS-13                            | 44             | 42              | ---             | (42)                   |
| GS-12                            | 15             | 14              | ---             | (14)                   |
| GS-11                            | 12             | 12              | ---             | (12)                   |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 5              | 7               | ---             | (7)                    |
| GS-8                             | 5              | 5               | ---             | (5)                    |
| GS-7                             | 13             | 12              | ---             | (12)                   |
| GS-6                             | 2              | 2               | ---             | (2)                    |
| GS-5                             | 1              | 1               | ---             | (1)                    |
| GS-4                             | ---            | 2               | ---             | (2)                    |
| GS-3                             | 1              | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>115</b>     | <b>115</b>      | <b>---</b>      | <b>(115)</b>           |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 115            | 115             | ---             | (115)                  |
| <b>FTE</b>                       | <b>114</b>     | <b>114</b>      | <b>---</b>      | <b>(114)</b>           |
| Headquarters                     | 115            | 115             | ---             | (115)                  |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>115</b>     | <b>115</b>      | <b>---</b>      | <b>(115)</b>           |
| <b>Average ES Salary</b>         | \$ 152,043     | \$ 155,388      | \$ ---          | \$ (155,388)           |
| <b>Average GS Salary</b>         | \$ 74,367      | \$ 76,003       | \$ ---          | \$ (76,003)            |
| <b>Average GS Grade</b>          | 12.50          | 12.50           | ---             | (12.50)                |

## **G. Capital Investment and Construction Initiative Listing**

Not applicable. FY 2009 USFA capital investments appear in the FEMA Operations, Management and Administration appropriation.

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
United States Fire Administration  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: U.S. Fire Administration</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                 |  |                        |                         |                         |                                |
| 11.1                                   | Perm Positions                             | \$9,083                | \$8,656                 | \$0                     | (\$8,656)                      |
| 11.3                                   | Other than perm                            | 15                     | 84                      | ---                     | (84)                           |
| 11.5                                   | Other per comp                             | 422                    | 219                     | ---                     | (219)                          |
| 11.8                                   | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                   | Benefits                                   | 1,940                  | 2,823                   | ---                     | (2,823)                        |
| 13.0                                   | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                   | Travel                                     | 307                    | 315                     | ---                     | (315)                          |
| 22.0                                   | Transportation of things                   | 58                     | 78                      | ---                     | (78)                           |
| 23.1                                   | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                                   | Other rent                                 | 208                    | 41                      | ---                     | (41)                           |
| 23.3                                   | Communication, Utilities, and misc charges | 3,534                  | 3,193                   | ---                     | (3,193)                        |
| 24.0                                   | Printing                                   | 320                    | 504                     | ---                     | (504)                          |
| 25.1                                   | Advisory & Assistance Services             | 857                    | ---                     | ---                     | ---                            |
| 25.2                                   | Other Services                             | 10,957                 | 13,902                  | ---                     | (13,902)                       |
| 25.3                                   | Purchase from Govt. Accts.                 | 2,188                  | 1,872                   | ---                     | (1,872)                        |
| 25.4                                   | Operation & maintenance of facilities      | 7,734                  | 5,906                   | ---                     | (5,906)                        |
| 25.5                                   | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                   | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                   | Operation & maintenance of equipment       | 1,390                  | ---                     | ---                     | ---                            |
| 25.8                                   | Subsistence & Support of persons           | 47                     | ---                     | ---                     | ---                            |
| 26.0                                   | Supplies & materials                       | 825                    | 665                     | ---                     | (665)                          |
| 31.0                                   | Equipment                                  | 1,207                  | 830                     | ---                     | (830)                          |
| 32.0                                   | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                   | Grants/Subsidies/Contributions             | 4,057                  | 4,212                   | ---                     | (4,212)                        |
| 42.0                                   | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                   | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, U.S. Fire Administration</b> |  | <b>\$45,149</b>        | <b>\$43,300</b>         | <b>\$0</b>              | <b>(\$43,300)</b>              |
| Full Time Equivalents                  |  | 114                    | 114                     | ---                     | (114)                          |

**PPA Mission Statement**

The mission of the United States Fire Administration (USFA) is to reduce life and economic losses due to fire and related emergencies through leadership, coordination, and support. USFA prepares the Nation's fire responders through ongoing and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all-hazard and terrorism emergencies of all kinds.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$11,460      | \$11,782       | \$0            | (\$11,782)          |

The FY 2009 request includes a decrease of \$11,782,000 reflecting the realignment of all funds to the Operations, Management, and Administration appropriation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$307         | \$315          | \$0            | (\$315)             |

The FY 2009 request includes a decrease of \$315,000, reflecting the realignment of all funds to the Operations, Management, and Administration appropriation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$58          | \$78           | \$0            | (\$78)              |

The FY 2009 request includes a decrease of \$78,000, reflecting the realignment of all funds to the Operations, Management, and Administration appropriation.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$208         | \$41           | \$0            | (\$41)              |

The FY 2009 request includes a decrease of \$41,000, reflecting the realignment of all funds to the Operations, Management, and Administration appropriation.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charge</b> | \$3,534       | \$3,193        | \$0            | (\$3,193)           |

The FY 2009 request includes a decrease of \$3,193,000, reflecting the realignment of all funds to the Operations, Management, and Administration appropriation.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$320          | \$504           | \$0             | (\$504)                |

The FY 2009 request includes a decrease of \$504,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$857          | \$0             | \$0             | \$0                    |

Advisory and assistance services include services acquired by contract from non-federal sources (that is the private sector, foreign governments, state and local governments, tribes, etc.) as well as from other units within the federal government.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$10,957       | \$13,902        | \$0             | (\$13,902)             |

The FY 2009 request includes a decrease of \$13,902,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$2,188        | \$1,872         | \$0             | (\$1,872)              |

The FY 2009 request includes a decrease of \$1,872,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$7,734        | \$5,906         | \$0             | (\$5,906)              |

The FY 2009 request includes a decrease of \$5,906,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$1,390        | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | \$47          | \$0            | \$0            | \$0                 |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal Government account for the board, lodging, and care of persons, including prisoners.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | \$825         | \$665          | \$0            | (\$665)             |

The FY 2009 request includes a decrease of \$665,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$1,207       | \$830          | \$0            | (\$830)             |

The FY 2009 request includes a decrease of \$830,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

|                                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|---------------|----------------|----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | \$4,057       | \$4,212        | \$0            | (\$4,212)           |

The FY 2009 request includes a decrease of \$4,212,000, reflecting the realignment of all funds to the FEMA Operations, Management and Administration appropriation.

## I. Changes in FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**United States Fire Administration**  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 113     | 114     | 115     |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:  | 1       |         |         |
| Description: 1 FTE in FY 2007 for Course Development,<br>Annualized in FY 2007      |         |         |         |
| Increase #2:  |         | 1       |         |
| Description: 1 FTE in FY 2007 for Professional Development<br>Annualized in FY 2008 |         |         |         |
| Sub-Total Increases   | 1       | 1       | 0       |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1:  |         |         | (115)   |
| Description: Realignment of the USFA appropriation<br>to the FEMA OMA appropriation |         |         |         |
| Sub-Total Decreases   | 0       | 0       | (115)   |
| Year-end Actual/Estimated FTEs  | 114     | 115     | 0       |
| Net Change from prior year base to Budget Year Estimate:                            |         | 0       | (115)   |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project/Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*Disaster Relief Fund*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **DISASTER RELIEF FUND**

### **I. Appropriation Overview**

#### **A. Mission Statement for Disaster Relief:**

Through the Disaster Relief Fund (DRF), FEMA/DHS provides a significant portion of the total federal response to Presidentially declared major disasters and emergencies.

#### **B. Budget Activities:**

The President may declare major disasters or emergencies when a state requests federal assistance and certifies that a given event is beyond the state's capacity to respond. FEMA's primary federal assistance programs -- assistance to individuals and households; public assistance, which includes the repair and reconstruction of state, local, and nonprofit infrastructure; and hazard mitigation to reduce damage from future disasters -- are funded through the DRF. In addition, the DRF is used to fund fire management declaration activities and relief and reconstruction activities in the Federal States of Micronesia and the Republic of the Marshall Islands through the Compact of Free Association.

#### **C. Budget Request Summary:**

FEMA requests 41 positions, 2,555 FTE, and \$1,900,000,000 for the Disaster Relief Fund in Fiscal Year (FY) 2009. Excluding emergency funding provided in P.L. 110-116, the total adjustments-to-base is \$500,000,000. Coupled with funding from recoveries of prior year obligations and unobligated funds carried forward, the appropriation request will fund the five-year average obligation level for direct disaster activity (excluding extraordinary events, such as the terrorist attack of September 11, 2001, the 2004 hurricanes in Florida and other states, and Hurricanes Katrina, Rita, and Wilma in 2005 and 2006 and excluding disaster readiness and support functions).

As part of FEMA's efforts to develop the operating budget for fixed costs and improve administrative efficiency, activities previously funded under the Disaster Relief Fund for certain infrastructure costs will be funded through the Operations, Management and Administration account. This will enable the conversion of all remaining 4-year Cadre of On-Call Response Employees (COREs) to permanent positions, and shift non-direct-disaster fixed costs to the annual operating appropriation.

In addition, non-declaration-specific readiness and support activities that provide support across FEMA for all Presidentially declared disasters and emergencies will be funded through a new appropriation, Disaster Readiness and Support Activities (DRSA).

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA) Excluding Emergency Funding**

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief Fund**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  |                   |                    |                    |                    |                    |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Disaster Relief  | 7,892             | \$9,758,622        | 3,243              | \$1,324,000        | 2,555              | \$1,900,000        | (688)                                    | \$576,000        | ---             | ---        | (688)               | \$576,000        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>7,892</b>      | <b>\$9,758,622</b> | <b>3,243</b>       | <b>\$1,324,000</b> | <b>2,555</b>       | <b>\$1,900,000</b> | <b>(688)</b>                             | <b>\$576,000</b> | <b>---</b>      | <b>---</b> | <b>(688)</b>        | <b>\$576,000</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                    |                    |                    |                    |                    |  |                  |                 |            |                     |                  |
|  |                   |                    |                    |                    |                    |                    |  |                  |                 |            |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>7,892</b>      | <b>\$9,758,622</b> | <b>3,243</b>       | <b>\$1,324,000</b> | <b>2,555</b>       | <b>\$1,900,000</b> | <b>(688)</b>                             | <b>\$576,000</b> | <b>---</b>      | <b>---</b> | <b>(688)</b>        | <b>\$576,000</b> |

Note: FY 2008 Enacted reflects the \$60 million transfer to OMA and the \$16 million transfer to OIG per P.L. 110-161

## II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA) Including Emergency Funding

### Department of Homeland Security Federal Emergency Management Agency Disaster Relief Fund

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                      |                 |            |                     |                      |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|----------------------|-----------------|------------|---------------------|----------------------|
|  |                   |                    |                    |                    |                    |                    | Total Changes                            |                      | Program Changes |            | Adjustments-to-Base |                      |
|  | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                                      | AMOUNT               | FTE             | AMOUNT     | FTE                 | AMOUNT               |
| Disaster Relief  | 7,892             | \$9,758,622        | 3,243              | \$4,224,000        | 2,555              | \$1,900,000        | (688)                                    | (\$2,324,000)        | ---             | ---        | (688)               | (\$2,324,000)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>7,892</b>      | <b>\$9,758,622</b> | <b>3,243</b>       | <b>\$4,224,000</b> | <b>2,555</b>       | <b>\$1,900,000</b> | <b>(688)</b>                             | <b>(\$2,324,000)</b> | <b>---</b>      | <b>---</b> | <b>(688)</b>        | <b>(\$2,324,000)</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                    |                    |                    |                    |                    |  |                      |                 |            |                     |                      |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>7,892</b>      | <b>\$9,758,622</b> | <b>3,243</b>       | <b>\$4,224,000</b> | <b>2,555</b>       | <b>\$1,900,000</b> | <b>(688)</b>                             | <b>(\$2,324,000)</b> | <b>---</b>      | <b>---</b> | <b>(688)</b>        | <b>(\$2,324,000)</b> |

Note: FY 2008 Enacted reflects the \$60 million transfer to OMA and the \$16 million transfer to OIG per P.L. 110-161

Note: FY 2008 includes emergency funding of \$2.9 billion per P.L. 110-116

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Disaster Relief Fund**  
**Program Performance Justification**  
 (Dollars in thousands)

PPA: DISASTER RELIEF

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b>   | <b>Amount</b>      |
|------------------------------|---------------------|--------------|--------------------|
| <b>2007 Actual</b>           | <b>37</b>           | <b>7,892</b> | <b>\$9,758,622</b> |
| <b>2008 Enacted</b>          | <b>41</b>           | <b>3,243</b> | <b>4,224,000</b>   |
| 2009 Adjustments to Base     | 0                   | (688)        | (2,324,000)        |
| <b>2009 Current Services</b> | <b>41</b>           | <b>2,555</b> | <b>1,900,000</b>   |
| 2009 Program Change          | 0                   | 0            | 0                  |
| <b>2009 Request</b>          | <b>41</b>           | <b>2,555</b> | <b>1,900,000</b>   |
| Total Change 2008-2009       | 0                   | (688)        | (2,324,000)        |

The above table includes emergency funding of \$2.9 billion provided in P.L. 110-116 for this activity. The FY 2008 level also reflects enacted transfers of \$60 million to the OMA appropriation and \$16 million to the OIG. The FY 2009 Budget Request is \$1.9 billion. Excluding emergency funds provided, the increase over FY 2008 is \$576 million.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act), 42 U.S.C. 5121-5206 (Public Law 93-288, as amended), authorizes the President to provide Federal assistance to supplement state and local governments' disaster response, recovery, readiness, and mitigation efforts. Under Executive Order 12148, as amended by Executive Order 13286, FEMA's Administrator, formerly DHS' Under Secretary for Emergency Preparedness and Response, has been delegated the responsibility for administering the Stafford Act's federal assistance programs. The Disaster Relief Fund (DRF) funds the following Stafford Act declarations or activities: (1) major disaster; (2) emergency; (3) fire management assistance; and (4) pre-declaration activities.

In FY 2009, the Disaster Relief Fund will fund activities that supplement state and local efforts to respond to, recover from, and mitigate the results of specific disasters and emergencies.

#### **Direct Disaster Programs <sup>1</sup>**

The Individual Assistance (IA), Public Assistance (PA), and Hazard Mitigation Grant (HMGP) programs are FEMA's major Direct Disaster programs and are supported by FEMA's pre-declaration and emergency response activities. These programs are managed and administered by the Disaster Assistance and Mitigation Directorates within FEMA.

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<sup>1</sup> "Direct Disaster" is used to describe assistance available regardless of type of declaration.

These programs constitute the majority of the resources provided by the Federal Government (through FEMA) to directly address the short-, medium-, and long-term consequences of a disaster on individuals and communities. Disaster assistance under the authorities of the Stafford Act can be provided to states (and further provided to local or tribal governments), the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

In FY 2009, FEMA proposes \$1,900 million for Direct Disaster Programs within the Disaster Relief Fund.

- **Disaster Assistance - Individual Assistance**

The DRF provides funding for the following Individual Assistance Programs:

**Individual and Households Programs (IHP)**

- Temporary Housing: Financial assistance to rent alternate housing or direct assistance when rental properties are not available.
- Repair: Financial assistance for the repair of owner-occupied private residences to a safe and sanitary living condition. A flood insurance purchase and maintenance requirement is placed on the home if the home is in a Special Flood Hazard Area.
- Replacement: Financial assistance for the replacement of owner-occupied private residences.
- Permanent or Semi-permanent Housing Construction: Financial or direct assistance for the construction of permanent or semi-permanent housing. This type of assistance is available in insular areas outside of the continental U.S. or in other locations in which no other type of housing assistance is available, feasible, or cost-effective.
- Other Needs Assistance (ONA): Other Needs Assistance is available for necessary expenses and serious needs of victims of the declared disaster. This includes medical, dental, funeral, personal property, transportation, moving and storage, and other expenses that are authorized by law. Assistance provided by the ONA program is cost-shared, between FEMA (75 percent) and the state (25 percent).

Certain Individual and Households Program assistance is provided contingent on an individual's inability to secure a loan from the U.S. Small Business Administration (SBA). If SBA determines that an applicant is not credit-worthy, the applicant is automatically referred to FEMA for assistance.

**Crisis Counseling Assistance and Training Program (CCATP)**

The Crisis Counseling Program provides counseling services to victims of major disasters in order to relieve mental health problems caused or aggravated by the disaster. Supplemental funding for crisis counseling is available to State Mental Health Authorities through two grant

mechanisms: (1) the Immediate Services Program (ISP) and (2) the Regular Services Program (RSP) which provide funds for up to nine months following a disaster declaration.

### **Disaster Unemployment Assistance (DUA)**

Disaster Unemployment Assistance (DUA) may be provided to individuals who have become unemployed because of a disaster and are unable to secure regular unemployment benefits.

### **Legal Services**

Legal services may be provided to low-income individuals unable to secure such services adequate to meet their needs as a consequence of a major disaster.

- **Disaster Assistance - Public Assistance**

The Public Assistance (PA) program offers assistance to state, local, and tribal governments after a declared disaster or emergency. In addition, certain private non-profit organizations that operate facilities and provide service to the public typically provided by a government agency may receive public assistance. PA is a cost-shared (75% Federal, 25% non-Federal) grant program. States may request a higher Federal cost share in situations in which the disaster has had a significant economic impact on the state.

Public Assistance provides funding to grantees for the repair and rebuilding of damaged public and private non-profit (subject to eligibility determinations in accordance with Section 406(a) of the Stafford Act) facilities and for emergency measures taken to protect lives and property. Under a Public Assistance declaration, assistance may be provided under one or more of the following seven categories:

- Category A – Debris Removal
- Category B – Emergency Protective Measures
- Category C – Repair of Roads and Bridges
- Category D – Water Control Facilities
- Category E – Public Buildings
- Category F – Public Utilities
- Category G – Other Facilities

- **Disaster Assistance - Hazard Mitigation**

The Hazard Mitigation Grant Program (HMGP) provides state, local, and tribal governments with cost-shared grants (75% Federal, 25% non-Federal) to reduce the risk of potential damage, hardship, loss, and suffering in an area affected by a major disaster. Ultimately, the HMGP reduces future need for Federal disaster assistance by reducing the impact of and increasing the resistance to natural hazards.

HMGP funding is made available to states based on 15% of the total Federal funds spent in the Public and Individual Assistance programs (minus administrative expenses) for each disaster costing up to \$2

billion, 10% for disasters between \$2 billion and \$10 billion, and 7.5% for disasters between \$10 billion and \$35.33 billion.

HMGP projects vary and may include the retrofit of structures to resist flood, wind and earthquake; elevations of structures above base flood levels; property acquisition and demolition or relocation for open space, and minor flood reduction and drainage measures.

HMGP grants are required to be cost effective. In 2005, the Multi-hazard Mitigation Council (MMC), a part of National Institute of Building Sciences, published a report that analyzed the overall impact of FEMA's Hazard Mitigation Programs. The findings show that money spent on reducing the potential damages of natural hazards is a sound investment and is cost effective. On average, a dollar spent on hazard mitigation activities will save the Nation approximately \$4 in future payouts for damages caused by natural hazards.

- **Fire Management Assistance**

FEMA provides assistance from the DRF to eligible states, territories, tribal or local governments for the mitigation, management, and control of any fire on public or private forest or grassland that threatens such destruction as would constitute a major disaster. Items eligible for funding under Fire Management Assistance Grant Program (FMAGP) include equipment, labor costs, emergency work, and temporary repair work directly related to firefighting activities associated with the declared fire.

- **Compact of Free Association**

The DRF funds disaster relief and reconstruction activities in the Federated States of Micronesia and the Republic of the Marshall Islands pursuant to the Compact of Free Association.

## **Direct Disaster Programs Recent and Planned Accomplishments**

### **FY 2007**

Assisting Disaster Victims: FEMA continues to work on Hurricane Katrina related activities, as well as new disasters. In FY 2007, 68 major disasters and 11 emergencies were declared in 36 states. Fifty-four (54) Fire Management Assistance Grants were approved for award in 17 states as of September 30, 2007. FEMA's Regional Offices have deployed assets to states and territories affected by declared emergencies to provide overall coordination of the Federal response and to support emergency management program implementation.

- FEMA has successfully operated the Individual Assistance and Public Assistance Programs. For Katrina alone, \$607 million has been provided for Housing and Other Needs Assistance in FY 2007, and \$2.6 billion has been obligated to continue to provide reimbursement to clear debris and rebuild roads, schools, libraries, and other public facilities. The agency is working aggressively to be more responsive to disaster victims.
- Increased Accountability: FEMA continues to go to great lengths to be good stewards of the taxpayer funds by deterring fraud, while still allowing applicants in serious need of assistance to receive it quickly and appropriately. An identity proofing and occupancy verification process that checks an applicant's name, social security number, and address against commercially available data was added to all disaster assistance registrations. These verification checks allow FEMA to

restrict certain types of non-traditional assistance such as Expedited Assistance (EA) to only those applicants that have verified identity and occupancy. Additionally, FEMA has implemented enhanced processes related to real-time interaction between FEMA service representatives and applicants during registration intake to ensure data is entered correctly.

- New software was built into the National Emergency Management Information System (NEMIS) that maintains data on applicants in mobile homes and communicates real-time data to caseworkers and the auto-determination system. This software helps prevent duplicate housing payments to applicants receiving direct housing assistance. Additionally, address checks were implemented in NEMIS that flag “high risk” addresses such as check cashing stores, mail drops, cemeteries, and jails. Applications with “high risk” addresses require an intensive review prior to the delivery of assistance and prevent fraud on the part of disaster applicants. Additional enhancements to the NEMIS client included implementing a block on duplicative rental assistance payments for overlapping months. Edit checks have been built into NEMIS that require a processor to enter the period of assistance, and therefore disallow payments for overlapping periods.

### **FY 2008**

- Supplement state and local efforts to respond to, recover from, and mitigate the results of specific disasters and emergencies.
- Fund fire management declaration activities.
- Fund relief and reconstruction activities in the Federal States of Micronesia and the Republic of the Marshall Islands through the Compact of Free Association.
- Continue to allocate targeted resources to improve the effectiveness and efficiency of recovery programs as delivered in the numerous disasters occurring annually, and to ensure that individual and public assistance can be provided to victims of the larger and more complex disasters that could occur as the result of terrorism or catastrophic natural events.

### **FY 2009**

- Supplement state and local efforts to respond to, recover from, and mitigate the results of specific disasters and emergencies.
- Fund fire management declaration activities.
- Fund relief and reconstruction activities in the Federal States of Micronesia and the Republic of the Marshall Islands through the Compact of Free Association.

### ***Disaster Support Activities***

Historically, FEMA maintains a critical, ongoing disaster operations and support infrastructure that enables the timely delivery of all of FEMA’s disaster assistance programs. The Disaster Support Account (DSA) within the DRF has been used for support services, activities, and functions necessary to carry out activities related to and in support of emergency and disaster operations but that are not direct costs of or readily attributable to a specific declaration. Many of these costs are annual predictable costs that allow FEMA to support a variety of disasters. In addition the DSA has included certain costs to help FEMA prepare or be ready for a disaster including the establishment of large commodity and service contracts that can be activated in the event of a disaster.

In order to provide clarity between appropriations, and to allow for more efficient administration and increased budgetary discipline and accountability, FEMA requests to fund certain on-going infrastructure costs from OMA and to create a new annual appropriation (DRSA) for all disaster-related readiness and support costs:

- The DRF will fund activities that supplement state and local efforts to respond to, recover from, and mitigate the results of specific disasters and emergencies.
- OMA will provide resources for the fixed infrastructure costs to FEMA which enable FEMA to respond to, recover from, and mitigate against disasters. These resources include annualization costs for CORE positions anticipated for conversion to permanent positions in FY 2008, funds for conversion of all remaining 4-year CORE personnel from temporary employees to permanent full-time employees (298 PFT) in FY 2009.
- The DRSA will fund current readiness and support requirements for disasters including strategic pre-positioning and management of critical disaster commodities, improved inventory of specialized assets, contract support to enhance the provision of grant assistance to disaster applicants, and standby support to enable FEMA to increase capacity quickly as needed.

## **Disaster Support Activities Recent and Planned Accomplishments**

### **FY 2007**

- Awarded a new Housing Inspection Services (HIS) contract that requires the contractor to perform criminal background checks on each employee. These background checks prevent individuals with a history of criminal activity from being involved in any part of the disaster assistance process.
- Hired approximately 14,000 disaster workforce employees, expanding FEMA's capability to respond to disasters and sustain recovery operations.
- Established disciplinary/adverse actions protocol for Stafford Act Employees and conducted briefings for affected staff with highest incidence of issues.
- Awarded the Mount Weather Operations Support section of the Nationwide Vehicle Maintenance Contract.
- Continued to develop/revise and deliver curriculum for FEMA's disaster workforce to address changes in FEMA policy and standard operating procedures (SOPs) resulting from Hurricane Katrina lessons learned and to support implementation of the revised National Information Management System (NIMS) and the National Response Framework (NRF) doctrines.

### **FY 2008**

- Improve logistics capacity through system enhancements, an expanded permanent workforce, and leveraging public-private partnerships.
- Restructure Disaster Reservist Workforce.
- Maintain a trained Generalist workforce of 3,000 reservists to be used in surge capacity.
- Maintain the workforce through improved retention and continued recruitment of new reservists.
- Develop a website for communicating policies and procedures to all disaster responders, including specific information on all cadres.
- Expand the scope of Total Asset Visibility, ensuring the strategic dispersal of assets throughout the country.
- Continue to develop/revise and deliver training for FEMA's disaster workforce that provides them requisite competencies for performing their jobs when deployed, access to information about advanced technical proficiency, and leadership skills. In addition, the Emergency Management Institute (EMI) will coordinate with other Federal agencies involved in disaster response and recovery, especially those agencies that provide staff and resources via Emergency Support Functions to develop and deliver training required for an effective multi-agency response to disasters. EMI will also develop and conduct training at Joint Field Offices and other off-site

locations through the Disaster Field Training Operation (DFTO) and manage and direct activities of the DFTO cadre.

- Identify areas of expertise in which additional staff and training are needed. Fill positions with generalists who can in turn be provided the specialized training required.
- Standardize recruitment, hiring, training, and credentialing procedures for all disaster responders.
- Maintain staffing stability of FEMA's disaster workforce.
- Award new major contract for Hazard Mitigation Technical Assistance Program (HMTAP).
- Develop and pilot test training for mitigation and insurance staff serving disaster applicants.
- Develop training and job aides to standardize use of automated system in providing mitigation information to disaster applicants.
- Develop qualifying plans for mitigation and insurance disaster workforce positions which will standardize qualifications of employees serving in the disaster workforce. Develop prioritized training development for out-years based on qualifying plans.
- Initiate development of HMGP module within EMMIE.

**FY 2009**

See Operations, Management and Administration and Disaster Readiness and Support Activities.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in Disaster Relief Fund  
Appropriation Language**

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), [~~\$1,400,000,000~~] *\$1,900,000,000*, to remain available until expended. [ Provided, That of the total amount provided, \$16,000,000 shall be transferred to the Department of Homeland Security Office of Inspector General for audits and investigations related to natural disasters subject to section 503 of this Act. Provided further, That up to \$60,000,000 may be transferred to “Management and Administration”, Federal Emergency Management Agency, of which \$48,000,000 and 250 positions are for management and administration functions and \$12,000,000 is for activities related to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): Provided further, That of the amount provided in the previous proviso, \$30,000,000 shall not be available for transfer for management and administration functions until the Federal Emergency Management Agency submits an expenditure plan to the Committees on Appropriations of the Senate and the House of Representatives regarding the 250 positions: Provided further, That the Federal Emergency Management Agency shall hereafter submit a monthly “Disaster Relief” report to the Committees on Appropriations of the Senate and the House of Representatives to include:

- (1) status of the Disaster Relief fund including obligations, allocations, and amounts undistributed/unallocated;
- (2) allocations, obligations, and expenditures for Hurricanes Katrina, Rita, and Wilma and all open disasters;
- (3) information on national flood insurance claims
- (4) obligations, allocations, and expenditures by state for unemployment, crisis counseling, inspections, housing assistance, manufactured housing, public assistance, and individual assistance;
- (5) missions assignment obligations by agency, including:
  - (A) the amounts to other agencies that are in suspense because the Federal Emergency Management Agency has not yet reviewed and approved the documentation supporting the expenditure or for which an agency has been mission assigned but has not submitted necessary documentation for reimbursement;
  - (B) an explanation if the amounts of reported obligations and expenditures do not reflect the status of such obligations and expenditures from a government-wide perspective; and
  - (C) each such agency’s actual obligation and expenditure data
- (6) the amount of credit card purchases by agency and mission assignment;
- (7) specific reasons for all waivers granted and a description of each waiver;
- (8) a list of all contracts that were awarded on a sole source or limited competition basis, including the dollar amount, the purpose of the contract, and the reason for the lack of competitive award; and
- (9) an estimate of when available appropriations will be exhausted, assuming an average disaster season:

Provided further, That for any request for reimbursement from a Federal agency to the Department to cover expenditures under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.), or any mission assignment order issued by the Department for such purposes, the Secretary of Homeland Security shall take appropriate steps to ensure that each agency is periodically reminded of Department policies on –

- (1) the detailed information required in supporting documentation for reimbursements, and
- (2) the necessity for timeliness of agency billings]. (*Department of Homeland Security Appropriations Bill, FY 2008.*)

**Explanation of Changes:**

The proposed FY 2009 language simplifies the language and provides funding for direct disasters. The costs for readiness and disaster support activities previously funded out of this account are requested in a new appropriation, the Disaster Readiness and Support Activities in order to separate annual costs from costs related to direct disasters. The proposed structure increases the efficiencies of these appropriations while providing increased accountability for readiness and support functions.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u>   | <u>Amount</u>      |
|--|-------------|--------------|--------------------|
| <b>FY 2007 Actual</b> .....                            | <b>37</b>   | <b>7,892</b> | <b>\$9,758,622</b> |
| <b>2008 Enacted</b> .....                              |             | <b>3,243</b> | <b>4,224,000</b>   |
| <b>Adjustments-to-Base</b>                             |             |              |                    |
| Increases  |             |              |                    |
| Adjustment to estimate of disaster relief requirements | ---         | ---          | 576,000            |
| Total Increases.....                                   | ---         | ---          | 576,000            |
| Decreases  |             |              |                    |
| One time FY 2008 Emergency Funding                     | ---         | (688)        | (2,900,000)        |
| Total Decreases.....                                   | ---         | (688)        | (2,900,000)        |
| <b>Total Adjustments-to-Base</b> .....                 |             | <b>(688)</b> | <b>(2,324,000)</b> |
| <b>2009 Current Services</b> .....                     | <b>41</b>   | <b>2,555</b> | <b>1,900,000</b>   |
| <br><b>Program Changes</b>                             |             |              |                    |
| Program Increases/(Decreases)                          |             |              |                    |
| <b>Total Program Changes</b> .....                     | ---         | ---          | ---                |
| <br><b>2009 Request</b> .....                          | <b>41</b>   | <b>2,555</b> | <b>1,900,000</b>   |
| <br><b>2008 to 2009 Total Change</b> .....             | ---         | <b>(688)</b> | <b>(2,324,000)</b> |

*Note: FY 2008 Enacted reflects the \$60 million transfer to OMA and the \$16 million transfer to OIG per P.L. 110-161.  
The FY 2008 Enacted level includes \$2.9 billion in emergency funding provided in P.L. 110-116*

## C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |       |             |
|--|--------------|-------|-------------|
|  | Perm. Pos.   | FTE   | Amount      |
| <b>2007 Actual</b>   | 37           | 7,892 | \$9,758,622 |
| <b>2008 Enacted</b>  | 41           | 3,243 | 4,224,000   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |             |
| Transfers  | ---          | ---   | ---         |
| Increases  | ---          | ---   | 576,000     |
| Decreases  | ---          | (688) | (2,900,000) |
| Total Adjustments-to-Base  | ---          | (688) | (2,324,000) |
| <b>2009 Current Services</b>   | 41           | 2,555 | 1,900,000   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |       |             |
|  | ---          | ---   | ---         |
| <b>2009 Total Request</b>  | 41           | 2,555 | 1,900,000   |
| 2008 to 2009 Total Change  | ---          | (688) | (2,324,000) |

| Estimates by Program/Project Activity | 2008 Enacted |              |                    | 2009 Adjustments-to-Base |              |                      | 2009 Program Change |            |            | 2009 Request |              |                    | 2008 to 2009 Total Change |              |                      |
|---------------------------------------|--------------|--------------|--------------------|--------------------------|--------------|----------------------|---------------------|------------|------------|--------------|--------------|--------------------|---------------------------|--------------|----------------------|
|                                       | Pos.         | FTE          | Amount             | Pos.                     | FTE          | Amount               | Pos.                | FTE        | Amount     | Pos.         | FTE          | Amount             | Pos.                      | FTE          | Amount               |
| 1 Disaster Relief                     | 41           | 3,243        | \$4,224,000        | ---                      | (688)        | (\$2,324,000)        | ---                 | ---        | \$0        | 41           | 2,555        | \$1,900,000        | ---                       | (688)        | (\$2,324,000)        |
| <b>Total</b>                          | <b>41</b>    | <b>3,243</b> | <b>\$4,224,000</b> | <b>---</b>               | <b>(688)</b> | <b>(\$2,324,000)</b> | <b>---</b>          | <b>---</b> | <b>\$0</b> | <b>41</b>    | <b>2,555</b> | <b>\$1,900,000</b> | <b>---</b>                | <b>(688)</b> | <b>(\$2,324,000)</b> |

Note: FY 2008 Enacted reflects the \$60 million transfer to OMA and the \$16 million transfer to OIG per P.L. 110-161. The FY 2008 Enacted level includes \$2.9 billion in emergency funding provided in P.L. 110-116. Excluding emergency funds, the total change from 2008 to 2009 is an increase of \$500 million.

**D. Summary of Reimbursable Resources**

Not applicable.

**E. Summary of Requirements by Object Class**  
**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Relief Fund**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual  | 2008<br>Enacted    | 2009<br>Request    | 2008 - 2009<br>Change |
|---|--------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$238,960          | \$163,709          | \$0                | (\$163,709)           |
| 11.3 Other than full-time permanent                   | 136,392            | 192,857            | 109,015            | (83,842)              |
| 11.5 Other Personnel Compensation                     | 75,754             | 51,898             | ---                | (51,898)              |
| 11.8 Special Service Pay                              | ---                | ---                | ---                | ---                   |
| 12.1 Benefits   | 92,886             | 106,242            | 46,721             | (59,521)              |
| 13.0 Benefits - former                                | 15,320             | 10,496             | ---                | (10,496)              |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$559,312</b>   | <b>\$525,202</b>   | <b>\$155,736</b>   | <b>(\$369,466)</b>    |
| Other Object Classes:                                 |                    |                    |                    |                       |
| 21.0 Travel   | 161,146            | 157,676            | 109,605            | (48,071)              |
| 22.0 Transportation of things                         | 47,687             | 47,585             | 18,106             | (29,479)              |
| 23.1 GSA rent   | 27,276             | 18,686             | 109,970            | 91,284                |
| 23.2 Other rent                                       | 109,081            | 75,233             | 1,396              | (73,837)              |
| 23.3 Communications, utilities, & other misc. charges | 44,427             | 30,436             | 29,522             | (914)                 |
| 24.0 Printing and reproduction                        | 4,038              | 2,766              | 1,648              | (1,118)               |
| 25.1 Advisory and assistance services                 | 20,454             | 14,013             | 14,246             | 233                   |
| 25.2 Other services                                   | 1,553,328          | 1,698,181          | 410,381            | (1,287,800)           |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 215,942            | 147,939            | 73,265             | (74,674)              |
| 25.4 Operation & maintenance of facilities            | 329,724            | 225,890            | 57,323             | (168,567)             |
| 25.5 Research and development contracts               | ---                | ---                | 946                | 946                   |
| 25.6 Medical care                                     | ---                | ---                | 6,774              | 6,774                 |
| 25.7 Operation and maintenance of equipment           | 10,068             | 6,897              | 11,108             | 4,211                 |
| 25.8 Subsistence and support of persons               | 4                  | 3                  | 249,881            | 249,878               |
| 26.0 Supplies and materials                           | 19,891             | 13,627             | 58,538             | 44,911                |
| 31.0 Equipment  | 78,705             | 35,954             | 154,461            | 118,507               |
| 32.0 Land & structures                                | 9,685              | 6,635              | 6,815              | 180                   |
| 41.0 Grants/Subsidies/Contributions                   | 6,597,854          | 6,578,796          | 5,090              | (6,573,706)           |
| 42.0 Indemnity  | ---                | ---                | 76                 | 76                    |
| 43.0 Interest & dividends                             | ---                | ---                | ---                | ---                   |
| 44.0 Refunds  | ---                | ---                | ---                | ---                   |
| 91.0 Unvouchered                                      | ---                | ---                | 2,118              | 2,118                 |
| 99.0 Other  | ---                | ---                | ---                | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$9,199,310</b> | <b>\$9,060,317</b> | <b>\$1,321,269</b> | <b>(\$7,739,048)</b>  |
| <b>Total, Direct Obligations</b>                      | <b>\$9,758,622</b> | <b>\$9,585,519</b> | <b>\$1,477,005</b> | <b>(\$8,108,514)</b>  |
| Unobligated balance, start of year                    | (5,502,735)        | (4,391,519)        | (530,000)          |                       |
| Unobligated balance, end of year                      | 4,391,519          | 530,000            | 145,000            |                       |
| Unobligated balance, transferred end of year          | (132,500)          | ---                |                    |                       |
| Transfer to OMA appropriation                         |                    | [60,000]           |                    |                       |
| Transfer to DHS OIG                                   |                    | [16,000]           |                    |                       |
| Recoveries of prior year obligations                  | (2,904,906)        | (1,500,000)        | ---                |                       |
| <b>Total requirements</b>                             | <b>\$5,610,000</b> | <b>\$4,224,000</b> | <b>\$1,092,005</b> |                       |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            |                 | Total                  |
| Total, SES                       | ---            | 1               | 1               | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 24             | 29              | 29              | ---                    |
| GS-14                            | 13             | 11              | 11              | ---                    |
| GS-13                            | ---            | ---             | ---             | ---                    |
| GS-12                            | ---            | ---             | ---             | ---                    |
| GS-11                            | ---            | ---             | ---             | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | ---            | ---             | ---             | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>37</b>      | <b>41</b>       | <b>41</b>       | <b>---</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 37             | 41              | 41              | ---                    |
| <b>FTE</b>                       | <b>7,892</b>   | <b>3,243</b>    | <b>2,555</b>    | <b>(688)</b>           |
| Headquarters                     | ---            | ---             | ---             | ---                    |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>---</b>     | <b>---</b>      | <b>---</b>      | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---                 |
| <b>Average GS Salary</b>         | \$ 118,272     | \$ 120,874      | \$ 124,500      | \$ 3,626               |
| <b>Average GS Grade</b>          | 14.90          | 14.90           | 15.35           | 0.45                   |

Note: FY 07 & FY08, the difference in Total FTE's and Total Permanent Positions reflect FTEs for COREs and DAEs to support disaster and recovery. FY 09 FTEs only includes DAEs, CORE positions are reflected in OMA appropriation.

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief  
PPA: Disaster Relief  
Funding Schedule  
(Dollars in Thousands)**

| PPA: PPA Name                 |  | 2007<br>Actuals  | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|-------------------------------|--|------------------|------------------|------------------|------------------------|
| <b>Object Classes:</b>        |  |                  |                  |                  |                        |
| 11.1                          | Perm Positions                             | \$238,960        | \$163,709        | \$0              | (\$163,709)            |
| 11.3                          | Other than perm                            | 136,392          | 192,857          | 109,015          | (83,842)               |
| 11.5                          | Other per comp                             | 75,754           | 51,898           | ---              | (51,898)               |
| 11.8                          | Spec Srvc Pay                              | ---              | ....             | ---              | ---                    |
| 12.1                          | Benefits                                   | 92,886           | 106,242          | 46,721           | (59,521)               |
| 13.0                          | Benefits-former                            | 15,320           | 10,496           | ---              | (10,496)               |
| 21.0                          | Travel                                     | 161,146          | 157,676          | 51,842           | (105,834)              |
| 22.0                          | Transportation of things                   | 47,687           | 47,585           | 16,355           | (31,230)               |
| 23.1                          | GSA rent                                   | 27,276           | 18,686           | ---              | (18,686)               |
| 23.2                          | Other rent                                 | 109,081          | 75,233           | 552              | (74,681)               |
| 23.3                          | Communication, Utilities, and misc charges | 44,427           | 30,436           | ---              | (30,436)               |
| 24.0                          | Printing                                   | 4,038            | 2,766            | ....             | (2,766)                |
| 25.1                          | Advisory & Assistance Services             | 20,454           | 14,013           | ---              | (14,013)               |
| 25.2                          | Other Services                             | 1,553,328        | 1,698,181        | 695,228          | (1,002,953)            |
| 25.3                          | Purchase from Govt. Accts.                 | 215,942          | 147,939          | ---              | (147,939)              |
| 25.4                          | Operation & maintenance of facilities      | 329,724          | 225,890          | ---              | (225,890)              |
| 25.5                          | Research & Development                     | ---              | ---              | ---              | ---                    |
| 25.6                          | Medical care                               | ---              | ---              | ---              | ---                    |
| 25.7                          | Operation & maintenance of equipment       | 10,068           | 6,897            | ---              | (6,897)                |
| 25.8                          | Subsistence & Support of persons           | 4                | 3                | ---              | (3)                    |
| 26.0                          | Supplies & materials                       | 19,891           | 13,627           | ---              | (13,627)               |
| 31.0                          | Equipment                                  | 48,705           | 35,954           | 2,837            | (33,117)               |
| 32.0                          | Land & Structures                          | 9,685            | 6,635            | ---              | (6,635)                |
| 41.0                          | Grants/Subsidies/Contributions             | 6,597,854        | 6,578,796        | 2,257,450        | (4,321,346)            |
| 42.0                          | Indemnity                                  | ---              | ---              | ---              | ---                    |
| 43.0                          | Interest & dividends                       | ---              | ---              | ---              | ---                    |
| 44.0                          | Refunds                                    | ---              | ---              | ---              | ---                    |
| 91.0                          | Unvouchered                                | ---              | ---              | ---              | ---                    |
| 99.0                          | Other                                      | ---              | ---              | ---              | ---                    |
| 99.5                          | Below Reporting Threshold                  | ---              | ---              | ---              | ---                    |
| <b>Total, Disaster Relief</b> |  | <b>9,758,622</b> | <b>9,585,519</b> | <b>3,180,000</b> | <b>(\$6,405,519)</b>   |
| Full Time Equivalents         |  | 7,892            | 3,243            | 2,555            | (688)                  |

Note: Obligation Requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

FY 2008 Enacted level includes \$2.9 billion in emergency funding provided in P.L. 110-161.

## PPA Mission Statement

Through the Disaster Relief Fund (DRF), DHS provides a significant portion of the total Federal response to Presidentially-declared major disasters and emergencies. The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C 5121-5206 (Public Law 93-288, as amended), authorizes the President to provide Federal assistance to supplement State and local governments' disaster response, recovery, readiness and mitigation efforts. Under Executive Order 12148, as amended by Executive Order 13286, FEMA's Director, formerly DHS' Under Secretary for the Emergency Preparedness and Response Directorate, has been delegated the responsibility for administering the Stafford Act's Federal Assistance Programs. The Disaster Relief Fund (DRF) funds the following Stafford Act declarations and activities (1) major disaster, (2) emergency, (3) fire management assistance, and (4) predeclaration activities.

Coupled with funding from recoveries of prior year obligations, unobligated funds carried forward, the appropriation request will fund the five-year average obligational level for direct disaster activity (excluding disaster readiness and support functions and extraordinary events such as terrorist attack of September 11, 2001, the 2004 hurricanes in Florida and other States, and Hurricane Katrina and Rita in 2005 and 2006.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$559,312      | \$525,202       | \$155,736       | (\$369,466)            |

Salaries and Benefits includes costs for 2,555 FTEs. The FY 2009 includes a decrease of \$369,466,000 due to the transfer of funding for CORE conversions positions to the OMA appropriation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$ 161,146     | \$ 157,676      | \$ 51,842       | (\$105,834)            |

Travel includes all costs of transportation of persons, subsistence of travelers, and accidental travel expense in accordance with Federal travel regulations. The FY 2009 request includes decrease of \$105,834,000.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$ 47,687      | \$ 47,585       | \$ 16,355       | \$ (31,230)            |

Transportation of things includes all costs of the care of such things while in the process of being transported and other services in incident to the transportation of things. The FY 2009 request includes decrease of \$31,230,000.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA Rent</b> | \$ 22,276      | \$ 18,686       | \$ -            | \$ (18,686)            |

GSA Rent includes payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a decrease of \$18,686,000 due to funding on-going disaster support costs through DRSA appropriation beginning in FY 2009.

|                   | <b>2007</b>      | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|------------------|-----------------|----------------|---------------------|
|                   | <b>Actuals</b>   | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | <b>\$109,081</b> | <b>\$75,233</b> | <b>\$552</b>   | <b>(\$74,681)</b>   |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects a decrease of \$74,681,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-----------------|-----------------|----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous char</b> | <b>\$44,427</b> | <b>\$30,436</b> | <b>\$0</b>     | <b>(\$30,436)</b>   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request reflects a decrease of \$30,436,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$4,038</b> | <b>\$2,766</b> | <b>\$0</b>     | <b>(\$2,766)</b>    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects a decrease of \$2,766,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-----------------|-----------------|----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$20,454</b> | <b>\$14,013</b> | <b>\$0</b>     | <b>(\$14,013)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a decrease of \$14,013,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|                       | <b>2007</b>        | <b>2008</b>        | <b>2009</b>      | <b>2008 to 2009</b>  |
|-----------------------|--------------------|--------------------|------------------|----------------------|
|                       | <b>Actuals</b>     | <b>Enacted</b>     | <b>Request</b>   | <b>Change</b>        |
| <b>Other Services</b> | <b>\$1,553,328</b> | <b>\$1,698,181</b> | <b>\$695,228</b> | <b>(\$1,002,953)</b> |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes decreases of \$1,002,953,000, reflecting declining activities related to Hurricanes Katrina, Rita, and Wilma.

|  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>    | <b>2008 to 2009</b> |
|--|------------------|------------------|----------------|---------------------|
|  | <b>Actuals</b>   | <b>Enacted</b>   | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$215,942</b> | <b>\$147,939</b> | <b>\$0</b>     | <b>(\$147,939)</b>  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes decreases of \$147,939,000, reflecting declining activities related to Hurricanes Katrina, Rita, and Wilma.

|  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>    | <b>2008 to 2009</b> |
|--|------------------|------------------|----------------|---------------------|
|  | <b>Actuals</b>   | <b>Enacted</b>   | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$329,724</b> | <b>\$225,890</b> | <b>\$0</b>     | <b>(\$225,890)</b>  |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a decrease of \$225,980,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$10,068</b> | <b>\$6,897</b> | <b>\$0</b>     | <b>(\$6,897)</b>    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a decrease of \$6,897,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$4</b>     | <b>\$3</b>     | <b>\$0</b>     | <b>(\$3)</b>        |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request reflects a decrease of \$3,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|                                 | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-----------------|-----------------|----------------|---------------------|
|                                 | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$19,891</b> | <b>\$13,627</b> | <b>\$0</b>     | <b>(\$13,627)</b>   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects a decrease of \$13,627,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|                  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-----------------|-----------------|----------------|---------------------|
|                  | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$48,705</b> | <b>\$35,954</b> | <b>\$2,837</b> | <b>(\$33,117)</b>   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. There is a decrease of \$33,117,000 in FY 2009 due to decreasing costs from Hurricanes Katrina, Rita, and Wilma.

|                              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|----------------|---------------------|
|                              | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$9,685</b> | <b>\$6,635</b> | <b>\$0</b>     | <b>(\$6,635)</b>    |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request reflects a decrease of \$6,635,000 due to funding on-going disaster support costs through the DRSA appropriation beginning in FY 2009.

|                                       | <b>2007</b>        | <b>2008</b>        | <b>2009</b>        | <b>2008 to 2009</b>  |
|---------------------------------------|--------------------|--------------------|--------------------|----------------------|
|                                       | <b>Actuals</b>     | <b>Enacted</b>     | <b>Request</b>     | <b>Change</b>        |
| <b>Grants/Subsidies/Contributions</b> | <b>\$6,597,854</b> | <b>\$6,578,796</b> | <b>\$2,257,450</b> | <b>(\$4,321,346)</b> |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes decreases of \$4,321,346,000, reflecting declining activities related to Hurricanes Katrina, Rita, and Wilma.

## I. Changes In FTE

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Relief  
Changes in Full-Time Equivalents**

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year                     | 9,143   | 7,892   | 3,243   |
| <b>INCREASES</b>  |         |         |         |
| Sub-Total Increases                                       | 0       | 0       | 0       |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1: FY07 CORE Conversion of PFTs funded from OMA | (110)   |         |         |
| Decrease #2: Decrease in Hurricane Katrina Workload       | (1,141) | (4,649) |         |
| Decrease #3: Sustain FY 2008 Transfer to OMA              |         |         | (390)   |
| Decrease #4: FY 2009 Transfer to OMA                      |         |         | (298)   |
| Sub-Total Decreases                                       | (1,251) | (4,649) | (688)   |
| Year-end Actual/Estimated FTEs                            | 7,892   | 3,243   | 2,555   |
| Net Change from prior year base to Budget Year Estimate:  | (1,251) | (4,649) | (688)   |

# Department of Homeland Security

*Federal Emergency Management Agency*

*Disaster Readiness and Support Activities*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **DISASTER READINESS AND SUPPORT ACTIVITIES**

### **I. Appropriation Overview**

#### **A. Mission Statement for Disaster Readiness and Support Activities:**

Through the Disaster Readiness and Support Activities account, FEMA funds disaster readiness and support activities that are not disaster specific, but are critical readiness initiatives and administrative functions supporting disaster response and recovery.

#### **B. Budget Activities:**

Beginning in 2009, FEMA requests funding advanced readiness contracts and disaster-related support functions through a separate Disaster Readiness and Support Activities (DRSA) appropriation rather than out of the Disaster Relief Fund (DRF). DRSA will fund advanced readiness initiatives that prepare and equip FEMA to provide federal support, as well as critical administrative functions that support the timely delivery of services during disasters. DRSA resources are not disaster specific, but rather provide support for all Presidentially declared disasters and emergencies. These efforts will improve the quality of support to disaster victims, including better communications, a more efficient intake process, more efficient delivery systems for disaster commodities, and improved oversight of disaster aid through technical assistance contractors.

#### **C. Budget Request Summary:**

For FY 2009, FEMA requests \$200,000,000 for Disaster Readiness and Support Activities previously funded out of the Disaster Relief Fund. FEMA's all-hazards mission requires the use of funds to improve capacity and to maintain a readiness posture for today's changing environment. FEMA has determined that non-specific disaster resources are necessary to address changing demands. FEMA will increase efficiencies and accountability in managing the DRF by separating ongoing disaster readiness and support functions that are not specific to one disaster from direct disaster costs. Funding the continual disaster expenses that are required to prepare for, respond to, and recover from all disasters in an annual account allows for greater ease in budgeting these annual costs and increased visibility into ongoing disaster costs. Under the proposed appropriation structure, the disaster specific costs, which are of a more unpredictable nature, remain in the DRF, separate from the more predictable annual costs of emergency management.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Readiness and Support Activities**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |            | FY 2008<br>Enacted |            | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|-------------------|------------|--------------------|------------|--------------------|------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  |                   |            |                    |            |                    |                  | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  | FTE               | AMOUNT     | FTE                | AMOUNT     | FTE                | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Disaster Readiness and Support Activities                    | 0                 | \$0        | 0                  | \$0        | 0                  | \$200,000        |  | \$200,000        | ---             | ---        | ---                 | \$200,000        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>0</b>          | <b>\$0</b> | <b>0</b>           | <b>\$0</b> | <b>0</b>           | <b>\$200,000</b> | ---                                      | <b>\$200,000</b> | ---             | <b>\$0</b> | ---                 | <b>\$200,000</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |            |                    |            |                    |                  |  |                  |                 |            |                     |                  |
|  |                   |            |                    |            |                    |                  |  |                  |                 |            |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>0</b>          | <b>\$0</b> | <b>0</b>           | <b>\$0</b> | <b>0</b>           | <b>\$200,000</b> | ---                                      | <b>\$200,000</b> | ---             | <b>\$0</b> | ---                 | <b>\$200,000</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Disaster Readiness and Support Activities**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: DISASTER READINESS AND SUPPORT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$0</b>     |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>       |
| 2009 Adjustments to Base     | 0                   | 0          | 200,000        |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>200,000</b> |
| 2009 Program Change          | 0                   | 0          | 0              |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>200,000</b> |
| Total Change 2008 - 2009     | 0                   | 0          | 200,000        |

FEMA requests \$200 million in Disaster Readiness and Support Activities, a new appropriation to fund ongoing activities that were formerly funded from the Disaster Relief Fund.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The extraordinary events of the past six years (including the terrorist attack of September 11, 2001, the 2004 hurricanes in Florida and other states, and Hurricanes Katrina, Rita and Wilma in 2005 and 2006) have compelled FEMA to reassess its ability to handle large-scale and more complex disaster situations. FEMA's all-hazards mission requires the use of funds to improve capacity and to maintain a readiness posture for today's changing environment. FEMA has determined that non-specific disaster resources are necessary to address changing demands.

The Department requests establishing a Disaster Readiness and Support Activity (DRSA) account for those things necessary to maintain the readiness of the agency's all-hazard capability throughout the year. DRSA will fund activities that directly support FEMA's disaster response readiness capability and critical administrative functions. The account will include some activities formerly funded from the Disaster Relief Fund's long-standing Disaster Support Account, as well as post-Katrina readiness contracts.

The capability of FEMA to effectively prepare for, respond to, and recover from disasters regardless of their size or cause will be greatly enhanced by funding activities through the DRSA such as (but not limited to):

- Strategic pre-positioning and management of critical disaster commodities.
- Improved inventory of specialized assets.
- Standby support to enable FEMA to increase capacity quickly as needed.

These efforts will improve the quality of support to disaster victims, including better communications, a more efficient intake process, more efficient delivery systems for disaster commodities, and improved oversight of disaster aid through technical assistance contractors. For FY 2009, FEMA requests \$200 million for Disaster Readiness and Support Activities.

DRSA supports the following activities and programs:

- **Disaster Assistance Programs**

- *Advanced Readiness Initiatives*

To improve FEMA's ability to deliver assistance and maintain the readiness to do so throughout the year, annual costs for the following contracts will be funded through the DRSA appropriation (actual deployment costs in response to a disaster declaration will continue to be funded through the DRF):

- Individual Assistance (IA) Technical Assistance
- Public Assistance (PA) Technical Assistance
- Housing Inspection Services
- Mail Operations
- Mobile Disaster Recovery Center/Mobile Registration Intake Maintenance
- Management, Organizational and Business Improvement Services (MOBIS)

- *National Processing Service Centers (NPSCs)*

The DRSA supports base costs, including rents and security, for FEMA's four NPSCs located in Maryland, Puerto Rico, Texas, and Virginia. The NPSC facilities provide FEMA call center and benefits processing capabilities to register and process disaster victims' applications.

- The NPSCs house internet and telephone based registration services through which disaster victims can apply for assistance through the Individual and Households Program.
- NPSC employees also answer FEMA's Disaster Assistance Helpline through which applicants can follow-up on their registrations with skilled caseworkers trained to resolve a wide range of applicant concerns.
- NPSC caseworkers make eligibility determinations on registrations that cannot be processed through the NEMIS auto-determination function.

Two NPSC facilities have the following areas of expertise that provide leadership and ongoing support for the NPSC enterprise:

- The Contact Center Telecommunications Section provides technical telecommunications support to all NPSC sites and forecasts workload and staffing requirements for each facility.
- The Performance Information Management Section performs the duties related to Quality Control and Performance Standards and Analysis.
- The Customer Satisfaction Analysis Section conducts internal and external customer satisfaction surveys and focus groups, provides analyses, and develops strategies for improved NPSC services.
- The Process Design and Improvement Section is responsible for mapping and analyzing the business practices of the NPSCs and recommending improvements in processing, technology, and policy.
- The National Coordination Team serves as an information conduit between Headquarters, Regions, Joint Field Offices (JFOs) and the NPSCs.

- The NPSCs house two Contract Management sections in Texas and Virginia that oversee the Housing Inspection Services, Call Center, and Mail Operations contracts.

Total staffing across the Enterprise can reach 2,600 employees working two shifts at full capacity. The centers generally operate with a total staff of 1,600.

- *Interagency Agreements*

- *Crisis Counseling Assistance and Training Program (CCATP)*. Beginning in FY 2009, annual costs for the interagency agreement with the Department of Health and Human Services' Center for Mental Health Services to support this program (described in the DRF justification) will be funded through the DRSA account. When the program is actually "turned on" pursuant to a disaster declaration, program funding will then be directly charged to the declaration's costs under the DRF.

- *Disaster Unemployment Assistance (DUA)*. Beginning in FY 2009, annual costs for the interagency agreement with the Department of Labor to support this program (described in the DRF justification) will be funded through the DRSA account. When the program is actually "turned on" pursuant to a disaster declaration, funding will be charged to the declaration's costs under the DRF.

- **Disaster Logistics Management**

- *Advanced Readiness Initiatives*

FEMA must adopt new approaches to disaster logistics management in order to meet its dual responsibility as both the national coordinator and direct provider of these services. To support this endeavor FEMA must put contracts in place that will allow the capability to provide tracking of commodities and ensure the most efficient and effective distribution of supplies and materials. The following readiness contracts will be funded through the DRSA:

- Logistics Management Systems, such as Total Asset Visibility (TAV)
- Pre-positioned Disaster Assets
- Transportation Stand-by Contracts

- *Logistics Centers (LC)*

The DRSA account supports base costs, including rent and security, for FEMA's eight Logistics Centers (located near Atlanta, GA; Berryville, VA; Ft. Worth, TX; Frederick, MD; San Jose, CA (Moffett Field); Hawaii; Guam; and Puerto Rico). Additionally, FEMA stocks commodities in the Emergency Housing Distribution and Logistics Center (LC) located in Cumberland, MD. The LCs support FEMA disaster responders with critical equipment and supplies and also provide life-saving and life-sustaining resources to states during disaster operations.

During a disaster operation, the LCs provide a variety of resources including: Meals Ready-to-Eat (MREs)/Emergency Meals, bottled water, generators, cots, blankets, tarps, blue roof sheeting, and other disaster commodities. These resources can be distributed through state and county distribution points in time of need. Also, a portion of these supplies have been pre-positioned in the hurricane-prone states in Regions I, II, III, IV and VI. The LCs also stock pre-positioned medical caches in support of HHS's National Disaster Medical Systems (NDMS). FEMA and HHS work collaboratively to issue the caches when requested.

- **Disaster Information Technology Services**

The DRSA account supports operations and maintenance of the National Emergency Management Information System (NEMIS) and other IT services imperative to disaster readiness and support, such as LANS for the NSPCs and Logistics Centers.

DRSA will also fund charges for unemployment and workers' compensation for disaster assistance employees (DAEs), as well as salaries for DAEs while in training (while deployed to a Presidentially declared disaster site, DAE salaries are funded out of the Disaster Relief Fund).

### **DRSA Recent and Planned Accomplishments**

#### **FY 2007**

See Disaster Relief Fund.

#### **FY 2008**

See Disaster Relief Fund.

#### **FY 2009**

- Continue efforts to improve logistics management.
- Continue to ensure available evacuation transportation through the use of standby transportation contracts, as required by Emergency Support Function (ESF) #1.
- Continue to maintain and make available required disaster commodities through pre-positioning.
- Continue to have disaster assistance readiness contracts in place to provide technical assistance for public assistance and individual assistance grants.
- Continue to provide the means, through its mail operations, to process large quantities of incoming and outgoing applicant correspondence in a short timeframe while maintaining and ensuring privacy, accuracy and timely delivery of services.
- Continue to provide a rapidly deployable voice/data communications capability through the use of its mobile disaster recovery centers (MDRC) and mobile registration intake centers (MRIC).
- Continue to provide tactical disaster emergency communications capability to support all Presidentially declared disasters and emergencies.

#### **IV. Program Justification of Changes**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in Disaster Readiness and Support Activities  
Appropriation Language**

*For necessary expenses for disaster readiness and support activities, including activities authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$200,000,000.*

#### **Explanation of Changes:**

The language above is requested to establish the new DRSA account.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Readiness and Support Activities  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|---|-------------|------------|----------------|
| <b>FY 2007 Actuals</b> .....                                  | ---         | ---        | \$0            |
| <b>2008 Enacted</b> .....                                     | ---         | ---        | ---            |
| <b>Adjustments-to-Base</b>                                    |             |            |                |
| Increases   |             |            |                |
| New Appropriation - Disaster Readiness and Support Activities | ---         | ---        | 200,000        |
| Total Increases.....  | ---         | ---        | 200,000        |
| <b>2009 Current Services</b> .....                            | ---         | ---        | <b>200,000</b> |
| <b>2009 Request</b> .....                                     | ---         | ---        | <b>200,000</b> |
| <b>2008 to 2009 Total Change</b> .....                        | ---         | ---        | <b>200,000</b> |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Readiness and Support Activities**  
Summary of Requirements  
(Dollars in Thousands)

|  | 2009 Request  |     |                |
|--|---------------|-----|----------------|
|  | Perm.<br>Pos. | FTE | Amount         |
| <b>FY 2007 Actuals</b>   | ---           | --- | \$0            |
| <b>2008 Enacted</b>  | ---           | --- | ---            |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |               |     |                |
| Transfers  | ---           | --- | ---            |
| Increases  | ---           | --- | 200,000        |
| Decreases  | ---           | --- | ---            |
| Total Adjustments-to-Base  | ---           | --- | 200,000        |
| <b>2009 Current Services</b>   | ---           | --- | <b>200,000</b> |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---           | --- | ---            |
| <b>2009 Total Request</b>  | ---           | --- | <b>200,000</b> |
| 2008 to 2009 Total Change  | ---           | --- | 200,000        |

| Estimates by Program/Project Activity       | 2008 Enacted |     |            | 2009 Adjustments-to-Base |     |                  | 2009 Program Change |     |            | 2009 Request |     |                  | 2008 to 2009 Total Change |     |                  |
|---|--------------|-----|------------|--------------------------|-----|------------------|---------------------|-----|------------|--------------|-----|------------------|---------------------------|-----|------------------|
|   | Pos.         | FTE | Amount     | Pos.                     | FTE | Amount           | Pos.                | FTE | Amount     | Pos.         | FTE | Amount           | Pos.                      | FTE | Amount           |
| 1 Disaster Readiness and Support Activities | ---          | --- | \$0        | ---                      | --- | \$200,000        | ---                 | --- | \$0        | ---          | --- | \$200,000        | ---                       | --- | \$200,000        |
| <b>Total</b>                                | ---          | --- | <b>\$0</b> | ---                      | --- | <b>\$200,000</b> | ---                 | --- | <b>\$0</b> | ---          | --- | <b>\$200,000</b> | ---                       | --- | <b>\$200,000</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Readiness and Support Activities  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|-----------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$0               | \$0             | \$0              | \$0                   |
| 11.3 Other than full-time permanent                   | \$0               | \$0             | \$2,000          | 2,000                 |
| 11.5 Other Personnel Compensation                     | \$0               | \$0             | \$8,000          | 8,000                 |
| 11.8 Special Service Pay                              | \$0               | \$0             | \$0              | ---                   |
| 12.1 Benefits   | \$0               | \$0             | \$0              | ---                   |
| 13.0 Benefits - former                                | \$0               | \$0             | \$0              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$0</b>        | <b>\$0</b>      | <b>\$10,000</b>  | <b>10,000</b>         |
| Other Object Classes:                                 |                   |                 |                  |                       |
| 21.0 Travel   | ---               | ---             | ---              | ---                   |
| 22.0 Transportation of things                         | ---               | ---             | 20,600           | 20,600                |
| 23.1 GSA rent   | ---               | ---             | ---              | ---                   |
| 23.2 Other rent                                       | ---               | ---             | 29,400           | 29,400                |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---             | 3,000            | 3,000                 |
| 24.0 Printing and reproduction                        | ---               | ---             | ---              | ---                   |
| 25.1 Advisory and assistance services                 | ---               | ---             | ---              | ---                   |
| 25.2 Other services                                   | ---               | ---             | 75,750           | 75,750                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---               | ---             | ---              | ---                   |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---              | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---              | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---             | ---              | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---              | ---                   |
| 26.0 Supplies and materials                           | ---               | ---             | 4,250            | 4,250                 |
| 31.0 Equipment  | ---               | ---             | 57,000           | 57,000                |
| 32.0 Land & structures                                | ---               | ---             | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---              | ---                   |
| 42.0 Indemnity  | ---               | ---             | ---              | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---              | ---                   |
| 44.0 Refunds  | ---               | ---             | ---              | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---              | ---                   |
| 99.0 Other  | ---               | ---             | ---              | ---                   |
| 99.5 Below Reporting Threshold                        | ---               | ---             | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>---</b>        | <b>\$0</b>      | <b>\$190,000</b> | <b>\$190,000</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$0</b>        | <b>\$0</b>      | <b>\$200,000</b> | <b>\$200,000</b>      |
| Unobligated balance, start of year                    | ---               | ---             | ---              | ---                   |
| Unobligated balance, end of year                      | ---               | ---             | ---              | ---                   |
| Unobligated balance, transferred                      | ---               | ---             | ---              | ---                   |
| Recoveries of prior year obligations                  | ---               | ---             | ---              | ---                   |
| <b>Total requirements</b>                             | <b>---</b>        | <b>\$0</b>      | <b>\$200,000</b> | <b>\$200,000</b>      |

Note: The personnel costs reflected above cover the salaries of the DAEs while in training.

**F. Permanent Positions by Grade**

Not applicable.

**G. Capital Investment and Construction Initiative Listing**

**FEDERAL EMERGENCY MANAGEMENT AGENCY  
DISASTER READINESS AND SUPPORT ACTIVITIES**

| INITIATIVE NAME                                     | FY 2009 FUNDING REQUEST (\$000) |                |               | FUNDING FROM:   |                |
|---|---------------------------------|----------------|---------------|-----------------|----------------|
|   | Current Services Level          | New Initiative | Total         | Budget Activity | Program/s Name |
| Housing Inspection Services                         | 20,000                          |                | 20,000        | DRSA            | DAD            |
| <b>Total Non-IT initiatives \$5 million or more</b> | <b>20,000</b>                   |                | <b>20,000</b> |                 |                |
| <b>Total Non-IT initiatives under \$5 million</b>   | --                              |                | --            |                 |                |
| <b>Total Non-IT Investments</b>                     | --                              |                | --            |                 |                |
| MOBIS   | 8,000                           |                | 8,000         | DRSA            | DAD            |
| Logistics Management                                | 47,000                          |                | 47,000        | DRSA            | Logistics      |
| <b>Total of IT Investments</b>                      | <b>55,000</b>                   |                | <b>55,000</b> |                 |                |
| <b>Total all IT and Non-IT Investments</b>          | <b>75,000</b>                   |                | <b>75,000</b> |                 |                |

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Readiness and Support Activities  
PPA: Disaster Readiness and Support Activities  
Funding Schedule  
(Dollars in Thousands)**

| PPA: Disaster Readiness and Support Activities |  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|--|----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>                         |  |                |                 |                 |                        |
| 11.1   | Perm Positions                             | \$0            | \$0             | \$0             | \$0                    |
| 11.3   | Other than perm                            | ---            | ---             | 2,000           | 2,000                  |
| 11.5   | Other per comp                             | ---            | ---             | 8,000           | 8,000                  |
| 11.8   | Spec Srvc Pay                              | ---            | ---             | ---             | ---                    |
| 12.1   | Benefits                                   | ---            | ---             | ---             | ---                    |
| 13.0   | Benefits-former                            | ---            | ---             | ---             | ---                    |
| 21.0   | Travel                                     | ---            | ---             | ---             | ---                    |
| 22.0   | Transportation of things                   | ---            | ---             | 20,600          | 20,600                 |
| 23.1   | GSA rent                                   | ---            | ---             | ---             | ---                    |
| 23.2   | Other rent                                 | ---            | ---             | 29,400          | 29,400                 |
| 23.3   | Communication, Utilities, and misc charges | ---            | ---             | 3,000           | 3,000                  |
| 24.0   | Printing                                   | ---            | ---             | ---             | ---                    |
| 25.1   | Advisory & Assistance Services             | ---            | ---             | ---             | ---                    |
| 25.2   | Other Services                             | ---            | ---             | 75,750          | 75,750                 |
| 25.3   | Purchase from Govt. Accts.                 | ---            | ---             | ---             | ---                    |
| 25.4   | Operation & maintenance of facilities      | ---            | ---             | ---             | ---                    |
| 25.5   | Research & Development                     | ---            | ---             | ---             | ---                    |
| 25.6   | Medical care                               | ---            | ---             | ---             | ---                    |
| 25.7   | Operation & maintenance of equipment       | ---            | ---             | ---             | ---                    |
| 25.8   | Subsistence & Support of persons           | ---            | ---             | ---             | ---                    |
| 26.0   | Supplies & materials                       | ---            | ---             | 4,250           | 4,250                  |
| 31.0   | Equipment                                  | ---            | ---             | 57,000          | 57,000                 |
| 32.0   | Land & Structures                          | ---            | ---             | ---             | ---                    |
| 41.0   | Grants/Subsidies/Contributions             | ---            | ---             | ---             | ---                    |
| 42.0   | Indemnity                                  | ---            | ---             | ---             | ---                    |
| 43.0   | Interest & dividends                       | ---            | ---             | ---             | ---                    |
| 44.0   | Refunds                                    | ---            | ---             | ---             | ---                    |
| 91.0   | Unvouchered                                | ---            | ---             | ---             | ---                    |
| 99.0   | Other                                      | ---            | ---             | ---             | ---                    |
| 99.5   | Below Reporting Threshold                  | ---            | ---             | ---             | ---                    |
| <b>Total, Disaster Readiness and Support</b>   |  | ---            | ---             | <b>200,000</b>  | <b>\$200,000</b>       |
| Full Time Equivalents                          |  | ---            | ---             | ---             | ---                    |

*Note: The personnel costs reflected above cover the salaries of the DAEs while in training.*

**PPA Mission Statement**

Through the Disaster Readiness and Support Activities account, FEMA funds advanced readiness initiatives that prepare and equip FEMA to provide Federal support during disasters, as well as critical administrative functions that support the timely delivery of services during disasters. DRSA resources are not disaster specific, but rather provide support across FEMA for all Presidentially-declared disasters and emergencies. These efforts will improve the quality of support to disaster victims, including better communications, a more efficient intake process, more efficient delivery systems for disaster commodities, and improved oversight of disaster aid through technical assistance contractors.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                     | \$0                     | \$10,000                | \$10,000                       |

Salaries and Benefits includes costs for DAEs while they are in training. No FTEs are requested in the DRSA appropriation. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

|                                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                     | \$0                     | \$20,600                | \$20,600                       |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The costs for this object class were funded out of the DRF prior to FY 2009.

|                   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                     | \$0                     | \$29,400                | \$29,400                       |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The costs for this object class were funded out of the DRF prior to FY 2009. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$0                     | \$0                     | \$3,000                 | \$3,000                        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The costs for this object class were funded out of the DRF prior to FY 2009. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|-----------------|---------------------|
|                       | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$75,750</b> | <b>\$75,750</b>     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The costs for this object class were funded out of the DRF prior to FY 2009. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$4,250</b> | <b>\$4,250</b>      |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The costs for this object class were funded out of the DRF prior to FY 2009. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|----------------|----------------|-----------------|---------------------|
|                  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$57,000</b> | <b>\$57,000</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The costs for this object class were funded out of the DRF prior to FY 2009. The increase from FY 2008 to FY 2009 reflects the establishment of a new appropriation.

**I. Changes In FTE**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*Disaster Assistance Direct Loan Program Account*

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Fiscal Year 2009  
Congressional Budget Submission

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT**

### **I. Appropriation Overview**

#### **A. Mission Statement for Disaster Assistance Direct Loan Appropriation Account:**

This account provides loan authority and subsidy budget authority for disaster assistance direct loans.

#### **B. Budget Activities:**

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) authorizes two types of direct loans: 1) Section 319 (State Share) loans to states for the non-federal portion of cost-shared Stafford Act programs and 2) Section 417 (Community Disaster) loans to local governments that incurred substantial losses of tax and other revenues as a result of a major disaster and require financial assistance in order to perform governmental functions. In accordance with the Federal Credit Reform Act of 1990, this account supports subsidy budget authority and authorizes loan levels for the direct loan programs; however, in FY 2009, no funds are requested for section 417 (Community Disaster) loan subsidy. Administrative expenses related to section 319 (State Share) loans are included in the Operations, Management and Administration appropriation beginning in FY 2009.

#### **C. Budget Request Summary:**

Loan subsidy of \$295,000 and a direct loan limitation of \$25 million for section 319 (State Share) loans are requested for FY 2009. However, no FTEs or administrative expenses are requested for FY 2009 in this account, as these resources have been realigned to the base budget for FEMA's Operations, Management, and Administration (OMA) appropriation. This represents a reduction of \$580,000 and 3 FTE. No funds are requested for section 417 (Community Disaster Loans) loan subsidy in FY 2009.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Assistance Direct Loan Program Account**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |              | FY 2009<br>Request |              | Increase (+) or Decrease (-) For FY 2009 |                |                 |            |                     |                |
|--|-------------------|------------------|--------------------|--------------|--------------------|--------------|--|----------------|-----------------|------------|---------------------|----------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT       | FTE                | AMOUNT       | Total Changes                            |                | Program Changes |            | Adjustments-to-Base |                |
|  |                   |                  |                    |              |                    |              | FTE                                      | AMOUNT         | FTE             | AMOUNT     | FTE                 | AMOUNT         |
| Loan Limitation Subsidy                                      | ---               | \$327,843        | ---                | \$295        | ---                | \$295        |  | \$0            | ---             | ---        | ---                 | \$0            |
| Administrative Expenses                                      | 3                 | 312              | 3                  | 580          | ---                | ---          | (3)                                      | (580)          | ---             | ---        | (3)                 | (580)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>3</b>          | <b>\$328,155</b> | <b>3</b>           | <b>\$875</b> | <b>---</b>         | <b>\$295</b> | <b>(3)</b>                               | <b>(\$580)</b> | <b>---</b>      | <b>\$0</b> | <b>(3)</b>          | <b>(\$580)</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                  |                    |              |                    |              |  |                |                 |            |                     |                |
|  |                   |                  |                    |              |                    |              |  |                |                 |            |                     |                |
|  |                   |                  |                    |              |                    |              |  |                |                 |            |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>3</b>          | <b>\$328,155</b> | <b>3</b>           | <b>\$875</b> | <b>---</b>         | <b>\$295</b> | <b>(3)</b>                               | <b>(\$580)</b> | <b>---</b>      | <b>\$0</b> | <b>(3)</b>          | <b>(\$580)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Disaster Assistance Direct Loan Program Account**  
**Program Performance Justification**

(Dollars in thousands)

#### PPA: LIMITATION ON DIRECT LOANS

|                              | SUBSIDY     |          |                  |
|------------------------------|-------------|----------|------------------|
|                              | Perm<br>Pos | FTE      | Amount           |
| <b>2007 Actual</b>           | <b>0</b>    | <b>0</b> | <b>\$327,843</b> |
| <b>2008 Enacted</b>          | <b>0</b>    | <b>0</b> | <b>295</b>       |
| 2008 Adjustments to Base     | 0           | 0        | 0                |
| <b>2009 Current Services</b> | <b>0</b>    | <b>0</b> | <b>295</b>       |
| 2009 Program Changes         | 0           | 0        | 0                |
| <b>2009 Request</b>          | <b>0</b>    | <b>0</b> | <b>295</b>       |
| Total Change 2008-2009       | 0           | 0        | 0                |

|                              | LOAN LIMITATION |          |               |
|------------------------------|-----------------|----------|---------------|
|                              | Perm<br>Pos     | FTE      | Amount        |
| <b>2007 Actual</b>           | <b>0</b>        | <b>0</b> | <b>25,000</b> |
| <b>2008 Enacted</b>          | <b>0</b>        | <b>0</b> | <b>25,000</b> |
| 2008 Adjustments to Base     | 0               | 0        | 0             |
| <b>2009 Current Services</b> | <b>0</b>        | <b>0</b> | <b>25,000</b> |
| 2009 Program Changes         | 0               | 0        | 0             |
| <b>2009 Request</b>          | <b>0</b>        | <b>0</b> | <b>25,000</b> |
| Total Change 2008-2009       | 0               | 0        | 0             |

*Note: The Loan Limitation amount above does not reflect the loan limitation carryover associated with the supplemental appropriation for Section 419 Special Community Disaster Loans.*

FEMA requests \$25 million in loan authority and \$295,000 in subsidy budget authority for section 319 loans for FY 2009. This represents no change from FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Under the Stafford Act, FEMA may make two types of direct loans:

State Share Loans: Under section 319 of the Stafford Act, FEMA may lend or advance to a state or an eligible applicant the portion of assistance for which the applicant is responsible under cost-sharing provisions of the Stafford Act. To be deemed eligible for a loan, the governor of the affected state must demonstrate, where damage is overwhelming and severe, that the state is unable to assume immediately its financial responsibility to meet the cost-share because (1) the state is responding to concurrent, multiple disasters/emergencies or has incurred extraordinary costs as a result of a particular disaster or emergency; and (2) the damages caused by such disaster or disasters are so overwhelming and severe it is not possible for the state to assume immediately its financial responsibility. \$217

million in State Share loans have been approved, with the last loan issued in 1996. There are no outstanding State Share loans.

Community Disaster Loans (CDLs): Under section 417 of the Stafford Act, loans may be authorized to local governments that have suffered a substantial loss of tax and other revenues as a result of a major disaster, and have demonstrated a need for financial assistance in order to perform their municipal operating functions. The loans, not to exceed 25 percent of the annual operating budget of that local government for the fiscal year in which the major disaster occurred, are made at the current Treasury rate for a term of 5 years and may not exceed \$5 million. All or part of such loans may be canceled to the extent that revenues of the local government during the full 3 post-disaster fiscal years are insufficient to meet its operating budget as the result of the disaster. A local government is not eligible for further CDLs during any period in which the jurisdiction is in arrears with respect to required repayment of an existing loan. \$233 million in Community Disaster loans have been approved, with the last loan issued in 2001.

Special Community Disaster Loans (SCDLs): The Community Disaster Loan Act of 2005 (PL 109-88) authorized FEMA to transfer \$750 million from the Disaster Relief Fund to provide up to \$1 billion in loan authority to assist communities impacted by Hurricanes Katrina and Rita. For these Special Community Disaster Loans, three elements were added to the traditional program under section 417: 1) It removed the \$5 million limit on individual loans; 2) the loans were restricted “to assist local governments in providing essential services;” and 3) the loan cancellation provision of section 417(c)(1) of the Stafford Act was inapplicable.

The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (PL 109-234) appropriated an additional \$278,800,000 to support \$371,733,000 in SCDLs. However, certain eligibility criteria were different from those in the 2005 Act: 1) the maximum loan amount was increased to 50 percent of the applicant’s operating budget the fiscal year of the disaster; 2) the loan analysis could only consider “tax revenue” loss and not “other revenues” as allowed for in the 2005 Act; and 3) applicants were required to demonstrate actual loss in tax revenues of 25 percent or greater. The loan cancellation provision continued to be inapplicable.

The U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (PL 110-28) removed the loan cancellation prohibitions contained in the 2005 and 2006 Acts. This statutory change now gives FEMA discretionary authority, limited by the language in section 417(c)(1) of the Stafford Act, to cancel SCDLs issued pursuant to either the 2005 or 2006 Acts.

FEMA approved 152 SCDLs totaling \$1,270,501,241 to 109 eligible applicants in Mississippi and Louisiana.

In accordance with the Federal Credit Reform Act of 1990, three accounts are used to record cash flow data for direct loans:

- Disaster Assistance Direct Loan Program Account. This is the budget account into which an appropriation is made to cover the subsidy costs of a direct loan, and from which such costs are disbursed into the financing account.

- Disaster Assistance Loan Liquidating Account. This budget account records all cash flows to and from FEMA for pre-1992 direct loans made under the State Share and Community Disaster loan programs. There is no longer any activity in this account.
- Disaster Assistance Direct Loan Financing Account. The loan financing account is a non-budgetary account records all cash flows to and from FEMA resulting from CDLs and State Share direct loans obligated in 1992 and beyond. This account holds balances, receives the subsidy cost payment from the program account, and includes all other cash flows resulting from post-1991 direct loans. The funds in this account are a means of financing and are not included in the budget totals. Loans are obligated from this account, using the subsidy budget authority from the Disaster Assistance Direct Loan Program Account and borrowing authority from the Department of the Treasury.

PPA: ADMINISTRATIVE EXPENSES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>3</b>            | <b>3</b>   | <b>\$312</b>  |
| <b>2008 Enacted</b>          | <b>3</b>            | <b>3</b>   | <b>580</b>    |
| 2008 Adjustments to Base     | (3)                 | (3)        | (580)         |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>0</b>      |
| 2009 Program Changes         | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>      |
| Total Change 2008-2009       | (3)                 | (3)        | (580)         |

FEMA requests no funds or FTE for this activity in FY 2009 in DADLP; these activities will be funded in Operations, Management, and Administration.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

In FY 2009, \$580,000 for administrative expenses for the section 319 (State Share) loan program funded in DADLP are included in Operations, Management, and Administration. This realignment enables FEMA to improve management efficiency by consolidating funding streams for basic operations.

#### **IV. Program Justification of Changes**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in Disaster Assistance Direct Loan Program Account  
Appropriation Language**

For activities under section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162), [\$875,000 of which \$580,000 is for administrative expenses to carry out the direct loan program and] \$295,000 is for the cost of direct loans: *Provided*, That gross obligations for the principal amount of direct loans shall not exceed \$25,000,000: *Provided further*, That the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a). (*Department of Homeland Security Appropriations Act, 2008*).

#### **Explanation of Changes:**

Funds for administrative expenses have been realigned to the OMA appropriation.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Assistance Direct Loan Program Account  
FY 2008 to FY 2009 Budget Changes  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--|-------------|------------|---------------|
| <b>FY 2007 Actual</b> .....  | 3           | 3          | \$328,155     |
| <b>2008 Enacted</b> .....  | 3           | 3          | 875           |
| <b>Adjustments-to-Base</b>   |             |            |               |
| Transfers to and from other accounts                               |             |            |               |
| Base realignment of administrative funds to OMA appropriation..... | (3)         | (3)        | (580)         |
| <b>Total Transfers</b> .....                                       | <b>(3)</b>  | <b>(3)</b> | <b>(580)</b>  |
| Increases  |             |            |               |
| <b>Total Increases</b> .....                                       |             |            | ---           |
| Decreases  |             |            |               |
| <b>Total Decreases</b> .....                                       |             |            |               |
| <b>Total Adjustments-to-Base</b> .....                             | <b>(3)</b>  | <b>(3)</b> | <b>(580)</b>  |
| <b>2009 Current Services</b> .....                                 | ---         | ---        | 295           |
| <b>Program Changes</b>   |             |            |               |
| Program Increases/(Decreases)                                      | ---         | ---        | ---           |
| <b>Total Program Changes</b> .....                                 | ---         | ---        | ---           |
| <b>2009 Request</b> .....  | ---         | ---        | 295           |
| <b>2008 to 2009 Total Change</b> .....                             | <b>(3)</b>  | <b>(3)</b> | <b>(580)</b>  |

## C. Summary of Requirements

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Assistance Direct Loan Program Account**  
 Summary of Requirements  
 (Dollars in Thousands)

|                              | 2009 Request |     |           |
|------------------------------|--------------|-----|-----------|
|                              | Perm. Pos.   | FTE | Amount    |
| <b>2007 Actual</b>           | 3            | 3   | \$328,155 |
| <b>2008 Enacted</b>          | 3            | 3   | 875       |
| Adjustments-to-Base          |              |     |           |
| Transfers                    | (3)          | (3) | (580)     |
| Increases                    | ---          | --- | ---       |
| Decreases                    | ---          | --- | ---       |
| Total Adjustments-to-Base    | (3)          | (3) | (580)     |
| <b>2009 Current Services</b> | ---          | --- | 295       |
| Program Changes              | ---          | --- | ---       |
| <b>2009 Total Request</b>    | ---          | --- | 295       |
| 2008 to 2009 Total Change    | (3)          | (3) | (580)     |

| Estimates by Program/Project Activity | 2008 Enacted |          |              | 2009 Adjustments-to-Base |            |                | 2009 Program Change |            |            | 2009 Request |            |              | 2008 to 2009 Total Change |            |                |
|---------------------------------------|--------------|----------|--------------|--------------------------|------------|----------------|---------------------|------------|------------|--------------|------------|--------------|---------------------------|------------|----------------|
|                                       | Pos.         | FTE      | Amount       | Pos.                     | FTE        | Amount         | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount       | Pos.                      | FTE        | Amount         |
| 1 Loan Limitation - Subsidy           | ---          | ---      | \$295        | ---                      | ---        | ---            | ---                 | ---        | ---        | ---          | ---        | \$295        | ---                       | ---        | ---            |
| 2 Administrative Expenses             | 3            | 3        | \$580        | (3)                      | (3)        | (\$580)        | ---                 | ---        | ---        | ---          | ---        | \$0          | (3)                       | (3)        | (\$580)        |
| <b>Total</b>                          | <b>3</b>     | <b>3</b> | <b>\$875</b> | <b>(3)</b>               | <b>(3)</b> | <b>(\$580)</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>---</b>   | <b>---</b> | <b>\$295</b> | <b>(3)</b>                | <b>(3)</b> | <b>(\$580)</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Assistance Direct Loan Program Account**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$209            | \$216           | ---             | (216)                 |
| 11.3 Other than full-time permanent                   | ---              | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     | 1                | 1               | ---             | (1)                   |
| 11.8 Special Service Pay                              | ---              | ---             | ---             | ---                   |
| 12.1 Benefits   | 40               | 41              | ---             | (41)                  |
| 13.0 Benefits - former                                | ---              | ---             | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$250</b>     | <b>\$258</b>    | <b>\$0</b>      | <b>(\$258)</b>        |
| Other Object Classes:                                 |                  |                 |                 |                       |
| 21.0 Travel   | ---              | ---             | ---             | ---                   |
| 22.0 Transportation of things                         | ---              | ---             | ---             | ---                   |
| 23.1 GSA rent   | ---              | ---             | ---             | ---                   |
| 23.2 Other rent                                       | ---              | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---              | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---              | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 1                | 1               | 1               | ---                   |
| 25.2 Other services                                   | 61               | 61              | 61              | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---              | ---             | ---             | ---                   |
| 25.4 Operation & maintenance of facilities            | ---              | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---              | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---              | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---              | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---              | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | ---              | ---             | ---             | ---                   |
| 31.0 Equipment  | ---              | ---             | ---             | ---                   |
| 32.0 Land & structures                                | ---              | ---             | ---             | ---                   |
| 33.0 Loans  | 327,843          | 10,356          | 233             | (10,123)              |
| 41.0 Grants/Subsidies/Contributions                   | ---              | ---             | ---             | ---                   |
| 42.0 Indemnity  | ---              | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---              | ---             | ---             | ---                   |
| 44.0 Refunds  | ---              | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---              | ---             | ---             | ---                   |
| 99.0 Other  | ---              | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$327,905</b> | <b>\$10,418</b> | <b>\$295</b>    | <b>(\$10,123)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$328,155</b> | <b>\$10,676</b> | <b>\$295</b>    | <b>(\$10,381)</b>     |
| Unobligated balance, start of year                    | (\$9,917)        | (\$9,929)       | ---             |                       |
| Unobligated balance, end of year                      | \$9,929          | ---             | ---             |                       |
| Recoveries of prior year obligations                  | ---              | ---             | ---             |                       |
| Unobligated balance, expired                          | \$257            |                 |                 |                       |
| Rescission per P.L. 110-161                           |                  | \$128           |                 |                       |
| <b>Total requirements</b>                             | <b>\$328,424</b> | <b>\$875</b>    | <b>\$295</b>    |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Assistance Direct Loan Program  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---            | ---             | ---             | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | ---            | ---             | ---             | ---                    |
| GS-14                            | 2              | 2               | ---             | (2)                    |
| GS-13                            | 1              | 1               | ---             | (1)                    |
| GS-12                            | ---            | ---             | ---             | ---                    |
| GS-11                            | ---            | ---             | ---             | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | ---            | ---             | ---             | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>3</b>       | <b>3</b>        | <b>---</b>      | <b>(3)</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 3              | 3               | ---             | (3)                    |
| <b>FTE</b>                       | <b>3</b>       | <b>3</b>        | <b>---</b>      | <b>(3)</b>             |
| Headquarters                     | 3              | 3               | ---             | (3)                    |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>3</b>       | <b>3</b>        | <b>---</b>      | <b>(3)</b>             |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---                 |
| <b>Average GS Salary</b>         | \$ 84,242      | \$ 86,095       | ---             | \$ (86,095)            |
| <b>Average GS Grade</b>          | 13.33          | 13.33           | ---             | (13.33)                |

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Assistance Direct Loan Program Account**  
**PPA: Direct Loan Subsidy**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA: PPA Name                     |  | 2007<br>Actual   | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------------------|--|------------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>            |  |                  |                 |                 |                        |
| 11.1                              | Perm Positions                             | \$0              | \$0             | \$0             | \$0                    |
| 11.3                              | Other than perm                            | ---              | ---             | ---             | ---                    |
| 11.5                              | Other per comp                             | ---              | ---             | ---             | ---                    |
| 11.8                              | Spec Srvc Pay                              | ---              | ---             | ---             | ---                    |
| 12.1                              | Benefits                                   | ---              | ---             | ---             | ---                    |
| 13.0                              | Benefits-former                            | ---              | ---             | ---             | ---                    |
| 21.0                              | Travel                                     | ---              | ---             | ---             | ---                    |
| 22.0                              | Transportation of things                   | ---              | ---             | ---             | ---                    |
| 23.1                              | GSA rent                                   | ---              | ---             | ---             | ---                    |
| 23.2                              | Other rent                                 | ---              | ---             | ---             | ---                    |
| 23.3                              | Communication, Utilities, and misc charges | ---              | ---             | ---             | ---                    |
| 24.0                              | Printing                                   | ---              | ---             | ---             | ---                    |
| 25.1                              | Advisory & Assistance Services             | ---              | ---             | ---             | ---                    |
| 25.2                              | Other Services                             | ---              | ---             | ---             | ---                    |
| 25.3                              | Purchase from Govt. Accts.                 | ---              | ---             | ---             | ---                    |
| 25.4                              | Operation & maintenance of facilities      | ---              | ---             | ---             | ---                    |
| 25.5                              | Research & Development                     | ---              | ---             | ---             | ---                    |
| 25.6                              | Medical care                               | ---              | ---             | ---             | ---                    |
| 25.7                              | Operation & maintenance of equipment       | ---              | ---             | ---             | ---                    |
| 25.8                              | Subsistence & Support of persons           | ---              | ---             | ---             | ---                    |
| 26.0                              | Supplies & materials                       | ---              | ---             | ---             | ---                    |
| 31.0                              | Equipment                                  | ---              | ---             | ---             | ---                    |
| 32.0                              | Land & Structures                          | ---              | ---             | ---             | ---                    |
| 33.0                              | Loans                                      | 327,843          | 10,356          | 233             | (10,123)               |
| 41.0                              | Grants/Subsidies/Contributions             | ---              | ---             | ---             | ---                    |
| 42.0                              | Indemnity                                  | ---              | ---             | ---             | ---                    |
| 91.0                              | Unvouchered                                | ---              | ---             | ---             | ---                    |
| <b>Total, Direct Loan Subsidy</b> |  | <b>\$327,843</b> | <b>\$10,356</b> | <b>\$233</b>    | <b>(\$10,123)</b>      |
| Full Time Equivalents             |  | ---              | ---             | ---             | ---                    |

### PPA Mission Statement

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) authorizes two types of direct loans: 1) Section 319 (State Share) loans to States for the non-Federal portion of cost-shared Stafford Act Programs and 2) Section 417 (Community Disaster) loans to local governments that incurred substantial losses of tax and other revenues as a result of a major disaster and require financial assistance in order to perform governmental functions. In accordance with the Federal Credit Reform Act of 1990, this account supports subsidy budget authority and authorizes loan levels for the direct loan programs.

|              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------|----------------|----------------|----------------|---------------------|
|              | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Loans</b> | <b>327,843</b> | <b>10,356</b>  | <b>233</b>     | <b>(10,123)</b>     |

This funding provides loan subsidies for two types of direct loans: 1) Section 319 (State Share) loans and 2) Section 417 (Community Disaster) loans. The FY 2009 request reflects a decrease of \$10,123 due the absence of carryover in FY 2009.

**Department of Homeland Security  
Federal Emergency Management Agency  
Disaster Assistance Direct Loan Program Account**

**PPA: Administrative Expenses**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>                  |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                |  |                        |                         |                         |                                |
| 11.1                                  | Perm Positions                             | \$209                  | \$216                   | \$0                     | (\$216)                        |
| 11.3                                  | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                  | Other per comp                             | 1                      | 1                       | ---                     | (1)                            |
| 11.8                                  | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                  | Benefits                                   | 40                     | 41                      | ---                     | (41)                           |
| 13.0                                  | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                  | Travel                                     | ---                    | ---                     | ---                     | ---                            |
| 22.0                                  | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                  | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                                  | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                  | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0                                  | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                                  | Advisory & Assistance Services             | 1                      | 261                     | ---                     | (261)                          |
| 25.2                                  | Other Services                             | 61                     | 61                      | ---                     | (61)                           |
| 25.3                                  | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4                                  | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                  | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                  | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                  | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8                                  | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                  | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0                                  | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0                                  | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 33.0                                  | Loans                                      | ---                    | ---                     | ---                     | ---                            |
| 41.0                                  | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                                  | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                  | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Administrative Expenses</b> |  | <b>\$312</b>           | <b>\$580</b>            | <b>\$0</b>              | <b>(\$580)</b>                 |
| Full Time Equivalentts                |  | 3                      | 3                       | ---                     | (3)                            |

### PPA Mission Statement

This account provides administrative funds that support direct disaster assistance loans.

During FY 2006, FEMA received \$3,500,000 in supplemental administrative funds to process \$1.372 billion in Community Disaster Loans (CDLs) to local governments in the Gulf Region affected by the 2005 hurricanes. For FY 2009, FEMA is requesting that administrative expenses of \$580,000 be realigned to the OMA appropriation, which will eliminate all funding in this PPA.

#### Summary Justification and Explanation of Changes

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$371</b>  | <b>\$384</b>   | <b>\$0</b>     | <b>(\$384)</b>      |

The FY 2009 request does not include any funding for salaries and benefits as resources for this activity have been realigned to the OMA appropriation.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$1</b>    | <b>\$261</b>   | <b>\$0</b>     | <b>(\$261)</b>      |

The FY 2009 request does not include any funding for Advisory and Assistance Services as resources for this activity have been realigned to the OMA appropriation.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$61</b>   | <b>\$61</b>    | <b>\$0</b>     | <b>(\$61)</b>       |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Resources for this activity have been realigned to the OMA Appropriation.

## I. Changes In FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Disaster Assistance Direct Loan Program Account**  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 3       | 3       | 3       |
| DECREASES   |         |         |         |
| Decrease #1:  | 0       | 0       | (3)     |
| Description: FTE are realigned to the Operations, Management and Administration appropriation |         |         |         |
| Year-end Actual/Estimated FTEs  | 3       | 3       | 0       |
| Net Change from prior year base to Budget Year Estimate:                                      | 0       | 0       | (3)     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*Flood Map Modernization Fund*

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Fiscal Year 2009  
Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **FLOOD MAP MODERNIZATION FUND**

### **I. Appropriation Overview**

#### **A. Mission Statement for the Flood Map Modernization Fund:**

The Flood Map Modernization Fund (FMMF) is used to update, modernize and maintain the inventory of over 100,000 flood maps and modernize the Nation's flood hazard data inventory. The flood maps are used to determine appropriate risk-based premium rates for the National Flood Insurance Program (NFIP), to complete flood hazard determinations required of the Nation's lending institutions, and to develop appropriate disaster response plans for federal, state, and local emergency management personnel.

#### **B. Budget Activities:**

The Flood Map Modernization Fund will produce flood maps in geographic information system format for a majority of areas where there is flood risk. In addition, the modernization effort is incorporating the latest technology in order to provide the flood hazard data in the most usable format and also to provide modern tools and techniques that will enable FEMA and its state and local partners to produce high-quality data while managing cost and schedule constraints. FEMA's current approach for Flood Map Modernization is to update maps during the digitization process so they reflect physical changes that have occurred since the original mapping and bring updated maps into compliance with the Floodplain Boundary Standard. FEMA is also partnering with state and local governments to help develop their capability for managing and maintaining their flood hazard data.

#### **C. Budget Request Summary:**

The FEMA FY 2009 request for the Flood Map Modernization Fund is \$150,000,000, 43 positions, and 43 FTE. This reflects a decrease of \$70 million from FY 2008.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Flood Map Modernization Fund**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |              |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-------------------|-----------------|-------------------|---------------------|--------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                   | Program Changes |                   | Adjustments-to-Base |              |
|  |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT       |
| Flood Map Modernization Fund                                 | 43                | 202,110          | 43                 | 220,000          | 43                 | 150,000          | ---                                      | (70,000)          | ---             | (70,569)          | ---                 | 569          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>43</b>         | <b>\$202,110</b> | <b>43</b>          | <b>\$220,000</b> | <b>43</b>          | <b>\$150,000</b> | <b>---</b>                               | <b>(\$70,000)</b> | <b>---</b>      | <b>(\$70,569)</b> | <b>---</b>          | <b>\$569</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |                   |                 |                   |                     |              |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>43</b>         | <b>\$202,110</b> | <b>43</b>          | <b>\$220,000</b> | <b>43</b>          | <b>\$150,000</b> | <b>---</b>                               | <b>(\$70,000)</b> | <b>---</b>      | <b>(\$70,569)</b> | <b>---</b>          | <b>\$569</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Flood Map Modernization Fund**  
**Program Performance Justification**

(Dollars in thousands)

PPA: FLOOD MAP MODERNIZATION FUND (Dollars in thousands)

|                              | <b>Perm</b> |            |                  |
|------------------------------|-------------|------------|------------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>    |
| <b>2007 Actual</b>           | <b>43</b>   | <b>43</b>  | <b>\$202,110</b> |
| 2008 Enacted                 | 43          | 43         | 220,000          |
| 2009 Adjustments to Base     | 0           | 0          | 569              |
| <b>2009 Current Services</b> | <b>43</b>   | <b>43</b>  | <b>220,569</b>   |
| 2009 Program Change          | 0           | 0          | (70,569)         |
| <b>2009 Request</b>          | <b>43</b>   | <b>43</b>  | <b>150,000</b>   |
| Total Change 2008-2009       | 0           | 0          | (70,000)         |

FEMA requests \$150 million for this activity. This is a net decrease of \$70 million from FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Floods inflict more damage than any other natural hazard in the United States. In 2004, Congress appropriated the President's request for the first of five years of funding at approximately \$200 million annually for the Federal Emergency Management Agency (FEMA) to modernize the flood maps in the National Flood Insurance Program (NFIP). FEMA is requesting \$150 million in FY 2009 to ensure the Map Modernization investment is preserved and makes progress toward addressing flood hazard data needs for communities who rely heavily on structural flood control defenses as well as those communities along the Nation's open coasts. Further, the requested FY 2009 funding will allow FEMA to smoothly transition to a future multi-year mapping endeavor.

Investments in flood hazard mapping ultimately results in reducing the risks to life and property from flooding, supporting the fiscal soundness of the NFIP, and lessening the financial impact on the Treasury following natural disasters. The FY 2009 funding request will be combined with increased funding from National Flood Insurance Fund's (NFIF) program fees, growing from \$50 million to \$98.2 million effective in FY 2009. The increase in NFIF fees includes \$12.5 million generated through increasing flood insurance policy fees by \$5 per policy and \$35.7 million through internal reallocation of funding within the NFIF; these increased fee dollars will only be used for targeted mapping and map maintenance activities. The added fee generated income will bring the total estimated available resources requested in FY 2009 to a level on par with those provided for the past five years. Additionally, over the last 5 years FEMA has increased the number of Cooperating Technical Partners (CTPs) by more than 50%. CTPs are state and local partners that have formalized their contributions and commitments to help ensure better overall floodplain management and flood risk identification through reliable, up-to-date flood maps. CTPs bring cost-share and also leveraged contributions of resources and data that add to the quality of flood maps.

With the strong foundation of Map Modernization in place, FEMA's Mitigation Directorate is implementing a fairly significant philosophical and tactical shift in how it delivers information necessary for flood hazard reduction. FY 2009 will mark the beginning of a significantly improved integrated flood risk management approach by weaving county-level flood hazard data developed in support of the NFIP into watershed-based risk assessments that serve as the foundation for local Hazard Mitigation Plans and targeted risk communication activities. FEMA will focus on filling flood hazard data needs and expanding and improving utility and accessibility of the flood hazard and risk data. FEMA will build on the benefits of digital flood hazard data, allowing easy access through FEMA's web-based portal and enabling powerful data analysis that quantifies flood risk in ways that facilitate improved mitigation planning and measure flood risk reduction.

### **The Flood Map Modernization Investment**

The Flood Map Modernization Program will have accomplished the following, based on appropriations through FY 2008:

- Built a digital Geospatial Information System (GIS) platform for map production and accessibility.
- Developed maps for 92% of the Nation's population available through the new platform.
- Ensured 75% of the flood hazard boundaries meet the standards for horizontal accuracy.
- Refreshed 30% of the detailed flood hazard data, ensuring that the maps represent current conditions.

The initial Map Modernization program vision focused on creating a robust, modernized platform of digital flood maps for the NFIP and restoring confidence in the accuracy of the floodplain boundaries. As FEMA executed the initial program, it became clear there was a much larger unmet need for new engineering analyses, improving the quality of the data and level of detail beyond fixing the boundaries. Based on this insight, direction from Congress, and other experience gained in the first half of the program, FEMA provided the "Flood Map Modernization Mid-Course Adjustment" report to Congress in March 2006. This report shifted the priorities for the program, reducing the emphasis on providing digital floodplain information in some low risk areas and increasing the emphasis on improving flood map quality.

The Mid-Course Adjustment report also established clear performance measures for the Flood Map Modernization Program. The first performance goal is to create a digital flood data platform covering 92% of the U.S. population and 65% of the land area. The second performance goal, the floodplain boundary standard, established a clear standard, aligned with flood risk, for the improvement of the floodplain boundaries. The target is for 75% of the digital floodplain boundaries to meet this new standard. The third performance goal was added to begin addressing the unmet needs for new or updated flood hazard analyses. The target for this measure is to have 30% of the new floodplain boundaries based on new engineering analyses, updated engineering analyses, or based on older engineering analyses that have been formally validated as still accurate. FEMA is on target to meet all of these program goals. The new, updated, or validated engineering analyses have been accomplished within the original budget, leveraging the cost efficiencies of the program gained through technology.

FEMA has created a premier digital flood data platform for the NFIP with floodplain boundaries that are reliable and trusted by stakeholders. This success is the result of effective program management and strong, meaningful partnerships with federal, state and local partners. The new digital maps are easier to use and provide increased capabilities for automation and analysis. They include updated

base map information to make it easier to locate properties on the map. The maps are used an estimated 30 million times or more each year in making critical decisions by local community officials, emergency managers, homeowners, and financial institutions. FEMA estimates this improved usability results in overall efficiencies of more than \$175 million each year.

State and local CTPs have also made a great investment in the Map Modernization program. At the close of FY 2007, FEMA estimates the CTP contributions have totaled approximately \$170 million with approximately \$25 million of that in FY 2007 alone. FEMA expects to continue to capitalize on these contributions in the future.

### **FY 2007 Accomplishments**

At the close of FY 2007, Flood Map Modernization achieved the following performance objectives:

- Developed modernized maps for over 60% of the Nation's population.
- Ensured 75% of the flood hazard boundaries on those maps meet the standards for horizontal accuracy.
- Refreshed 30% of the detailed flood hazard data on those maps, ensuring it represents current conditions.

### **FY 2008 Planned Accomplishments**

In FY 2008, Flood Map Modernization plans to achieve the following performance objectives:

- Increase the coverage of modernized maps to 70% of the Nation's population.
- Ensure 75% of the flood hazard boundaries on those maps meet the standards for horizontal accuracy.
- Refresh 30% of the detailed flood hazard data on those maps, ensuring it represents current conditions.

### **Fiscal Year 2009 NFIP Mapping Efforts**

The changes FEMA made implementing the Flood Map Modernization Mid-Course Adjustment began to address the unmet need for better analysis of the flood hazard in many places. However, as FEMA worked through the Map Modernization program a better understanding of critical needs was developed beyond those originally identified. The Map Modernization program will achieve its performance goals, but will not address all of the unmet needs.

Over the past 5 years, the program has been focused on covering areas of significant population with digital maps and in a limited manner updating and improving flood depth accuracy (flood data updates) for areas of especially high-risk. Hurricane Katrina highlighted the fact that providing updated flood data along the Nation's coasts and behind levees is critical.

All U.S. coastal communities are subject to flooding and many face huge risks. During the process of modernizing maps over the past 5 years, FEMA updated the methodology for determining coastal flood hazards in recognition of the flood hazard data need for these high population, high flood risk areas. Additionally, through Map Modernization the Nation's coasts will be provided modernized geospatial maps. However, the flood data for many of these maps is out of date. FEMA estimates that as much as 85% may no longer reflect current conditions.

Although all were studied using proven coastal methodologies approved by FEMA, and therefore provide some degree of accuracy, the average age of these coastal analyses is more 25 years old. The

Nation's coastlines are changing due to erosion, sea-level rise, 25 years of additional records, and other environmental factors. At the same time, coastal engineering methodologies are being refined and improved. By focusing mapping efforts on the coastal areas, FEMA's goal is to better reflect today's conditions in these vulnerable communities.

The Nation faces flood risk in communities partially protected by levee systems. To gain a better understanding of these risks FEMA is leveraging work performed by the U.S. Army Corps of Engineers' (USACE) National Levee Safety Program. Working hand-and-hand with USACE, FEMA is providing data for inclusion into the National Levee Database as this information is collected through FEMA mapping efforts.

Other gaps in flood hazard data exist for areas where the landscape has been altered, where rainfall data or storm surge has been statistically different in the last decade from averages in previous decades, or methods for estimating flood heights have advanced since original studies were done.

These significant needs can be addressed effectively and efficiently within the modernized digital platform, program management infrastructure, and partnerships built as part of the Map Modernization program.

### **Coastal Flood Studies**

Over the past five years, FEMA has completed a full evaluation and update of Guidelines and Specifications for analysis and mapping of coastal flood hazards along the Gulf, Atlantic, Pacific, and Great Lakes. In addition, FEMA leveraged resources from states, USACE, U.S. Geological Survey (USGS), and National Oceanic and Atmospheric Administration (NOAA), as well as data collected for disaster recovery to prepare new coastal flood maps for Louisiana, Mississippi, and Texas.

A coastal flood study consists of the following components:

- Topographic and bathymetric data collection where unavailable through other sources
- Analysis of offshore surge effects through detailed modeling
- Wave height analysis
- Delineation of the coastal flood hazard
- Processing and issuance of an updated Flood Insurance Rate Map

In FY 2009, FEMA will use at least \$30 million to perform updated basin-wide storm surge modeling for those areas determined to be in most need. More detailed studies of wave heights would be performed in follow-up to the storm surge modeling. It has been estimated that this funding would result in more than 20 counties—representing approximately 1,800 miles of open coast—receiving fully updated Flood Insurance Rate Maps.

Future coastal study analyses and mapping needs will be selected based on risk, community and state cost share, and cost efficiencies using a basin-wide study approach.

### **Mapping of Levee Areas**

The identification of current flood hazards in and around the Nation's levee systems is an important element of the Flood Map Modernization Program. Levees are located in over one-quarter of the counties for which FEMA is providing new, digital flood mapping as part of Map Modernization.

As part of the Map Modernization initiative, FEMA realized the importance of accurately addressing levee risks, issuing policy direction through Procedure Memorandum 34, "Interim Guidance for Studies of Levees," prior to the landfall of Hurricane Katrina in August 2005. That event heightened national attention and raised expectations of FEMA related to assessing the status of levee systems nationwide to ensure the flood risk in areas impacted by levees is accurately reflected on the Flood Insurance Rate Maps and in compliance with NFIP regulatory requirements.

In coordination with USACE's National Levee Database activities, FEMA is populating a nationwide levee inventory. FEMA is on track to identify and inventory one-third of the Nation's levees reflected on Flood Insurance Rate Maps within the Mid-Term Levee Inventory.

To minimize the impact of the levee recognition and certification process on Flood Map Modernization Program goals, FEMA implemented an improved process for addressing levee certification requirements (issuance and implementation of Procedure Memorandum 43). The process provided communities and levee owners additional time to meet the regulatory requirement while allowing the flood mapping process in those communities to move forward.

In FY 2009, FEMA will utilize approximately \$30 million to continue the assessment of the status of levee systems, ensuring the accurate reflection of flood risk in areas impacted by levees on Flood Insurance Rate Maps and in compliance with NFIP regulatory requirements. The funding will also allow FEMA to complete the remaining Mid-Term Levee Inventory and link this data to USACE's National Levee Database. FEMA will also assess and initiate the update of the levee-related flood hazard data for maps in more than 110 counties where levees exist. The assessment and update will include counties impacted by the expiration of Provisionally Accredited Levee status as well as counties facing significant flood risks.

The funding utilized in FY 2009 will not be used to perform activities related to certification of levee systems such as structural and geotechnical analyses. Rather, the funding will be used to update the flood maps once the levee owners provide the technical data needed to determine if they can be accredited. To update the maps affected by levees, FEMA will perform hydraulic modeling of with- and without-levee conditions and issue updated Flood Insurance Rate Maps. Where necessary, funding will be used to analyze and map interior drainage within the levee systems.

Coordination efforts with USACE have intensified and will continue to be important in the future as USACE establishes the National Levee Safety Program.

### **Addressing Other Significant Flood Hazard Engineering Needs**

Flood Map Modernization focused on producing a solid digital platform for the flood mapping program, moving the map inventory to current technology, and restoring stakeholder confidence in the reliability of floodplain boundaries. Even though the program will achieve these goals, it is clear the national need for updated analysis of flood hazards will not be fully met.

As FEMA has worked through the Map Modernization Program, a better understanding of additional critical needs has been developed. In FY 2009, FEMA expects to invest \$90 million on updated engineering analyses, beyond the engineering investments related to levees and coastal areas.

There are three principal factors that drive the need for updated flood hazard analyses:

1. Physical changes, such as manmade influence which may include new bridges, culverts, levees, development in the floodplain.
2. Climate changes, such as recent flood disasters or additional stream gage data.
3. Engineering methodology changes, such as improved computer models and better understandings of the physics of water flow.

Investments in these engineering needs will be evaluated and sequenced based on the three factors above, along with priority for states and communities that bring significant cost-share and areas where the greatest flood insurance policies exist.

Keeping pace with these changes is important. Failing to do so can ultimately lead to unwise land use decisions and construction standards, thereby putting homeowners at increased risk while providing a false sense of security. Conversely, overstated hazards can result in potentially unnecessary construction costs and incorrect insurance rating decisions. Sound reliable flood hazard information is a necessary component of ensuring the fiscal soundness of the National Flood Insurance Program.

### **Other Program Investments**

Beyond the above described appropriated funding, the additional funds from the National Flood Insurance Fund (NFIF) will fund further flood hazard engineering, coastal modeling, program operations, and administrative expenses. Specifically, an additional \$15 million from the NFIF would be used for two purposes. First, FEMA will assess all coastal maps that are considered outdated. This assessment will help FEMA better understand the adequacy of the currently-mapped coastal hazard and if portions of the current analyses remain valid. Second, FEMA will develop and implement a plan to equitably prioritize and sequence the remaining coastal mapping needs. FEMA will engage stakeholders and assess what resources state and local partners are willing to leverage. FEMA will initiate additional coastal studies based on the results of the nationwide coastal assessment.

### **Future Multi-Year NFIP Mapping Effort**

FEMA is on track to accomplish the goals set out for Map Modernization, yet significant needs remain. FEMA will begin to make progress toward addressing these issues in FY 2009. Further, FEMA will develop a robust multi-year plan to address the full scope of the remaining needs.

The multi-year plan will ensure that FEMA fulfills its statutory mandate (42 U.S.C. 4101) to assess and review all of the flood maps on a five-year cycle and address new needs that arise from physical changes, climate changes, or engineering methodology changes. FEMA expects to better target flood map updates by focusing on areas where there are properties insured by the NFIP, establishing standards that identify areas that are adequately mapped (unless the community demonstrates the need for an update), and identifying areas where FEMA will initiate updates based on unacceptable risks to the NFIP or the community. Additionally, priority consideration will be given to those CTPs who fund a share of the mapping cost.

The multi-year plan will build on the strong foundation of Map Modernization that is in place. The plan will articulate a fairly significant philosophical and tactical shift in how it delivers information necessary for flood hazard reduction. This significantly improved integrated flood risk management approach will weave county-level flood hazard data developed in support of the NFIP into watershed-based risk assessments that serve as the foundation for local Hazard Mitigation Plans and targeted risk communication activities. FEMA will focus on filling flood hazard data needs and expanding and improving utility and accessibility of the flood hazard and risk data. FEMA will build on the benefits

of digital flood hazard data, allowing easy access through FEMA's web-based portal and enabling powerful data analysis that quantifies flood risk in ways that facilitate improved mitigation planning and measures flood risk reduction.

The maps and the engagement of local governments and citizens both facilitates the reduction of flood losses through local and individual action and provides a sound footing for other Mitigation programs and the NFIP to be successful. As FEMA develops and rolls out updated flood hazard data, provides the public information they need to make informed risk reduction decisions, and improves the actuarial soundness of the NFIP, the public is reminded of the flood threat before the next disaster and can take action to reduce risk.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Flood Map Modernization Fund  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1: Map Modernization**

Strategic Goal(s) & Objective(s):

Strategic Goal 4: Build a nimble, effective emergency response system and a culture of preparedness.  
Objective 4.2: Preparedness. Achieves outcome of: Ensuring Americans are prepared, capable, and ready to respond to adverse incidents.

PPA: Flood Map Modernization

Program Increase/Decrease: Positions 0 FTE 0 Dollars (\$70,569,000)

**Funding Profile**

|                           | FY 2007 Actual |           |                  | FY 2008 Enacted |           |                  | FY 2009 Request |           |                  |
|---------------------------|----------------|-----------|------------------|-----------------|-----------|------------------|-----------------|-----------|------------------|
|                           | Pos            | FTE       | Dollars (\$000)  | Pos             | FTE       | Dollars (\$000)  | Pos             | FTE       | Dollars (\$000)  |
| Current Services Level    |                |           |                  |                 |           |                  | 43              | 43        | \$220,569        |
| Program Increase/Decrease |                |           |                  |                 |           |                  | ---             | ---       | (70,569)         |
| <b>Total Request</b>      | <b>43</b>      | <b>43</b> | <b>\$198,980</b> | <b>43</b>       | <b>43</b> | <b>\$220,000</b> | <b>43</b>       | <b>43</b> | <b>\$150,000</b> |

**Description of Item:**

Reduction in Map Modernization within the Flood Map Modernization Fund.

**Justification:**

FEMA is requesting funding of \$150 million to support the continued improvement of NFIP maps to reduce the risk to life and property from flooding and support the fiscal soundness of the NFIP. This funding level will be combined with an increased investment from the National Flood Insurance Fund’s program fees to \$98.5 million in FY 2009 and stronger cost-share from state and local partners. The combined funding will allow FEMA to preserve the Flood Map Modernization investment at a level comparable to the past 5 years, advance and make progress towards meeting needs in levee and coastal arenas, and allow FEMA to transition to a future multi-year mapping endeavor.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency  
Justification of Proposed Changes in Flood Map Modernization Fund  
Appropriation Language**

For necessary expenses pursuant to section 1360 of the National Flood Insurance Act of 1968, *as amended* (42 U.S.C. 4101, et. seq.), [~~\$220,000,000~~] *\$150,000,000* and such additional sums as may be provided by state and local governments or other political subdivisions for cost-shared mapping activities under section 1360(f)(2) of such Act (*42 U.S.C. for 4101 (f)(2)*), to remain available until expended: *Provided*, That total administrative costs shall not exceed 3 percent of the total [amount appropriated under this heading] *appropriation. (Department of Homeland Security Appropriations Act, 2008)*

#### **Explanation of Changes:**

No substantive changes are proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
Flood Map Modernization Fund  
FY 2008 to FY 2009 Budget Changes  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>2007 Actuals</b> .....                     | <b>34</b>   | <b>34</b>  | <b>\$202,110</b> |
| <b>2008 Enacted</b> .....                     | <b>43</b>   | <b>43</b>  | <b>220,000</b>   |
| <b>Adjustments-to-Base</b>                    |             |            |                  |
| Increases                                     |             |            |                  |
| Annualization of 2008 pay raise.....          | ---         | ---        | 48               |
| 2009 pay increase.....                        | ---         | ---        | 145              |
| GSA Rent.....                                 | ---         | ---        | 375              |
| <b>Total Increases</b> .....                  | ---         | ---        | <b>569</b>       |
| Decreases                                     |             |            |                  |
| <b>Total Decreases</b> .....                  | ---         | ---        | ---              |
| <b>Total Adjustments-to-Base</b> .....        | ---         | ---        | <b>569</b>       |
| <b>2009 Current Services</b> .....            | <b>43</b>   | <b>43</b>  | <b>220,569</b>   |
| <b>Program Changes</b>                        |             |            |                  |
| Program Decreases                             |             |            |                  |
| Permanent Reduction to Map Modernization..... | ---         | ---        | (70,569)         |
| <b>Total Program Changes</b> .....            | ---         | ---        | <b>(70,569)</b>  |
| <b>2009 Request</b> .....                     | <b>43</b>   | <b>43</b>  | <b>150,000</b>   |
| <b>2008 to 2009 Total Change</b> .....        | ---         | ---        | <b>(70,000)</b>  |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Flood Map Modernization Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |           |
|--|--------------|-----|-----------|
|  | Perm. Pos.   | FTE | Amount    |
| <b>FY 2007 Actual</b>  | 34           | 44  | \$202,110 |
| <b>2008 Enacted</b>  | 43           | 43  | 220,000   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |           |
| Transfers  | ---          | --- | ---       |
| Increases  | ---          | --- | 569       |
| Decreases  | ---          | --- | ---       |
| Total Adjustments-to-Base  | ---          | --- | 569       |
| <b>2009 Current Services</b>   | 43           | 43  | 220,569   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | --- | (70,569)  |
| <b>2009 Total Request</b>  | 43           | 43  | 150,000   |
| 2008 to 2009 Total Change  | ---          | --- | (70,000)  |

| Estimates by Program/Project Activity | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |            |              | 2009 Program Change |            |                   | 2009 Request |           |                  | 2008 to 2009 Total Change |            |                   |
|---------------------------------------|--------------|-----------|------------------|--------------------------|------------|--------------|---------------------|------------|-------------------|--------------|-----------|------------------|---------------------------|------------|-------------------|
|                                       | Pos.         | FTE       | Amount           | Pos.                     | FTE        | Amount       | Pos.                | FTE        | Amount            | Pos.         | FTE       | Amount           | Pos.                      | FTE        | Amount            |
| 1 Flood Map Modernization Fund        | 43           | 43        | \$220,000        | ---                      | ---        | \$569        | ---                 | ---        | (\$70,569)        | 43           | 43        | \$150,000        | ---                       | ---        | (\$70,000)        |
| <b>Total</b>                          | <b>43</b>    | <b>43</b> | <b>\$220,000</b> | <b>---</b>               | <b>---</b> | <b>\$569</b> | <b>---</b>          | <b>---</b> | <b>(\$70,569)</b> | <b>43</b>    | <b>43</b> | <b>\$150,000</b> | <b>---</b>                | <b>---</b> | <b>(\$70,000)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Flood Map Modernization Fund**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |     |              | 2008 Revised Estimate |     |              | 2009 Estimate |     |              | Increase/Decrease |     |        |
|----------------------------------|----------------|-----|--------------|-----------------------|-----|--------------|---------------|-----|--------------|-------------------|-----|--------|
|                                  | Pos.           | FTE | Amount       | Pos.                  | FTE | Amount       | Pos.          | FTE | Amount       | Pos.              | FTE | Amount |
| State and local governments      |                |     | \$1,000      |                       |     | \$1,000      |               |     | \$1,000      | ---               | --- | ---    |
| <b>Total Budgetary Resources</b> | ---            | --- | <b>1,000</b> | ---                   | --- | <b>1,000</b> | ---           | --- | <b>1,000</b> | ---               | --- | ---    |

| Obligations by Program/Project Activity | FY 2007 Actual |     |              | 2008 Revised Estimate |     |              | 2009 Estimate |     |              | Increase/Decrease |     |        |
|---|----------------|-----|--------------|-----------------------|-----|--------------|---------------|-----|--------------|-------------------|-----|--------|
|   | Pos.           | FTE | Amount       | Pos.                  | FTE | Amount       | Pos.          | FTE | Amount       | Pos.              | FTE | Amount |
| Flood Map Modernization Fund            |                |     | \$1,000      |                       |     | \$1,000      |               |     | \$1,000      | ---               | --- | ---    |
| <b>Total Obligations</b>                | ---            | --- | <b>1,000</b> | ---                   | --- | <b>1,000</b> | ---           | --- | <b>1,000</b> | ---               | --- | ---    |

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Flood Map Modernization Fund**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actuals | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|--------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$2,370            | \$4,880          | \$5,026          | \$146                 |
| 11.3 Other than full-time permanent                   | ---                | ---              | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | 66                 | 55               | 57               | 2                     |
| 11.8 Special Service Pay                              | ---                | ---              | ---              | ---                   |
| 12.1 Benefits   | 622                | 1,515            | 1,560            | 45                    |
| 13.0 Benefits - former                                | ---                | ---              | ---              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$3,058</b>     | <b>\$6,450</b>   | <b>\$6,643</b>   | <b>\$193</b>          |
| Other Object Classes:                                 |                    |                  |                  |                       |
| 21.0 Travel   | 406                | 444              | 295              | (149)                 |
| 22.0 Transportation of things                         | ---                | ---              | ---              | ---                   |
| 23.1 GSA rent   | 693                | 707              | 721              | 14                    |
| 23.2 Other rent                                       | ---                | ---              | ---              | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 12                 | 13               | 9                | (4)                   |
| 24.0 Printing and reproduction                        | 1,257              | 1,374            | 915              | (459)                 |
| 25.1 Advisory and assistance services                 | 60,438             | 66,043           | 43,258           | (22,785)              |
| 25.2 Other services                                   | 76,128             | 83,188           | 55,405           | (27,783)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 868                | 949              | 633              | (316)                 |
| 25.4 Operation & maintenance of facilities            | ---                | ---              | ---              | ---                   |
| 25.5 Research and development contracts               | ---                | ---              | ---              | ---                   |
| 25.6 Medical care                                     | ---                | ---              | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | 4                  | 4                | 3                | (1)                   |
| 25.8 Subsistence and support of persons               | ---                | ---              | ---              | ---                   |
| 26.0 Supplies and materials                           | 4                  | 4                | 3                | (1)                   |
| 31.0 Equipment  | 128                | 140              | 93               | (47)                  |
| 32.0 Land & structures                                | ---                | ---              | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 59,114             | 64,596           | 43,022           | (21,574)              |
| 42.0 Indemnity  | ---                | ---              | ---              | ---                   |
| 43.0 Interest & dividends                             | ---                | ---              | ---              | ---                   |
| 44.0 Refunds  | ---                | ---              | ---              | ---                   |
| 91.0 Unvouchered                                      | ---                | ---              | ---              | ---                   |
| 99.0 Other  | ---                | ---              | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$199,052</b>   | <b>\$217,462</b> | <b>\$144,357</b> | <b>(\$73,105)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$202,110</b>   | <b>\$223,912</b> | <b>\$151,000</b> | <b>(\$72,912)</b>     |
| Unobligated balance, start of year                    | (3,537)            | (2,912)          | ---              |                       |
| Unobligated balance, end of year                      | 2,912              | ---              | ---              |                       |
| Recoveries of prior year obligations                  | (1,505)            | ---              | ---              |                       |
| Collections   | ---                |                  |                  |                       |
| Reimbursable  | (1,000)            | (1,000)          | (1,000)          |                       |
| <b>Total requirements</b>                             | <b>\$198,980</b>   | <b>\$220,000</b> | <b>\$150,000</b> |                       |

Note: Object Class requirements in the Congressional Justifications and the Budget Appendix may differ due to rounding.

F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
Flood Map Modernization Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---            | ---             | ---             | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | ---            | ---             | ---             | ---                    |
| GS-14                            | 2              | 1               | 1               | ---                    |
| GS-13                            | 2              | 4               | 5               | 1                      |
| GS-12                            | 28             | 31              | 30              | (1)                    |
| GS-11                            | 5              | 6               | 5               | (1)                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 6              | 1               | 2               | 1                      |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>43</b>      | <b>43</b>       | <b>43</b>       | <b>---</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 43             | 43              | 43              | ---                    |
| <b>FTE</b>                       | <b>43</b>      | <b>43</b>       | <b>43</b>       | <b>---</b>             |
| Headquarters                     | 4              | 4               | 4               | ---                    |
| U.S. Field                       | 39             | 39              | 39              | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>43</b>      | <b>43</b>       |                 | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          |                 | \$ ---                 |
| <b>Average GS Salary</b>         | \$ 64,992      | \$ 75,593       | \$ 75,405       | \$ (188)               |
| <b>Average GS Grade</b>          | 11.60          | 11.93           | 11.91           | (0.02)                 |

G. Capital Investment and Construction Initiative Listing

**Federal Emergency Management Agency  
Flood Map Modernization Fund**

| INITIATIVE NAME                                     | FY 2009 FUNDING REQUEST<br>(\$000) |                   |           | FUNDING FROM:                   |                 |
|---|------------------------------------|-------------------|-----------|---------------------------------|-----------------|
|   | Current<br>Services<br>Level       | New<br>Initiative | Total     | Budget Activity                 | Program(s) Name |
| Total Non- IT<br>investments \$5<br>million or more | \$0                                | \$0               | \$0       |                                 |                 |
| Total Non-IT<br>initiatives under \$5<br>million    | \$0                                | \$0               | \$0       |                                 |                 |
| Total Non-IT<br>Investments                         | \$0                                | \$0               | \$0       |                                 |                 |
|   |                                    |                   |           |                                 |                 |
| Flood Map<br>Modernization                          | \$220,000                          | (\$70,000)        | \$150,000 | Flood Map<br>Modernization Fund | Mitigation      |
| Total of IT<br>Investments                          | \$15,000                           | \$0               | \$15,000  |                                 |                 |
|   |                                    |                   |           |                                 |                 |
| Total all IT and Non-<br>IT Investments             | \$220,000                          | (\$70,000)        | \$150,000 |                                 |                 |

**H. PPA Budget Justifications**

**Department of Homeland Security  
Federal Emergency Management Agency  
Flood Map Modernization Fund  
PPA: Flood Map Modernization Fund  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Flood Map Modernization Fund</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                     |  |                        |                         |                         |                                |
| 11.1                                       | Perm Positions                             | \$2,370                | \$4,880                 | \$5,026                 | \$146                          |
| 11.3                                       | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                       | Other per comp                             | 66                     | 55                      | 57                      | 2                              |
| 11.8                                       | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                       | Benefits                                   | 622                    | 1,515                   | 1,560                   | 45                             |
| 13.0                                       | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                       | Travel                                     | 406                    | 444                     | 295                     | (149)                          |
| 22.0                                       | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                       | GSA rent                                   | 693                    | 707                     | 721                     | 14                             |
| 23.2                                       | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                       | Communication, Utilities, and misc charges | 12                     | 13                      | 9                       | (4)                            |
| 24.0                                       | Printing                                   | 1,257                  | 1,374                   | 915                     | (459)                          |
| 25.1                                       | Advisory & Assistance Services             | 60,438                 | 66,043                  | 43,258                  | (22,785)                       |
| 25.2                                       | Other Services                             | 76,128                 | 83,188                  | 55,405                  | (27,783)                       |
| 25.3                                       | Purchase from Govt. Accts.                 | 868                    | 949                     | 633                     | (316)                          |
| 25.4                                       | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                       | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                       | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                       | Operation & maintenance of equipment       | 4                      | 4                       | 3                       | (1)                            |
| 25.8                                       | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                       | Supplies & materials                       | 4                      | 4                       | 3                       | (1)                            |
| 31.0                                       | Equipment                                  | 128                    | 140                     | 93                      | (47)                           |
| 32.0                                       | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                       | Grants/Subsidies/Contributions             | 59,114                 | 64,596                  | 43,022                  | (21,574)                       |
| 42.0                                       | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                       | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Flood Map Modernization Fund</b> |  | <b>\$202,110</b>       | <b>\$223,912</b>        | <b>\$151,000</b>        | <b>(\$72,912)</b>              |
| Full Time Equivalents                      |  | 43                     | 43                      | 43                      | ---                            |

*Note: Object Class requirements in the Congressional Justifications and the Budget Appendix may differ due to rounding.*

**PPA Mission Statement**

The Flood Map Modernization Fund supports the effort to update and modernize the Nation’s flood hazard data inventory. Map Modernization will produce flood maps in geographic information system format for every area where there is flood risk. In addition, the modernization effort is incorporating the latest technology in order to provide the flood hazard data in the most usable format and also to provide modern tools and techniques that will enable FEMA and its State and local partners to produce high-quality data while managing cost and schedule constraints. FEMA’s current approach for Flood Map Modernization assumes that a large percentage of the existing flood hazard data is still valid and that revising map information and boundary adjustments are the necessary changes needed to update the flood hazard maps.

Floods inflict more damage and economic losses upon the United States than does any other natural disaster. During the 10 years from fiscal year 1992 through fiscal year 2001, flooding caused more than 900 deaths and resulted in approximately \$55 billion in damages. Since 1968, the National Flood Insurance Program (NFIP) has combined the development of flood maps to identify areas at greatest risk of flooding with mitigation efforts to reduce or eliminate flood risks to people and to property and with the availability of affordable flood insurance that property owners can purchase to protect themselves from flood losses.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|----------------|---------------------|
|                              | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$3,058        | \$6,450        | \$6,643        | \$193               |

Salaries and Benefits funds the salaries and expenses of 43 FTEs. The slight increase from FY 2008 to FY 2009 is due to inflation.

|               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|----------------|----------------|----------------|---------------------|
|               | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$406          | \$444          | \$295          | (\$149)             |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The slight decrease from FY 2008 to FY 2009 is due to the decreased travel expenses that correlate with a reduction to in flood map modernization funding.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$693          | \$707          | \$721          | \$14                |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The \$14,000 increase from FY 2008 to FY 2009 is due to inflation.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charge</b> | \$12           | \$13           | \$9            | (\$4)               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The slight decrease from FY 2008 to FY 2009 correlates to the permanent reduction to funding in flood map modernization.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$1,257</b> | <b>\$1,374</b> | <b>\$915</b>   | <b>(\$459)</b>      |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The \$459,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization and the technology advances of digital maps.

|   | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-----------------|-----------------|-----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$60,438</b> | <b>\$66,043</b> | <b>\$43,258</b> | <b>(\$22,785)</b>   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The \$22,785,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|---------------------|
|                       | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$76,128</b> | <b>\$83,188</b> | <b>\$55,405</b> | <b>(\$27,783)</b>   |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The \$27,783,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$868</b>   | <b>\$949</b>   | <b>\$633</b>   | <b>(\$316)</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The \$316,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$4</b>     | <b>\$4</b>     | <b>\$3</b>     | <b>(\$1)</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The \$1,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$128</b>   | <b>\$140</b>   | <b>\$93</b>    | <b>(\$47)</b>       |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The \$47,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

|                                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                       | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$59,114</b> | <b>\$64,596</b> | <b>\$43,022</b> | <b>(\$21,574)</b>   |

Grants/Subsidies/Contribution include cash payments to States, other political subdivisions, corporations, associations, and individuals. The \$21,574,000 decrease from FY 2008 to FY 2009 correlates to the permanent reduction in map modernization.

## I. Changes in FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Flood Map Modernization Fund**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 43      | 43      | 43      |
| INCREASES  | 0       | 0       | 0       |
| DECREASES  | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs                           | 43      | 43      | 43      |
| Net Change from prior year base to Budget Year Estimate: | 0       | 0       | 0       |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

# Department of Homeland Security

*Federal Emergency Management Agency*

*National Flood Insurance Fund*

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Fiscal Year 2009

Congressional Budget Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) NATIONAL FLOOD INSURANCE FUND

### **I. Appropriation Overview**

**A. Mission Statement for the National Flood Insurance Fund (NFIF):** The NFIF, which was established in the Treasury by the National Flood Insurance Act of 1968, is a fee-generated fund and is the funding mechanism for the National Flood Insurance Program (NFIP). The Act, as amended, authorizes the Federal Government to provide flood insurance on a national basis.

### **B. Budget Activities:**

Flood insurance premiums collected are deposited into the NFIF; claims and operating and administrative costs are paid out of the fund.

In return for the availability of flood insurance, communities agree to adopt and to enforce floodplain management measures to reduce losses from future flooding. Flood insurance may be sold or continued in force only in communities that enact and enforce appropriate floodplain management measures. Communities must participate in the program within one year of the time they are identified as flood-prone in order to be eligible for flood insurance and for some forms of Federal financial assistance for acquisition or construction purposes. Under the regular program, engineering studies are conducted of different flood risks in flood-prone areas to establish actuarial premium rates. In addition, federally regulated lending institutions cannot provide loans to nonparticipating communities for properties within an identified special flood hazard area. Certain forms of disaster assistance also are restricted in these nonparticipating communities.

### **C. Budget Request Summary:**

The NFIF FY 2009 discretionary funding request for salaries, expenses, and floodplain management is 330 positions, 330 FTE, and \$156,599,000. These funds are offset from collections of policy fees. This is an increase of \$45,599,000 over FY 2008. The \$156,599,000 includes \$49,418,000 for salaries and expenses (S&E) and \$107,181,000 for floodplain management.

FEMA estimates mandatory premium collections of \$3,037,000,000. These funds will be used to pay claims and other operating expenses of the National Flood Insurance Program (NFIP), to fund \$85,000,000 in operating expenses, \$90,000,000 for the repetitive and severe repetitive loss programs, and \$35,700,000 for Flood Mitigation Assistance Grants. Program changes include an additional \$15,000,000 for NFIP marketing activities operating expenses, an increase of 7 additional FTE to administer the repetitive loss programs, an expense covered by the authorized administrative costs, and an increase of \$35,700,000 from premium collections for Flood Mitigation Assistance. The adjustment to base is \$204,000,000, reflecting additional revenue based on the estimated increase in the number of flood insurance policies.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actuals |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                 |                     |                  |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|-----------------|---------------------|------------------|
|  | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                  | Program Changes |                 | Adjustments-to-Base |                  |
|  |                    |                    |                    |                    |                    |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT          | FTE                 | AMOUNT           |
| Salaries and Expenses  | 270                | \$36,539           | 300                | \$45,642           | 330                | \$49,418           | 30                                       | \$3,776          | ---             | ---             | 30                  | \$3,776          |
| Floodplain Management  | ---                | 54,553             | ---                | 65,358             | ---                | 107,181            | ---                                      | 41,823           | ---             | ---             | ---                 | 41,823           |
| NFIF - Mandatory   | ---                | 2,740,510          | ---                | 2,743,000          | ---                | 2,911,300          | ---                                      | 168,300          | ---             | ---             | ---                 | 168,300          |
| Severe Repetitive Loss Mitigation                            | ---                | 2,729              | 7                  | 80,000             | 14                 | 80,000             | 7  | ---              | ---             | ---             | 7                   | ---              |
| Repetitive Flood Claims                                      | ---                | ---                | ---                | 10,000             | ---                | 10,000             | ---                                      | ---              | ---             | ---             | ---                 | ---              |
| Flood Mitigation Activities                                  | ---                | ---                | ---                | ---                | ---                | 35,700             | ---                                      | 35,700           | ---             | 35,700          | ---                 | ---              |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>270</b>         | <b>\$2,834,331</b> | <b>307</b>         | <b>\$2,944,000</b> | <b>344</b>         | <b>\$3,193,599</b> | <b>37</b>                                | <b>\$249,599</b> | <b>---</b>      | <b>\$35,700</b> | <b>37</b>           | <b>\$213,899</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                    | (2,743,239)        |                    | (2,833,000)        |                    | (3,037,000)        |  | (204,000)        |                 | \$0             |                     | (204,000)        |
|  |                    |                    |                    |                    |                    |                    |  |                  |                 |                 |                     |                  |
|  |                    |                    |                    |                    |                    |                    |  |                  |                 |                 |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>270</b>         | <b>\$91,092</b>    | <b>307</b>         | <b>\$111,000</b>   | <b>344</b>         | <b>\$156,599</b>   | <b>37</b>                                | <b>\$45,599</b>  | <b>---</b>      | <b>\$35,700</b> |                     | <b>\$9,899</b>   |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
**Program Performance Justification**

(Dollars in thousands)

#### INTRODUCTION

The National Flood Insurance Fund (NFIF) supports numerous functions, programs, and activities, including the salaries and expenses of program management and implementation staff at FEMA's 10 regional offices and the national office, through the collection of flood insurance premiums and administrative fees. All of these activities are directly related to the National Flood Insurance Program (NFIP). Implementation activities include the Severe Repetitive Loss and Repetitive Flood Claims grant programs described below, as well as the Flood Mitigation Assistance grant program. Additional funded activities include technical assistance to states and communities regarding local implementation of the NFIP; flood hazard map maintenance and distribution activities that complement the Flood Map Modernization Fund activities; and support for various aspects of the flood insurance business, including underwriting, operations, and claims payments.

The descriptions by PPA cover greater detail within each of these activities.

#### PPA: SALARIES AND EXPENSES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>270</b>          | <b>234</b> | <b>\$36,539</b> |
| <b>2008 Enacted</b>          | <b>330</b>          | <b>300</b> | <b>45,642</b>   |
| 2009 Adjustments to Base     | 0                   | 0          | 3,776           |
| <b>2009 Current Services</b> | <b>330</b>          | <b>300</b> | <b>49,418</b>   |
| 2009 Program Change          | 0                   | 30         | 0               |
| <b>2009 Request</b>          | <b>330</b>          | <b>330</b> | <b>49,418</b>   |
| Total Change 2008-2009       | 0                   | 30         | 3,776           |

FEMA requests \$49,418,000 and 330 FTE for this activity. This is an increase of \$3.78 million and 30 FTE over FY 2008.

In FY 2007, FEMA:

- Reduced potential annual flood losses by more than \$1 billion through NFIP insurance and floodplain management activities.
- Increased the number of NFIP policies by more than three percent through program partnerships.
- Reduced subsidies to pre-Flood Insurance Rate Map (FIRM) properties, and modernized program operations to incorporate state-of-the-art business practices and technologies, assuring that operating integrity, cost efficiency, and customer service standards were met or exceeded.

In FY 2008, FEMA will:

- Reduce potential annual flood losses by more than \$1 billion through NFIP insurance and floodplain management activities.
- Increase the number of NFIP policies by five percent through program partnerships.
- Reduce subsidies to pre-Flood Insurance Rate Map (FIRM) properties, and modernize program operations including NFIP NextGen system to incorporate state-of-the-art business practices and technologies, assuring that operating integrity, cost efficiency, and customer service standards are met or exceeded.
- Manage the implementation of the Severe Repetitive Loss and the Flood Mitigation Assistance.
- Improve oversight of the over 85 Write-Your Own insurance companies that sell and service NFIP policies.
- Develop and manage initiatives to reduce program subsidies in order to charge fair and actuarially sound premiums.
- Increase FEMA's management and support for floodplain management that is necessary for Flood Insurance Rate Map adoption by communities as well as ensuring the continued compliance of the 20,300 participating communities.

In FY 2009, FEMA will:

- Reduce potential annual flood losses by nearly \$2 billion through NFIP insurance and floodplain management activities.
- Increase the number of NFIP policies by five percent through program partnerships.
- Reduce subsidies to pre-FIRM properties and the cost of repetitive loss properties.
- Modernize program operations to incorporate state-of-the-art business practices and technologies to assure that operating integrity, cost efficiency, and customer service standards are met or exceeded.
- Assure flood claims processing standards are met or exceeded, regardless of the size and severity of the flood event.
- Develop and manage programs for increasing program participation incentives and improving enforcement where mandatory participation is warranted.
- Assess coastal maps that are considered outdated in order to develop and implement a plan to equitably prioritize and sequence the remaining coastal mapping needs.

In addition, these resources will also be used to address specific risks identified by the GAO (Comptroller Walker's testimony, "GAO's High Risk Program," GAO-06-794T). FEMA has already taken several actions, such as authoring a handbook, to address specific risks identified by GAO. To continue to proactively address identified risk, FEMA will:

- Expand program management and oversight of the 85 insurance companies and the thousands of insurance agents and claims adjusters who deliver the insurance program to individual customers.
- Continue to implement the appeals and mediation provisions of the National Flood Insurance Reform Act of 2004.

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Resources under this activity support the salaries and expenses of FTE at FEMA's 10 regional offices and the national office responsible for managing the NFIP flood insurance activities, the floodplain management programs that provide technical assistance and map maintenance activities, and the grant programs supporting flood hazard reduction efforts.

Flood insurance activities include:

- Actuarial management to analyze insurance risks, claims data, and financial models in order to evaluate and communicate all aspects of the financial solvency of the program and to set the appropriate premium rates.
- Flood insurance operations management for more than 5.4 million NFIP flood policies with over \$1 trillion of insurance in force, including issuance, renewal, claims, and resolution of claims appeals.
- Underwriting management to set policy and develop regulations regarding insurance coverage eligibility and the classification of risks.
- Claims management to set policy and develop regulations regarding the adjusting and payment of claims.
- Management of the private insurance companies (the Write-Your Own companies) that write flood insurance policies and adjust claims for the NFIP, including conducting periodic operational reviews.
- Education, training, and technical assistance for private insurance company agents and adjusters.
- Management of the vendors that supply services to the NFIP, such as the Bureau and Statistical Agent and the Direct Servicing Agent.
- Management of flood insurance marketing and public communications, including advertising, community outreach programs and publicity.
- Partnering with stakeholders in the private sector and other government agencies, including lenders who must require the purchase of flood insurance for certain loans.

FEMA will continue to support the NFIP and provide operational and administrative support for the Community Rating System.

The Community Rating System (CRS) is a voluntary program implemented in 1990 as an incentive-based program designed to recognize and encourage community floodplain management activities that exceed the minimum NFIP standards. Under the CRS, flood insurance premium rates are adjusted to reflect the reduced flood risk resulting from community activities that meet CRS goals including reduction of flood losses, accurate insurance rating, and promotion of flood insurance awareness. Participating communities are rated by Class (1 to 10) with Class 1 communities receiving the greatest premium rate reductions. Non-participating communities are rated as Class 10. Credits can be applied toward a community's CRS classification for various activities under the following floodplain management headings:

- Public Information
- Mapping Regulations
- Flood Damage Reduction
- Flood Preparedness

PPA: FLOODPLAIN MANAGEMENT AND FLOOD MAPPING

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$54,553</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>65,358</b>   |
| 2009 Adjustments to Base     | 0                   | 0          | 41,823          |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>107,181</b>  |
| 2009 Program Change          | 0                   | 0          | 0               |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>107,181</b>  |
| Total Change 2008-2009       | 0                   | 0          | 41,823          |

FEMA requests \$107.18 million for this activity. There is an increase of \$41.82 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Through Floodplain Management programs, FEMA encourages communities and their citizens to take informed and effective mitigation actions before a flood in order to reduce the long-term risk to people and property. Structures built to NFIP standards experience 80 percent less damage than structures not built to these standards and have resulted in over \$1 billion every year in reduced flood losses.

Through the delivery of the Floodplain Management programs in FY 2007 and FY 2008, FEMA continues to lead a national effort to:

- Review over 100 floodplain management related recommendations from the NFIP Evaluation, prepared responses, and developed a plan to implement many of the recommendations.
- Enroll, reinstate or convert 237 communities into the NFIP.
- Increase CRS Participation and Class Improvements. Total CRS community participation increased from 1,038 communities at the end of FY 2006 to 1,055 at the end of FY 2007, an increase of 17 communities. Additionally there was an increase from 38 to 39, CRS Class 5 and better communities, which are often considered the premier CRS Classes.
- Identify and improve the understanding of communities' flood hazards and their risks by providing flood hazard maps.
- Develop and improve techniques and planning processes which mitigate those flood risks.
- Provide technical assistance and an environment at the state and local levels that is conducive to applying those techniques and processes.
- Provide financial assistance to states to support state National Flood Insurance Program (NFIP) implementation and compliance activities.
- Support development of incentives and disincentives that make application of those techniques and processes a social, political and/or economic priority.

In FY 2009, FEMA will:

- Continue to develop a variety of outreach materials to assist all entities of Federal, State, and local governments to effectively maintain sound floodplain management practice, and educate the general public on mitigation actions that may be taken in a pre-disaster environment.
- Provide ongoing map maintenance activities, issue map revisions, and enhance distribution services, including provisions for digital products, subscription services, and links to other hazard data. Provide funding to States for the development of the capability and capacity to manage the

production of and to maintain flood hazard data. These efforts complement and support the Flood Map Modernization Fund activities.

- Provide technical assistance to the 20,300 communities participating in the NFIP and monitor the compliance with program requirements; provide grant funds to States and Territories to help furnish this technical assistance and monitoring; develop policy, guidance, and regulations to improve implementation of floodplain management at the State and community levels, and to enhance compliance by communities with NFIP requirements.
- Use an additional \$35.7 million for targeted mapping and map maintenance activities to maintain the investment made through the Flood Map Modernization effort.

The FY 2009 funding request reflects an increase and reallocation from National Flood Insurance Fund's (NFIF) program fees for flood hazard mapping activities, growing from approximately \$50 million to \$98.2 million effective in FY 2009. The increase in NFIF fees includes \$12.5 million generated through a growth in the number of policies and an increase in flood insurance policy fees by \$5 per policy as well as \$35.7 million through internal reallocation of funding within the NFIF; these increased fee dollars will only be used for targeted mapping and map maintenance activities.

PPA: NFIF MANDATORY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$2,740,510</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>2,743,000</b>   |
| 2009 Adjustments to Base     | 0                   | 0          | 204,000            |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>2,947,000</b>   |
| 2009 Program Change          | 0                   | 0          | 0                  |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>2,947,000</b>   |
| Total Change 2008-2009       | 0                   | 0          | 204,000            |

FEMA requests \$2,947 million for this activity. This is an increase of \$204 million including an additional \$15 million for NFIP marketing activities operating expenses over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities that enact and enforce appropriate floodplain management measures. Communities must participate in the program within one year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In addition, federally regulated funding institutions cannot provide loans to nonparticipating communities with an identified flood hazard.

More than 20,300 communities in all states and territories participate in the NFIP. Structures built to NFIP criteria experience 80 percent less damage through reduced frequency and severity of losses. The floodplain management program requirements are estimated to save in excess of \$1 billion per year in flood losses avoided. The NFIP limits the impact of disasters by encouraging property owners and others to manage their risk through flood insurance and other hazard insurance mechanisms.

The American Institutes for Research completed an independent evaluation of the NFIP in October 2006. The 14 evaluation reports address the occupancy and use of floodplains, the cost and consequences of flooding, the role of actuarial soundness in the NFIP, compliance with floodplain management requirements, hazard identification in flood-prone areas, insurance market penetration, and the mandatory purchase requirement. In FY 2008, the recommendations arising from the NFIP evaluation will be subject to a thorough internal review and decisions will be made on how to best implement the recommendations to improve the efficiency and effectiveness of the NFIP.

FEMA uses three strategies to increase the number of flood insurance policies in force: Lender compliance; Program simplification; and Expanded marketing. FEMA is educating financial regulators about the mandatory flood insurance requirement for properties that are located in floodplains and have mortgages from federally regulated lenders.

In FY 2009, FEMA will continue to pay claims and issue policies. In addition, FEMA will:

- Continue implementation of NFIP modernized systems (NextGen) that build an information technology infrastructure which streamlines the insurance process, provides faster and more accurate access to NFIP data, and provides the capability to increase policy sales and improve

responsiveness to customers' claims through the use of a centralized rating engine and online claims module that is available via the Internet.

- Continue implementation of recommendations from the NFIP evaluation. Specific recommendations for implementation will be identified during the FY 2008 internal review of the evaluation.

PPA: SEVERE REPETITIVE LOSS MITIGATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$40,000</b> |
| <b>2008 Enacted</b>          | <b>14</b>           | <b>7</b>   | <b>80,000</b>   |
| 2009 Adjustments to Base     | 0                   | 0          | 0               |
| <b>2009 Current Services</b> | <b>14</b>           | <b>7</b>   | <b>80,000</b>   |
| 2009 Program Change          | 0                   | 7          | 0               |
| <b>2009 Request</b>          | <b>14</b>           | <b>14</b>  | <b>80,000</b>   |
| Total Change 2008-2009       | 0                   | 7          | 0               |

FEMA requests \$80 million and 7 FTE for this activity. This is an increase of 7 FTE over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Flood Insurance Reform Act of 2004 introduced several new requirements and program initiatives. These include the establishment of a five-year pilot program for the mitigation of Severe Repetitive Loss properties. The pilot program focuses on a subset of the repetitive loss properties – Severe Repetitive Loss (SRL) properties - that have the largest impact on claims paid from the NFIP. This legislation provides new incentives for states and communities to mitigate SRL properties by creating the SRL program. Implementation of the new SRL program assists states by providing additional grant resources and increased Federal cost share for projects mitigating SRL properties. Furthermore, as State and local governments identify their SRL properties, they also increase their awareness of the location of the most severe risks.

Not counting those properties lost during the 2005 Hurricane Season, there are currently about 7,000 of these properties that have either had four or more losses exceeding \$5,000 each or two or more losses exceeding the property value. Under this program, funding is provided for the acquisition of the structure and underlying property for the purpose of creating open space uses in perpetuity; relocation of flood-prone residential structures to areas outside the hazard area; elevation of existing residential structures; demolition and rebuilding of structures; construction of minor localized flood control projects that provide protection to severe repetitive loss properties and NFIP properties; and certain floodproofing techniques for historic structures. Mitigating these properties will result in savings to the NFIP. This program is funded from mandatory, premium collections.

In FY 2007, regulations to implement the Severe Repetitive Loss (SRL) grant programs were developed, along with the electronic application tool for State and local governments. The regulations guide the implementation of certain provisions of the Bunning-Bereuter-Blumenauer Flood Reform Act of 2004, which amended the National Flood Insurance Act of 1968.

In FY 2008, the regulations implementing the SRL program were published in the Federal Register (October 31, 2007). The application period will open and grant applications will be solicited and awarded. This initial implementation year will include funding from the FY 2006, FY 2007 and FY 2008 funding.

In FY 2009, FEMA will award SRL grants, continue efforts to streamline the grant award process for all hazard mitigation assistance program grants and thereby increase the number of grants awarded. In addition, FEMA will hire additional personnel needed to ensure proper implementation, oversight and administration of the program.

PPA: REPETITIVE FLOOD CLAIMS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>10,000</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>10,000</b> |
| 2009 Adjustments to Base     | 0                   | 0          | 0             |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>10,000</b> |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>10,000</b> |
| Total Change 2008-2009       | 0                   | 0          | 0             |

FEMA requests \$10 million for this activity. This represents no increase over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Flood Insurance Reform Act of 2004 introduced several new requirements and program initiatives. These include the establishment of a grant program, which provides a mechanism to mitigate properties that have experienced repetitive losses where the state or community does not meet eligibility requirements under the Flood Mitigation Assistance program. Although not necessarily focused on Severe Repetitive Loss properties as defined above, the Act does direct FEMA to give priority to “Worst-Case Properties” that would result in the greatest savings to the NFIF. This program is funded from mandatory, premium collections.

FY 2006 was the first year of the Repetitive Flood Claims (RFC) program. Guidance was developed and issued to enable communities and states to apply for grants. Project applications were received in June 2006, and all awards completed by the end of the Fiscal Year. \$9.8 million was awarded to 16 communities for the acquisition of 41 repetitive loss properties.

In FY 2007, 12 awards were made to communities for the acquisition of 40 properties. Grants guidance was issued in November 2006, with the close of the application period on February 28, 2007. The application period was moved forward to expedite obligation of program funds. The focus of the program expanded in FY 2008 to also include elevations of at risk structures, dry floodproofing of non-residential structures and minor localized flood control projects to provide the greatest savings to the National Flood Insurance Fund. Expanding mitigation activities will allow FEMA to spread program funds to more communities. FEMA will continue its efforts to engage state and local partners and educate them on the program.

Repetitive Flood Claims – Award Summary for FY 2007

|                   |                       | <b>Award Federal Share</b> | <b>Properties</b> |
|-------------------|-----------------------|----------------------------|-------------------|
| <b>New Jersey</b> | Little Falls Township | \$1,506,600                | 4                 |
|                   | Frenchtown Borough    | \$1,013,900                | 3                 |
|                   | <b>State Total*</b>   | <b>\$2,635,748</b>         | <b>7</b>          |
| <b>Virginia</b>   | City of Chesapeake    | \$1,230,578                | 3                 |
|                   | <b>State Total</b>    | <b>\$1,230,578</b>         | <b>3</b>          |
| <b>Florida</b>    | Clay County FL        | \$262,017                  | 1                 |
|                   | Lynn Haven FL         | \$273,495                  | 1                 |
|                   | Port Orange FL        | \$1,076,855                | 4                 |
|                   | <b>State Total*</b>   | <b>\$1,773,203</b>         | <b>6</b>          |
| <b>Georgia</b>    | DeKalb County         | \$1,204,638                | 3                 |
|                   | <b>State Total*</b>   | <b>\$1,272,306</b>         | <b>3</b>          |
| <b>Ohio</b>       | Morgan County         | \$141,500                  | 1                 |
|                   | Carlisle Township     | \$76,848                   | 1                 |
|                   | <b>State Total*</b>   | <b>\$229,348</b>           | <b>2</b>          |
| <b>Texas</b>      | Hardin County         | \$2,010,871                | 15                |
|                   | Jefferson County      | \$134,750                  | 1                 |
|                   | <b>State Total*</b>   | <b>\$2,145,621</b>         | <b>16</b>         |
| <b>Oklahoma</b>   | Miami                 | \$345,308                  | 3                 |
|                   | <b>State Total*</b>   | <b>\$378,194</b>           | <b>3</b>          |
| <b>Total</b>      |                       | <b>\$9,664,998</b>         | <b>40</b>         |

*\* State total awards include State management costs*

In FY 2008, the focus of the program expanded to also include elevations of at risk structures, dry floodproofing of non-residential structures and minor localized flood reduction projects to provide the greatest savings to the National Flood Insurance Fund. Expanding mitigation activities will allow FEMA to spread program funds to more communities. FEMA will continue its efforts to engage State and local partners and educate them on the program.

In FY 2008, FEMA will continue efforts to streamline the grant award process for all hazard mitigation assistance program grants, including RFC. Grant guidance was issued on October 30, 2007 opening the application period earlier in the calendar year. In FY 2008, FEMA expects to make approximately 15 awards to communities for the mitigation of 35 to 40 properties, through elevation, acquisition, floodproofing, and minor physical flood reduction projects. Efforts to engage partners and coordinate the RFC program with the expanded SRL program will be continued.

In FY 2009, FEMA will continue efforts to streamline the grant award process for all hazard mitigation assistance program grants, including RFC. Guidance will again be issued early in the fiscal year so as to open and close the application period earlier. In FY 2009, FEMA expects to make approximately 15 awards to communities for the mitigation of 35 to 40 properties, through elevation, acquisition, floodproofing, and minor physical flood reduction projects. Efforts to engage partners and coordinate the RFC program with the expanded SRL program will be continued.

PPA: FLOOD MITIGATION ASSISTANCE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>0</b>      |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>      |
| 2009 Adjustments to Base     | 0                   | 0          | 35,700        |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>35,700</b> |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>35,700</b> |
| Total Change 2008-2009       | 0                   | 0          | 35,700        |

FEMA requests \$35.7 million for this activity. This represents an increase of 1.7 million over mitigation assistance FY 2008 funded under a separate National Flood Mitigation Fund appropriation. Beginning in FY 2009, these activities are requested within NFIF.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Flood Mitigation Assistance supports activities that reduce the risk of flood damage to structures insurable under the NFIP. Flood Mitigation Assistance provides flood mitigation assistance planning support to states and communities. Any state agency, participating NFIP community, or local organization is eligible to participate in FMA. Two types of grants are available: Planning Grants and Project Grants.

*Planning*

Planning is the foundation of FMA. FEMA provides grants to communities to identify ways to reduce their flood risk by preparing Flood Mitigation Plans. Hazard mitigation planning is the process State, local, and tribal governments use to identify risks and vulnerabilities associated with natural disasters, and develop long-term strategies for protecting people and property in future hazard events.

*Projects*

Eligible projects are those that reduce the risk of flood damage to structures insurable under the NFIP. Examples of activities funded under Project Grants include elevation of insured structures, acquisition of insured structures and property, and relocation or demolition of insured structures. Priority is given to projects that mitigate insured structures with multiple flood losses.

The Flood Mitigation Assistance (FMA) program has evolved significantly since 1997, when FMA interim regulations were first published. Over time, FMA has found its place among the FEMA pre-disaster programs as a unique program, paid for by the National Flood Insurance Program (NFIP) policyholders, through fees generated by the sale of flood insurance policies, with the very specific goal of funding projects and planning activities in states and NFIP participating communities that will help reduce or eliminate the risk of repetitive flood damage to buildings, manufactured homes and other structures insured by the NFIP. Eligible FMA projects include elevations of insured structures, acquisition, relocation and demolition of insured structures, and construction of minor flood control projects.

In FY 2007 and FY 2008, the activities under this PPA were funded from the National Flood Mitigation Fund appropriation, via a transfer of funds from the National Flood Insurance Fund. In FY 2009, FEMA proposes to operate the FMA directly from the NFIF without a transfer of funds.

In FY 2009, continued growth in the number of flood insurance policies will result in up to \$35.7 million available for FMA. FEMA will continue efforts to streamline the grant award process for all hazard mitigation assistance program grants, including FMA.

PPA: NFIF OFFSETTING COLLECTIONS - DISCRETIONARY

|                              | <b>Perm</b> |            |                |
|------------------------------|-------------|------------|----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>270</b>  | <b>270</b> | <b>97,588</b>  |
| <b>2008 Enacted</b>          | <b>330</b>  | <b>300</b> | <b>111,000</b> |
| 2009 Adjustments to Base     | 0           | 0          | 45,599         |
| <b>2009 Current Services</b> | <b>330</b>  | <b>300</b> | <b>156,599</b> |
| 2009 Program Change          | 0           | 30         | 0              |
| <b>2009 Request</b>          | <b>330</b>  | <b>330</b> | <b>156,599</b> |
| Total Change 2008-2009       | 0           | 30         | 45,599         |

**Note:** The table above includes discretionary offsetting collections that support the S&E and Floodplain Management programs. The total discretionary offsetting collections will be \$156.6 million.

FEMA requests \$156.6 million for this activity. This is an increase of \$45.6 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

In FY 2009, the budget assumes fee collections from policyholders to offset administrative and program costs associated with flood insurance activities. Of the total anticipated fee collections of \$156.6 million, the total amount will be used to offset the Salaries and Expenses and Floodplain Management PPA activities.

PPA: NFIF OFFSETTING COLLECTIONS - MANDATORY

|                              | <b>Perm</b> |            |                    |
|------------------------------|-------------|------------|--------------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>      |
| <b>2007 Actual</b>           | <b>0</b>    | <b>0</b>   | <b>\$2,631,396</b> |
| <b>2008 Enacted</b>          | <b>14</b>   | <b>7</b>   | <b>2,833,000</b>   |
| 2009 Adjustments to Base     | 0           | 0          | 204,000            |
| <b>2009 Current Services</b> | <b>14</b>   | <b>7</b>   | <b>3,037,000</b>   |
| 2009 Program Change          | 0           | 7          | 0                  |
| <b>2009 Request</b>          | <b>14</b>   | <b>14</b>  | <b>3,037,000</b>   |
| Total Change 2008-2009       | 0           | 7          | 204,000            |

**Note:** The table above includes mandatory offsetting collections that support the Severe Repetitive Loss and Repetitive Flood Claims programs.

FEMA requests \$3,037 million for this activity. This is an increase of \$204 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

In FY 2009, the budget assumes premium collections to offset repetitive loss initiatives, claims, operating expenses, and interest payments.

#### **IV. Program Justification of Changes**

Not applicable.

**V. Exhibits and Other Supporting Materials**  
**A. Justification of Proposed Legislative Language**

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Justification of Proposed Changes in National Flood Insurance Fund**  
**Appropriation Language**

For activities under the National Flood Insurance Act of 1968, *as amended* (42 U.S.C. 4001 et seq.), and the Flood Disaster Protection Act of 1973, *as amended* (42 U.S.C. 4001 et seq.), [\$145,000,000] \$156,599,000, which shall be derived from offsetting collections assessed and collected under section 1308(b)(3) of the National Flood Insurance Act of 1968, (42 U.S.C. 4015(b)(3)), which is available as follows: (1) not to exceed [\$45,642,000] \$49,418,000 for salaries and expenses associated with flood mitigation and flood insurance operations; and (2) no less than [\$99,358,000] \$107,181,000 for flood [hazard mitigation] *plain management and flood mapping*, which shall [be derived from offsetting collections assessed and collected under section 1307 of the National Flood Insurance Act of 1968 (42 U.S.C. 4014), to] remain available until September 30, [2009 including up to \$34,000,000 for flood mitigation expenses under section 1366 of that Act (42 U.S.C. 4104c), which shall be available for transfer to the National Flood Mitigation Fund under section 1367 of that Act (42 U.S.C. 4104) until September 30, 2009] 2010: *Provided*, That any additional fees collected pursuant to section [1307] 1308(b)(3) of [that Act] *the National Flood Insurance Act of 1968 (42 U.S.C. 4015(b)(3))* shall be credited as an offsetting collection to this account, to be available for flood [hazard mitigation expenses] *plain management and flood mapping*; *Provided further*, That in fiscal year [2008] 2009, no funds shall be available from the National Flood Insurance Fund [under section 1310 of that Act (42 U.S.C. 4017)] in excess of: (1) [\$70,000,000] \$85,000,000 for operating expenses; (2) [\$773,772,000] \$869,905,000 for commissions and taxes of agents; (3) such sums as are necessary for interest on Treasury borrowings; and (4) [\$90,000,000] \$125,700,000 which shall remain available until expended for flood mitigation actions, [with respect to] *of which \$80,000,000 is for severe repetitive loss properties under section 1361A of [that Act] the National Flood Insurance Act of 1968 (42 U.S.C. 4102a), [and] of which \$10,000,000 is for repetitive insurance claims properties under section 1323 of [that Act] the National Flood Insurance Act of 1968 (42 U.S.C. 4030), [which shall remain available until expended:] and of which \$35,700,000 is for flood insured properties under section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) notwithstanding subparagraphs (B) and (C) of subsection (b)(3) and subsection (f) of section 1366 the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) and notwithstanding subsection (a)(7) of section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017): Provided further, That amounts collected under section 102 of the Flood Disaster Protection Act of 1973 and section 1366(i) of the the National Flood Insurance Act of 1968 shall be deposited in the National Flood Insurance Fund to supplement other amounts specified as available for section 1366 of the National Flood Insurance Act of 1968, notwithstanding 42 U.S.C. 4012a(f)(8), 4104c(i), and 4104d(b)(2)-(3): Provided further, That total administrative costs shall not exceed 4 percent of the total appropriation. (*Department of Homeland Security Appropriations Act, 2008.*)*

**Explanation of Changes:**

The FY 2009 NFIF budget request increase for commissions and taxes of agents is based on a projected increase in the number of policies in force and the associated increase in premium revenue.

Commissions, Write-Your-Own (WYO) program costs and taxes are based on the premium revenue generated by the projected number of policies in force. In FY 2006 policy growth was an unprecedented 14% and policy growth is predicted to be 5% for FY 2008 and FY 2009. This necessarily drives up WYO program costs. . The property and casualty insurance companies including agents that sell and service federally-underwritten flood insurance policies under their own names retain a percentage of the premium for the cost of administration and production. For FY 2009, the 85 WYO companies will retain 30.8% of premium revenue for each flood policy they write based on the average industry expense ratios for selected categories of expenses as published in *Best's Aggregates and Averages*.

The floodplain management funding includes language emphasizing that floodplain management funding will be used for flood mapping as well. In FY 2009, there will be an increased investment from the National Flood Insurance Fund's program fees to \$98.2 million for flood mapping efforts. Combined with directly appropriated funding for the Flood Map Modernization program, FEMA will preserve the Flood Map Modernization investment at a level comparable to the past 5 years. This will allow FEMA to advance and make progress towards meeting needs in levee and coastal areas and to transition to a future multi-year mapping endeavor.

The budget request has also been revised to reflect a change in the way Flood Mitigation Assistance is funded. Flood Mitigation Assistance is targeted to directly reduce losses to the NFIF caused by repetitive loss and other high risk properties. The effective return on investment that will result from investing in reducing the number of repetitive loss and other high risk properties has been demonstrated. The changes reflected align Flood Mitigation Assistance with its partner repetitive loss programs to increase the effective delivery of all three programs and strengthen the NFIF.

**B. FY 2007 to FY 2008 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>         |
|--|-------------|------------|-----------------------|
| <b>FY 2007 Actuals</b> .....                                   | <b>270</b>  | <b>270</b> | <b>\$2,834,331</b>    |
| <b>2008 Enacted</b> .....                                      | <b>307</b>  | <b>307</b> | <b>2,944,000</b>      |
| <b>Adjustments-to-Base</b>                                     |             |            |                       |
| <b>Increases</b>   |             |            |                       |
| Annualization of 2008 pay raise.....                           | ---         | ---        | 294                   |
| 2009 pay increase.....   | ---         | ---        | 882                   |
| Annualization of 2008 Positions Increase.....                  | 37          | 37         | 5,154                 |
| Net collection of policyholder fees.....                       | ---         | ---        | 41,075                |
| Net collection of premiums.....                                | ---         | ---        | 130,725               |
| GSA Rent.....  |             |            | 68                    |
| Inclusion of Flood Mapping activities in Floodplain Management |             |            | 35,700                |
| Realign FMA from NFMF to NFIF                                  |             |            | 35,700                |
| <b>Total Increases</b> .....                                   | <b>37</b>   | <b>37</b>  | <b>249,599</b>        |
| <b>Decreases</b>   |             |            |                       |
| <b>Total Decreases</b> .....                                   | <b>---</b>  | <b>---</b> | <b>---</b>            |
| <b>Total Adjustments-to-Base</b> .....                         | <b>37</b>   | <b>37</b>  | <b>249,599</b>        |
| <b>2009 Current Services</b> .....                             | <b>344</b>  | <b>344</b> | <b>3,193,599</b>      |
| <b>Program Changes</b>   |             |            |                       |
| <b>Total Program Changes</b> .....                             | <b>---</b>  | <b>---</b> | <b>---</b>            |
| <b>Adjustment for Other Funding Sources</b> .....              | <b>---</b>  | <b>---</b> | <b>\$ (3,037,000)</b> |
| <b>2009 Request</b> .....                                      | <b>344</b>  | <b>344</b> | <b>156,599</b>        |
| <b>2008 to 2009 Total Change</b> .....                         | <b>37</b>   | <b>37</b>  | <b>249,599</b>        |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |            |                    |
|--|--------------|------------|--------------------|
|  | Perm. Pos.   | FTE        | Amount             |
| <b>FY 2007 EOY Proj. Actual</b>  | <b>270</b>   | <b>270</b> | <b>\$2,834,331</b> |
| <b>2008 Enacted</b>  | <b>307</b>   | <b>307</b> | <b>2,944,000</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |            |                    |
| Increases  | 37           | 37         | 249,599            |
| Decreases  | ---          | ---        | ---                |
| Total Adjustments-to-Base  | 37           | 37         | 249,599            |
| <b>2009 Current Services</b>   | <b>344</b>   | <b>344</b> | <b>3,193,599</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---        | ---                |
| Adjustment for Other Funding Sources                                     |              |            | (3,037,000)        |
| <b>2009 Total Request</b>  | <b>344</b>   | <b>344</b> | <b>156,599</b>     |
| 2008 to 2009 Total Change  | 37           | 37         | 249,599            |

| Estimates by Program/Project Activity    | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |           |                | 2009 Program Change |            |                 | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                 |
|--|--------------|------------|------------------|--------------------------|-----------|----------------|---------------------|------------|-----------------|--------------|------------|------------------|---------------------------|-----------|-----------------|
|  | Pos.         | FTE        | Amount           | Pos.                     | FTE       | Amount         | Pos.                | FTE        | Amount          | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount          |
| 1 Salaries and Expenses                  | 330          | 300        | \$45,642         | ---                      | 30        | \$3,776        | ---                 | ---        | \$0             | 330          | 330        | \$49,418         | ---                       | 30        | \$3,776         |
| 2 Floodplain Management                  | ---          | ---        | 65,358           | ---                      | ---       | 41,823         | ---                 | ---        | ---             | ---          | ---        | 107,181          | ---                       | ---       | 41,823          |
| 3 NFIF - Mandatory                       | ---          | ---        | 2,743,000        | ---                      | ---       | 168,300        | ---                 | ---        | ---             | ---          | ---        | 2,911,300        | ---                       | ---       | 168,300         |
| 4 Severe Repetitive Loss Mitigation      | 14           | 7          | 80,000           | ---                      | 7         | ---            | ---                 | ---        | ---             | 14           | 14         | 80,000           | ---                       | 7         | ---             |
| 5 Repetitive Flood Claims                | ---          | ---        | 10,000           | ---                      | ---       | ---            | ---                 | ---        | ---             | ---          | ---        | 10,000           | ---                       | ---       | ---             |
| 6 Flood Mitigation Activities            | ---          | ---        | ---              | ---                      | ---       | ---            | ---                 | ---        | 35,700          | ---          | ---        | 35,700           | ---                       | ---       | 35,700          |
| 6 Offsetting Collections - Discretionary | ---          | ---        | ---              | ---                      | ---       | ---            | ---                 | ---        | ---             | ---          | ---        | ---              | ---                       | ---       | ---             |
| 7 Offsetting Collections - Mandatory     | ---          | ---        | (2,833,000)      | ---                      | ---       | (204,000)      | ---                 | ---        | ---             | ---          | ---        | (3,037,000)      | ---                       | ---       | (204,000)       |
| <b>Total</b>                             | <b>344</b>   | <b>307</b> | <b>\$111,000</b> | <b>---</b>               | <b>37</b> | <b>\$9,899</b> | <b>---</b>          | <b>---</b> | <b>\$35,700</b> | <b>344</b>   | <b>344</b> | <b>\$156,599</b> | <b>---</b>                | <b>37</b> | <b>\$45,599</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual  | 2008<br>Enacted    | 2009<br>Request    | 2008 - 2009<br>Change |
|---|--------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$21,892           | \$27,455           | \$28,279           | \$824                 |
| 11.3 Other than full-time permanent                   | 146                | \$150              | 155                | 5                     |
| 11.5 Other Personnel Compensation                     | 366                | \$377              | 388                | 11                    |
| 11.8 Special Service Pay                              | ---                | ---                | ---                | ---                   |
| 12.1 Benefits   | 5,545              | \$11,240           | \$11,577           | \$337                 |
| 13.0 Benefits - former                                | ---                | ---                | ---                | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$27,949</b>    | <b>\$39,222</b>    | <b>\$40,399</b>    | <b>\$1,177</b>        |
| Other Object Classes:                                 |                    |                    |                    |                       |
| 21.0 Travel   | 1,498              | 2,327              | 2,374              | 47                    |
| 22.0 Transportation of things                         | 15                 | 15                 | 17                 | 2                     |
| 23.1 GSA rent   | 3,351              | 3,418              | 3,486              | 68                    |
| 23.2 Other rent                                       | ---                | 282                | 282                | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 3,048              | 3,051              | 3,412              | 361                   |
| 24.0 Printing and reproduction                        | 3,450              | 3,453              | 3,862              | 409                   |
| 25.1 Advisory and assistance services                 | 245                | 2,100              | 2,822              | 722                   |
| 25.2 Other services                                   | 809,452            | 810,175            | 906,939            | 96,764                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 1,400              | 1,401              | 1,567              | 166                   |
| 25.4 Operation & maintenance of facilities            | ---                | ---                | ---                | ---                   |
| 25.5 Research and development contracts               | ---                | ---                | ---                | ---                   |
| 25.6 Medical care                                     | ---                | ---                | ---                | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                | ---                | ---                | ---                   |
| 25.8 Subsistence and support of persons               | ---                | 1,260              | 1,260              | ---                   |
| 26.0 Supplies and materials                           | 30                 | 30                 | 34                 | 4                     |
| 31.0 Equipment  | 360                | 360                | 403                | 43                    |
| 32.0 Land & structures                                | ---                | ---                | ---                | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 16,179             | 89,300             | 124,279            | 34,979                |
| 42.0 Indemnity  | 1,250,188          | 1,251,305          | 1,399,640          | 148,335               |
| 43.0 Interest and Dividends                           | 717,166            | 717,807            | 802,899            | 85,092                |
| 91.0 Unvouchered                                      | ---                | ---                | ---                | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$2,806,382</b> | <b>\$2,886,284</b> | <b>\$3,253,276</b> | <b>\$366,992</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$2,834,331</b> | <b>\$2,925,506</b> | <b>\$3,293,674</b> | <b>\$368,169</b>      |
| Unobligated balance, start of year                    | (3,148,921)        | (3,015,175)        | (3,033,669)        |                       |
| Recoveries of prior year obligations                  | (4,887)            | ---                | ---                |                       |
| Unobligated balances expiring                         | 5,539              | ---                | ---                |                       |
| Unobligated balance, end of year                      | 3,015,175          | 3,033,669          | 2,933,594          |                       |
| Transfer to NFIF                                      | 31,000             | 34,000             | ---                |                       |
| Borrowing Authority                                   | ---                | ---                | ---                |                       |
| Offsetting collections                                | (2,641,145)        | (2,833,000)        | (3,037,000)        |                       |
| <b>Total requirements</b>                             | <b>\$91,092</b>    | <b>\$145,000</b>   | <b>\$156,599</b>   |                       |

Note: Obligations requirement in the Congressional Justification and Budget Appendix may differ due to rounding.

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 1              | 1               | 1               | ---                    |
| Total, EX                        | 1              | 1               | 1               | ---                    |
| GS-15                            | 36             | 36              | 36              | ---                    |
| GS-14                            | 57             | 72              | 72              | ---                    |
| GS-13                            | 58             | 102             | 102             | ---                    |
| GS-12                            | 79             | 94              | 94              | ---                    |
| GS-11                            | 4              | 4               | 4               | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 7              | 7               | 7               | ---                    |
| GS-8                             | 3              | 3               | 3               | ---                    |
| GS-7                             | 16             | 16              | 16              | ---                    |
| GS-6                             | 5              | 5               | 5               | ---                    |
| GS-5                             | 2              | 2               | 2               | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | 1              | 1               | 1               | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>270</b>     | <b>344</b>      | <b>344</b>      | <b>---</b>             |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 270            | 344             | 344             | ---                    |
| <b>FTE</b>                       | <b>270</b>     | <b>307</b>      | <b>344</b>      | <b>37</b>              |
| Headquarters                     | 134            | 158             | 158             | ---                    |
| U.S. Field                       | 136            | 186             | 186             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>270</b>     | <b>344</b>      | <b>344</b>      | <b>---</b>             |
| <b>Average ES Salary</b>         | \$ 142,572     | \$ 145,709      | \$ 148,623      | \$ 2,914               |
| <b>Average GS Salary</b>         | \$ 86,983      | \$ 88,897       | \$ 90,675       | \$ 1,778               |
| <b>Average GS Grade</b>          | 12.50          | 12.59           | 12.59           | ---                    |

**G. Capital Investment and Construction Initiative Listing**

**Federal Emergency Management Agency  
National Flood Insurance Fund**

| INITIATIVE NAME   | FY 2008 FUNDING REQUEST<br>(\$000) |                   |          | FUNDING FROM:                 |  |
|---|------------------------------------|-------------------|----------|-------------------------------|--|
|   | Current<br>Services<br>Level       | New<br>Initiative | Total    | Budget Activity               | Program/s Name   |
| National Flood Insurance Program (NFIP) Bureau and Statistical Agent (B&SA) | \$17,268                           | \$0               | \$17,268 | National Flood Insurance Fund | The cost of this initiative is charged out to Mitigation |
| NFIP Direct   | \$6,918                            | \$0               | \$6,918  | National Flood Insurance Fund | Mitigation   |
| Total Non-IT Total Non- IT investments \$5 million or more                  | \$24,186                           | \$0               | \$24,186 |                               |  |
| Total Non-IT initiatives under \$5 million                                  | \$0                                | \$0               | \$0      |                               |  |
| Total Non-IT Investments  | \$24,186                           | \$0               | \$24,186 |                               |  |
|   |                                    |                   |          |                               |  |
| NFIP Map Service Center (MSC)   | \$6,409                            | \$0               | \$6,409  |                               |  |
| NFIP NextGEN Modernization  | \$2,120                            | \$0               | \$2,120  |                               |  |
| NFIP Community Information System   | \$739                              | \$0               | \$739    |                               |  |
| Total of IT Investments   | \$9,268                            | \$0               | \$9,268  |                               |  |
|   |                                    |                   |          |                               |  |
| Total all IT and Non-IT Investments   | \$33,454                           | \$0               | \$33,454 |                               |  |

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund  
PPA: Salaries and Expenses  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Salaries and Expenses</b>   |  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |  |                         |                         |                         |                                |
| 11.1                                | Perm Positions                             | \$21,892                | \$26,852                | \$27,046                | \$194                          |
| 11.3                                | Other than perm                            | 146                     | 150                     | 155                     | 5                              |
| 11.5                                | Other per comp                             | 366                     | 350                     | 325                     | (25)                           |
| 11.8                                | Spec Srvc Pay                              | ---                     | ---                     | ---                     | ---                            |
| 12.1                                | Benefits                                   | 5,545                   | 10,990                  | 11,180                  | 190                            |
| 13.0                                | Benefits-former                            | ---                     | ---                     | ---                     | ---                            |
| 21.0                                | Travel                                     | 1,479                   | 2,305                   | 2,349                   | 44                             |
| 22.0                                | Transportation of things                   | 15                      | 15                      | 17                      | 2                              |
| 23.1                                | GSA rent                                   | 2,536                   | 2,603                   | 2,655                   | 52                             |
| 23.2                                | Other rent                                 | ---                     | 282                     | 282                     | ---                            |
| 23.3                                | Communication, Utilities, and misc charges | 3,048                   | 3,051                   | 3,412                   | 361                            |
| 24.0                                | Printing                                   | ---                     | ---                     | ---                     | ---                            |
| 25.1                                | Advisory & Assistance Services             | ---                     | ---                     | ---                     | ---                            |
| 25.2                                | Other Services                             | 1,172                   | 1,208                   | 1,653                   | 445                            |
| 25.3                                | Purchase from Govt. Accts.                 | ---                     | ---                     | ---                     | ---                            |
| 25.4                                | Operation & maintenance of facilities      | ---                     | ---                     | ---                     | ---                            |
| 25.5                                | Research & Development                     | ---                     | ---                     | ---                     | ---                            |
| 25.6                                | Medical care                               | ---                     | ---                     | ---                     | ---                            |
| 25.7                                | Operation & maintenance of equipment       | ---                     | ---                     | ---                     | ---                            |
| 25.8                                | Subsistence & Support of persons           | ---                     | 1,260                   | 1,260                   | ---                            |
| 26.0                                | Supplies & materials                       | 30                      | 30                      | 34                      | 4                              |
| 31.0                                | Equipment                                  | 310                     | 310                     | 310                     | ---                            |
| 32.0                                | Land & Structures                          | ---                     | ---                     | ---                     | ---                            |
| 41.0                                | Grants/Subsidies/Contributions             | ---                     | ---                     | ---                     | ---                            |
| 42.0                                | Indemnity                                  | ---                     | ---                     | ---                     | ---                            |
| 43.0                                | Interest & dividends                       | ---                     | ---                     | ---                     | ---                            |
| 91.0                                | Unvouchered                                | ---                     | ---                     | ---                     | ---                            |
| 99.0                                | Other                                      | ---                     | ---                     | ---                     | ---                            |
| <b>Total, Salaries and Expenses</b> |  | <b>\$36,539</b>         | <b>\$49,406</b>         | <b>\$50,678</b>         | <b>\$1,272</b>                 |
| Full Time Equivalents               |  | 270                     | 300                     | 330                     | 30                             |

Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

**PPA Mission Statement**

Resources under this activity support the salaries and expenses of FTE managing the National Flood Insurance Program (NFIP) and flood mitigation programs. In FY 2009, FEMA will continue to support the NFIP and to provide operational and administrative support for the Community Rating System and will enhance oversight of the program.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$27,949                | \$38,342                | \$38,706                | \$364                          |

Salaries and Benefits includes costs for 330 FTE. The FY 2009 net increase is due to the annualization of FY 2008 position increases and inflationary increase.

|               | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$1,479                 | \$2,305                 | \$2,349                 | \$44                           |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 net increase is due to the annualization of FY 2008 position increases and inflationary increase.

|                                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$15                    | \$15                    | \$17                    | \$2                            |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 net increase is due to inflationary increase.

|                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$2,536                 | \$2,603                 | \$2,655                 | \$52                           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 net increase is due to inflationary increase.

|   | 2007           | 2008           | 2009           | 2008 to 2009 |
|---|----------------|----------------|----------------|--------------|
|   | Actuals        | Enacted        | Request        | Change       |
| <b>Communication, Utilities, and miscellaneous char</b> | <b>\$3,048</b> | <b>\$3,051</b> | <b>\$3,412</b> | <b>\$361</b> |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 net increase is due to the annualization of FY 2008 position increases and inflationary increase.

|                       | 2007           | 2008           | 2009           | 2008 to 2009 |
|-----------------------|----------------|----------------|----------------|--------------|
|                       | Actuals        | Enacted        | Request        | Change       |
| <b>Other Services</b> | <b>\$1,172</b> | <b>\$1,208</b> | <b>\$1,653</b> | <b>\$445</b> |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 net decrease is due to the non recurring costs of the FY 2008 position increases.

|                                 | 2007        | 2008        | 2009        | 2008 to 2009 |
|---------------------------------|-------------|-------------|-------------|--------------|
|                                 | Actuals     | Enacted     | Request     | Change       |
| <b>Supplies &amp; materials</b> | <b>\$30</b> | <b>\$30</b> | <b>\$34</b> | <b>\$4</b>   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 net increase is due to the annualization of FY 2008 position increases and inflationary increase.

|                  | 2007         | 2008         | 2009         | 2008 to 2009 |
|------------------|--------------|--------------|--------------|--------------|
|                  | Actuals      | Enacted      | Request      | Change       |
| <b>Equipment</b> | <b>\$310</b> | <b>\$310</b> | <b>\$310</b> | <b>\$0</b>   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
**PPA: Floodplain Management and Flood Mapping**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Floodplain Management</b>   |  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-------------------------------------|--|-----------------|-----------------|-----------------|---------------------|
|                                     |  | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>              |  |                 |                 |                 |                     |
| 11.1                                | Perm Positions                             | \$0             | \$0             | \$0             | \$0                 |
| 11.3                                | Other than perm                            | ---             | ---             | ---             | ---                 |
| 11.5                                | Other per comp                             | ---             | ---             | ---             | ---                 |
| 11.8                                | Spec Srvc Pay                              | ---             | ---             | ---             | ---                 |
| 12.1                                | Benefits                                   | ---             | ---             | ---             | ---                 |
| 13.0                                | Benefits-former                            | ---             | ---             | ---             | ---                 |
| 21.0                                | Travel                                     | ---             | ---             | ---             | ---                 |
| 22.0                                | Transportation of things                   | ---             | ---             | ---             | ---                 |
| 23.1                                | GSA rent                                   | 815             | 815             | 831             | 16                  |
| 23.2                                | Other rent                                 | ---             | ---             | ---             | ---                 |
| 23.3                                | Communication, Utilities, and misc charges | ---             | ---             | ---             | ---                 |
| 24.0                                | Printing                                   | 1,350           | 1,353           | 1,657           | 304                 |
| 25.1                                | Advisory & Assistance Services             | 245             | 2,100           | 2,822           | 722                 |
| 25.2                                | Other Services                             | 35,743          | 41,743          | 42,578          | 835                 |
| 25.3                                | Purchase from Govt. Accts.                 | 1,400           | 1,401           | 1,567           | 166                 |
| 25.4                                | Operation & maintenance of facilities      | ---             | ---             | ---             | ---                 |
| 25.5                                | Research & Development                     | ---             | ---             | ---             | ---                 |
| 25.6                                | Medical care                               | ---             | ---             | ---             | ---                 |
| 25.7                                | Operation & maintenance of equipment       | ---             | ---             | ---             | ---                 |
| 25.8                                | Subsistence & Support of persons           | ---             | ---             | ---             | ---                 |
| 26.0                                | Supplies & materials                       | ---             | ---             | ---             | ---                 |
| 31.0                                | Equipment                                  | ---             | ---             | ---             | ---                 |
| 32.0                                | Land & Structures                          | ---             | ---             | ---             | ---                 |
| 41.0                                | Grants/Subsidies/Contributions             | 15,000          | 15,000          | 15,000          | ---                 |
| 42.0                                | Indemnity                                  | ---             | ---             | ---             | ---                 |
| 43.0                                | Interest & dividends                       | ---             | ---             | ---             | ---                 |
| 91.0                                | Unvouchered                                | ---             | ---             | ---             | ---                 |
| 99.0                                | Other                                      | ---             | ---             | ---             | ---                 |
| <b>Total, Floodplain Management</b> |  | <b>\$54,553</b> | <b>\$62,412</b> | <b>\$64,455</b> | <b>\$2,043</b>      |
| Full Time Equivalents               |  | ---             | ---             | ---             | ---                 |

*Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.*

## PPA Mission Statement

Through Floodplain Management programs, FEMA encourages communities and their citizens to take informed and effective mitigation actions before a flood in order to reduce the long-term risk to people and property. Through the delivery of mitigation programs, FEMA leads a national effort to: identify and improve the understanding of communities' hazards and their risks; develop and improve techniques and planning processes which mitigate those risks; provide an environment at the State and local levels that is conducive to applying those techniques and processes; provide financial and technical assistance to facilitate application of those techniques and processes; and support development of incentives and disincentives which make application of those techniques and processes a social, political and/or economic priority.

The FY 2009 request allows FEMA to: develop a variety of outreach materials to assist all entities of Federal, State, and local governments to effectively maintain sound floodplain management practice, and educate the general public on mitigation actions that may be taken in a pre-disaster environment; provide ongoing map maintenance activities, issue map revisions, and enhance distribution services, including provisions for digital products, subscription services, and links to other hazard data; provide funding to States for the development of the capability and capacity to manage the production of and to maintain flood hazard data (these efforts complement and support the Flood Map Modernization Fund activities); and provide technical assistance to the 20,000 communities participating in the NFIP and monitor the compliance with program requirements

### Summary Justification and Explanation of Changes

|                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|-----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$815           | \$815           | \$831           | \$16                   |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 increase is due to an inflationary increase.

|                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|-----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$1,350         | \$1,353         | \$1,657         | \$304                  |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 increase is due to an inflationary increase.

|   | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$245           | \$2,100         | \$2,822         | \$722                  |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 increase is due to an inflationary increase.

|                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|-----------------|-----------------|---------------------|
|                       | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$35,743</b> | <b>\$41,743</b> | <b>\$42,578</b> | <b>\$835</b>        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 increase is due to an inflationary increase.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$1,400</b> | <b>\$1,401</b> | <b>\$1,567</b> | <b>\$166</b>        |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 increase is due to an inflationary increase.

|                                       | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                       | <b>Actuals</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$15,000</b> | <b>\$0</b>          |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund**

**PPA: Mandatory**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Mandatory</b>   |  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>  |  |                         |                         |                         |                                |
| 11.1                    | Perm Positions                             | \$0                     | \$0                     | \$0                     | \$0                            |
| 11.3                    | Other than perm                            | ---                     | ---                     | ---                     | ---                            |
| 11.5                    | Other per comp                             | ---                     | ---                     | ---                     | ---                            |
| 11.8                    | Spec Srvc Pay                              | ---                     | ---                     | ---                     | ---                            |
| 12.1                    | Benefits                                   | ---                     | ---                     | ---                     | ---                            |
| 13.0                    | Benefits-former                            | ---                     | ---                     | ---                     | ---                            |
| 21.0                    | Travel                                     | ---                     | ---                     | ---                     | ---                            |
| 22.0                    | Transportation of things                   | ---                     | ---                     | ---                     | ---                            |
| 23.1                    | GSA rent                                   | ---                     | ---                     | ---                     | ---                            |
| 23.2                    | Other rent                                 | ---                     | ---                     | ---                     | ---                            |
| 23.3                    | Communication, Utilities, and misc charges | ---                     | ---                     | ---                     | ---                            |
| 24.0                    | Printing                                   | 2,100                   | 2,100                   | 2,205                   | 105                            |
| 25.1                    | Advisory & Assistance Services             | ---                     | ---                     | ---                     | ---                            |
| 25.2                    | Other Services                             | 771,056                 | 765,280                 | 860,341                 | 95,061                         |
| 25.3                    | Purchase from Govt. Accts.                 | ---                     | ---                     | ---                     | ---                            |
| 25.4                    | Operation & maintenance of facilities      | ---                     | ---                     | ---                     | ---                            |
| 25.5                    | Research & Development                     | ---                     | ---                     | ---                     | ---                            |
| 25.6                    | Medical care                               | ---                     | ---                     | ---                     | ---                            |
| 25.7                    | Operation & maintenance of equipment       | ---                     | ---                     | ---                     | ---                            |
| 25.8                    | Subsistence & Support of persons           | ---                     | ---                     | ---                     | ---                            |
| 26.0                    | Supplies & materials                       | ---                     | ---                     | ---                     | ---                            |
| 31.0                    | Equipment                                  | ---                     | ---                     | ---                     | ---                            |
| 32.0                    | Land & Structures                          | ---                     | ---                     | ---                     | ---                            |
| 41.0                    | Grants/Subsidies/Contributions             | ---                     | ---                     | ---                     | ---                            |
| 42.0                    | Indemnity                                  | 1,250,188               | 1,251,305               | 1,399,640               | 148,335                        |
| 43.0                    | Interest & dividends                       | 717,166                 | 717,807                 | 802,898                 | 85,091                         |
| 91.0                    | Unvouchered                                | ---                     | ---                     | ---                     | ---                            |
| 99.0                    | Other                                      | ---                     | ---                     | ---                     | ---                            |
| <b>Total, Mandatory</b> |  | <b>\$2,740,510</b>      | <b>\$2,736,492</b>      | <b>\$3,065,084</b>      | <b>\$328,592</b>               |
| Full Time Equivalents   |  | ---                     | ---                     | ---                     | ---                            |

*Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.*

### PPA Mission Statement

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities that enact and enforce appropriate floodplain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In addition, Federally regulated funding institutions cannot provide loans to nonparticipating communities with an identified flood hazard.

More than 20,000 communities in all States and Territories participate in the NFIP. Structures built to NFIP criteria experience 80 percent less damage through reduced frequency and severity of losses. The flood mitigation program requirements are estimated to save in excess of \$1 billion per year in flood losses avoided. The NFIP limits the impact of disaster by encouraging property owners and others to manage their risk through flood insurance and other hazard insurance mechanisms.

In FY 2009, FEMA will continue to pay claims, issue policies, pay interest on borrowing from the Treasury, and pay operating expenses of the NFIF.

#### Summary Justification and Explanation of Changes

|                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|-----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$2,100         | \$2,100         | \$2,205         | \$105                  |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 increase is due to an inflationary increase.

|                       | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$771,056       | \$765,280       | \$860,341       | \$95,061               |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 increase is due to an inflationary increase.

|                  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Indemnity</b> | \$1,250,188     | \$1,251,305     | \$1,399,640     | \$148,335              |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act.

|                               | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Interest and Dividends</b> | \$717,166       | \$717,807       | \$802,898       | \$85,091               |

The FY 2009 decrease is due to the FY 2007 carryover into FY 2008.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
**PPA: Severe Repetitive Loss Mitigation**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Severe Repetitive Loss Mitigation</b>   |  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |  |                         |                         |                         |                                |
| 11.1  | Perm Positions                             | \$0                     | \$603                   | \$1,233                 | \$630                          |
| 11.3  | Other than perm                            | ---                     | ---                     | ---                     | ---                            |
| 11.5  | Other per comp                             | ---                     | 27                      | 63                      | 36                             |
| 11.8  | Spec Srvc Pay                              | ---                     | ---                     | ---                     | ---                            |
| 12.1  | Benefits                                   | ---                     | 250                     | 397                     | 147                            |
| 13.0  | Benefits-former                            | ---                     | ---                     | ---                     | ---                            |
| 21.0  | Travel                                     | 19                      | 22                      | 25                      | 3                              |
| 22.0  | Transportation of things                   | ---                     | ---                     | ---                     | ---                            |
| 23.1  | GSA rent                                   | ---                     | ---                     | ---                     | ---                            |
| 23.2  | Other rent                                 | ---                     | ---                     | ---                     | ---                            |
| 23.3  | Communication, Utilities, and misc charges | ---                     | ---                     | ---                     | ---                            |
| 24.0  | Printing                                   | ---                     | ---                     | ---                     | ---                            |
| 25.1  | Advisory & Assistance Services             | ---                     | ---                     | ---                     | ---                            |
| 25.2  | Other Services                             | 1,481                   | 1,944                   | 1,645                   | (299)                          |
| 25.3  | Purchase from Govt. Accts.                 | ---                     | ---                     | ---                     | ---                            |
| 25.4  | Operation & maintenance of facilities      | ---                     | ---                     | ---                     | ---                            |
| 25.5  | Research & Development                     | ---                     | ---                     | ---                     | ---                            |
| 25.6  | Medical care                               | ---                     | ---                     | ---                     | ---                            |
| 25.7  | Operation & maintenance of equipment       | ---                     | ---                     | ---                     | ---                            |
| 25.8  | Subsistence & Support of persons           | ---                     | ---                     | ---                     | ---                            |
| 26.0  | Supplies & materials                       | ---                     | ---                     | ---                     | ---                            |
| 31.0  | Equipment                                  | 50                      | 50                      | 93                      | 43                             |
| 32.0  | Land & Structures                          | ---                     | ---                     | ---                     | ---                            |
| 41.0  | Grants/Subsidies/Contributions             | 1,179                   | 64,300                  | 64,300                  | ---                            |
| 42.0  | Indemnity                                  | ---                     | ---                     | ---                     | ---                            |
| 43.0  | Interest & dividends                       | ---                     | ---                     | ---                     | ---                            |
| 91.0  | Unvouchered                                | ---                     | ---                     | ---                     | ---                            |
| 99.0  | Other                                      | ---                     | ---                     | ---                     | ---                            |
| <b>Total, Severe Repetitive Loss Mitigation</b> |  | <b>\$2,729</b>          | <b>\$67,196</b>         | <b>\$67,756</b>         | <b>\$560</b>                   |
| Full Time Equivalents                           |  | ---                     | 7                       | 14                      | 7                              |

Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

**PPA Mission Statement**

The Flood Insurance Reform Act of 2004 introduced several new requirements and program initiatives. These include the establishment of a five-year Pilot Program for the Mitigation of Severe Repetitive Loss Properties. The Pilot Program focuses on a subset of the repetitive loss properties – severe repetitive loss properties - that have the largest impact on claims paid from the NFIF. Not counting those properties lost during the 2005 hurricane season, there are currently about 5,400 of these properties that have had four or more losses exceeding \$5,000 each or the properties where cumulative losses exceed the property value. Mitigating these properties will result in savings to the NFIF. This program will be funded from mandatory, premium collections.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$0           | \$880          | \$1,693        | \$813               |

Salaries and Benefits includes costs for seven FTE. The FY 2009 net increase is due to the annualization of FY 2008 position increases.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$19          | \$22           | \$25           | \$3                 |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 net increase is due to the annualization of FY 2008 position increases.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$1,481       | \$1,944        | \$1,645        | (\$299)             |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 net decrease is due to the non recurring costs of the FY 2008 position increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$50          | \$50           | \$93           | \$43                |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 net decrease is due to the non recurring costs of the FY 2008 position increases.

|                                       | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|----------------|-----------------|-----------------|---------------------|
|                                       | <b>Actuals</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$1,179</b> | <b>\$64,300</b> | <b>\$64,300</b> | <b>\$0</b>          |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Insurance Fund  
PPA: Repetitive Flood Claims  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Repetitive Flood Claims</b>   |  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                |  |                         |                         |                         |                                |
| 11.1                                  | Perm Positions                             | \$0                     | \$0                     | \$0                     | \$0                            |
| 11.3                                  | Other than perm                            | ---                     | ---                     | ---                     | ---                            |
| 11.5                                  | Other per comp                             | ---                     | ---                     | ---                     | ---                            |
| 11.8                                  | Spec Srvc Pay                              | ---                     | ---                     | ---                     | ---                            |
| 12.1                                  | Benefits                                   | ---                     | ---                     | ---                     | ---                            |
| 13.0                                  | Benefits-former                            | ---                     | ---                     | ---                     | ---                            |
| 21.0                                  | Travel                                     | ---                     | ---                     | ---                     | ---                            |
| 22.0                                  | Transportation of things                   | ---                     | ---                     | ---                     | ---                            |
| 23.1                                  | GSA rent                                   | ---                     | ---                     | ---                     | ---                            |
| 23.2                                  | Other rent                                 | ---                     | ---                     | ---                     | ---                            |
| 23.3                                  | Communication, Utilities, and misc charges | ---                     | ---                     | ---                     | ---                            |
| 24.0                                  | Printing                                   | ---                     | ---                     | ---                     | ---                            |
| 25.1                                  | Advisory & Assistance Services             | ---                     | ---                     | ---                     | ---                            |
| 25.2                                  | Other Services                             | ---                     | ---                     | ---                     | ---                            |
| 25.3                                  | Purchase from Govt. Accts.                 | ---                     | ---                     | ---                     | ---                            |
| 25.4                                  | Operation & maintenance of facilities      | ---                     | ---                     | ---                     | ---                            |
| 25.5                                  | Research & Development                     | ---                     | ---                     | ---                     | ---                            |
| 25.6                                  | Medical care                               | ---                     | ---                     | ---                     | ---                            |
| 25.7                                  | Operation & maintenance of equipment       | ---                     | ---                     | ---                     | ---                            |
| 25.8                                  | Subsistence & Support of persons           | ---                     | ---                     | ---                     | ---                            |
| 26.0                                  | Supplies & materials                       | ---                     | ---                     | ---                     | ---                            |
| 31.0                                  | Equipment                                  | ---                     | ---                     | ---                     | ---                            |
| 32.0                                  | Land & Structures                          | ---                     | ---                     | ---                     | ---                            |
| 41.0                                  | Grants/Subsidies/Contributions             | ---                     | 10,000                  | 10,000                  | ---                            |
| 42.0                                  | Indemnity                                  | ---                     | ---                     | ---                     | ---                            |
| 43.0                                  | Interest & dividends                       | ---                     | ---                     | ---                     | ---                            |
| 91.0                                  | Unvouchered                                | ---                     | ---                     | ---                     | ---                            |
| 99.0                                  | Other                                      | ---                     | ---                     | ---                     | ---                            |
| <b>Total, Repetitive Flood Claims</b> |  | <b>\$0</b>              | <b>\$10,000</b>         | <b>\$10,000</b>         | <b>\$0</b>                     |
| Full Time Equivalents                 |  | ---                     | ---                     | ---                     | ---                            |

Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

**PPA Mission Statement**

The Flood Insurance Reform Act of 2004 introduced several new requirements and program initiatives. These include the establishment of a grant program which provides a mechanism to mitigate properties that have experienced repetitive losses where the State or community does not meet eligibility requirements under the Flood Mitigation Assistance program. Although not necessarily focused on Severe Repetitive Loss Properties, the Act does direct FEMA to give priority to “Worst-Case Properties” that would result in the greatest savings to the NFIF. This program will be funded from mandatory, premium collections.

**Summary Justification and Explanation of Changes**

|                                       | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|----------------|-----------------|-----------------|---------------------|
|                                       | <b>Actuals</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$0</b>     | <b>\$10,000</b> | <b>\$10,000</b> | <b>\$0</b>          |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request equals the FY 2008 request.

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
**PPA: Flood Mitigation Activities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Floodplain Management</b>         |  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---|--|----------------|----------------|-----------------|---------------------|
|   |  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                    |  |                |                |                 |                     |
| 11.1                                      | Perm Positions                             | \$0            | \$0            | \$0             | \$0                 |
| 11.3                                      | Other than perm                            | ---            | ---            | ---             | ---                 |
| 11.5                                      | Other per comp                             | ---            | ---            | ---             | ---                 |
| 11.8                                      | Spec Srvc Pay                              | ---            | ---            | ---             | ---                 |
| 12.1                                      | Benefits                                   | ---            | ---            | ---             | ---                 |
| 13.0                                      | Benefits-former                            | ---            | ---            | ---             | ---                 |
| 21.0                                      | Travel                                     | ---            | ---            | ---             | ---                 |
| 22.0                                      | Transportation of things                   | ---            | ---            | ---             | ---                 |
| 23.1                                      | GSA rent                                   | ---            | ---            | ---             | ---                 |
| 23.2                                      | Other rent                                 | ---            | ---            | ---             | ---                 |
| 23.3                                      | Communication, Utilities, and misc charges | ---            | ---            | ---             | ---                 |
| 24.0                                      | Printing                                   | ---            | ---            | ---             | ---                 |
| 25.1                                      | Advisory & Assistance Services             | ---            | ---            | ---             | ---                 |
| 25.2                                      | Other Services                             | ---            | ---            | 722             | 722                 |
| 25.3                                      | Purchase from Govt. Accts.                 | ---            | ---            | ---             | ---                 |
| 25.4                                      | Operation & maintenance of facilities      | ---            | ---            | ---             | ---                 |
| 25.5                                      | Research & Development                     | ---            | ---            | ---             | ---                 |
| 25.6                                      | Medical care                               | ---            | ---            | ---             | ---                 |
| 25.7                                      | Operation & maintenance of equipment       | ---            | ---            | ---             | ---                 |
| 25.8                                      | Subsistence & Support of persons           | ---            | ---            | ---             | ---                 |
| 26.0                                      | Supplies & materials                       | ---            | ---            | ---             | ---                 |
| 31.0                                      | Equipment                                  | ---            | ---            | ---             | ---                 |
| 32.0                                      | Land & Structures                          | ---            | ---            | ---             | ---                 |
| 41.0                                      | Grants/Subsidies/Contributions             | ---            | ---            | 34,978          | 34,978              |
| 42.0                                      | Indemnity                                  | ---            | ---            | ---             | ---                 |
| 43.0                                      | Interest & dividends                       | ---            | ---            | ---             | ---                 |
| 91.0                                      | Unvouchered                                | ---            | ---            | ---             | ---                 |
| 99.0                                      | Other                                      | ---            | ---            | ---             | ---                 |
| <b>Total, Flood Mitigation Activities</b> |  | <b>\$0</b>     | <b>\$0</b>     | <b>\$35,700</b> | <b>\$35,700</b>     |
| Full Time Equivalents                     |  | ---            | ---            | ---             | ---                 |

*Note: Obligation requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.*

**PPA Mission Statement**

The Flood Mitigation Activities (FMA) support activities to eliminate at-risk structures that are repetitively flooded. Through fee-generated discretionary funds transferred from the National Flood Insurance Fund (NFIF), FMA supports activities to eliminate at-risk structures that are repetitively flooded, and provides flood mitigation assistance planning support to States and communities.

These activities were previously funded from the National Flood Mitigation Fund appropriation.

**Summary Justification and Explanation of Changes**

|                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$0                     | \$0                     | \$722                   | \$722                          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Prior to FY 2009, this activity was funded by the NFMF Appropriation. The increase shown above reflects the new appropriation structure eliminating a transfer from the NFIF to the NFMF.

|                                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$0                     | \$0                     | \$34,978                | \$34,978                       |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. Prior to FY 2009, this activity was funded by the NFMF Appropriation. The increase shown above reflects the new appropriation structure eliminating a transfer from the NFIF to the NFMF.

## I. Changes in FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Flood Insurance Fund**  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year                                     | 234     | 270     | 307     |
| INCREASES   |         |         |         |
| Increase #1:  |         |         |         |
| Description: Increase staff to authorized level                           | 36      | 0       | 0       |
| Increase #2:  |         |         |         |
| Description: Strengthen oversight of the National Flood Insurance Program | 0       | 30      | 30      |
| Increase #3:  |         |         |         |
| Description: FTE to administer the Repetitive loss programs               | 0       | 7       | 7       |
| DECREASES   |         |         |         |
| Year-end Actual/Estimated FTEs  | 270     | 307     | 344     |
| Net Change from prior year base to Budget Year Estimate:                  | 36      | 37      | 37      |

**J. FY 2008 Schedule of Working Capital Fund by Program/Project Activity**

# Department of Homeland Security

*Federal Emergency Management Agency*

*National Flood Mitigation Fund*

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Fiscal Year 2009  
Congressional Budget Submission

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **NATIONAL FLOOD MITIGATION FUND**

### **I. Appropriation Overview**

#### **A. Mission Statement for National Flood Mitigation Fund (NFMF):**

The NFMF supports activities that reduce the risk of flood damage to structures insurable under the National Flood Insurance Program (NFIP). Priority is given to projects that mitigate insured structures with multiple flood losses.

#### **B. Budget Activities:**

Through funds transferred from the National Flood Insurance Fund (NFIF), the NFMF supports activities to eliminate at-risk structures that are repetitively flooded, and provides flood mitigation assistance planning support to states and communities.

#### **C. Budget Request Summary:**

Funds for the National Flood Mitigation Fund are no longer requested to be transferred into this account. Beginning in 2009, National Flood Mitigation Fund activities will be funded directly from the National Flood Insurance Fund appropriation.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Mitigation Fund**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |            | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |            |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|------------|--|-------------------|-----------------|-------------------|---------------------|------------|
|  |                   |                 |                    |                 |                    |            | Total Changes                            |                   | Program Changes |                   | Adjustments-to-Base |            |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT     | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT     |
| National Flood Mitigation Fund                               | ---               | 30,353          | ---                | 34,000          | ---                | ---        | ---                                      | (34,000)          | ---             | (34,000)          | ---                 | ---        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$30,353</b> | ---                | <b>\$34,000</b> | ---                | <b>\$0</b> | ---                                      | <b>(\$34,000)</b> | ---             | <b>(\$34,000)</b> | ---                 | <b>\$0</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   | \$0             |                    | \$0             |                    | \$0        |  | \$0               |                 |                   |                     | \$0        |
|  |                   |                 |                    |                 |                    |            |  |                   |                 |                   |                     |            |
|  |                   |                 |                    |                 |                    |            |  |                   |                 |                   |                     |            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---               | <b>\$30,353</b> | ---                | <b>\$34,000</b> | ---                | <b>\$0</b> | ---                                      | <b>(\$34,000)</b> | ---             | <b>(\$34,000)</b> | ---                 | <b>\$0</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**National Flood Mitigation Fund**  
**Program Performance Justification**  
 (Dollars in thousands)

PPA: NATIONAL FLOOD MITIGATION FUND

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$30,353</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>34,000</b>   |
| 2009 Adjustments-to-Base     | 0                   | 0          | 0               |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| 2009 Program Change          | 0                   | 0          | (34,000)        |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>        |
| Total Change 2008-2009       | 0                   | 0          | (34,000)        |

FEMA requests no funding for this activity in NFMF. For FY 2009, FEMA requests that the NFMF activities be funded within the NFIF appropriation, eliminating the need for a transfer.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The NFMF supports activities that reduce the risk of flood damage to structures insurable under the NFIP. The NFMF provides flood mitigation assistance planning support to states and communities through the Flood Mitigation Assistance (FMA) grant program. Any state agency, participating NFIP community, or local organization is eligible to participate in FMA. Two types of grants are available: Planning Grants and Project Grants.

*Planning*

Planning is the foundation of FMA. FEMA provides grants to communities to identify ways to reduce their flood risk by preparing Flood Mitigation Plans. Hazard mitigation planning is the process state, local, and tribal governments use to identify risks and vulnerabilities associated with natural disasters and develop long-term strategies for protecting people and property in future hazard events.

The process results in a mitigation plan that offers a strategy for breaking the cycle of disaster damage, reconstruction, and repeated damage, and a framework for developing feasible and cost-effective mitigation projects. Under the Disaster Mitigation Act of 2000 (Public Law 106-390), state, local and tribal governments are required to develop a hazard mitigation plan as a condition for receiving certain types of non-emergency disaster assistance. The planning process promoted by the Disaster Mitigation Act of 2000 is as important as the resulting plan because it encourages jurisdictions to integrate mitigation with day-to-day decision making regarding land-use planning, floodplain management, site design, and other functions.

Based on a risk assessment completed as part of the planning process, state, local and tribal governments are able to develop mitigation goals and objectives, and a strategy for mitigating disaster

losses. The strategy sets forth an approach for implementing activities that are cost-effective, technically feasible, and environmentally sound. History shows that the physical, financial, and emotional losses caused by disasters can be reduced significantly through mitigation planning.

Mitigation focuses attention and resources on solving a particular problem (such as reducing repetitive flood losses), and thereby produces successive benefits over time.

### Projects

Eligible projects are those that reduce the risk of flood damage to structures insurable under the NFIP. Examples of activities funded under Project Grants include elevation of insured structures, acquisition of insured structures and property, and relocation or demolition of insured structures. Priority is given to projects that mitigate insured structures with multiple flood losses.

Hazard mitigation is the most proactive and successful method for reducing the physical, financial, and emotional losses caused by disasters. In fact, the Multi-Hazard Mitigation Council (established in 1997 as a voluntary advisory, facilitative body of the National Institute of Building Sciences) released a report in December of 2005 that stated that mitigation saves society an average of four dollars for every dollar spent. The study further stated that mitigation results in significant net benefits to society as a whole—to individuals, states and communities—in terms of future reduced resource losses and savings to the Federal Treasury in terms of future increased tax revenues and future reduced hazard-related expenditures.

The Flood Mitigation Assistance (FMA) program has evolved significantly since 1997, when the FMA interim regulations were first published. Over time, FMA has found its place among the FEMA pre-disaster programs as a unique program funded by the sale of flood insurance policies in the National Flood Insurance Program (NFIP), with the very specific goal of funding projects and planning activities in states and NFIP participating communities that will help reduce or eliminate the risk of repetitive flood damage to buildings, manufactured homes and other structures insured by the NFIP. Eligible FMA projects include elevations of insured structures, acquisition, relocation and demolition of insured structures, and construction of minor flood control projects.

### **Accomplishments**

In FY 2007, \$31 million was made available for FMA. The FY 2007 FMA priority was to fund flood mitigation activities that reduce the number of repetitive loss structures currently insured by the National Flood Insurance Program. Applications for FY 2007 FMA funds were accepted for eligible, cost-effective flood mitigation activities that reduced the risk of flood losses to any property currently insured under the NFIP, whether repetitive loss or not.

For FY 2008, continued growth in the number of flood insurance policies resulted in a request of \$34 million for FMA. FEMA will continue efforts to streamline the grant award process for all hazard mitigation assistance program grants, including FMA.

For FY 2009, FEMA requests that these activities be funded from the NFIF appropriation to eliminate the unnecessary transfer of funds into a separate account.

PPA: NFMF – TRANSFER OF COLLECTIONS FROM NFIF

|                              | <b>Perm</b> |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>           | <b>0</b>    | <b>0</b>   | <b>\$30,353</b> |
| <b>2008 Enacted</b>          | <b>0</b>    | <b>0</b>   | <b>34,000</b>   |
| 2009 Adjustments-to-Base     | 0           | 0          | 0               |
| <b>2009 Current Services</b> | <b>0</b>    | <b>0</b>   | <b>0</b>        |
| 2009 Program Change          | 0           | 0          | (34,000)        |
| <b>2009 Request</b>          | <b>0</b>    | <b>0</b>   | <b>0</b>        |
| Total Change 2008-2009       | 0           | 0          | (34,000)        |

FEMA requests that the NFMF activities be funded out of NFIF in FY 2009.

#### **IV. Program Justification of Changes**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in National Flood Mitigation Fund  
Appropriation Language**

[Notwithstanding subparagraphs (B) and (C) of subsection (b)(3), and subsection (f), of section 1366 of the National Flood Insurance Act of 1968, as amended \$34,000,000 (42 U.S.C. 4104c), to remain available until September 30, 2009, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which \$34,000,000 shall be derived from the National Flood Insurance Fund.] (*Department of Homeland Security Appropriations Act, 2008*.)]

#### **Explanation of Changes:**

No language or funding for the National Flood Mitigation Fund is requested for FY 2009. NFMF activities will be funded out of the National Flood Insurance Fund beginning in FY 2009. This new structure will increase management efficiency by administering the repetitive loss, severe repetitive loss, and FMA grant program from one appropriation. It will also simplify the financial management of the appropriation by eliminating the transfer from one appropriation to another.

**B. FY 2008 to FY 2009 Budget Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Mitigation Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                       | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---------------------------------------|-------------|------------|-----------------|
| FY 2007 Actuals.....                  | ---         | ---        | \$30,353        |
| 2008 Enacted.....                     | ---         | ---        | 34,000          |
| <b>Adjustments-to-Base</b>            |             |            |                 |
| <b>Total Adjustments-to-Base.....</b> | ---         | ---        | ---             |
| 2009 Current Services.....            | ---         | ---        | 34,000          |
| <br><b>Program Changes</b>            |             |            |                 |
| Program Increases/(Decreases)         |             |            |                 |
| Permanent Transfer of NFMF to NFIF    | ---         | ---        | (34,000)        |
| <b>Total Program Changes.....</b>     | ---         | ---        | <b>(34,000)</b> |
| <br>2009 Request.....                 | ---         | ---        | ---             |
| <br>2008 to 2009 Total Change.....    | ---         | ---        | <b>(34,000)</b> |

## C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Mitigation Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>2007 Actual</b>   | ---          | --- | \$30,353 |
| <b>2008 Enacted</b>  | ---          | --- | \$34,000 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |          |
| Transfers  | ---          | --- | ---      |
| Increases  | ---          | --- | ---      |
| Decreases  | ---          | --- | ---      |
| Total Adjustments-to-Base  | ---          | --- | ---      |
| <b>2009 Current Services</b>   | ---          | --- | 34,000   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | --- | (34,000) |
| <b>2009 Total Request</b>  | ---          | --- | ---      |
| 2008 to 2009 Total Change  | ---          | --- | (34,000) |

| Estimates by Program/Project Activity | 2008 Enacted |     |                 | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |                   | 2009 Request |     |            | 2008 to 2009 Total Change |     |                   |
|---------------------------------------|--------------|-----|-----------------|--------------------------|-----|------------|---------------------|-----|-------------------|--------------|-----|------------|---------------------------|-----|-------------------|
|                                       | Pos.         | FTE | Amount          | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount            | Pos.         | FTE | Amount     | Pos.                      | FTE | Amount            |
| 1 National Flood Mitigation Fund      | ---          | --- | \$34,000        | ---                      | --- | ---        | ---                 | --- | (\$34,000)        | ---          | --- | \$0        | ---                       | --- | (\$34,000)        |
| <b>Total</b>                          | ---          | --- | <b>\$34,000</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>(\$34,000)</b> | ---          | --- | <b>\$0</b> | ---                       | --- | <b>(\$34,000)</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Mitigation Fund**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|--------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$0                | \$0             | \$0             | \$0                   |
| 11.3 Other than full-time permanent                   | ---                | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     | ---                | ---             | ---             | ---                   |
| 11.8 Special Service Pay                              | ---                | ---             | ---             | ---                   |
| 12.1 Benefits   | ---                | ---             | ---             | ---                   |
| 13.0 Benefits - former                                | ---                | ---             | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$0</b>         | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>            |
| Other Object Classes:                                 |                    |                 |                 |                       |
| 21.0 Travel   | ---                | ---             | ---             | ---                   |
| 22.0 Transportation of things                         | ---                | ---             | ---             | ---                   |
| 23.1 GSA rent   | ---                | ---             | ---             | ---                   |
| 23.2 Other rent                                       | ---                | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---                | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---                | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | ---                | ---             | ---             | ---                   |
| 25.2 Other services                                   | 708                | 722             | ---             | (722)                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---                | ---             | ---             | ---                   |
| 25.4 Operation & maintenance of facilities            | ---                | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---                | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---                | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---                | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | ---                | ---             | ---             | ---                   |
| 31.0 Equipment  | ---                | ---             | ---             | ---                   |
| 32.0 Land & structures                                | ---                | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 29,645             | 44,903          | ---             | (44,903)              |
| 42.0 Indemnity  | ---                | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---                | ---             | ---             | ---                   |
| 44.0 Refunds  | ---                | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---                | ---             | ---             | ---                   |
| 99.0 Other  | ---                | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$30,353</b>    | <b>\$45,625</b> | <b>\$0</b>      | <b>(\$45,625)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$30,353</b>    | <b>\$45,625</b> | <b>\$0</b>      | <b>(\$45,625)</b>     |
| Unobligated balance, start of year                    | (10,466)           | (11,625)        | ---             | ---                   |
| Unobligated balance, end of year                      | 11,625             | ---             | ---             | ---                   |
| Recoveries of prior year obligations                  | (512)              | ---             | ---             | ---                   |
| Offsetting collections                                | ---                | ---             | ---             | ---                   |
| <b>Total requirements</b>                             | <b>\$31,000</b>    | <b>\$34,000</b> | <b>\$0</b>      | <b>---</b>            |

**F. Permanent Positions by Grade**

Not applicable.

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
National Flood Mitigation Fund  
PPA: National Flood Mitigation Fund  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: National Flood Mitigation Fund</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                     |  |                        |                         |                         |                                |
| 11.1                                       | Perm Positions                             | \$0                    | \$0                     | \$0                     | \$0                            |
| 11.3                                       | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                       | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                                       | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                       | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                                       | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                       | Travel                                     | ---                    | ---                     | ---                     | ---                            |
| 22.0                                       | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                       | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                                       | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                       | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0                                       | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                                       | Advisory & Assistance Services             | ---                    | ---                     | ---                     | ---                            |
| 25.2                                       | Other Services                             | 708                    | 722                     | ---                     | (722)                          |
| 25.3                                       | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4                                       | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                       | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                       | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                       | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8                                       | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                       | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0                                       | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0                                       | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                       | Grants/Subsidies/Contributions             | 29,645                 | 44,903                  | ---                     | (44,903)                       |
| 42.0                                       | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                       | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Investigations - Operations</b>  |  | <b>\$30,353</b>        | <b>\$45,625</b>         | <b>\$0</b>              | <b>(\$45,625)</b>              |
| Full Time Equivalents                      |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

The National Flood Mitigation Fund (NFMF) supports activities to eliminate at-risk structures that are repetitively flooded. Through fee-generated discretionary funds transferred from the National Flood Insurance Fund (NFIF), the NFMF supports activities to eliminate at-risk structures that are repetitively flooded, and provides flood mitigation assistance planning support to States and communities.

In FY 2009, NFMF activities will be funded out of the National Flood Insurance Fund appropriation.

**Summary Justification and Explanation of Changes**

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>708</b>     | <b>722</b>     | <b>---</b>     | <b>(722)</b>        |

The costs associated with the National Flood Mitigation Fund will be funded out of the National Flood Insurance Fund Appropriation in FY 2009.

|                                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|----------------|----------------|----------------|---------------------|
|                                       | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>29,645</b>  | <b>44,903</b>  | <b>---</b>     | <b>(\$44,903)</b>   |

Grants/Subsidies/Contributions include cash payments to States, other political subdivisions, corporations, associations, and individuals. The FMA grants will be funded out of the National Flood Insurance Fund Appropriation in FY 2009.

**I. Changes In FTE**

Not applicable.

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

# Department of Homeland Security

*Federal Emergency Management Agency*

*National Pre-Disaster Mitigation Fund*

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Fiscal Year 2009

Congressional Budget Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) NATIONAL PRE-DISASTER MITIGATION FUND

### **I. Appropriation Overview**

**A. Mission Statement for National Pre-Disaster Mitigation Fund:** This program provides competitive grants for pre-disaster mitigation (PDM). Operating independently of the Disaster Relief Fund (DRF), which provides *post*-disaster mitigation funding, the PDM program provides a stable, year-to-year funding source for qualified projects that is not dependent upon Presidentially declared disaster activity.

### **B. Budget Activities:**

FEMA's PDM program provides technical assistance and competitive grant funding to state, local, and tribal governments to reduce the risks associated with disasters. Resources support the development and enhancement of hazard mitigation plans, as well as the implementation of pre-disaster mitigation projects.

### **C. Budget Request Summary:**

The FEMA FY 2009 request for the National Pre-Disaster Mitigation Fund is 15 positions, 15 FTE, and \$75,000,000. There is no change to the permanent position base. A program change decrease of \$39,017,000 is requested.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Pre-Disaster Mitigation Fund**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                  | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |             |
|--|-------------------|-----------------|--------------------|------------------|--------------------|-----------------|--|-------------------|-----------------|-------------------|---------------------|-------------|
|  | FTE               | AMOUNT          | FTE                | AMOUNT           | FTE                | AMOUNT          | Total Changes                            |                   | Program Changes |                   | Adjustments-to-Base |             |
|  |                   |                 |                    |                  |                    |                 | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT      |
| National Pre-Disaster Mitigation Fund                        | 15                | 76,380          | 15                 | 114,000          | 15                 | 75,000          | ---                                      | (39,000)          | ---             | (39,022)          | ---                 | 22          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>15</b>         | <b>\$76,380</b> | <b>15</b>          | <b>\$114,000</b> | <b>15</b>          | <b>\$75,000</b> | <b>---</b>                               | <b>(\$39,000)</b> | <b>---</b>      | <b>(\$39,022)</b> | <b>---</b>          | <b>\$22</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                 |                    |                  |                    |                 |  |                   |                 |                   |                     |             |
|  |                   |                 |                    |                  |                    |                 |  |                   |                 |                   |                     |             |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>15</b>         | <b>\$76,380</b> | <b>15</b>          | <b>\$114,000</b> | <b>15</b>          | <b>\$75,000</b> | <b>---</b>                               | <b>(\$39,000)</b> | <b>---</b>      | <b>(\$39,022)</b> | <b>---</b>          | <b>\$22</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Pre-Disaster Mitigation Fund**  
**Program Performance Justification**

(Dollars in thousands)

PPA: NATIONAL PRE-DISASTER MITIGATION FUND

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>15</b>           | <b>15</b>  | <b>76,380</b>  |
| <b>2008 Enacted</b>          | <b>15</b>           | <b>15</b>  | <b>114,000</b> |
| 2009 Adjustments to Base     | 0                   | 0          | 22             |
| <b>2009 Current Services</b> | <b>15</b>           | <b>15</b>  | <b>114,022</b> |
| 2009 Program Change          | 0                   | 0          | (39,022)       |
| <b>2009 Request</b>          | <b>15</b>           | <b>15</b>  | <b>75,000</b>  |
| Total Change 2008-2009       | 0                   | 0          | (39,000)       |

FEMA requests \$75 million for Pre-Disaster Mitigation in FY 2009, a decrease of \$39 million from FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The PDM program assists state, local and tribal governments in implementing cost-effective hazard mitigation activities that complement a comprehensive mitigation program.

The PDM program provides funds to states, territories, tribal governments, and communities for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations. PDM grants are to be awarded on a competitive basis.

PDM projects vary widely and range from acquisition of repetitively flooded homes and other properties to improvements of drainage and sewage systems and land stabilization projects. Communities that participate in the PDM program are able to identify, plan for, and mitigate repetitive loss situations that negatively impact their residents or present a threat to life and property. Approved projects go through an extensive review process to verify cost savings, engineering feasibility, and environmental and historic site reviews. The final approved projects may eliminate the risk of flooding due to drainage system backups and blockage, protect primary transportation arteries and homes from landslides and flooding, reinforce critical infrastructure to protect against damage during a seismic event, or mitigate repetitive damage to homes in a flood prone area. PDM projects specifically related to flood mitigation provide an additional cost savings by reducing future claims on the National Flood Insurance Program.

Hazard mitigation is the most proactive and successful method for reducing the physical, financial, and emotional losses caused by disasters. In fact, the Multi-Hazard Mitigation Council (established in 1997 as a voluntary advisory, facilitative body of the National Institute of Building Sciences) released

a report in December of 2005 that stated that mitigation saves society an average of four dollars for every dollar spent. The study further stated that mitigation results in significant net benefits to society as a whole—to individuals, to states and to communities—in terms of future reduced resource losses and savings to the Federal Treasury in terms of future increased tax revenues and future reduced hazard-related expenditures.

FEMA developed and initiated the PDM competitive process in FY 2003, with the actual competition for FY 2003 funds occurring in FY 2004. In order to establish an annual cycle where the funds could be awarded in the same year as they were appropriated, FEMA made a decision to combine the FY 2004 (\$150 million) & FY 2005 (\$100 million) funding for grants, technical assistance, and program support into one competitive process that was conducted in FY 2005.

In FY 2006, FEMA received grant applications requesting a total of \$141 million for the \$50 million in appropriated funding. Consequently, numerous eligible applicants did not receive funding. A limited waiting list was established for applications that did not receive funding.

In FY 2007, \$100 million was available for PDM. FEMA received 470 mitigation applications for a total of \$302,211,078 requested. The National Evaluation was held on March 5 – 16, 2007. All of the applications were reviewed in accordance with the FY 2007 PDM Program Guidance, and were evaluated by peer review panels in partnership with emergency managers at the state, local, tribal and territorial level. In accordance with PDM statutory authority in FY 2007, each state and territory will receive an allocation of at least \$500,000 in set-aside funding for applications that were submitted if those applications met all PDM requirements. States and territories that submitted less than \$500,000 in applications will only receive the amount requested, provided those applications are determined to be eligible. The maximum PDM award for any one state shall not exceed \$15 million. There is a \$1 million cap on federal share available for plans and a single federal share cap of \$3 million for projects. During FY 2007, FEMA obligated \$51.9 million of FY 2007 grant funds. All remaining funding are dedicated for specific projects and will be obligated in FY 2008.

In FY 2008, FEMA will undertake the following risk reduction activities:

- Provide technical and financial assistance to state, local and tribal governments to assist in the implementation of pre-disaster hazard mitigation measures that are cost-effective and are designed to reduce loss of life and damage and destruction of property, including damage to critical facilities under the jurisdiction of states or local governments.
- Provide technical and financial assistance to state and local governments for developing and enhancing hazard mitigation plans that identify risks, and develop strategies to reduce those risks.
- Continue to streamline the evaluation process so that funds are obligated more effectively and efficiently and on a more timely basis.
- Develop additional and enhance existing processing and information systems for managing data on mitigation projects implemented. This data will be used to track and validate program performance and benefits.

In FY 2009, FEMA will undertake the following risk reduction activities:

- Provide technical and financial assistance to state, local and tribal governments to assist in the implementation of pre-disaster hazard mitigation measures that are cost-effective and are designed to reduce loss of life and damage and destruction of property, including damage to critical facilities under the jurisdiction of states or local governments.
- Provide technical and financial assistance to state and local governments for developing and enhancing hazard mitigation plans that identify risks, and develop strategies to reduce those risks.
- Enhance and maintain processing and information systems for managing data on mitigation projects implemented. This data will be used to track and continuously verify program performance and benefits.

#### **IV. Program Justification of Changes**

Not applicable.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Emergency Management Agency  
Justification of Proposed Changes in National Pre-Disaster Mitigation Fund  
Appropriation Language**

For a pre-disaster mitigation grant program under [title II] *section 203* of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. [5131] *5133* [et seq.]), [\$114,000,000] \$75,000,000, to remain available until expended: *Provided*, That grants made for pre-disaster mitigation shall be awarded on a competitive basis subject to the criteria in section 203(g) of such Act (42 U.S.C. 5133(g)): *Provided further*, That total administrative costs shall not exceed 3 percent of the total amount made available under this heading. (*Department of Homeland Security Appropriations Act, 2008.*)

#### **Explanation of Changes:**

No substantive changes are proposed.

**B. FY 2007 to FY 2008 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
National Pre-Disaster Mitigation Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actuals</b> .....                | <b>15</b>   | <b>15</b>  | <b>\$76,380</b>  |
| <b>2008 Enacted</b> .....                   | <b>15</b>   | <b>15</b>  | <b>114,000</b>   |
| <b>Adjustments-to-Base</b>                  |             |            |                  |
| Increases                                   |             |            |                  |
| Annualization of 2008 pay raise.....        | ---         | ---        | 5                |
| 2009 pay increase.....                      | ---         | ---        | 14               |
| GSA Rent.....                               | ---         | ---        | 3                |
| Non-pay inflation excluding GSA Rent.....   | ---         | ---        | ---              |
| Total Increases.....                        | ---         | ---        | <u>22</u>        |
| Decreases                                   |             |            |                  |
| Management and Technology Efficiencies..... | ---         | ---        | ---              |
| Total Decreases.....                        | ---         | ---        | <u>---</u>       |
| <b>Total Adjustments-to-Base</b> .....      | <b>---</b>  | <b>---</b> | <b><u>22</u></b> |
| <b>2009 Current Services</b> .....          | <b>15</b>   | <b>15</b>  | <b>114,022</b>   |
| <b>Program Changes</b>                      |             |            |                  |
| Program Increases/(Decreases)               |             |            |                  |
| Permanent Reduction in PDM Grants.....      | ---         | ---        | (39,022)         |
| <b>Total Program Changes</b> .....          | <b>---</b>  | <b>---</b> | <b>(39,022)</b>  |
| <b>2009 Request</b> .....                   | <b>15</b>   | <b>15</b>  | <b>75,000</b>    |
| <b>2008 to 2009 Total Change</b> .....      | <b>---</b>  | <b>---</b> | <b>(39,000)</b>  |

**C. Summary of Requirements**

**Department of Homeland Security  
Federal Emergency Management Agency  
National Pre-Disaster Mitigation Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |           |                  |
|--|--------------|-----------|------------------|
|  | Perm. Pos.   | FTE       | Amount           |
| <b>2007 Actual</b>   | <b>15</b>    | <b>15</b> | <b>\$76,380</b>  |
| <b>2008 Enacted</b>  | <b>15</b>    | <b>15</b> | <b>\$114,000</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                  |
| Transfers  | ---          | ---       | ---              |
| Increases  | ---          | ---       | 22               |
| Decreases  | ---          | ---       | ---              |
| Total Adjustments-to-Base  | ---          | ---       | 22               |
| <b>2009 Current Services</b>   | <b>15</b>    | <b>15</b> | <b>114,022</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---       | (39,022)         |
| <b>2009 Total Request</b>  | <b>15</b>    | <b>15</b> | <b>75,000</b>    |
| 2008 to 2009 Total Change  | ---          | ---       | (39,000)         |

| Estimates by Program/Project Activity   | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |            |             | 2009 Program Change |            |                   | 2009 Request |           |                 | 2008 to 2009 Total Change |            |                   |
|---|--------------|-----------|------------------|--------------------------|------------|-------------|---------------------|------------|-------------------|--------------|-----------|-----------------|---------------------------|------------|-------------------|
|   | Pos.         | FTE       | Amount           | Pos.                     | FTE        | Amount      | Pos.                | FTE        | Amount            | Pos.         | FTE       | Amount          | Pos.                      | FTE        | Amount            |
| 1 National Pre-Disaster Mitigation Fund | 15           | 15        | \$114,000        | ---                      | ---        | \$22        | ---                 | ---        | (\$39,022)        | 15           | 15        | \$75,000        | ---                       | ---        | (\$39,000)        |
| <b>Total</b>                            | <b>15</b>    | <b>15</b> | <b>\$114,000</b> | <b>---</b>               | <b>---</b> | <b>\$22</b> | <b>---</b>          | <b>---</b> | <b>(\$39,022)</b> | <b>15</b>    | <b>15</b> | <b>\$75,000</b> | <b>---</b>                | <b>---</b> | <b>(\$39,000)</b> |

Note:

#### **D. Summary of Reimbursable Resources**

Not applicable.

**E. Summary of Requirements By Object Class**  
**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Pre-Disaster Mitigation Fund**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actuals | 2008<br>Enacted  | 2009<br>Request | 2008 - 2009<br>Change |
|---|--------------------|------------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$474              | \$488            | \$503           | \$15                  |
| 11.3 Other than full-time permanent                   | ---                | ---              | ---             | ---                   |
| 11.5 Other Personnel Compensation                     | 21                 | 22               | 22              | 1                     |
| 11.8 Special Service Pay                              | ---                | ---              | ---             | ---                   |
| 12.1 Benefits   | 123                | 127              | 130             | 3                     |
| 13.0 Benefits - former                                | ---                | ---              | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$618</b>       | <b>\$637</b>     | <b>\$655</b>    | <b>\$18</b>           |
| Other Object Classes:                                 |                    |                  |                 |                       |
| 21.0 Travel   | 450                | 1,063            | 442             | (621)                 |
| 22.0 Transportation of things                         | ---                | ---              | ---             | ---                   |
| 23.1 GSA rent   | 123                | 125              | 128             | 3                     |
| 23.2 Other rent                                       | ---                | ---              | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---                | ---              | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---                | ---              | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 11                 | 26               | 11              | (15)                  |
| 25.2 Other services                                   | 5,681              | 13,424           | 5,574           | (7,850)               |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---                | ---              | ---             | ---                   |
| 25.4 Operation & maintenance of facilities            | ---                | ---              | ---             | ---                   |
| 25.5 Research and development contracts               | ---                | ---              | ---             | ---                   |
| 25.6 Medical care                                     | ---                | ---              | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                | ---              | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---                | ---              | ---             | ---                   |
| 26.0 Supplies and materials                           | ---                | ---              | ---             | ---                   |
| 31.0 Equipment  | ---                | ---              | ---             | ---                   |
| 32.0 Land & structures                                | ---                | ---              | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | 69,497             | 164,217          | 68,190          | (96,027)              |
| 42.0 Indemnity  | ---                | ---              | ---             | ---                   |
| 43.0 Interest & dividends                             | ---                | ---              | ---             | ---                   |
| 44.0 Refunds  | ---                | ---              | ---             | ---                   |
| 91.0 Unvouchered                                      | ---                | ---              | ---             | ---                   |
| 99.0 Other  | ---                | ---              | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$75,762</b>    | <b>\$178,855</b> | <b>74,345</b>   | <b>(\$104,510)</b>    |
| <b>Total, Direct Obligations</b>                      | <b>\$76,380</b>    | <b>\$179,492</b> | <b>\$75,000</b> | <b>(\$104,492)</b>    |
| Unobligated balance, start of year                    | (38,834)           | (65,492)         | ---             |                       |
| Unobligated balance, end of year                      | 65,492             | ---              | ---             |                       |
| Recoveries of prior year obligations                  | (3,038)            | ---              | ---             |                       |
| <b>Total requirements</b>                             | <b>\$100,000</b>   | <b>\$114,000</b> | <b>\$75,000</b> |                       |

Note: Obligation Classification requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

## F. Permanent Positions by Grade

**Department of Homeland Security  
Federal Emergency Management Agency  
National Pre-Disaster Mitigation Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | ---            | ---             | ---             | ---             |
| Total, EX                        | ---            | ---             | ---             | ---             |
| GS-15                            | ---            | ---             | ---             | ---             |
| GS-14                            | 2              | 2               | 2               | ---             |
| GS-13                            | ---            | ---             | ---             | ---             |
| GS-12                            | 3              | 3               | 3               | ---             |
| GS-11                            | ---            | ---             | ---             | ---             |
| GS-10                            | ---            | ---             | ---             | ---             |
| GS-9                             | 10             | 10              | 10              | ---             |
| GS-8                             | ---            | ---             | ---             | ---             |
| GS-7                             | ---            | ---             | ---             | ---             |
| GS-6                             | ---            | ---             | ---             | ---             |
| GS-5                             | ---            | ---             | ---             | ---             |
| GS-4                             | ---            | ---             | ---             | ---             |
| GS-3                             | ---            | ---             | ---             | ---             |
| GS-2                             | ---            | ---             | ---             | ---             |
| Other Graded Positions           | ---            | ---             | ---             | ---             |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>15</b>      | <b>15</b>       | <b>15</b>       | <b>---</b>      |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 15             | 15              | 15              | ---             |
| <b>FTE</b>                       | <b>15</b>      | <b>15</b>       | <b>15</b>       | <b>---</b>      |
| Headquarters                     | 5              | 5               | 5               | ---             |
| U.S. Field                       | 10             | 10              | 10              | ---             |
| Foreign Field                    | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>15</b>      | <b>15</b>       | <b>15</b>       | <b>---</b>      |
| Average ES Salary                | \$ ---         | \$ ---          | \$ ---          | \$ ---          |
| Average GS Salary                | \$ 62,955      | \$ 64,340       | \$ 66,270       | \$ 1,930        |
| Average GS Grade                 | 9.30           | 10.10           | 10.40           | 0.30            |

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security  
Federal Emergency Management Agency  
National Pre-Disaster Mitigation Fund  
PPA: National Pre-Disaster Mitigation Fund  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: National Pre-Disaster Mitigation Fund</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                              |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$474                  | \$488                   | \$503                   | \$15                           |
| 11.3  | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5  | Other per comp                             | 21                     | 22                      | 22                      | 1                              |
| 11.8  | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1  | Benefits                                   | 123                    | 127                     | 130                     | 3                              |
| 13.0  | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0  | Travel                                     | 450                    | 1,063                   | 442                     | (621)                          |
| 22.0  | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1  | GSA rent                                   | 123                    | 125                     | 128                     | 3                              |
| 23.2  | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3  | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0  | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1  | Advisory & Assistance Services             | 11                     | 26                      | 11                      | (15)                           |
| 25.2  | Other Services                             | 5,681                  | 13,424                  | 5,574                   | (7,850)                        |
| 25.3  | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4  | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5  | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6  | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7  | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8  | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0  | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0  | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0  | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0  | Grants/Subsidies/Contributions             | 69,497                 | 164,217                 | 68,190                  | (96,027)                       |
| 42.0  | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0  | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, National Pre-Disaster Mitigation Fund</b> |  | <b>\$76,380</b>        | <b>\$179,492</b>        | <b>\$75,000</b>         | <b>(\$104,492)</b>             |
| Full Time Equivalents                               |  | 15                     | 15                      | 15                      | ---                            |

Note: Obligation Classification requirements in the Congressional Justifications and Budget Appendix may differ due to rounding.

**PPA Mission Statement**

Funding requested through this account is dedicated to competitive grants for pre-disaster mitigation (PDM). Operating independently of the Disaster Relief Fund (DRF) assures that funding remains stable from year to year and is not subject to spikes in disaster activity.

In FY 2009, FEMA will provide technical and financial assistance to states and to local and tribal governments to assist in the implementation of pre-disaster hazard mitigation measures that are cost-effective and are designed to reduce loss of life and damage and destruction of property, including damage to critical facilities under the jurisdiction of the states or local governments. The PDM competitive grant program will continue to assist states and communities to reach a higher level of risk management and risk reduction, through planning and mitigation actions before disasters occur.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$618                  | \$637                   | \$655                   | \$18                           |

Salaries and Benefits include costs for 15 positions and 15 FTE. The FY 2009 increase of \$18,000 is due to inflation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$450                  | \$1,063                 | \$442                   | (\$621)                        |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 decrease of \$621,000 correlates to the travel associated with grants management and the permanent reduction to grants.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$123                  | \$125                   | \$128                   | \$3                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 increase of \$3,000 is due to inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$11                   | \$26                    | \$11                    | (\$15)                         |

Advisory and Assistance Services includes services acquired by contract from non-federal sources (that is the private sector, foreign governments, state and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request is a \$15,000 decrease from the FY 2008 enacted.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$5,681                | \$13,424                | \$5,574                 | (\$7,850)                      |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 decrease of \$7,850 is a reduction of administrative costs associated with the permanent reduction to grants.

|                                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$69,497               | \$164,217               | \$68,190                | (\$96,027)                     |

Grants/Subsidies/Contributions include cash payments to States, other political subdivisions, corporations, associations, and individuals. The FY 2009 decrease of \$96,027,000 is due to the permanent reduction to grants.

## I. Changes In FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**National Pre-Disaster Mitigation Fund**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 15      | 15      | 15      |
| INCREASES  | 0       | 0       | 0       |
| DECREASES  | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs                           | 15      | 15      | 15      |
| Net Change from prior year base to Budget Year Estimate: | 0       | 0       | 0       |

**J. FY 2008 Schedule of Working Capital Fund by Program/Project Activity**

# Department of Homeland Security

*Federal Emergency Management Agency*

*Emergency Food and Shelter*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **EMERGENCY FOOD AND SHELTER**

### **I. Appropriation Overview**

#### **A. Mission Statement for Emergency Food and Shelter (EFS):**

The Emergency Food and Shelter (EFS) Program provides grants to nonprofit and faith-based organizations at the local level through the National Board to supplement their programs for emergency food and shelter.

#### **B. Budget Activities:**

EFS funds are used to supplement food, shelter, rent, mortgage, and utility assistance programs for people with non-disaster related emergencies.

The EFS Program is administered via a national board of volunteer agencies chaired by FEMA. The National Board qualifies jurisdictions for annual EFS funding awards based on criteria involving current population, unemployment, and poverty levels. Grants are awarded to nonprofit community and government organizations that are chosen by local boards in the qualifying jurisdictions.

#### **C. Budget Request Summary:**

The FEMA FY 2009 request for the EFS program is 0 positions, 0 FTE, and \$100,000,000. This request represents a decrease of \$53,000,000 from FY 2008. There are no adjustments to base.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Federal Emergency Management Agency  
Emergency Food and Shelter**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                 |        |                     |                   |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-------------------|-----------------|--------|---------------------|-------------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                   | Program Changes |        | Adjustments-to-Base |                   |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT            | FTE             | AMOUNT | FTE                 | AMOUNT            |
| Emergency Food and Shelter                                   | ---               | \$151,470        | ---                | \$153,000        | ---                | \$100,000        |  | (\$53,000)        | ---             | ---    | ---                 | (\$53,000)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$151,470</b> | ---                | <b>\$153,000</b> | ---                | <b>\$100,000</b> | ---                                      | <b>(\$53,000)</b> | ---             | ---    | ---                 | <b>(\$53,000)</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                  |                    |                  |                    |                  |  |                   |                 |        |                     |                   |
|  |                   |                  |                    |                  |                    |                  |  |                   |                 |        |                     |                   |
|  |                   |                  |                    |                  |                    |                  |  |                   |                 |        |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---               | <b>\$151,470</b> | ---                | <b>\$153,000</b> | ---                | <b>\$100,000</b> | ---                                      | <b>(\$53,000)</b> | ---             | ---    | ---                 | <b>(\$53,000)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Emergency Food and Shelter**  
**Program Performance Justification**

(Dollars in thousands)

PPA: EMERGENCY FOOD AND SHELTER

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$151,470</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>\$153,000</b> |
| 2008 Adjustments-to-Base     | 0                   | 0          | 0                |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>153,000</b>   |
| 2009 Program Change          | 0                   | 0          | (53,000)         |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>100,000</b>   |
| Total Change 2008-2009       | 0                   | 0          | (53,000)         |

FEMA requests \$100 million for this activity, representing a decrease of \$53 million from FY 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The EFS program provides grants to nonprofit and faith-based organizations at the local level to supplement their programs for emergency food and shelter. Nearly 12,000 nonprofit and local government agencies in over 2,500 cities and counties across the United States receive awards.

Funding for this program is distributed by the National Board which consists of designees from six charitable organizations - United Way of America, The Salvation Army, the National Council of Churches of Christ in the USA, Catholic Charities USA, United Jewish Communities, and the American Red Cross. The National Board is chaired by a representative from FEMA.

Local jurisdictions (city or county) are eligible for EFS support when they have the highest need for emergency food and shelter services as determined by unemployment and poverty rates. For Fiscal Year 2007, the National Board used three measures to determine highest need eligibility: 1) Those with 13,000 or more residents unemployed and an unemployment rate of at least 3.8 percent; 2) Those with between 300 and 12,999 residents unemployed and an unemployment rate of at least 5.8 percent; or 3) Those with 300 or more unemployed and a poverty rate of at least 11 percent. Final distribution is determined by a formula that divides the total amount available by the number of unemployed within all eligible jurisdictions to arrive at a per capita rate of funding per unemployed person.

Funding may also be provided to jurisdictions that do not meet the initial eligibility requirements through a state set-aside. The National Board reserves a portion of appropriated funds and distributes funding to states based on a discretionary determination that allows for a constant level of funding based on a ratio of per capita state set-aside to per capita direct funding. The state set-aside allows states to address pockets of homelessness and poverty or address the immediate needs of a locality that might be going through a high economic impact event, such as a plant closing.

## **Accomplishments**

FY 2007 funds have provided more than 75 million meals and 4 million nights of lodging. The funding was also used to provide 153,162 rent and mortgage payments, and 156,837 utility bills to those in the most desperate need of assistance. All 50 states, the District of Columbia, Puerto Rico, and four territories received funds in FY 2007.

In FY 2008 (\$153 million) and FY 2009 (\$100 million), the estimated services rendered will provide 70 million meals and 1.3 million nights of lodging. The funds will also be used to provide approximately 98,179 rent and mortgage payments and 231,929 utility bill payments.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Federal Emergency Management Agency  
Emergency Food and Shelter  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 1: Adjustment to Support Greater Focus on Core Mission Activities**

Strategic Goal(s) & Objective(s):

DHS Goal 2: Build a nimble, effective emergency response system and promote national resilience. Objective 2.2

PPA: Emergency Food and Shelter

Program Decrease: Positions 0 FTE 0 Dollars (\$53,000)

Funding Profile

|                        | FY 2007 Actual |          |                  | FY 2008 Enacted |     |                  | FY 2009 Request |          |                 |
|------------------------|----------------|----------|------------------|-----------------|-----|------------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000)  | Pos             | FTE | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                  |                 |     |                  | 0               | 0        | \$153,000       |
| Program Decrease       |                |          |                  |                 |     |                  | 0               | 0        | (53,000)        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$151,470</b> | <b>0</b>        |     | <b>\$153,000</b> | <b>0</b>        | <b>0</b> | <b>100,000</b>  |

Description of Item

FEMA requests a reduction of \$53,000,000 in the EFS program for FY 2009.

Justification

The FY 2009 request reflects a refocus of resources on the primary mission of preparing for and coordinating disaster response and recovery efforts while still providing substantial support for the EFS program.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Federal Emergency Management Agency  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

To carry out an emergency food and shelter program pursuant to title III of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11331 et seq.), [\$153,000,000] *\$100,000,000*, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3.5 percent of the total amount available under this heading. (*Department of Homeland Security Appropriations Act, 2008.*)

#### **Explanation of Changes:**

No substantive changes are proposed.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
Federal Emergency Management Agency  
Emergency Food and Shelter  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|---|-------------|------------|---------------|
| FY 2007 Actuals.....                              | ---         |            | \$151,470     |
| 2008 Enacted.....                                 |             |            | 153,000       |
| Adjustments-to-Base                               |             |            |               |
| Total Adjustments-to-Base.....                    |             | ---        | ---           |
| 2009 Current Services.....                        |             |            | 153,000       |
| <br>Program Changes                               |             |            |               |
| Permanent Reduction to Emergency Food and Shelter |             |            | (53,000)      |
| Total Program Changes.....                        |             | ---        | (53,000)      |
| <br>2009 Request.....                             |             | ---        | 100,000       |
| <br>2008 to 2009 Total Change.....                |             | ---        | (53,000)      |

## C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Emergency Food and Shelter  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |                  |
|--|--------------|-----|------------------|
|  | Perm. Pos.   | FTE | Amount           |
| <b>2007 Actual</b>   |              | --- | <b>\$151,470</b> |
| <b>2008 Enacted</b>  |              | --- | <b>153,000</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |                  |
| Total Adjustments-to-Base  |              | --- | ---              |
| <b>2009 Current Services</b>   |              | --- | <b>153,000</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |     |                  |
|  |              | --- | (53,000)         |
| <b>2009 Total Request</b>  |              | --- | <b>100,000</b>   |
| 2008 to 2009 Total Change  |              | --- | (53,000)         |

| Estimates by Program/Project Activity | 2008 Enacted |     |                  | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |                   | 2009 Request |     |                  | 2008 to 2009 Total Change |     |                   |
|---------------------------------------|--------------|-----|------------------|--------------------------|-----|------------|---------------------|-----|-------------------|--------------|-----|------------------|---------------------------|-----|-------------------|
|                                       | Pos.         | FTE | Amount           | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount            | Pos.         | FTE | Amount           | Pos.                      | FTE | Amount            |
| 1 Emergency Food and Shelter          | ---          | --- | \$153,000        | ---                      | --- | \$0        | ---                 | --- | \$ (53,000)       | ---          | --- | \$100,000        | ---                       | --- | (\$53,000)        |
| <b>Total</b>                          | ---          | --- | <b>\$153,000</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>(\$53,000)</b> | ---          | --- | <b>\$100,000</b> | ---                       | --- | <b>(\$53,000)</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Emergency Food and Shelter**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$0               | \$0              | \$0              | \$0                   |
| 11.3 Other than full-time permanent                   | ---               | ---              | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | ---               | ---              | ---              | ---                   |
| 11.8 Special Service Pay                              | ---               | ---              | ---              | ---                   |
| 12.1 Benefits   | ---               | ---              | ---              | ---                   |
| 13.0 Benefits - former                                | ---               | ---              | ---              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$0</b>        | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>            |
| Other Object Classes:                                 |                   |                  |                  |                       |
| 21.0 Travel   | ---               | ---              | ---              | ---                   |
| 22.0 Transportation of things                         | ---               | ---              | ---              | ---                   |
| 23.1 GSA rent   | ---               | ---              | ---              | ---                   |
| 23.2 Other rent                                       | ---               | ---              | ---              | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---              | ---              | ---                   |
| 24.0 Printing and reproduction                        | ---               | ---              | ---              | ---                   |
| 25.1 Advisory and assistance services                 | ---               | ---              | ---              | ---                   |
| 25.2 Other services                                   | ---               | ---              | ---              | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---               | ---              | ---              | ---                   |
| 25.4 Operation & maintenance of facilities            | ---               | ---              | ---              | ---                   |
| 25.5 Research and development contracts               | ---               | ---              | ---              | ---                   |
| 25.6 Medical care                                     | ---               | ---              | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---              | ---              | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---              | ---              | ---                   |
| 26.0 Supplies and materials                           | ---               | ---              | ---              | ---                   |
| 31.0 Equipment  | ---               | ---              | ---              | ---                   |
| 32.0 Land & structures                                | ---               | ---              | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | \$151,470         | 153,000          | 100,000          | (53,000)              |
| 42.0 Indemnity  | ---               | ---              | ---              | ---                   |
| 43.0 Interest & dividends                             | ---               | ---              | ---              | ---                   |
| 44.0 Refunds  | ---               | ---              | ---              | ---                   |
| 91.0 Unvouchered                                      | ---               | ---              | ---              | ---                   |
| 99.0 Other  | ---               | ---              | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$151,470</b>  | <b>\$153,000</b> | <b>\$100,000</b> | <b>(\$53,000)</b>     |
| <b>Total, Direct Obligations</b>                      | <b>\$151,470</b>  | <b>\$153,000</b> | <b>\$100,000</b> | <b>(\$53,000)</b>     |
| Unobligated balance, start of year                    | ---               | ---              | ---              |                       |
| Unobligated balance, end of year                      | ---               | ---              | ---              |                       |
| Recoveries of prior year obligations                  | ---               | ---              | ---              |                       |
| <b>Total requirements</b>                             | <b>\$151,470</b>  | <b>\$153,000</b> | <b>\$100,000</b> | <b>(\$53,000)</b>     |

**F. Permanent Positions by Grade**

Not applicable.

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Emergency Food and Shelter**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Emergency Food and Shelter</b>    |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                    |  |                        |                         |                         |                                |
| 11.1                                      | Perm Positions                             | \$0                    | \$0                     | \$0                     | \$0                            |
| 11.3                                      | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                      | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                                      | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                                      | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                                      | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                      | Travel                                     | ---                    | ---                     | ---                     | ---                            |
| 22.0                                      | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                      | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                                      | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                      | Communication, Utilities, and misc charges | ---                    | ---                     | ---                     | ---                            |
| 24.0                                      | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                                      | Advisory & Assistance Services             | ---                    | ---                     | ---                     | ---                            |
| 25.2                                      | Other Services                             | ---                    | ---                     | ---                     | ---                            |
| 25.3                                      | Purchase from Govt. Accts.                 | ---                    | ---                     | ---                     | ---                            |
| 25.4                                      | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                      | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                      | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                      | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8                                      | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                      | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0                                      | Equipment                                  | ---                    | ---                     | ---                     | ---                            |
| 32.0                                      | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                      | Grants/Subsidies/Contributions             | \$151,470              | \$153,000               | \$100,000               | (\$53,000)                     |
| 42.0                                      | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                      | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Investigations - Operations</b> |  | <b>\$151,470</b>       | <b>\$153,000</b>        | <b>\$100,000</b>        | <b>(\$53,000)</b>              |
| Full Time Equivalents                     |  | ---                    | ---                     | ---                     | ---                            |

### PPA Mission Statement

The Emergency Food and Shelter (EFS) Program provides grants to nonprofit and faith-based organizations at the local level to supplement their programs for emergency food and shelter.

In FY 2008, the estimated services rendered will provide 70 million meals and 1.3 million nights of lodging. The funds will also be used to provide approximately 98,179 rent and mortgage payments and 231,929 utility bill payments.

The FEMA FY 2009 request will continue to provide funding to supplement local efforts to provide meals, shelter, and emergency assistance for mortgage, rent, and utility payments.

### Summary Justification and Explanation of Changes

|                                       | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---------------------------------------|------------------|------------------|------------------|---------------------|
|                                       | <b>Actuals</b>   | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$151,470</b> | <b>\$153,000</b> | <b>\$100,000</b> | <b>(53,000)</b>     |

The FY 2009 request includes a decrease of \$53,000,000. The FY 2009 request reflects a refocus of resources on the primary mission of preparing for and coordinating disaster response and recovery efforts while still providing substantial support for the EFS program.

**I. Changes in FTE**

Not applicable.

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

*Cerro Grande Fire Claims*

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Fiscal Year 2009

Congressional Budget Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)** **CERRO GRANDE FIRE CLAIMS**

### **I. Appropriation Overview**

The Office of Cerro Grande Fire Claims was established by Public Law 106-246 to provide consideration and settlement of claims arising from the Cerro Grande Prescribed Fire. Funds for administration of the compensation process and for the payment of claims are available until expended.

No additional funding is requested. FEMA requests that \$9 million of the remaining balance be rescinded as there is no expectation of significant future obligation.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Federal Emergency Management Agency  
Cerro Grande Fire Claims**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |              | FY 2008<br>Enacted |            | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|-------------------|--------------|--------------------|------------|--------------------|------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  | FTE               | AMOUNT       | FTE                | AMOUNT     | FTE                | AMOUNT           | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  |                   |              |                    |            |                    |                  | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Cerro Grande Fire Claims                                     | ---               | 205          | ---                | ---        | ---                | (9,000)          | ---                                      | (9,000)          | ---             | ---        | ---                 | (9,000)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$205</b> | ---                | <b>\$0</b> | ---                | <b>(\$9,000)</b> | ---                                      | <b>(\$9,000)</b> | ---             | <b>\$0</b> | ---                 | <b>(\$9,000)</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |              |                    |            |                    |                  |  |                  |                 |            |                     |                  |
|  |                   |              |                    |            |                    |                  |  |                  |                 |            |                     |                  |
|  |                   |              |                    |            |                    |                  |  |                  |                 |            |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---               | <b>\$205</b> | ---                | <b>\$0</b> | ---                | <b>(\$9,000)</b> | ---                                      | <b>(\$9,000)</b> | ---             | <b>\$0</b> | ---                 | <b>(\$9,000)</b> |

**III. Current Services Program Description by PPA**

**Department of Homeland Security**  
**Federal Emergency Management Agency (FEMA)**  
**Cerro Grande Fire Claims**  
**Program Performance Justification**  
(Dollars in thousands)

Not applicable.

#### **IV. Program Justification of Changes**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Cerro Grande Fire Claims  
Justification of Program Changes  
(Dollars in Thousands)**

Not applicable.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Federal Emergency Management Agency (FEMA)  
Justification of Proposed Changes in Cerro Grande Fire Claims  
Appropriation Language**

*Of the funds made available under this heading for obligation in prior years, \$9,000,000 are cancelled.*

#### **Justification**

FEMA requests that \$9 million of the remaining balance be rescinded as there is no expectation of significant future obligation.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Federal Emergency Management Agency  
Cerro Grande Fire Claims  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|--|-------------|------------|----------------|
| <b>FY 2007 Actual</b> .....            | ---         | ---        | \$205          |
| <b>2008 Enacted</b> .....              | ---         | ---        | ---            |
| <b>Adjustments-to-Base</b>             |             |            |                |
| Increases                              |             |            |                |
| Total Increases.....                   | ---         | ---        | ---            |
| Decreases                              |             |            |                |
| Rescission.....                        | ---         | ---        | (9,000)        |
| Total Decreases.....                   | ---         | ---        | (9,000)        |
| <b>Total Adjustments-to-Base</b> ..... | ---         | ---        | <b>(9,000)</b> |
| <b>2009 Current Services</b> .....     | ---         | ---        | <b>(9,000)</b> |
| <b>Program Changes</b>                 |             |            |                |
| Program Increases/(Decreases)          |             |            |                |
| <b>Total Program Changes</b> .....     | ---         | ---        | ---            |
| <b>2009 Request</b> .....              | ---         | ---        | <b>(9,000)</b> |
| <b>2008 to 2009 Total Change</b> ..... | ---         | ---        | <b>(9,000)</b> |

### C. Summary of Requirements

**Department of Homeland Security  
Federal Emergency Management Agency  
Cerro Grande Fire Claims  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |         |
|--|--------------|-----|---------|
|  | Perm. Pos.   | FTE | Amount  |
| <b>FY 2007 Actual</b>  | ---          | --- | \$205   |
| <b>2008 Enacted</b>  | ---          | --- | ---     |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |         |
| Transfers  | ---          | --- | ---     |
| Increases  | ---          | --- | ---     |
| Decreases  | ---          | --- | (9,000) |
| Total Adjustments-to-Base  | ---          | --- | (9,000) |
| <b>2009 Current Services</b>   | ---          | --- | (9,000) |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | --- | ---     |
| <b>2009 Total Request</b>  | ---          | --- | (9,000) |
| 2008 to 2009 Total Change  | ---          | --- | (9,000) |

| Estimates by Program/Project Activity | 2008 Enacted |     |            | 2009 Adjustments-to-Base |     |                  | 2009 Program Change |     |            | 2009 Request |     |                  | 2008 to 2009 Total Change |     |                  |
|---------------------------------------|--------------|-----|------------|--------------------------|-----|------------------|---------------------|-----|------------|--------------|-----|------------------|---------------------------|-----|------------------|
|                                       | Pos.         | FTE | Amount     | Pos.                     | FTE | Amount           | Pos.                | FTE | Amount     | Pos.         | FTE | Amount           | Pos.                      | FTE | Amount           |
| 1 Cerro Grande Fire Claims            | ---          | --- | \$0        | ---                      | --- | (\$9,000)        | ---                 | --- | \$0        | ---          | --- | (\$9,000)        | ---                       | --- | (\$9,000)        |
| <b>Total</b>                          | ---          | --- | <b>\$0</b> | ---                      | --- | <b>(\$9,000)</b> | ---                 | --- | <b>\$0</b> | ---          | --- | <b>(\$9,000)</b> | ---                       | --- | <b>(\$9,000)</b> |

**D. Summary of Reimbursable Resources**

Not applicable.

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Cerro Grande Fire Claims**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$65              | \$67            | \$0             | (\$67)                |
| 11.3 Other than full-time permanent                   | 1                 | 1               | ---             | (1)                   |
| 11.5 Other Personnel Compensation                     | 2                 | 2               | ---             | (2)                   |
| 11.8 Special Service Pay                              | ---               | ---             | ---             | ---                   |
| 12.1 Benefits   | 23                | 24              | ---             | (24)                  |
| 13.0 Benefits - former                                | ---               | ---             | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$91</b>       | <b>\$94</b>     | <b>\$0</b>      | <b>(\$94)</b>         |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 25                | ---             | ---             | ---                   |
| 22.0 Transportation of things                         | 3                 | ---             | ---             | ---                   |
| 23.1 GSA rent   | ---               | ---             | ---             | ---                   |
| 23.2 Other rent                                       | 2                 | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---               | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 2                 | ---             | ---             | ---                   |
| 25.2 Other services                                   | ---               | ---             | ---             | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---               | ---             | ---             | ---                   |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | 2                 | ---             | ---             | ---                   |
| 31.0 Equipment  | ---               | ---             | ---             | ---                   |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---             | ---                   |
| 42.0 Indemnity  | 80                | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$114</b>      | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>            |
| <b>Total, Direct Obligations</b>                      | <b>\$205</b>      | <b>\$94</b>     | <b>\$0</b>      | <b>(\$94)</b>         |
| Unobligated balance, start of year                    | (302)             | (9,242)         | (9,148)         | 94                    |
| Unobligated balance, end of year                      | 9,242             | 9,148           | 148             | (9,000)               |
| Recoveries of prior year obligations                  | (9,145)           | ---             | ---             | ---                   |
| Rescission  | ---               | ---             | 9,000           | 9,000                 |
| <b>Total requirements</b>                             | <b>\$0</b>        | <b>\$0</b>      | <b>\$0</b>      | <b>\$0</b>            |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Federal Emergency Management Agency  
Cerro Grande Fire Claims  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---            | ---             | ---             | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | ---            | ---             | ---             | ---                    |
| GS-14                            | ---            | ---             | ---             | ---                    |
| GS-13                            | ---            | ---             | ---             | ---                    |
| GS-12                            | ---            | ---             | ---             | ---                    |
| GS-11                            | ---            | ---             | ---             | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | ---            | ---             | ---             | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | ---            | ---             | ---             | ---                    |
| Unfilled Positions EOY           | ---            | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | ---            | ---             | ---             | ---                    |
| <b>FTE</b>                       | <b>2</b>       | <b>2</b>        | ---             | <b>(2)</b>             |
| Headquarters                     | 2              | 2               | ---             | (2)                    |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>2</b>       | <b>2</b>        | ---             | <b>(2)</b>             |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---                 |
| <b>Average GS Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---                 |
| <b>Average GS Grade</b>          | ---            | ---             | ---             | ---                    |

*Note: The difference in Total FTEs and Total Permanent Positions reflects the FTEs for DAEs to support disaster response and recovery.*

## **G. Capital Investment and Construction Initiative Listing**

Not applicable.

**H. PPA Budget Justifications**

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Cerro Grande Fire Claims**  
**PPA: Cerro Grande Fire Claims**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Cerro Grande</b>   |  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|--|---------------|----------------|----------------|---------------------|
|                            |  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>     |  |               |                |                |                     |
| 11.1                       | Perm Positions                             | \$65          | \$67           | \$0            | (\$67)              |
| 11.3                       | Other than perm                            | 1             | 1              | ---            | (1)                 |
| 11.5                       | Other per comp                             | 2             | 2              | ---            | (2)                 |
| 11.8                       | Spec Srvc Pay                              | ---           | ---            | ---            | ---                 |
| 12.1                       | Benefits                                   | 23            | 24             | ---            | (24)                |
| 13.0                       | Benefits-former                            | ---           | ---            | ---            | ---                 |
| 21.0                       | Travel                                     | 25            | ---            | ---            | ---                 |
| 22.0                       | Transportation of things                   | 3             | ---            | ---            | ---                 |
| 23.1                       | GSA rent                                   | ---           | ---            | ---            | ---                 |
| 23.2                       | Other rent                                 | 2             | ---            | ---            | ---                 |
| 23.3                       | Communication, Utilities, and misc charges | ---           | ---            | ---            | ---                 |
| 24.0                       | Printing                                   | ---           | ---            | ---            | ---                 |
| 25.1                       | Advisory & Assistance Services             | 2             | ---            | ---            | ---                 |
| 25.2                       | Other Services                             | ---           | ---            | ---            | ---                 |
| 25.3                       | Purchase from Govt. Accts.                 | ---           | ---            | ---            | ---                 |
| 25.4                       | Operation & maintenance of facilities      | ---           | ---            | ---            | ---                 |
| 25.5                       | Research & Development                     | ---           | ---            | ---            | ---                 |
| 25.6                       | Medical care                               | ---           | ---            | ---            | ---                 |
| 25.7                       | Operation & maintenance of equipment       | ---           | ---            | ---            | ---                 |
| 25.8                       | Subsistence & Support of persons           | ---           | ---            | ---            | ---                 |
| 26.0                       | Supplies & materials                       | 2             | ---            | ---            | ---                 |
| 31.0                       | Equipment                                  | ---           | ---            | ---            | ---                 |
| 32.0                       | Land & Structures                          | ---           | ---            | ---            | ---                 |
| 41.0                       | Grants/Subsidies/Contributions             | ---           | ---            | ---            | ---                 |
| 42.0                       | Indemnity                                  | 80            | ---            | ---            | ---                 |
| 91.0                       | Unvouchered                                | ---           | ---            | ---            | ---                 |
| <b>Total, Cerro Grande</b> |  | <b>\$205</b>  | <b>\$94</b>    | <b>\$0</b>     | <b>(\$94)</b>       |
| Full Time Equivalents      |  | 2             | 2              | ---            | (2)                 |

**PPA Mission Statement**

The Office of Cerro Grande Fire Claims was established by Public Law 106-246 to provide consideration and settlement of claims arising from the Cerro Grande Prescribed Fire. Funds for administration of the compensation process and for the payment of claims are available until expended.

No additional funding is requested. FEMA requests that \$9 million of the remaining balance be rescinded as there is no expectation of significant future obligation.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$91                   | \$94                    | \$0                     | (\$94)                         |

Salaries and Benefits includes regular salaries and wages, and personnel benefits paid to employees. No additional funding is requested.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$25                   | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. No additional funding is requested.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$3                    | \$0                     | \$0                     | \$0                            |

Transportation of Things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. No additional funding is requested.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other rent</b> | \$2                    | \$0                     | \$0                     | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. No additional funding is requested.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$0                    | \$0                     | \$0                     | \$0                            |

Advisory and assistance services includes services acquired by contract from non-Federal sources (that is the private sector, foreign governments, state and local governments, tribes, etc.) as well as from other units within the Federal Government. No additional funding is requested.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Indemnity</b> | \$80                   | \$0                     | \$0                     | \$0                            |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act.

## I. Changes In FTE

**Department of Homeland Security**  
**Federal Emergency Management Agency**  
**Cerro Grande Fire Claims**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 2       | 2       | 2       |
| INCREASES  | 0       | 0       | 0       |
| DECREASES  | 0       | 0       | 2       |
| Year-end Actual/Estimated FTEs                           | 2       | 2       | 0       |
| Net Change from prior year base to Budget Year Estimate: | 0       | 0       | 0       |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not applicable.

# Department of Homeland Security

*Federal Emergency Management Agency*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

# FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT

## Federal Emergency Management Agency

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## A. Mission and Description of Federal Emergency Management Agency (FEMA)

The Federal Emergency Management Agency was created in 1979 by Executive Order of the President and in 2003 became an essential component of the Department of Homeland Security (DHS). FEMA's primary mission is to reduce loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

FEMA manages and coordinates the Federal response to domestic disasters of all types in accordance with the Robert T. Stafford Disaster Relief and Assistance Act, its primary authority. The agency works proactively to anticipate disaster assistance needs that may arise and responds to requests for support from governors of affected States. While many significant emergencies are capably managed with local and State resources alone, FEMA stands ready when greater assistance is needed, prepared to act as both leader and partner to address each community's needs.

In the 29 years since its creation, FEMA has responded to more than a thousand disasters across all fifty States, the District of Columbia, Puerto Rico, Guam, the Pacific Island Trust Territories, and the U.S. Virgin Islands.

FEMA also administers the National Flood Insurance Program in accordance with the National Flood Insurance Act of 1968, as amended, that authorizes the Federal Government to provide flood insurance on a national basis. Currently, there are over 5,300,000 policyholders and over 20,300 communities participating in the program.

In October 2006, the President signed into the law the Post-Katrina Emergency Management Act. The Act brought additional functions into FEMA, primarily National Preparedness, Grants Management and the U.S. Fire Administration. The Act also called for FEMA to:

- Improve the Agency's core capabilities and strengthen the regions;
- Expand FEMA's mission to include preparedness and protection along with the Agency's traditional missions of mitigation, response and recovery;
- Engage new constituencies such as the law enforcement community;
- Establish a national emergency management system; and
- Implement a national preparedness system.

As the integration of these new elements and the restructuring of existing functions, to include the transition of specific categories of temporary disaster employees to full-time permanent employees are complete; the new FEMA will consist of approximately 4,300 full-time staff and more than 3,240 disaster employees. In addition to FEMA's headquarters in Washington, D.C., FEMA has 10 regional offices and 3 area offices that carry out the Agency's operations throughout the U.S. and its dependent areas.

FEMA's major mission components include Logistics Management, Disaster Assistance, Disaster Operations, Grant Programs, National Preparedness Directorate, U.S. Fire Administration, National Continuity Program, and Mitigation.

## B. Major Activities and Key Strategic Issues

### *Logistics Management*

FEMA's Logistics Management Directorate provides property management, logistics systems, and logistical operations for FEMA and its emergency management partners. This organization, which was carved out of the Disaster Operations Directorate in 2007, provides FEMA with the foundation to re-define disaster logistics and move beyond simply providing commodities (i.e., ice, water, tarps, and MREs) to a comprehensive management approach.

In FY 2007, the Total Asset Visibility (TAV) capability has been improved to provide order visibility, order management, and in-transit visibility. In FY 2008, the Logistics Management Directorate will continue its transformation efforts by recruiting and hiring a permanent workforce to fill an additional 25 positions as well as develop and implement new internal management controls. The Emergency Housing Unit's business practices for storing, issuing, refurbishing and disposing of the units will be refined to improve efficiency and program delivery.

In FY 2009, the Logistics Management Directorate plans to transform logistics management of supplies and services by engaging the private sector and incorporating industry best practices. Additional staff will be brought on board with the goal of completing the transformation of the Logistics Management Directorate by the end of FY 2009.

### *Disaster Assistance*

FEMA's Disaster Assistance Program works to ensure that individuals and communities affected by disasters of all sizes, including catastrophic events and terrorist attacks, receive rapid, situation appropriate, and accurately targeted disaster assistance through FEMA's Individual Assistance and Public Assistance programs. In addition, FEMA leads Federal agencies, State and local governments, and representatives of non-governmental organizations in developing, coordinating, and implementing the National Disaster Recovery Strategy and the National Disaster Housing Strategy.

In FY 2007, FEMA responded to 68 major disaster declarations, 11 emergency declarations, and 54 fire management assistance declarations. FEMA also continues to work on Hurricane Katrina related activities and disaster assistance funding included \$313 million provided to 58,000 households for Housing and Other Needs Assistance, and \$1.5 billion has been obligated to continue to provide reimbursement to clear debris and rebuild roads, schools, libraries, and other public facilities.

In FY 2008, FEMA plans to refine its evacuee hosting guidance and complete five State hosting plans for large numbers of evacuees. FEMA will complete enhancements to systems that support mass care and housing activities following a disaster. Debris management strategies will be tested and improved. Standard protocols and staff training will be developed for long-term recovery planning. FEMA will continue to develop plans and procedures for managing disaster assistance operations under the varying conditions of different catastrophic and extraordinary disaster scenarios.

In FY 2009, FEMA will continue to improve its plans and capabilities for managing mass evacuations and the resulting displaced populations, including additional State and local plans and development and expansion of evacuee tracking systems. The agency will also continue to improve and test/exercise its capabilities for all of its Individual Assistance functions (mass care, emergency assistance, housing, and human services).

### *Disaster Operations*

FEMA's Disaster Operations Program provides the core Federal operational capabilities needed to save lives, minimize suffering, and protect property in a timely and effective manner in communities overwhelmed by acts of terrorism, natural disaster, or other emergencies. Disaster Operations offers a unique capability that ensures that Federal emergency response systems and capabilities are properly poised to support Federal decision makers and immediately receive and react to requirements necessary to support states overcome by an emergency or major disaster.

In FY 2007, FEMA concentrated on improving operational core competencies, in incident management, operational planning, emergency communications, and catastrophic disaster response planning. Real time information sharing is now occurring at the local, State, and Federal levels. FEMA is using advances in technology satellite imagery, radios, and frequency management to perform its operational mission. For the Urban Search and Rescue (US&R) program, FEMA has implemented operational readiness evaluations and training to increase task force operational capabilities. Site-specific catastrophic disaster response planning was initiated for three high risk areas of the U.S.: the New Madrid Seismic Zone; a Category 5 Hurricane impacting Southern Florida; and earthquakes in California.

In FY 2008, FEMA will establish Incident Management Assist Teams (IMATs), the next generation of rapidly deployable interagency National and Regional emergency response teams. These teams, designed to provide a forward Federal presence to better manage and coordinate the National response for catastrophic incidents, will rapidly deploy to an incident or incident-threatened venue, provide leadership in the identification and provision of Federal assistance, and coordinate and integrate inter-jurisdictional response in support of the affected State(s) or U.S. Territories. Disaster Operations plans to enhance the staffing of operational planners at FEMA HQ and each FEMA Region. To improve disaster workforce management, we will continue to standardize recruitment, hiring, training, and credentialing of all disaster responders and develop a website for communication of policies and procedures to all disaster responders. We will provide increased functional training to US&R Task Force members and will sponsor catastrophic scenario-driven workshops will be held for states affected by the New Madrid Seismic Zone and for a Category 5 Hurricane impacting Southern Florida.

In FY 2009, Disaster Operations plans to continue efforts to expand the emergency management body of knowledge and strengthen emergency management education improve FEMA's incident management capability through 24/7 situational awareness; strengthen FEMA's Regional operations and partnerships; and continue the transition to the next generation of rapidly deployable interagency National and Regional emergency response teams. FEMA will support the development of operational planning capabilities at all levels of emergency management as well as of vertically and horizontally-integrated response plans compliant with the National Incident Management System and the National Response Framework.

### *Grant Programs*

The Grant Programs Directorate (GPD) awards and administers funds to thousands of grant recipients annually. GPD grant programs serve the public by providing support to assist federal agencies, states, territories, tribal, and local jurisdictions to prepare, prevent, plan for, and respond to acts of terrorism and major disasters. GPD also serves as the executive agent for development of grant guidance including the formulation of the risk methodology used to support grant allocations. GPD is fiscally responsible for approximately 17,000 open grants and is programmatically responsible for more than two-thirds of those grants. GPD subject matter experts provide on-site programmatic monitoring and technical assistance to grantees, while analyzing, evaluating and ensuring accountability and program effectiveness. This directorate also manages the business processes necessary for announcing, awarding, monitoring, and reporting on FEMA's grant programs. The grant programs administered by GPD include the Homeland Security Grant Program (HSGP), Infrastructure Protection Program (IPP), Public Safety Interoperable Communications (PSIC) Grant Program, Assistance to Firefighters Grant Program (AFG), and Emergency Management Performance Grants (EMPG).

In FY 2007, over \$2.305 billion in grants were provided to states, territories, fire departments and emergency medical services organizations. State Preparedness Grants, which include State Homeland Security Grants, Emergency Management and Performance Grants, Citizen Corps, Law Enforcement Terrorism Prevention Plan and Metropolitan Medical Response System Grants, totaled \$1.113 billion. The Urban Areas Security Initiative Grants Program and Infrastructure Protection Program Grants awarded \$747 million and \$445 million, respectively.

The Assistance to Firefighter Grants (AFG) Program received 20,739 applications and will issue approximately 5,000 grant awards. Of the 20,739 applications received for AFG, 1,276 (6.2%) of these were from urban jurisdictions, 3,436 (16.6%) from suburban jurisdictions, and 16,027 (77.2%) from rural jurisdictions. AFG Grants awards began in July 2007 and are expected to continue through the calendar year.

FEMA also administered the Public Safety Interoperable Communications Grants with the Department of Commerce, a \$1 billion program providing grants to public safety agencies.

In FY 2008, the budget for State Preparedness Grants, Urban Areas Security Initiative Grants, and Infrastructure Protection Program Grants is \$2.5 billion. FEMA will continue to refine the national homeland security planning process to align resources with National Priorities and target capabilities established by the Interim National Preparedness Goal. The AFG program will complete the first stage of strategic planning and establish enhanced performance measures and performance measure reporting as recommended by National Academy of Public Administration.

In FY 2009, the budget for State Preparedness Grants, Urban Areas Security Initiative Grants, and Infrastructure Protection Program Grants is proposed to be \$1.9 billion with an additional \$300 million in Assistance to Fire Fighter Grants. FEMA plans to update the Homeland Security State/Urban Areas Strategies as necessary, and refine and implement the funding allocation methodology based on risk analysis and anticipated return on investment. The AFG program will begin to collect and utilize performance measure data to improve program effectiveness.

### *National Preparedness*

The National Preparedness Directorate works to ensure that the nation is prepared for disasters of all kinds, regardless of cause. It also coordinates and brokers agency and interagency planning initiatives in support of operational response and recovery objectives for the National Response

Framework (NRF) and for the National Incident Management System (NIMS). National Preparedness directs the Office of State and Local Government Coordination (OSLGC), the activities of the Emergency Management Institute (EMI), the Radiological Emergency Preparedness Program (REPP) and the Chemical Stockpile Emergency Preparedness Program (CSEPP).

In FY 2007, National Preparedness participated in revising the National Response Plan (now called the NRF) based on results of lessons learned from the FY 2005 hurricane season, including Hurricane Katrina. FEMA worked with the White House, other Federal agencies, as well as State and local governments, and private and non-profit sector partners to revise the National Response Plan and to write the NRF. FEMA helped to ensure that the more than 5700 comments provided by these groups and the public were taken into account during the revision process. As of FY 2007, 279,334 State students and 1,222,726 local students have been trained in IS700 National Incident Management System (NIMS), an introduction Independent Study course. NPD implemented a revised review and audit process for NPD training courses. The Center for Domestic Preparedness trained 60,000 responders in resident, non-resident, and Train-the-Trainer programs through 2,605 course iterations. The Radiological Emergency Preparedness Program (REPP) provided support and oversight to conduct, evaluate, and report findings to the Nuclear Regulatory Commission (NRC) on 28 joint exercises, and conducted routine and comprehensive reviews to identify and address vulnerabilities.

In FY 2008, NIMS/Incident Command System and NRF training programs will be expanded with DHS training partners (Coast Guard, Federal Law Enforcement Training Center (FLETC), Center for Domestic Preparedness, etc.), other federal agencies, and state and local partners. All National Preparedness training courses will be reviewed at the three year limit. REPP will provide support and oversight to conduct, evaluate, and report findings to the NRC on 31 joint exercises and any associated remedial exercises.

In FY 2009, the Emergency Management Institute will continue to develop and deliver its national-level training program and evaluate the effectiveness and the impact on local, tribal, State, Federal, public, and private sector officials. Training courses will be reviewed and realigned to the target capabilities listing. REPP plans to provide support and oversight to conduct, evaluate, and report findings to the NRC on 33 joint exercises and any associated remedial exercises; and participate in activities associated with the 19 reactor licensing applications anticipated for FY 2008 and 6 addition applications anticipated in FY 2009.

#### *U.S. Fire Administration*

The U.S. Fire Administration prepares the Nation's fire responders through ongoing and, when necessary, expedited training, regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all hazard and terrorism emergencies.

In FY 2007, the National Fire Academy (NFA) delivered 3,010 training programs to 75,675 fire and emergency response personnel; launched NFA Online, a new web-based learning management system for distance learning training; and began development of a new preparedness curriculum. USFA staff provided facilities and support services to the national Emergency Training Center (NETC) in Emmitsburg, MD. The National Fire Data Center disseminated preparedness, prevention, response, and recovery information nationwide via various media and enhanced the National Fire Incident

Reporting System (NFIRS) data collection and analysis methodologies and tools. USFA also supported the rebuilding of the New Orleans fire department after Hurricane Katrina.

In FY 2008, USFA plans to maintain delivery of training programs; ensure the operation and maintenance of the NETC facility in compliance with applicable standards and codes; implement improvements in NFIRS reporting and improve the capability of the Student Admissions System; and develop, manage, and maintain activities related to USFA's responsibilities in the National Response Framework.

In FY 2009, USFA programs and activities will be maintained at the FY 2007 level by capitalizing on the NFA online web-based Learning Management System (LMS) distance learning training.

#### *National Continuity Programs*

FEMA's National Continuity Program provides Executive Agent leadership to guarantee the survival of an enduring constitutional government by ensuring continuity of national operations in response to national emergencies. The Office of National Continuity Coordination ensures that FEMA maintains an appropriately resourced, staffed, and equipped ability to provide Executive Agent leadership for Continuity and National Contingency Programs, and serves as the Federal Executive Agent for the Integrated Public Alert and Warning System (IPAWS).

In FY 2007, FEMA conducted fifty Interagency/state and local continuity exercises. Fifteen Interagency and state and local continuity manager's train-the-trainers courses were delivered, resulting in 452 additional individuals trained and certified and reaching all 30 major departments and agencies and all fifty states. FEMA conducted a major exercise, Quiet Sentinel 07, which included participation of 18 FEMA Offices, Administrations and Directorates. Fifty COOP tabletop exercises were conducted. Fifteen COOP manager's train-the-trainers courses were delivered, resulting in 452 additional individuals trained and certified and reaching all 30 major departments and agencies. At the end of FY 2007, FEMA conducted a series of pilots to support the mandate of Executive Order 13407, Public Alert and Warning System, to upgrade the Nation's emergency alert systems to meet the requirement to broadcast alert and warning messages to 90 percent of the viewing public within 10 minute. In FY 2008 these exercises will be combined under the National Exercise Plan and executed in accordance with HSPD-20/NSPD-51; National Continuity Policy signed May 4, 2007.

FY 2008 base resources will be used to sustain contingency programs that are well-developed and operational; to continue to enhance interagency communications to support national-level command and control systems; and to develop and deploy new technologies to improve contingency system programs. The IPAWS will continue work in the categories of: protocols, standards and procedures; architecture for delivery over many paths; related test, training and exercises; public education, conferences, and web based opt-in alerts to computers, pagers, etc.; begin incremental deployment of the first iteration of IPAWS capabilities; and begin expanding the number and capabilities of the Primary Entry Points (PEP) stations. It will also begin implementing Digital Emergency Alert System (DEAS) to utilize public broadcast systems satellite network to distribute audio, text, and video to PBS affiliates nationwide. FY 2008 funding to Mt. Weather will initiate mechanical infrastructure upgrades, increase the electrical power input and distribution, and enhance environmental compliance.

In FY 2009, FEMA will continue to serve as the Executive Agency for Federal Continuity, assisting government agencies in the implementation of Continuity policy and requirements.

FEMA will also sustain the IPAWS emergency warnings through broadcasts and other distribution paths to reach 90 percent of the public within 10 minutes.

### *Mitigation*

FEMA's Mitigation Program works to strengthen mitigation nationwide to reduce the Nation's risk to natural disasters or other emergencies, and to facilitate adoption and enforcement of up-to-date design and construction practices through State and local building codes. Mitigation supports activities that result in sound risk management decisions by individuals, private and public sector entities, State, local and tribal governments, and Federal agencies. The Mitigation programs are conducted through three core activities: risk identification and assessment, risk reduction, and insurance against flood risk. These core activities work in tandem to create safer communities by reducing the loss of life and property, to enable individuals to recover more rapidly from floods and other disasters, and to lessen the financial impact on the U.S. Treasury, States, and local and tribal communities.

In FY 2007, Mitigation Programs prevented an estimated \$2.4 billion in potential property losses, disaster recovery, and other costs. FEMA awarded nearly \$50 million to communities nationwide through its Pre-Disaster Mitigation (PDM) grant program, which provides funding for implementing cost-effective hazard mitigation planning and projects before disasters occur. FEMA's Flood Map Modernization program updated and transformed additional flood maps into more reliable, easy-to-use, and readily available digital products using the latest mapping technology. New flood maps were produced for jurisdictions representing approximately 60 percent of the Nation's population. Maps currently under development represent an additional 32 percent of the population. In FY 2007, regulations to implement the Severe Repetitive Loss (SRL) grant programs were developed, along with the electronic application tool for State and local governments. The SRL program provides funding to mitigate those properties that have the largest impact on claims paid from the National Flood Insurance Fund, and was established by the Bunning-Bereuter-Blumenauer Flood Reform Act of 2004, which amended the National Flood Insurance Act of 1968.

In FY 2008 and FY 2009, the Mitigation Program will continue to administer over 5 million flood insurance policies and provide technical and financial assistance to States, tribes, and local governments for activities that mitigate the risk from future disasters. In addition, with funding through FY 2008, the Mitigation Program will continue its major effort to modernize and update the Nation's flood maps, resulting in improved digital flood maps for the entire Nation. In FY 2009 FEMA is requesting \$150 million to ensure the Map Modernization investment is preserved and make progress toward addressing flood hazard data needs for communities who rely heavily on structural flood control defenses as well as those communities along the Nation's open coasts. Further, the requested FY 2009 funding will allow FEMA to smoothly transition to a future multi-year mapping endeavor.

### *National Capital Region Coordination*

The Office of National Capital Region Coordination (NCRC) advances homeland security, including all hazards preparedness, in the National Capital Region. NCRC serves as a model for other regions of the country. NCRC focuses on developing and refining a common regional approach to homeland security that result in integrated strategies and interoperability among Federal, State, local, regional and private/non-profit stakeholders. NCRC's primary responsibilities include coordinating and participating in programs and initiatives aimed at enhancing the homeland security posture of the region.

## Key Strategic Issues

*Vision for New FEMA: The Nation's Preeminent Emergency Management and Preparedness Agency.* FEMA will be an organization in touch with America, and valued across all jurisdictions – Federal, state, local and tribal, and by the private sector and other non-governmental organizations - as an engaged, agile, responsive, and trusted leader and partner in preparedness and emergency management. The new organization will reflect the expanded scope of FEMA's responsibilities; one that supports a more nimble, flexible use of resources. It will strengthen coordination among FEMA elements and with other DHS components and it will enable FEMA to better coordinate with agencies and departments outside of DHS. It will also deliver enhanced capabilities to partners at the state and local levels and engage capabilities of the private sector.

*Assuming a Broad New Mission.* FEMA will capitalize on the requirements set forth within the Post-Katrina Emergency Management Reform Act of 2006 to exercise national leadership and provide more complete service to the American people and Federal, state, local, and tribal counterparts. Never before has such a broad scope of homeland security prevention, protection, response, and recovery missions for all hazard events resided within a single component of the Department of Homeland Security. A successfully integrated and supported FEMA will result in a nation that is prepared to reduce the loss of life and property.

Substantial progress has already been made to integrate and support operational and preparedness missions that transferred to FEMA in FY 2007, and much work remains to ensure their alignment is synchronized with the "Vision for New FEMA." Additional steps are underway to unify strategic planning efforts, build robust disaster operations, disaster assistance, and logistics capabilities, and integrate grants, training, exercise, technical assistance, and communications platforms.

FEMA regions will have an expanded role in executing the broad national mission entrusted to FEMA because their operations provide an invaluable perspective to properly shape policy and planning performed at headquarters. Regions are also uniquely situated to facilitate continuous coordination with other Federal counterparts, state and local governments, the public and private sectors, and citizens. Together, the enhancement of core emergency management functions combined with new missions gained through the Post-Katrina Emergency Management Reform Act will enable FEMA and the Federal government to provide more complete emergency management services.

*Priorities.* The "New FEMA" will focus on initiatives the American public deserves and expects from the Nation's preeminent emergency management agency. The FY 2009 priorities for building this capability center on the following priorities:

- **Modernize & Integrate FEMA Information Technology (IT) Systems.** FEMA's IT systems are the tools that enable every mission and business process for the Agency and serve as the primary building blocks for New FEMA. It is imperative that FEMA develop and deploy a consistent architecture that will support information integration for the agency. By employing new technologies to enhance capabilities and efficiencies of service, FEMA will strengthen and unify DHS operations and management.

- **Invigorate FEMA Logistics.** Delivering the right material, to the right place, at the right time is one of the most critical missions FEMA coordinates and performs. FEMA is embarking on a process to develop an effective and efficient logistics planning and operations capability similar to Department of Defense strategic level logistics organization. To accomplish this goal, FEMA elevated its logistics function to the Directorate level and will develop it as a core competency area. FEMA will transform its logistics operating capability and enhance logistics management by leveraging public sector partnerships and incorporating industry best practices to efficiently support domestic emergencies.
- **Fill FEMA's Capacity Gaps.** FEMA's mission set and the expectations of performance for the Agency have substantially changed in the Post-Katrina environment. To ensure that FEMA meets Congressional intent and the American public's expectations, the agency must grow the permanent workforce in key strategic areas and provide the right educational and training opportunities for the current workforce. FEMA will work with its partners to build a professional workforce in emergency management and in key business areas to ensure FEMA's mission success. FEMA will also ensure the workforce has a safe, healthy, and efficient work environment.

## C. Resources Requested and Performance Impact

### **Major Changes within the Base level**

FEMA's FY 2009 budget request reflects an ongoing examination of the base budget to more effectively apply resources to meet legislative mandates and implement the FEMA vision. The FEMA Management and Administration appropriation has been restructured to reflect the realignment of core management and administration functions and resources from appropriations for the Disaster Assistance Direct Loan Program, the United States Fire Administration, and the Disaster Relief Fund. The proposed realignments will improve management efficiency and accountability, and provide a stable operating budget for non-disaster fixed-costs. Going forward, FEMA expects further revisions to increase management efficiencies by requesting authorization to include management costs for State and Local Programs within the FEMA Management and Administration appropriation.

### **Increments over current service level**

In FY 2007 and FY 2008, FEMA has begun a transformation to achieve the Agency's vision for the future. The \$5.7 billion requested in FY 2009 includes a \$233.4 million net increase in base funding in the Operations, Management and Administration account to continue to transform the agency by modernizing and integrating IT systems, and filling capacity gaps, both in the facilities infrastructure and in the workforce.

#### *Information Technology (\$20.8 million)*

Employing technology as a strategic tool is crucial to FEMA's success in meeting the huge challenge of becoming the preeminent emergency management agency. Our systems must not only be easily accessible to our users and business partners, but also include processes that contribute to FEMA's providing rapid, compassionate, and simply- accessed disaster assistance for every disaster victim and affected community.

#### *Facilities (\$10.0 million)*

This funding will be used to cover projected costs for relocations associated with expiring leases of five (5) FEMA Regional Offices and FEMA Headquarters; build-out costs for new FTEs.

*Shape the Workforce (\$33.8 million and 118 Positions/59 FTE)*

The additional positions and dollars will allow us to continue to increase our base resources and further the development of the operational core competencies necessary to achieve our vision, restore public confidence, and ensure the ability to successfully respond to future Katrina-sized events. In FY 2009, FEMA will grow the permanent workforce in key areas and complete critical training programs in the core competencies such as incident management, operational planning, disaster logistics, etc. Resources will also be used to provide the necessary equipment and other support needed for staff. Providing the workforce resources at the requested level will allow FEMA to strengthen the following key areas:

- *Incident Management Assessment Teams* (\$5.0 million/15 positions)

These resources continue the plan of forming three National and ten Regional Incident Management Assistance Teams (IMAT) to integrate the Federal government's emergency preparedness, protection, response, recovery, and mitigation activities to better address all-hazards, threats, disasters and emergencies. In FY 2009, FEMA plans to deploy the second National IMAT and begin the establishment of the fifth Regional IMAT.

- *RRCC 24/7 Watch Capability* (\$1.9 million/15 positions)

FEMA will move towards 24/7 operational awareness capability at its Regional Response Coordination Centers (RRCCs) with the addition of 15 positions. The additional positions will allow for continued progress towards reaching the goal of establishing a sustainable 24/7 watch in all regions.

- *Operational Planning* (\$1.3 million/10 positions)

The additional resources will be used to continue to expand FEMA's capability to work with State partners on the development of operational plans and more fully develop executable plans at the state/regional levels in accordance with the requirements of HSPD-8 Annex I.

- *Emergency Communications* (\$2.2 million/0 positions)

Mobile Emergency Response Support (MERS) is one of DHS/FEMA's most valuable disaster emergency communications mission support assets. It must be maintained and improved to ensure effective catastrophic disaster interoperable communications response support consistent with FEMA's Vision for emergency communications. MERS will deploy tactical command, control, and communications vehicles designed to provide voice, data, video, and tactical interoperable communications to both first responders on-scene, and to link critical Federal and state incident management centers. The funding increase will help provide necessary upgrades to existing equipment and for new equipment purchase to maintain and support communications systems to deliver tactical communications when necessary. Priority investments areas include Tactical Incident Response Vehicles, Tactical Network Switch Vehicles and Power Generation Equipment units.

- *Disaster Logistics* (\$10.3 million/30 positions)

The additional Logistics staff will help to institutionalize command and control of strategic logistics planning, operations and management while pushing operational control down to the most effective level of execution. This includes Logistics Planners at both the Regions and Headquarters; Logistics Operations Specialists, and National Emergency Housing Unit Site Managers. Additional resources will be used to transform and maintain a robust logistics capability by incorporating a comprehensive Third Party Logistics environment into the FEMA logistics structure; implement a modernized enterprise logistics property management system; and develop and maintain a logistics management certification program to ensure a pool of technically qualified personnel and a robust logistics community.

- *Disaster Assistance* (\$1.0 million/8 positions)

The additional staff anticipated in FY 2009 will contribute to continuing to implement the human resources strategic plan for Disaster Assistance. Specifically, the positions will be distributed to the Regions for Individual or Public Assistance Programs. The combination of these efforts will begin to address the shortage of personnel with Individual Assistance expertise, especially at the management level. The region's capabilities will be enhanced to avoid abandoning regional work due to new disasters. The enhanced management capabilities and subject matter expertise available will better enable the Directorate to meet the increased scope of and expectations for the disaster assistance mission as a result of new legislation, White House recommendations, and lessons learned as a result of Hurricane Katrina. Finally, we will begin to cement FEMA's leadership role for ESF #6 under the National Response Framework.

- *Hazard Mitigation* (\$4.0 million/4 positions)

This increase will add staff and dollars for several program activities including Mitigation Planning, the National Earthquake Hazards Reduction Program (NEHRP) and Building Sciences. These activities work together to play a role in the creation of safer communities nationwide by reducing the loss of life and property. These resources will further improve the risk assessment and risk prioritization of our Nation's aging dam infrastructure. It will also provide for the development of a web-based Mitigation Plans Repository; provide an increase of \$4 million for State grants to enable States to implement earthquake mitigation activities; and address two critical projects within Mitigation's Building Science programs: a) the Wind Hazard Mitigation Studies/Guidance and b) the Risk Management Series (RMS), which provides design guidance for mitigating multi-hazard events and are extensively used to conduct risk assessments of critical infrastructure by Federal departments and agencies.

- *Capacity Building for Business Activities* (\$8.0 million/36 positions)

In FY 2007 and 2008, FEMA initiated Phase I of transforming FEMA in to the *Nation's Preeminent Emergency Management Agency*. Through our vision for a New FEMA, we are strengthening core capabilities and the partnerships and people that comprise the Nation's preparedness and emergency management system. Our core competencies must be grounded in an ethos that employs a Business Approach to Achieving Desired Results. This business approach will enable wise business decisions backed by finance, budget, acquisition management, human resource and information systems support capabilities designed and scaled to enhance FEMA's mission success. Resources will be targeted at the following support services areas within FEMA to ensure adequate coordination, oversight, internal controls, and compliance with regulatory requirements.

- Regional Administrators (4 FTP)
- Office of Policy and Program Analysis (5 FTP)
- Office of the Chief Financial Officer (Budget, Financial Management, Internal Controls) (20 FTP)
- Office of the Chief Counsel (2 FTP)
- Office of Management (Executive Office, Acquisition) (5 FTP)

These resources will also provide for an increase in staff training and professional development FEMA-wide, to include certification, tuition assistance and leadership training.

*National Security Activities* (\$10.413 million)

The requested funds will support upgrades to the Mt. Weather Emergency Operations Center (MWEOC) critical and essential infrastructure. These upgrades include mechanical infrastructure improvements, safety enhancements, information technology site improvements, and utility distribution systems. Increased funding will also ensure compliance with environmental laws and regulations. New funding is necessary to ensure the immediate readiness of facilities that house FEMA disaster response support activities, 24-hour watch centers, centralized Automated Data Processing (ADP), protected telecommunications infrastructure as well as essential national security missions and capabilities.

*Fixed Disaster Support Costs*(\$149 million/298 positions)

The requested funds and positions will allow FEMA to complete the conversion of 4-year CORE employees to permanent Operating Activities positions and to provide resources for activities that are not disaster specific or disaster readiness and support activities.

As FEMA's mission has evolved, the distinction between activities funded through the Disaster Support Account and through the OMA appropriation has blurred. Today, both accounts fund similar types of activities that support the agency's preparedness, mitigation, response, recovery, administrative, and support functions. Funds also are used for line items such as salaries, benefits, travel, rent, purchase of equipment, necessary upgrades, maintenance of information technology systems, and maintenance of property. For FY 2009, FEMA requests to fund these activities in the OMA account to allow for more efficient administration and increase budgetary discipline and accountability.

Over the past ten years, FEMA has relied on temporary employees hired under the authority of the Stafford Act to staff positions at fixed facilities, headquarters, and regional offices. The current

workforce structure has not kept pace with the changing demands and organizational transitions within FEMA and DHS. The level of preparedness and response capability required of FEMA demands a restructuring of its workforce to include a transition of 4-year CORE personnel from temporary employees to permanent full-time employees (PFT). As FEMA's workload has increased and the mission has evolved, the Agency has come to rely heavily on workers hired under the temporary authority whose workload remains constant and whose duties are no different from those of Title 5 employees. The only difference between PFT and CORE personnel is that the Stafford Act employees may only work on DRF-funded activities and programs. This has led to inequity issues, and in some cases, inefficiencies because functions and operations that support both DRF-funded and non-DRF funded programs are often identical in nature.

The FY 2007 Homeland Security Appropriations Act, P.L. 109-295, Section 682, provided \$30,000,000 to fund up to 250 permanent staff to replace existing temporary Stafford Act workforce. The FY 2008 Omnibus Bill provided for the transfer of \$60,000,000 from the DRF to OMA to provide FEMA with additional personnel resources to more efficiently and effectively manage both DRF and non-DRF funded operations by establishing a core cadre of full-time, deployable subject matter experts to provide continuity, supervision, and leadership during disaster response and recovery operations.

#### *Reduction to Urban Search and Rescue*

FEMA requests a programmatic reduction of \$7,500,000 for the Urban Search and Rescue in FY 2009. The reduction in the Urban Search and Rescue Program is based on several factors including the substantial level of funds awarded over the past five years and a reprioritization of FEMA resources. Even at the reduced level, FEMA will continue to improve the programs' effectiveness as a national program to enhance overall preparedness.

#### D. FEMA Programs and Performance Goals – Alignment to DHS Goals and Objectives

The following list of programs with their performance goals are followed by the DHS goals and objective they support.

*Logistics Management Program Performance Goal* – Ensure Logistics Management capabilities to include management of all-source range of assets, teams, equipment and supplies are available to respond to federally declared disasters quickly and efficiently.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.1 - Response and Recovery

*Disaster Assistance Program Performance Goal* – Help individuals and communities affected by federally declared disasters return to normal function quickly and efficiently, while planning for catastrophic disaster recovery operations.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.1 - Response and Recovery

*Disaster Operations Program Performance Goal* – Ensure the capability and readiness of all FEMA disaster response teams and logistics capabilities to respond quickly and effectively to provide assistance when and where needed.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.1 - Response and Recovery

*Grants Program Performance Goal* – Enhance the Nation's preparedness by increasing the capability of states, territories, and local jurisdictions to prevent, protect against, respond to, and recover from terrorism and all-hazard events through the provision of grants, first responder training, technical assistance, and exercises.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.2 - Preparedness

*National Preparedness Performance Goal* – Help ensure the nation is ready to respond to and recover from acts of terrorism, natural disasters, or other emergencies through implementation of the National Incident Management System (NIMS) and the provision of emergency management training.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.2 – Preparedness

*Fire and Emergency Assistance Performance Goal* – Maximize the health and safety of the public and firefighting personnel against fire and fire-related hazards by providing assistance to fire departments and by training the Nation's fire responders and health care personnel to prevent, protect against, respond to, and recover from fire-related events.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.2 – Preparedness

*National Continuity Program Performance Goal* - Ensure all Federal Departments and Agencies have fully operational Continuity of Operations (COOP) and Continuity of Government (COG) capabilities.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.1 - Response and Recovery

*Mitigation Program Performance Goal* - Reduce the impact of natural hazards on people and property through the analysis and reduction of risks and the provision of flood insurance.

Goal 4 - Build a nimble, effective emergency response system and a culture of preparedness  
Objective 4.2 – Preparedness

E. Performance Based Budget Highlights by Program

For each major program, the performance goal, main performance measure/s, indicators, budget including allocation of non-programmatic overhead, and FTE are shown below. A complete listing of performance measures may be found on the OMB website Expectmore.gov. In a few instances program names in PARTweb may differ slightly from those used in the Performance Budget.

| <b>Program: Disaster Assistance</b>   |             |              |              |             |             |             |
|---|-------------|--------------|--------------|-------------|-------------|-------------|
| <b>Performance Goal:</b> Help individuals and communities affected by federally declared disasters return to normal function quickly and efficiently, while planning for catastrophic disaster recovery operations. |             |              |              |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |             |              |              |             |             |             |
| <b>Fiscal Year:</b>   | FY 2004     | FY 2005      | FY 2006      | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>   | \$3,266,582 | \$33,812,600 | \$20,730,361 | \$5,104,310 | \$4,207,827 | \$1,732,235 |
| <b>FTE</b>  | 2,821       | 4,406        | 6,995        | 3,191       | 2,820       | 3,216       |

Performance Plan Measures

| <b>Measure: Percent of customers satisfied with Individual Recovery Assistance</b>  |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Description of Measure:</b> The percent of Americans affected by disaster or other emergency who indicate satisfaction with the Individual Disaster Recovery Assistance provided by FEMA to help them return to normal and function quickly and efficiently. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 90%     | 90%     | 91%     | 92%     | 93%     |
| <b>Actual:</b>  | None    | 93%     | 91%     | 92.2%   | N/A     | N/A     |

| <b>Measure: Percent of customers satisfied with Public Recovery Assistance</b>  |         |                    |         |         |         |         |
|---|---------|--------------------|---------|---------|---------|---------|
| <b>Description of Measure:</b> The percent of communities affected by disaster or other emergencies who indicate satisfaction with the Public Disaster Recovery Assistance provided by FEMA to help them return to normal and function quickly and efficiently. Assistance includes debris removal, emergency protective measures, and repair or replacement of damaged infrastructure. |         |                    |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005            | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 87%                | 88%     | 88%     | 90%     | 90%     |
| <b>Actual:</b>  | None    | Data Not Available | 88%     | 88%     | N/A     | N/A     |

| <b>Program: Disaster Operations</b>   |             |             |             |           |           |           |
|---|-------------|-------------|-------------|-----------|-----------|-----------|
| <b>Performance Goal:</b> Provide the core Federal operational capabilities needed to save lives, minimize suffering, and protect property in a timely and effective manner in communities overwhelmed by acts of terrorism, natural disaster, or other emergencies. |             |             |             |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |             |             |             |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004     | FY 2005     | FY 2006     | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$1,692,165 | \$9,468,000 | \$1,115,945 | \$666,547 | \$307,838 | \$425,430 |
| <b>FTE</b>  | 1,220       | 1,554       | 801         | 695       | 694       | 694       |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of response teams reported at operational status.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percent of FEMA's response teams indicating they are ready to respond quickly and effectively to acts of terrorism, natural disasters, and other emergencies. This measure tracks the readiness of three types of teams: the 28 task forces of Urban Search and Rescue (USR); the five Mobile Emergency Response Support (MERS) detachments; and the two Federal Incident Response Support Teams (FIRSTs). |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 50%     | 85%     | 88%     | 91%     | 94%     |
| <b>Actual:</b>  | None    | 50%     | 85%     | 88%     | N/A     | N/A     |

|  |         |             |             |             |             |             |
|--|---------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Grants Program</b>   |         |             |             |             |             |             |
| <b>Performance Goal:</b> Enhance the Nation's preparedness by increasing and measuring the capability of States, territories, and local jurisdictions to prevent, protect, respond, and recover from terrorism and all - hazard incidents. |         |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | None    | \$2,871,718 | \$2,683,809 | \$3,354,555 | \$3,934,049 | \$2,105,627 |
| <b>FTE</b>   | None    | 62          | 184         | 216         | 341         | 357         |

**Performance Plan Measures**

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of analyzed capabilities performed acceptably in exercises.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Exercises form a critical part of the backbone of national emergency preparedness. During an exercise, a jurisdiction is required to implement its critical capabilities under circumstances as close as possible to an actual emergency. Historically exercises were evaluated using critical tasks; now they are evaluated using capabilities as described by the Homeland Security Exercise and Evaluation Program. Exercises expose areas of strength, weaknesses in plans and abilities, and areas of possible improvement. As such, exercises are the most cost - effective and accessible means of demonstrating whether or not a jurisdiction has attained a desired level of emergency capabilities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | None    | 40%     | 40%     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

|  |         |         |         |                |         |         |
|--|---------|---------|---------|----------------|---------|---------|
| <b>Measure:</b> Percent of state and local homeland security agency grant recipients reporting significant progress towards identified goals and objectives. |         |         |         |                |         |         |
| <b>Description of Measure:</b> This measure reflects grantee progress against goals and objectives identified in homeland security strategies.               |         |         |         |                |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007        | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | Baseline (25%) | 26%     | 27%     |
| <b>Actual:</b>   | None    | None    | None    | 67%            | N/A     | N/A     |

|  |         |         |         |          |         |         |
|--|---------|---------|---------|----------|---------|---------|
| <b>Measure:</b> Percent of urban area grant recipients reporting significant progress towards identified goals and objectives.   |         |         |         |          |         |         |
| <b>Description of Measure:</b> This measure reflects grantee progress against the goals and objectives identified in their Urban Area homeland security strategies. This measure will be collected during the monitoring visits conducted by the FEMA/National Preparedness Directorate (NPD) Preparedness Officers (PO). Each objective is measured on a 0 - 5 scale with 0 meaning zero progress and 5 meaning the objective has been completed. The term "significant" means a 0.1 increase in the average progress of all of the objectives in the grantee's strategy. |         |         |         |          |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | Baseline | 26%     | 27%     |
| <b>Actual:</b>   | None    | None    | None    | Baseline | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent reduction in firefighter injuries in jurisdictions receiving Assistance to Firefighter Grants funding compared to national average.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure compares the percent reduction in fighter injuries in jurisdictions that receive AFG grants to the average percent reduction in firefighter injuries nationwide. The measure assesses improvements in firefighter safety in jurisdictions that receive AFG funding. Comparing AFG - funded jurisdictions to the national average shows the impact of AFG grant awards on reducing firefighter injuries. The measure specifically focuses on line - of - duty firefighter injuries, not any injury that a firefighter may have. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 15.5%   | 18%     | 21%     |
| <b>Actual:</b>   | None    | None    | None    | 44.3%   | N/A     | N/A     |

|   |         |         |             |          |           |           |
|---|---------|---------|-------------|----------|-----------|-----------|
| <b>Program: Logistics Management</b>  |         |         |             |          |           |           |
| <b>Performance Goal:</b> Improve the response to domestic emergencies and special events by ensuring logistics management capabilities exist to provide the full - range of necessary assets. |         |         |             |          |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |         |         |             |          |           |           |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006     | FY 2007  | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | None    | None    | \$4,062,146 | \$33,831 | \$186,895 | \$364,143 |
| <b>FTE</b>  | None    | None    | 1,566       | 155      | 538       | 695       |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Average time in hours to provide essential logistical services to an impacted community of 50,000 or fewer.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The average response time in hours to provide essential logistical services to a community of 50,000 or fewer, in the event of a natural disaster or other emergency. FEMA provides logistical services to communities which include ice, water, meals ready to eat, and other commodities. Start time is measured from the driver pick up time and end time is measured as delivery to the destination. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 64      | 60      | 60      | 56      | 36      |
| <b>Actual:</b>  | None    | 65      | 63.5    | 48      | N/A     | N/A     |

|  |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Mitigation</b>   |             |             |             |             |             |             |
| <b>Performance Goal:</b> Reduce the impact of natural hazards on people and property through the analysis and reduction of risks and the provision of flood insurance. |             |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |             |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | \$2,535,636 | \$6,389,315 | \$4,648,200 | \$3,701,083 | \$3,553,939 | \$3,681,264 |
| <b>FTE</b>   | 731         | 936         | 1,322       | 962         | 950         | 1,002       |

**Performance Plan Measures**

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percent of the national population whose safety is improved through the availability of flood risk data in Geospatial Information System (GIS) format.   |  |  |  |  |  |  |
| <b>Description of Measure:</b> The cumulative percent of the national population that has updated digital flood risk data available online for their community. This digital data replaces old - fashioned paper |  |  |  |  |  |  |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| flood maps. There are some communities, representing 8% of the population, with little to no flood risk that will not be mapped. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 50%     | 50%     | 60%     | 70%     | 80%     |
| <b>Actual:</b>   | None    | 38.6    | 47.7%   | 60%     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Potential property losses, disasters, and other costs avoided   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The estimated dollar value of losses to the American public which are avoided or averted through a strategic approach of natural hazard risk management. Losses are avoided to property (buildings and infrastructure) through the provision of: 1) Financial and technical assistance to States, territories, tribes, and communities to implement pre - identified, cost - effective mitigation measures (via Hazard Mitigation Assistance grants); 2) Sound floodplain management; 3) State - of - the - art building science technologies, guidance and expertise for natural and man - made hazards (Disaster - Resistant Building Sciences), thus protecting American citizens from disasters through assistance, education, and technology. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | \$1.757 | \$2.27B | \$2.40B | \$2.10B | \$2.20B |
| <b>Actual:</b>  | None    | \$1.895 | 2.30B   | 2.61B   | N/A     | N/A     |

|  |          |          |           |           |           |           |
|--|----------|----------|-----------|-----------|-----------|-----------|
| <b>Program: National Continuity Programs</b>   |          |          |           |           |           |           |
| <b>Performance Goal:</b> Ensure all Federal Departments and Agencies have fully operational Continuity of Operations (COOP) and Continuity of Government (COG) capabilities. |          |          |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |          |          |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$27,865 | \$60,600 | \$129,342 | \$157,770 | \$215,552 | \$228,228 |
| <b>FTE</b>   | 116      | 132      | 227       | 309       | 251       | 262       |

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of Federal Departments and Agencies with fully operational Continuity of Operations (COOP) capabilities   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The Federal Emergency Management Agency (FEMA) works with Federal departments and agencies to develop and exercise plans that ensure the continuation of federal operations and the continuity and survival of an enduring constitutional government. FEMA collects the results of exercises and self - assessments to measure the percentage of departments and agencies that have in place the necessary plans and capabilities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 90%     | 95%     | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | None    | 90%     | 95%     | 100%    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of fully operational Continuity of Government (COG) capabilities  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percentage of federal departments and agencies that have developed and exercised plans to ensure the continuity of government operations and essential functions in the event of crisis or disaster. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 80%     | 70%     | 80%     | 90%     | 100%    |
| <b>Actual:</b>  | None    | 20%     | 70%     | 80%     | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: National Preparedness</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Improve the nations ability to respond to and recover from acts of terrorism, natural disasters, or other emergencies through implementation of the National Incident Management System (NIMS) and the provision of emergency management training. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$345,286 | \$136,300 | \$210,551 | \$393,238 | \$327,381 | \$257,250 |
| <b>FTE</b>  | 589       | 620       | 340       | 517       | 698       | 730       |

**Performance Plan Measures**

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent increase in knowledge, skills, and abilities (KSAs) of State and local homeland security preparedness professionals receiving training   |         |         |         |         |         |         |
| <b>Description of Measure:</b> Percent improvement in knowledge, skills, and abilities (KSA) of state and local homeland security professionals after the completion of training, which demonstrates strengthened first responder preparedness and mitigation with respect to acts of terrorism, natural disasters, and other emergencies. Measuring these improvements indicates the impact of training services on the nation's preparedness level. This measure evaluates the gain in knowledge, skills, and abilities of students through pre and post course assessments. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | N/A     | 37%     | 38%     | 27%     | 27%     | 28%     |
| <b>Actual:</b>   | None    | 38.5%   | 27%     | 25%     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of Federal, State, Local and Tribal Governments compliant with the National Incident Management System (NIMS)   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure tracks the percentage of critical partners who are compliant with the National Incident Management System (NIMS). Federal Agencies were required to identify a point of contact within their agency to act as a liaison with NIMS Integration Center (NIC), create a NIMS Implementation Plan, incorporate NIMS into their respective Emergency operations Plans, and train all appropriate personnel in the NIMS standard training curriculum. States are required to submit self - certification of compliance based on 23 compliance requirements in the NIMCAST system. The DHS Office of Grants and Training (OGT) and the NIC coordinate to monitor the previous year's submission of NIMS implementation within States. Selective data audits, field monitoring and continuous refinements on reporting metrics to identify inconsistencies and errors are used to ensure reliability. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | None    | 82%     | 100%    | 100%    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of Radiological Emergency Preparedness Program communities with a nuclear power plant that are fully capable of responding to an accident originating at the site.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Percentage of U.S. communities surrounding a nuclear power plant that are prepared and capable of responding to and recovering from an accident or terrorist attack. This assessment is based on first responder performance in exercises conducted at the facilities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | 89%     | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | None    | None    | 100%    | 100%    | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of respondents reporting they are better prepared to deal with disasters and emergencies as a result of training   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percent of students attending training at the Emergency Management Institute (EMI) and FEMA's Employee Development program who responded to a survey and indicated that they are better prepared to deal with disasters and emergencies as a result of the training they received. This training provides Federal, State, local and tribal officials having key emergency responsibilities with the knowledge and skills needed to strengthen nationwide preparedness and respond to, recover from, and mitigate against acts of terrorism, natural disasters, and other emergencies. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 91%     | 90%     | 90%     |
| <b>Actual:</b>   | None    | None    | None    | 89%     | N/A     | N/A     |

|   |         |           |           |          |          |          |
|---|---------|-----------|-----------|----------|----------|----------|
| <b>Program: U.S. Fire Administration</b>  |         |           |           |          |          |          |
| <b>Performance Goal:</b> Reduce the effect of fire and all hazard emergencies by enhancing the delivery of state and local fire and emergency services. |         |           |           |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |         |           |           |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006   | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | None    | \$715,000 | \$699,109 | \$41,349 | \$43,300 | \$86,434 |
| <b>FTE</b>  | None    | None      | 148       | 114      | 114      | 279      |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> The per capita loss of life due to fire in the U.S.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is based on data that analyzes the reduction in the rate of loss of life from fire - related events by one percent per year. It examines the fatalities in the U.S. per million population using modified targets based on the review of historical data. The National Fire Protection Association (NFPA) reports data in September for the previous year. NFPA Survey data are analyzed to produce the report on fire related civilian fatalities. FY 2006 actual results are the most recent data available and will be updated when NFPA reports the data in September of the current fiscal year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 13.5    | 13.1    | 13.0    | 12.9    |
| <b>Actual:</b>  | None    | None    | 12.4    | 13.1    | N/A     | N/A     |

## F. Digest Tables by FYHSP Programs

| DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM |                 |                   |              |                   |              |                  |  |                    |                 |                    |               |                  |
|--|-----------------|-------------------|--------------|-------------------|--------------|------------------|--|--------------------|-----------------|--------------------|---------------|------------------|
| (Dollars in Thousands)   |                 |                   |              |                   |              |                  |  |                    |                 |                    |               |                  |
| Total, Mandatory and Discretionary. All Appropriations           |                 |                   |              |                   |              |                  |  |                    |                 |                    |               |                  |
| Budget Activity  | FY 2007         |                   | FY 2008      |                   | FY 2009      |                  | Increase (+) or Decrease (-) For FY 2009 |                    |                 |                    |               |                  |
|  | Revised Enacted |                   | Enacted      |                   | Request      |                  | Total Changes                            |                    | Program Changes |                    | Other Changes |                  |
|  | FTE             | AMOUNT            | FTE          | AMOUNT            | FTE          | AMOUNT           | FTE                                      | AMOUNT             | FTE             | AMOUNT             | FTE           | AMOUNT           |
| Assistance to Firefighter Grants                                 | 33              | 662,000           | 54           | 750,000           | 54           | 300,000          | 0  | (450,000)          | 0               | (450,000)          | 0             | 0                |
| Grants Program   | 33              | 662,000           | 54           | 750,000           | 54           | 300,000          | 0  | (450,000)          | 0               | (450,000)          | 0             | 0                |
| Public Health  | 40              | 33,885            | 0            | 0                 | 0            | 0                | 0  | 0                  | 0               | 0                  | 0             | 0                |
| Disaster Operations Program                                      | 40              | 33,885            | 0            | 0                 | 0            | 0                | 0  | 0                  | 0               | 0                  | 0             | 0                |
| Disaster Assistance Direct Loan Program                          | 3               | 569               | 3            | 875               | 0            | 295              | (3)                                      | (580)              | 0               | 0                  | (3)           | (580)            |
| Disaster Assistance Program                                      | 3               | 569               | 3            | 875               | 0            | 295              | (3)                                      | (580)              | 0               | 0                  | (3)           | (580)            |
| Disaster Readiness and Support Activities                        | 0               | 0                 | 0            | 0                 | 0            | 200,000          | 0  | 200,000            | 0               | 0                  | 0             | 200,000          |
| Disaster Operations Program                                      | 0               | 0                 | 0            | 0                 | 0            | 14,000           | 0  | 14,000             | 0               | 0                  | 0             | 14,000           |
| Logistics Management Program                                     | 0               | 0                 | 0            | 0                 | 0            | 102,000          | 0  | 102,000            | 0               | 0                  | 0             | 102,000          |
| Disaster Assistance Program                                      | 0               | 0                 | 0            | 0                 | 0            | 84,000           | 0  | 84,000             | 0               | 0                  | 0             | 84,000           |
| Disaster Relief Fund   | 3,243           | 5,742,500         | 3,243        | 1,324,000         | 2,555        | 1,900,000        | 0  | 576,000            | 0               | 0                  | 0             | 576,000          |
| Logistics Management Program                                     | 0               | 0                 | 324          | 350,000           | 324          | 190,000          | 0  | (160,000)          | 0               | 0                  | 0             | (160,000)        |
| Disaster Operations Program                                      | 395             | 487,931           | 162          | 65,000            | 162          | 95,000           | 0  | 30,000             | 0               | 0                  | 0             | 30,000           |
| Disaster Assistance Program                                      | 2,059           | 4,278,707         | 2,432        | 719,000           | 1,744        | 1,425,000        | 0  | 706,000            | 0               | 0                  | 0             | 706,000          |
| Mitigation Program   | 789             | 975,862           | 324          | 190,000           | 324          | 190,000          | 0  | 0                  | 0               | 0                  | 0             | 0                |
| Emergency Food and Shelter                                       | 0               | 151,470           | 0            | 153,000           | 0            | 100,000          | 0  | (53,000)           | 0               | (53,000)           | 0             | 0                |
| Disaster Assistance Program                                      | 0               | 151,470           | 0            | 153,000           | 0            | 100,000          | 0  | (53,000)           | 0               | (53,000)           | 0             | 0                |
| Flood Map Modernization Fund                                     | 33              | 198,980           | 43           | 220,000           | 43           | 150,000          | 0  | (70,000)           | 0               | (79,172)           | 0             | 9,172            |
| Mitigation Program   | 33              | 198,980           | 43           | 220,000           | 43           | 150,000          | 0  | (70,000)           | 0               | (79,172)           | 0             | 9,172            |
| National Flood Insurance Fund                                    | 270             | 97,588            | 307          | 111,000           | 344          | 156,599          | 37                                       | 45,599             | 0               | 0                  | 37            | 45,599           |
| Mitigation Program   | 270             | 97,588            | 307          | 111,000           | 344          | 156,599          | 37                                       | 45,599             | 0               | 0                  | 37            | 45,599           |
| National Flood Mitigation Fund                                   | 0               | 31,000            | 0            | 34,000            | 0            | 0                | 0  | (34,000)           | 0               | (34,000)           | 0             | 0                |
| Mitigation Program   | 0               | 31,000            | 0            | 34,000            | 0            | 0                | 0  | (34,000)           | 0               | (34,000)           | 0             | 0                |
| Operations, Management and Administration                        | 2,365           | 546,341           | 2,464        | 724,000           | 3,458        | 957,405          | 994                                      | 233,405            | 357             | 214,413            | 637           | 18,992           |
| Logistics Management Program                                     | 259             | 61,941            | 214          | 54,097            | 370          | 72,143           | 175                                      | 18,047             | 18              | 28,329             | 157           | (6,112)          |
| Disaster Assistance Program                                      | 424             | 73,461            | 384          | 70,573            | 783          | 122,939          | 419                                      | 52,366             | 304             | 57,490             | 115           | 440              |
| Disaster Operations Program                                      | 808             | 135,695           | 767          | 181,697           | 850          | 211,082          | 102                                      | 29,385             | 22              | 25,991             | 81            | 5,223            |
| Grants Program   | 36              | 1,950             | 194          | 42,678            | 210          | 50,627           | 34                                       | 7,949              | 2               | 18,037             | 32            | (6,598)          |
| National Preparedness Program                                    | 217             | 43,025            | 396          | 100,659           | 428          | 113,287          | 52                                       | 12,627             | 2               | 18,037             | 50            | (1,413)          |
| National Continuity Program                                      | 305             | 160,085           | 250          | 215,152           | 262          | 228,229          | 31                                       | 13,076             | 2               | 26,451             | 29            | (2,067)          |
| Mitigation Program   | 315             | 70,184            | 260          | 59,144            | 276          | 72,664           | 34                                       | 13,521             | 4               | 22,042             | 30            | (4,277)          |
| U.S. Fire Administration Program                                 | 0               | 0                 | 0            | 0                 | 279          | 86,434           | 144                                      | 86,434             | 2               | 18,037             | 142           | 33,796           |
| Pre-Disaster Mitigation Fund                                     | 15              | 100,000           | 15           | 114,000           | 15           | 75,000           | 0  | (39,000)           | 0               | (39,000)           | 0             | 0                |
| Mitigation Program   | 15              | 100,000           | 15           | 114,000           | 15           | 75,000           | 0  | (39,000)           | 0               | (39,000)           | 0             | 0                |
| Radiological Emergency Preparedness Program                      | 130             | (6,477)           | 170          | (997)             | 170          | (505)            | 0  | 492                | 0               | 492                | 0             | 0                |
| National Preparedness Program                                    | 130             | (6,477)           | 170          | (997)             | 170          | (505)            | 0  | 0                  | 0               | 0                  | 0             | 0                |
| State and Local Programs   | 203             | 3,021,500         | 278          | 3,367,800         | 278          | 1,900,000        | 0  | (1,467,800)        | 0               | (1,467,800)        | 0             | 0                |
| Grants Program   | 93              | 2,717,917         | 144          | 3,068,500         | 144          | 1,755,000        | 0  | (1,313,500)        | 0               | (1,313,500)        | 0             | 0                |
| National Preparedness Program                                    | 110             | 303,583           | 134          | 299,300           | 134          | 145,000          | 0  | (154,300)          | 0               | (154,300)          | 0             | 0                |
| United States Fire Administration                                | 114             | 41,349            | 115          | 43,300            | 0            | 0                | (115)                                    | (43,300)           | 0               | 0                  | (114)         | (43,300)         |
|  | 114             | 41,349            | 115          | 43,300            | 0            | 0                | (115)                                    | (43,300)           | 0               | 0                  | (114)         | (43,300)         |
| <b>Subtotal: Gross Discretionary</b>                             | <b>6,449</b>    | <b>10,620,705</b> | <b>6,692</b> | <b>6,840,978</b>  | <b>6,917</b> | <b>5,738,794</b> | <b>914</b>                               | <b>(1,102,184)</b> | <b>357</b>      | <b>(1,908,067)</b> | <b>557</b>    | <b>805,883</b>   |
| Less Adjustments for Other Funding Sources                       |                 |                   |              |                   |              |                  |  |                    |                 |                    |               |                  |
| National Flood Insurance - Mandatory                             | 0               | 2,631,396         | 0            | 2,833,000         | 0            | 3,037,000        | 0  | 204,000            | 0               | 0                  | 0             | 204,000          |
| Emergency Supplemental   | 0               | 0                 | 0            | 3,010,000         | 0            | 0                | 0  | (3,010,000)        | 0               | (3,010,000)        | 0             | 0                |
| Rescissions per 110-161  | 0               | 0                 | 0            | (17,177)          | 0            | 0                | 0  | 17,177             | 0               | 0                  | 0             | 17,177           |
| <b>Total Budget Authority</b>                                    | <b>6,449</b>    | <b>13,252,101</b> | <b>6,692</b> | <b>12,666,801</b> | <b>6,917</b> | <b>8,775,794</b> | <b>914</b>                               | <b>(3,891,007)</b> | <b>357</b>      | <b>(4,918,067)</b> | <b>557</b>    | <b>1,027,060</b> |

FY 2008 excludes State & Local emergency supplemental pursuant to 110-116 and DRF pursuant to 110-161. Includes transfer of \$60 M from DRF to OMA, \$16M transfer to OIG pursuant to P.L. 110-161. from

**i-A. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Program/Project Activity  | FY 2007 Actual |                    | FY 2008 Enacted |                  | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                 |                     |                 |
|---|----------------|--------------------|-----------------|------------------|-----------------|--------------------|--|------------------|-----------------|-----------------|---------------------|-----------------|
|   | FTE            | AMOUNT             | FTE             | AMOUNT           | FTE             | AMOUNT             | Total Changes                            |                  | Program Changes |                 | Adjustments-to-Base |                 |
|   |                |                    |                 |                  |                 |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT          | FTE                 | AMOUNT          |
| Adjudication Services   |                |                    |                 |                  |                 |                    |  |                  |                 |                 |                     |                 |
| Pay & Benefits  | 6,641          | 606,828            | 8,090           | 758,091          | 8,123           | 780,076            | 33                                       | 21,985           | ---             | ---             | 33                  | 21,985          |
| District Operating Expenses <sup>1</sup>                              | ---            | 409,727            | ---             | 546,863          | ---             | 535,156            |  | (11,707)         |                 | ---             |                     | (11,707)        |
| Service Center Operating Expenses                                     | ---            | 279,875            | ---             | 352,866          | ---             | 345,890            |  | (6,976)          |                 | ---             |                     | (6,976)         |
| Asylum/Refugee Operating Expenses                                     | ---            | 65,221             | 5               | 95,084           | 5               | 93,142             |  | (1,942)          |                 | ---             |                     | (1,942)         |
| Records Operating Expenses  | ---            | 68,212             | ---             | 87,739           | ---             | 85,946             |  | (1,793)          |                 | ---             |                     | (1,793)         |
| Business Transformation   | ---            | 7                  | ---             | 139,000          | ---             | 139,000            |  | ---              |                 | ---             |                     | ---             |
| Information and Customer Services                                     |                |                    |                 |                  |                 |                    |  |                  |                 |                 |                     |                 |
| Pay & Benefits  | 979            | 68,739             | 1,230           | 89,977           | 1,357           | 92,587             | 127                                      | 2,610            | ---             | ---             | 127                 | 2,610           |
| Customer Service Center Operating Expenses                            | ---            | 47,962             | ---             | 55,600           | ---             | 53,747             |  | (1,853)          |                 | ---             |                     | (1,853)         |
| Information Services Operating Expenses                               | ---            | 13,750             | ---             | 22,222           | ---             | 21,465             |  | (757)            |                 | ---             |                     | (757)           |
| Administration  |                |                    |                 |                  |                 |                    |  |                  |                 |                 |                     |                 |
| Pay & Benefits  | 331            | 43,742             | 580             | 86,245           | 658             | 88,746             | 78                                       | 2,501            | ---             | ---             | 78                  | 2,501           |
| Operating Expenses  | ---            | 179,377            | ---             | 287,654          | ---             | 285,153            |  | (2,501)          |                 | ---             |                     | (2,501)         |
| SAVE  | 108            | 20,291             | 170             | 18,504           | 220             | 18,818             | 50                                       | 314              |                 |                 | 50                  | 314             |
| REAL ID Act Implementation  | ---            | ---                | ---             | ---              | 2               | 50,000             | 2  | 50,000           | 2               | 50,000          | ---                 | ---             |
| E-Verify [EEV] <sup>2</sup>   | 38             | 66,579             | 189             | ---              | 255             | 100,000            | 66                                       | 100,000          | ---             | 17,188          | 66                  | 82,812          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>8,097</b>   | <b>1,870,310</b>   | <b>10,264</b>   | <b>2,539,845</b> | <b>10,620</b>   | <b>2,689,726</b>   | <b>356</b>                               | <b>149,881</b>   | <b>2</b>        | <b>67,188</b>   | <b>354</b>          | <b>82,693</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>                   |                |                    |                 |                  |                 |                    |  |                  |                 |                 |                     |                 |
| Rescission of unobligated balances pursuant to P.L. 110-161 [non-add] | ---            | ---                | ---             | [-672]           | ---             | ---                | ---                                      | [672]            | ---             | ---             | ---                 | [672]           |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>8,097</b>   | <b>\$1,870,310</b> | <b>10,264</b>   | <b>2,539,845</b> | <b>10,620</b>   | <b>\$2,689,726</b> | <b>356</b>                               | <b>\$149,881</b> | <b>2</b>        | <b>\$67,188</b> | <b>354</b>          | <b>\$82,693</b> |

**i-B. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Program/Project Activity  | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|   | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|   |                   |                    |                    |                    |                    |                    | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Adjudication Services   |                   |                    |                    |                    |                    |                    |  |                 |                 |                 |                     |                |
| Pay & Benefits  | 6,641             | 606,828            | 8,090              | 758,091            | 8,123              | 780,076            | 33                                       | 21,985          | ---             | ---             | 33                  | 21,985         |
| District Operating Expenses <sup>1</sup>                              | ---               | 409,727            | ---                | 566,863            | ---                | 535,156            |  | (31,707)        |                 | ---             |                     | (31,707)       |
| Service Center Operating Expenses                                     | ---               | 279,875            | ---                | 352,866            | ---                | 345,890            |  | (6,976)         |                 | ---             |                     | (6,976)        |
| Asylum/Refugee Operating Expenses                                     | ---               | 65,221             | 5                  | 95,084             | 5                  | 93,142             |  | (1,942)         |                 | ---             |                     | (1,942)        |
| Records Operating Expenses  | ---               | 68,212             | ---                | 87,739             | ---                | 85,946             |  | (1,793)         |                 | ---             |                     | (1,793)        |
| Business Transformation   | ---               | 7                  | ---                | 139,000            | ---                | 139,000            |  | ---             |                 | ---             |                     | ---            |
| Information and Customer Services                                     |                   |                    |                    |                    |                    |                    |  |                 |                 |                 |                     |                |
| Pay & Benefits  | 979               | 68,739             | 1,230              | 89,977             | 1,357              | 92,587             | 127                                      | 2,610           | ---             | ---             | 127                 | 2,610          |
| Customer Service Center Operating Expenses                            | ---               | 47,962             | ---                | 55,600             | ---                | 53,747             |  | (1,853)         |                 | ---             |                     | (1,853)        |
| Information Services Operating Expenses                               | ---               | 13,750             | ---                | 22,222             | ---                | 21,465             |  | (757)           |                 | ---             |                     | (757)          |
| Administration  |                   |                    |                    |                    |                    |                    |  |                 |                 |                 |                     |                |
| Pay & Benefits  | 331               | 43,742             | 580                | 86,245             | 658                | 88,746             | 78                                       | 2,501           | ---             | ---             | 78                  | 2,501          |
| Operating Expenses  | ---               | 179,377            | ---                | 287,654            | ---                | 285,153            |  | (2,501)         |                 | ---             |                     | (2,501)        |
| SAVE  | 108               | 20,291             | 170                | 18,504             | 220                | 18,818             | 50                                       | 314             |                 |                 | 50                  | 314            |
| REAL ID Act Implementation  | ---               | ---                | ---                | ---                | 2                  | 50,000             | 2  | 50,000          | 2               | 50,000          | ---                 | ---            |
| E-Verify [EEV] <sup>2</sup>   | 38                | 66,579             | 189                | 60,000             | 255                | 100,000            | 66                                       | 40,000          | ---             | 17,188          | 66                  | 22,812         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>8,097</b>      | <b>1,870,310</b>   | <b>10,264</b>      | <b>2,619,845</b>   | <b>10,620</b>      | <b>2,689,726</b>   | <b>356</b>                               | <b>69,881</b>   | <b>2</b>        | <b>67,188</b>   | <b>354</b>          | <b>2,693</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>                   |                   |                    |                    |                    |                    |                    |  |                 |                 |                 |                     |                |
| Rescission of unobligated balances pursuant to P.L. 110-161 [non-add] | ---               | ---                | ---                | [-672]             | ---                | ---                | ---                                      | [672]           | ---             | ---             | ---                 | [672]          |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>8,097</b>      | <b>\$1,870,310</b> | <b>10,264</b>      | <b>\$2,619,845</b> | <b>10,620</b>      | <b>\$2,689,726</b> | <b>356</b>                               | <b>\$69,881</b> | <b>2</b>        | <b>\$67,188</b> | <b>354</b>          | <b>\$2,693</b> |

ii: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**U.S. Citizenship & Immigration Services**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | 2007<br>Actual |        |              |             |       |             | 2008<br>President's Budget |        |              |             |        |             | 2009<br>Request |        |              |             |        |             |
|---|----------------|--------|--------------|-------------|-------|-------------|----------------------------|--------|--------------|-------------|--------|-------------|-----------------|--------|--------------|-------------|--------|-------------|
|   | Homeland       |        | Non-Homeland |             | Total |             | Homeland                   |        | Non-Homeland |             | Total  |             | Homeland        |        | Non-Homeland |             | Total  |             |
|   | FTE            | Amount | FTE          | Amount      | FTE   | Amount      | FTE                        | Amount | FTE          | Amount      | FTE    | Amount      | FTE             | Amount | FTE          | Amount      | FTE    | Amount      |
| <b>Salaries and Expenses</b>                            | ---            | ---    | 146          | \$86,882    | 146   | \$86,882    | ---                        | ---    | 194          | \$80,973    | 194    | \$80,973    | ---             | ---    | 262          | 150,540     | 262    | 150,540     |
| Adjudication Services                                   |                |        |              |             |       |             |                            |        |              |             |        |             |                 |        |              |             |        |             |
| District Operating Expenses <sup>1/</sup>               | ---            | ---    | ---          | ---         | ---   | ---         | ---                        | ---    | ---          | 20,450      | ---    | 20,450      | ---             | ---    | ---          | ---         | ---    | ---         |
| Service Center Operating Expenses                       | ---            | ---    | ---          | 4           | ---   | 4           | ---                        | ---    | ---          | ---         | ---    | ---         | ---             | ---    | ---          | ---         | ---    | ---         |
| Asylum/Refugee Operating Expenses                       | ---            | ---    | ---          | ---         | ---   | ---         | ---                        | ---    | 5            | 523         | 5      | 523         | ---             | ---    | 5            | 540         | 5      | 540         |
| Records Operating Expenses                              | ---            | ---    | ---          | 1           | ---   | 1           | ---                        | ---    | ---          | ---         | ---    | ---         | ---             | ---    | ---          | ---         | ---    | ---         |
| Business Transformation                                 | ---            | ---    | ---          | 7           | ---   | 7           | ---                        | ---    | ---          | ---         | ---    | ---         | ---             | ---    | ---          | ---         | ---    | ---         |
| SAVE  | ---            | ---    | 108          | 20,291      | 108   | 20,291      | ---                        | ---    | ---          | ---         | ---    | ---         | ---             | ---    | ---          | ---         | ---    | ---         |
| REAL ID Act Implementation                              | ---            | ---    | ---          | ---         | ---   | ---         | ---                        | ---    | ---          | ---         | ---    | ---         | ---             | ---    | 2            | 50,000      | 2      | 50,000      |
| E-Verify [EEV] <sup>2/</sup>                            | ---            | ---    | 38           | 66,579      | 38    | 66,579      | ---                        | ---    | 189          | 60,000      | 189    | 60,000      | ---             | ---    | 255          | 100,000     | 255    | 100,000     |
| <b>Total Direct Appropriations and Budget Estimates</b> | ---            | ---    | 146          | \$86,882    | 146   | \$86,882    | ---                        | ---    | 194          | \$80,973    | 194    | \$80,973    | ---             | ---    | 262          | 150,540     | 262    | 150,540     |
| <b>Fee Accounts</b>                                     | ---            | ---    | 7,951        | \$1,783,428 | 7,951 | \$1,783,428 | ---                        | ---    | 10,070       | \$2,538,872 | 10,070 | \$2,538,872 | ---             | ---    | 10,358       | \$2,539,186 | 10,358 | \$2,539,186 |
| Immigration Examinations Fee                            | ---            | ---    | 7,872        | 1,757,550   | 7,872 | 1,757,550   | ---                        | ---    | 9,972        | 2,494,872   | 9,972  | 2,494,872   | ---             | ---    | 10,234       | 2,495,186   | 10,234 | 2,495,186   |
| H-1B Nonimmigrant Petitioner                            | ---            | ---    | ---          | 12,998      | ---   | 12,998      | ---                        | ---    | ---          | 13,000      | ---    | 13,000      | ---             | ---    | ---          | 13,000      | ---    | 13,000      |
| Fraud Prevention and Detection                          | ---            | ---    | 79           | 12,880      | 79    | 12,880      | ---                        | ---    | 98           | 31,000      | 98     | 31,000      | ---             | ---    | 124          | 31,000      | 124    | 31,000      |

1/ Adjudication Services District Operating Expenses FY 2008 Enacted level reflects \$20M in Emergency funding provided in P.L 110-161.

2/ E-Verify FY 2008 Enacted level reflects \$60M in Emergency funding provided in P.L 110-161.

**iii. Status of Congressionally Requested Studies, Reports, and Evaluation**

**Department of Homeland Security  
U.S. Citizenship & Immigration Services**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b>              | <b>Requirement</b>  | <b>Status</b>  |
|--------------------|-----------------|--|---|--|
| 2006               | 2/10/2006       | House Report 109-79, Title IV, p. 100  | Basic Pilot Program--The Committee requests that CIS submit a comprehensive report that outlines the issues involved in requiring all United States employers to electronically check the legal work status of all new employees. The report should include the costs of such a requirement, options and impediments to charging a user fee for such service, and any plans for instituting such a requirement. | USCIS will submit a report which addresses fee and cost issues associated with a mandatory E-Verify program if it were enacted, as well as the current voluntary program. The anticipated delivery date to Congress is early spring. |
| 2007               | Quarterly       | Senate Report 109-273, Title IV, p. 84 | Backlog Elimination Status Report--provide a quarterly status report on progress in eliminating the backlog. This report should describe the current backlog data, as well as information about the process of backlog reduction.   | Fourth Quarter report is anticipated to for submission to Congress by 3/15/2008.   |
|                    |                 |  |   |  |

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
U.S. Citizenship & Immigration Services**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity                                 |                            |                  |                               |                  |
|---|----------------------------|------------------|-------------------------------|------------------|
|   | Last Year of Authorization | Authorized Level | in Last Year of Authorization | FY 2009 Request  |
|   | Fiscal Year                | Amount           | Amount                        | Amount           |
| <b>Salaries and Expenses</b>                    |                            | <b>\$631,745</b> | <b>\$707,392</b>              | <b>150,540</b>   |
| INS Citizenship Services                        | 2002                       | 631,745          | 707,392                       | 150,540          |
| <b>Total Direct Authorization/Appropriation</b> |                            | <b>\$631,745</b> | <b>\$707,392</b>              | <b>150,540</b>   |
| <b>Fee Accounts</b>                             |                            | ---              | ---                           | <b>2,539,186</b> |

Note:

v. Proposed PPA Structure

**U.S. Citizenship & Immigration Services  
Revised PPA Crosswalk Proposal**

| <b>Current Budget Structure</b>                    | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>Crosswalk to Proposed Revised Structure</b> | <b>FY 2009<br/>Request</b> |                            |
|--|---------------------------|----------------------------|--|----------------------------|----------------------------|
| <b><u>Adjudication Services</u></b>                |                           |                            |  |                            |                            |
| Pay & benefits                                     | \$606,828                 | \$758,091                  | Domestic                                       | \$567,032                  |                            |
|  |                           |                            | International                                  | \$78,218                   |                            |
|  |                           |                            | Customer Service, Support & Outreach           | \$27,330                   |                            |
|  |                           |                            | Fraud Detection & National Security            | \$80,742                   |                            |
|  |                           |                            | Business Transformation                        | \$4,769                    |                            |
| District Operating Expenses                        | \$409,727                 | \$566,863                  | Domestic                                       | \$537,189                  |                            |
|  |                           |                            | Customer Service, Support & Outreach           | \$4,344                    |                            |
|  |                           |                            | Fraud Detection & National Security            | \$24,530                   |                            |
|  |                           |                            | Business Transformation                        | \$800                      |                            |
| Service Center Operating Expenses                  | \$279,875                 | \$352,866                  | Domestic                                       | \$336,873                  |                            |
|  |                           |                            | Fraud Detection & National Security            | \$15,993                   |                            |
| Asylum/Refugee Operating Expenses                  | \$65,221                  | \$95,084                   | International                                  | \$92,551                   |                            |
|  |                           |                            | Fraud Detection & National Security            | \$2,533                    |                            |
| Records Operating Expenses                         | \$68,212                  | \$87,739                   | Customer Service, Support & Outreach           | \$87,329                   |                            |
|  |                           |                            | Fraud Detection & National Security            | \$410                      |                            |
| Business Transformation                            | \$7                       | \$139,000                  | Business Transformation                        | \$139,000                  |                            |
| <b>Subtotal:</b>                                   | <b>\$1,429,870</b>        | <b>\$1,999,643</b>         |  | <b>\$1,999,643</b>         |                            |
| <b><u>Information and Customer Services</u></b>    |                           |                            |  |                            |                            |
| Pay & Benefits                                     | \$68,739                  | \$89,977                   | Customer Service, Support & Outreach           | \$89,977                   |                            |
| Customer Service Center Operating Expense          | \$47,962                  | \$55,600                   | Customer Service, Support & Outreach           | \$55,600                   |                            |
| Information Services Operating Expenses            | \$13,750                  | \$22,222                   | Customer Service, Support & Outreach           | \$22,222                   |                            |
| <b>Subtotal:</b>                                   | <b>\$130,451</b>          | <b>\$167,799</b>           |  | <b>\$167,799</b>           |                            |
| <b><u>Administration</u></b>                       |                           |                            |  |                            |                            |
| Pay & Benefits                                     | \$43,742                  | \$86,245                   | Administration                                 | \$86,245                   |                            |
| Operating Expenses                                 | \$179,377                 | \$287,654                  | Administration                                 | \$286,355                  |                            |
|  |                           |                            | Customer Service, Support & Outreach           | \$1,299                    |                            |
| <b>Subtotal:</b>                                   | <b>\$223,119</b>          | <b>\$373,899</b>           |  | <b>\$373,899</b>           |                            |
| <b><u>SAVE</u></b>                                 | <b>\$20,291</b>           | <b>\$18,504</b>            | Immigration Status Verificator                 | <b>\$18,504</b>            |                            |
| <b><u>E-Verify</u></b>                             | <b>\$66,579</b>           | <b>\$60,000</b>            | Immigration Status Verificator                 | <b>\$60,000</b>            |                            |
| <b>TOTAL:</b>                                      | <b>\$1,870,310</b>        | <b>\$2,619,845</b>         |  |                            |                            |
| <b>Proposed Revised Budget Structure</b>           |                           |                            |  | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> |
| <b><u>Immigration Operations</u></b>               |                           |                            |  |                            |                            |
| Domestic   | \$1,128,390               |                            |  | \$1,441,094                | \$1,420,644                |
| International                                      | \$130,033                 |                            |  | \$170,769                  | \$170,786                  |
| Customer Service, Support and Outreach             | \$225,251                 |                            |  | \$288,101                  | \$288,101                  |
| <b>Subtotal:</b>                                   | <b>\$1,483,674</b>        |                            |  | <b>\$1,899,964</b>         | <b>\$1,879,531</b>         |
| <b><u>Immigration Security &amp; Integrity</u></b> |                           |                            |  |                            |                            |
| Fraud Detection & National Security                | \$59,292                  |                            |  | \$124,208                  | \$124,208                  |
| Immigration Status Verificator                     | \$86,870                  |                            |  | \$78,504                   | \$168,818                  |
| <b>Subtotal:</b>                                   | <b>\$146,162</b>          |                            |  | <b>\$202,712</b>           | <b>\$293,026</b>           |
| <b><u>Administration</u></b>                       | <b>\$212,405</b>          |                            |  | <b>\$372,600</b>           | <b>\$372,600</b>           |
| <b><u>Business Transformation</u></b>              | <b>\$28,069</b>           |                            |  | <b>\$144,569</b>           | <b>\$144,569</b>           |
| <b>TOTAL:</b>                                      | <b>\$1,870,310</b>        |                            |  | <b>\$2,619,845</b>         | <b>\$2,689,726</b>         |

1/ Adjudication Services District Operating Expenses FY 2008 Enacted level reflects \$20M in Emergency funding provided in P.L. 110-161.

2/ E-Verify FY 2008 Enacted level reflects \$60M in Emergency funding provided in P.L. 110-161.

3/ FY 2008 Enacted level reflect proposed reprogramming adjustments.

**Justification:**

The proposed restructuring serves several goals. First, the new structure improves the depiction of USCIS activities. Given the increased focus on both immigration status verification and fraud detection, the new structure uniquely identifies and depicts an integrated budget request in both areas. Immigration operations activities are better integrated and simplified within a single budget category, in particular by reducing the breakout of adjudication activities and incorporating information and customer service spending.

A second goal is the desire to simplify the report-level breakout by combining pay and non-pay line items. USCIS fully intends to internally execute and monitor annual resources with breakouts between pay and non-pay. For those movements that have a significant program, resource, or policy implication, USCIS would continue to keep the Committee apprised irrespective of the revised line item breakout. In addition, most DHS components do not have pay and benefits broken out separately within the appropriations budget structure.

Our final goal concerns the desire to better align activities with organizational units and activity costs. USCIS is continuing to refine its activity-based cost structure. This revised budget structure improves PPA alignment with our activity-based cost structure by bringing core immigration operations under a single PPA category.

# Department of Homeland Security

*U.S. Citizenship & Immigration Services*

*Salaries and Expenses*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. CITIZENSHIP & IMMIGRATION SERVICES SALARIES AND EXPENSES

### I. Appropriation Overview

#### **A. Mission Statement for Salaries and Expenses:**

The U.S. Citizenship and Immigration Services (USCIS) will secure America's promise as a nation of immigrants by providing accurate and useful information to our customers, granting immigration and citizenship benefits, promoting an awareness and understanding of citizenship, and ensuring the integrity of the immigration system. USCIS has established six goals: (1) ensure the security and integrity of the immigration system, (2) provide efficient customer-oriented immigration benefit and information services, (3) increase understanding of citizenship and its privileges and responsibilities, (4) ensure flexible and sound immigration policies and programs that meet the needs and obligations of the nation, including our international treaties on humanitarian protection and trade, (5) strengthen the infrastructure necessary to achieve USCIS' mission, and (6) operate as a high-performance organization and position USCIS as an employer of choice.

The USCIS is a component of the Department of Homeland Security (DHS) that facilitates legal immigration for people seeking to enter, reside, or work in the United States. USCIS possesses the authority to grant or deny immigration benefits – approving over six million immigration benefits each year. These immigration benefits range from work authorization documents to asylum and refugee applications, to petitions for immediate relatives to immigrate to the United States.

The Salaries and Expenses account encompasses the organization's discretionary funding, which currently supports operation of the E-Verify program. E-Verify is an automated, voluntary system that allows U.S. employers to electronically verify name, DOB, and SSN, along with immigration information for non-citizens, against Federal databases to ensure the employment eligibility of both citizen and non-citizen new hires.

The account also funds resources to support the operations of the Cuban-Haitian Entrant Program (CHEP), as well as the Moscow Refugee and Humanitarian Parole programs. These programs transferred into USCIS from ICE in FY 2007, and the Congress provided appropriations to help pay for this cost starting in FY 2008.

#### **B. Budget Activities:**

The budget requests funding to both continue operational support of E-Verify and to expand and upgrade systems to enable growth in employer utilization. Funding will also contribute toward current services support to CHEP and Parole programs. Finally, funding is requested to support implementation of the information sharing and verification requirements of the REAL ID Act.

### **C. Budget Request Summary:**

USCIS requests 262 positions, 262 FTE and \$150,540,000 for the FY 2009 Request. Excluding emergency funding provided in P.L. 110-161, the total adjustment-to-base increase is 66 FTE and \$82,379,000. This amount includes an adjustment of \$22,000,000 to continue the E-Verify program at current service levels, which were partially funded in FY 2008 by no-year carry forward balances from FY 2007. Program increases include 2 positions, 2 FTE and \$67,188,000 for implementation of the REAL ID Act and enhancements to E-Verify.

### **D. Proposed PPA Structure:**

USCIS proposes to change the programs, projects, and activities (PPA) structure. The proposed restructuring serves several goals. First, the new structure improves the depiction of USCIS activities. Given the increased focus on both immigration status verification and fraud detection, the new structure uniquely identifies and depicts an integrated budget request in both areas. Immigration operations activities are better integrated and simplified within a single budget category, in particular by reducing the breakout of adjudication activities and incorporating information and customer service spending.

A second goal is the desire to simplify the report-level breakout by combining pay and non-pay line items. USCIS fully intends to internally execute and monitor annual resources with breakouts between pay and non-pay. For those movements that have a significant program, resource, or policy implication, USCIS would continue to keep the Committee apprised irrespective of the revised line item breakout. In addition, most DHS components do not have pay and benefits broken out separately within the appropriations budget structure.

Our final goal concerns the desire to better align activities with organizational units and activity costs. USCIS is continuing to refine its activity-based cost structure. This revised budget structure improves PPA alignment with our activity-based cost structure by bringing core immigration operations under a single PPA category.

**U.S. Citizenship & Immigration Services  
Revised PPA Crosswalk Proposal**

| <b>Current Budget Structure</b>                    | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>Crosswalk to Proposed Revised Structure</b> | <b>FY 2009</b>   |
|--|-----------------|-----------------|--|------------------|
| <b><u>Adjudication Services</u></b>                | <b>Actual</b>   | <b>Enacted</b>  |  | <b>Request</b>   |
| District Operating Expenses <sup>2</sup>           |                 | \$20,450        | Domestic                                       | \$20,450         |
| Service Center Operating Expenses                  | \$4             |                 |  |                  |
| Asylum/Refugee Operating Expenses                  |                 | \$523           | International                                  | \$523            |
| Records Operating Expenses                         | \$1             |                 |  |                  |
| Business Transformation                            | \$7             |                 |  |                  |
| <b>Subtotal:</b>                                   | <b>\$12</b>     | <b>\$20,973</b> |  | <b>\$20,973</b>  |
| <b>SAVE <sup>1</sup></b>                           | <b>\$20,291</b> |                 |  |                  |
| <b>E-Verify</b>                                    | <b>\$66,579</b> | <b>\$60,000</b> | Immigration Status Verification                | <b>\$60,000</b>  |
|  | <b>\$86,882</b> | <b>\$80,973</b> |  |                  |
| <b>Proposed Revised Budget Structure</b>           |                 |                 | <b>FY 2008</b>                                 | <b>FY 2009</b>   |
| <b><u>Immigration Operations</u></b>               |                 |                 | <b>Enacted</b>                                 | <b>Request</b>   |
| Domestic   | \$4             |                 | \$20,450                                       | \$0              |
| International                                      | \$0             |                 | \$523  | \$540            |
| Customer Service, Support and Outreach             | \$1             |                 | \$0  | \$0              |
| <b>Subtotal:</b>                                   | <b>\$5</b>      |                 | <b>\$20,973</b>                                | <b>\$540</b>     |
| <b><u>Immigration Security &amp; Integrity</u></b> |                 |                 |  |                  |
| Immigration Status Verification <sup>1/2</sup>     | \$86,870        |                 | \$60,000                                       | \$150,000        |
| <b>Subtotal:</b>                                   | <b>\$86,870</b> |                 | <b>\$60,000</b>                                | <b>\$150,000</b> |
| <b><u>Business Transformation</u></b>              | <b>\$7</b>      |                 | <b>\$0</b>                                     | <b>\$0</b>       |
| <b>TOTAL:</b>                                      | <b>\$86,882</b> |                 | <b>\$80,973</b>                                | <b>\$150,540</b> |

1/ In FY 2008, SAVE transfers to the Immigration Examinations Fee Account.

2/ The FY 2008 Enacted level includes \$80M in emergency funding provided in P.L. 110-161; of which \$20M is included in District Operating Expenses and \$60M is included in E-Verify.

## II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

### Department of Homeland Security U.S. Citizenship and Immigration Services Salaries and Expenses

#### Summary of FY 2009 Budget Estimates by Program/Project Activity (Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted |               | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                  |                     |                  |
|---|-------------------|------------------|--------------------|---------------|--------------------|-------------------|--|-------------------|-----------------|------------------|---------------------|------------------|
|   |                   |                  |                    |               |                    |                   | Total Changes                            |                   | Program Changes |                  | Adjustments-to-Base |                  |
|   | FTE               | AMOUNT           | FTE                | AMOUNT        | FTE                | AMOUNT            | FTE                                      | AMOUNT            | FTE             | AMOUNT           | FTE                 | AMOUNT           |
| Adjudication Services <sup>1/</sup>                                   |                   |                  |                    |               |                    |                   |  |                   |                 |                  |                     |                  |
| District Operating Expenses <sup>2/</sup>                             | ---               | ---              | ---                | 450           | ---                | ---               | ---                                      | (450)             | ---             | ---              | ---                 | (450)            |
| Service Center Operating Expenses                                     | ---               | 4                | ---                | ---           | ---                | ---               |  |                   |                 |                  |                     |                  |
| Asylum, Refugee and International Operations                          | ---               | ---              | 5                  | 523           | 5                  | 540               | ---                                      | 17                | ---             | ---              | ---                 | 17               |
| Records Operating Expenses  | ---               | 1                | ---                | ---           | ---                | ---               | ---                                      | ---               | ---             | ---              | ---                 | ---              |
| Business Transformation   | ---               | 7                | ---                | ---           | ---                | ---               | ---                                      | ---               | ---             | ---              | ---                 | ---              |
| SAVE  | 108               | 20,291           | ---                | ---           | ---                | ---               | ---                                      | ---               | ---             | ---              | ---                 | ---              |
| REAL ID Act Implementation  | ---               | ---              | ---                | ---           | 2                  | 50,000            | 2  | 50,000            | 2               | 50,000           | ---                 | ---              |
| E-Verify [EEV] <sup>3/</sup>  | 38                | 66,579           | 189                | ---           | 255                | 100,000           | 66                                       | 100,000           | ---             | 17,188           | 66                  | 82,812           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>146</b>        | <b>\$ 86,882</b> | <b>194</b>         | <b>\$ 973</b> | <b>262</b>         | <b>\$ 150,540</b> | <b>68</b>                                | <b>\$ 149,567</b> | <b>2</b>        | <b>\$ 67,188</b> | <b>66</b>           | <b>\$ 82,379</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                   |                   |                  |                    |               |                    |                   |  |                   |                 |                  |                     |                  |
| Rescission of unobligated balances pursuant to P.L. 110-161 [non-add] | ---               | ---              | ---                | [-672]        | ---                | ---               | ---                                      | [672]             | ---             | ---              | ---                 | [672]            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>146</b>        | <b>\$ 86,882</b> | <b>194</b>         | <b>\$ 973</b> | <b>262</b>         | <b>\$ 150,540</b> | <b>68</b>                                | <b>\$ 149,567</b> | <b>2</b>        | <b>\$ 67,188</b> | <b>66</b>           | <b>\$ 82,379</b> |

1/ FY 2007 Actuals for Adjudication Services reflect prior-year charges.

2/ Adjudication Services District Operating Expenses FY 2008 Enacted level does not reflect \$20M in Emergency funding provided in P.L. 110-161.

3/ E-Verify FY 2008 Enacted level does not reflect \$60M in Emergency funding provided in P.L. 110-161.

## II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                   | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|---|-------------------|------------------|--------------------|------------------|--------------------|-------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|   |                   |                  |                    |                  |                    |                   | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|   | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT            | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| Adjudication Services <sup>1/</sup>                                   |                   |                  |                    |                  |                    |                   |  |                  |                 |                  |                     |                 |
| District Operating Expenses <sup>2/</sup>                             | ---               | ---              | ---                | 20,450           | ---                | ---               | ---                                      | (20,450)         | ---             | ---              | ---                 | (20,450)        |
| Service Center Operating Expenses                                     | ---               | 4                | ---                | ---              | ---                | ---               |  |                  |                 |                  |                     |                 |
| Asylum, Refugee and International Operations                          | ---               | ---              | 5                  | 523              | 5                  | 540               | ---                                      | 17               | ---             | ---              | ---                 | 17              |
| Records Operating Expenses  | ---               | 1                | ---                | ---              | ---                | ---               | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| Business Transformation   | ---               | 7                | ---                | ---              | ---                | ---               | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| SAVE  | 108               | 20,291           | ---                | ---              | ---                | ---               | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| REAL ID Act Implementation  | ---               | ---              | ---                | ---              | 2                  | 50,000            | 2  | 50,000           | 2               | 50,000           | ---                 | ---             |
| E-Verify [EEV] <sup>3/</sup>  | 38                | 66,579           | 189                | 60,000           | 255                | 100,000           | 66                                       | 40,000           | ---             | 17,188           | 66                  | 22,812          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>          | <b>146</b>        | <b>\$ 86,882</b> | <b>194</b>         | <b>\$ 80,973</b> | <b>262</b>         | <b>\$ 150,540</b> | <b>68</b>                                | <b>\$ 69,567</b> | <b>2</b>        | <b>\$ 67,188</b> | <b>66</b>           | <b>\$ 2,379</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                   |                   |                  |                    |                  |                    |                   |  |                  |                 |                  |                     |                 |
| Rescission of unobligated balances pursuant to P.L. 110-161 [non-add] | ---               | ---              | ---                | [-672]           | ---                | ---               | ---                                      | [672]            | ---             | ---              | ---                 | [672]           |
| <b>Net, Enacted Appropriations and Budget Estimates</b>               | <b>146</b>        | <b>\$ 86,882</b> | <b>194</b>         | <b>\$ 80,973</b> | <b>262</b>         | <b>\$ 150,540</b> | <b>68</b>                                | <b>\$ 69,567</b> | <b>2</b>        | <b>\$ 67,188</b> | <b>66</b>           | <b>\$ 2,379</b> |

1/ FY 2007 Actuals for Adjudication Services reflect prior-year charges.

2/ Adjudication Services District Operating Expenses FY 2008 Enacted level reflects \$20M in Emergency funding provided in P.L. 110-161.

3/ E-Verify FY 2008 Enacted level reflects \$60M in Emergency funding provided in P.L. 110-161.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: E-VERIFY

|                                   | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>    |
|-----------------------------------|-------------------|------------|------------------|
| <b>2007 Actual</b>                | <b>121</b>        | <b>38</b>  | <b>\$66,579</b>  |
| <b>2008 Enacted</b> <sup>/1</sup> | <b>255</b>        | <b>189</b> | <b>\$60,000</b>  |
| 2009 Adjustments-to-Base          | 0                 | 66         | \$22,812         |
| <b>2009 Current Services</b>      | <b>255</b>        | <b>255</b> | <b>\$82,812</b>  |
| 2009 Program Change               | 0                 | 0          | \$17,188         |
| <b>2009 Request</b>               | <b>255</b>        | <b>255</b> | <b>\$100,000</b> |
| Total Change 2008-2009            | 0                 | 66         | \$40,000         |

1/ FY 2008 Enacted includes emergency funding of \$60M provided in P.L. 110-161 for this activity.

Funding is requested for 255 positions, 255 FTE and \$100.0 million. Excluding Emergency funds provided, the adjustment-to-base increase is \$82.8 million. This reflects the funding necessary to maintain program current service levels from the FY 2008 Budget level, which also utilized \$22 million of the \$46.5 million no-year, carried-forward funding. In addition, there is an adjustment to annualize authorized FTEs.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

USCIS re-branded the Employment Eligibility Verification Basic Pilot program in August 2007 and the program is now called E-Verify. E-Verify, a program within USCIS' National Security, Records and Verification Directorate, allows employers to use a free, automated system to run employment authorization checks against DHS and Social Security Administration (SSA) databases. E-Verify has been a key component of the Administration's comprehensive immigration reform plan. Along with helping U.S. employers maintain a legal workforce and protect jobs for authorized U.S. workers, use of E-Verify also improves the accuracy of wage and tax reporting. Over the last few years, voluntary use of the program has increased significantly. Currently, the E-Verify program is growing by approximately 1,000 new employers each week.

In FY 2008, USCIS is enhancing and expanding E-Verify. As part of the Administration's 26 initiatives announced in August 2007 to improve border security and our immigration system, USCIS is working to acquire access to passport data and passport and visa photos owned by the Department of State. This addition will expand upon the photo tool addition in FY 2007, which allows employers to verify the authenticity of a new hire's immigration documents. Access to the Department of State's passport and visa photos will provide employers increased capability to detect instances of identity and document fraud in the employment authorization process. Currently, participating employers have

access to photos from immigration documents held by USCIS. In FY 2008, USCIS is also assessing the inclusion of Department of Motor Vehicles (DMV) photos in E-Verify.

In FY 2008, USCIS is working to increase the number of users and the ability of E-Verify to handle a higher volume of information requests. E-Verify is maintaining an outreach and advertising campaign to increase the number of employers using the program and a customer contact center is being developed to provide additional channels of communication for E-Verify users.

To accommodate the growth in E-Verify employers, an E-Verify regional office is being established to improve the effectiveness of immigration status verifications and compliance and monitoring of employers accessing the E-Verify system. USCIS will build reporting and metric systems to track monitoring and compliance issues and reach out to employers to assist those who may be misusing the system. The expansion of E-Verify into the field and development of monitoring and compliance functionalities will begin in FY 2008 and continue throughout FY 2009.

USCIS will work to migrate the Verification Information System (VIS) database to a government controlled data center. VIS is the system used by E-Verify and consists of an integrated database that pulls verification data from other related agency systems, as well as processing functions for handling verification requests. USCIS also will begin to transfer verification applications to the Enterprise Service Bus (ESB). USCIS will work to add database system capacity to match future query growth. In addition, USCIS is working to analyze and provide recommendations on non-web methods for employment verification.

In FY 2009, USCIS will continue to register employers for E-Verify and add system capacity to match query growth as needed. System capacity will be increased through technological enhancements to VIS. A comprehensive independent audit of E-Verify will occur to identify areas for improvement. Contingent upon the growth of E-Verify, USCIS will stand-up and staff regional offices to increase the effectiveness of monitoring and compliance assessment. Additional outreach and training activities will also occur in FY 2009 including seminars across the U.S. Enhancements are also planned for E-Verify's Internet and Intranet websites.

There is a planning estimate of approximately 13 million E-Verify queries in FY 2008 and 25 million queries in FY 2009. Planning estimates of employer participation are 525,000 employers in FY 2008, and another 530,000 employers added in FY 2009 for a total of 1.1 million employers. In FY 2007, there were 3,271,871 queries and 24,480 registered employers. These estimates take into account the recent significant growth in users, an assumption that additional States may require employers to use E-Verify (e.g., Arizona), and the expectation that an amendment to the Federal Acquisition Regulation will require Federal contractors to use E-Verify.

Current services resources support the cost of status verifiers, compliance staff, marketing and outreach, and support contracts (e.g., Help Desk, translation services, and the customer contact center). Funding also supports the operation of the Verification Information System (VIS). Program staff will continue to inform employers about responsibilities under the program, advising them on how to get additional information, and responding to program and procedural questions. Outreach efforts in FY 2009 will focus on the States enacting laws requiring use of E-Verify, certain critical infrastructure sectors, and HR and tax professional organizations and associations.

Current resources also support program administration including operations and policy direction. Funding also supports ongoing support contracts for project management, administration, and independent evaluation.

PPA: ADJUDICATION SERVICES

|                                   | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>   |
|-----------------------------------|-------------------|------------|-----------------|
| <b>2007 Actual</b> <sup>/1</sup>  | <b>0</b>          | <b>0</b>   | <b>\$12</b>     |
| <b>2008 Enacted</b> <sup>/2</sup> | <b>5</b>          | <b>5</b>   | <b>\$20,973</b> |
| 2009 Adjustments-to-Base          | 0                 | 0          | (20,433)        |
| <b>2009 Current Services</b>      | <b>5</b>          | <b>5</b>   | <b>\$540</b>    |
| 2009 Program Change               | 0                 | 0          | 0               |
| <b>2009 Request</b>               | <b>5</b>          | <b>5</b>   | <b>\$540</b>    |
| Total Change 2008-2009            | 0                 | 0          | (20,433)        |

1/ FY 2007 Actual reflects prior-year charges.

2/ FY 2008 Enacted includes emergency funding of \$20M provided in P.L. 110-161.

Funding is requested for 5 positions, 5 FTE and \$0.540 million to support the Cuban-Haitian Entrant Program (CHEP), as well as the Moscow Refugee and Humanitarian Parole programs. Excluding Emergency funds provided, the adjustment-to-base decrease is \$0.433 million. This includes an inflationary adjustment of \$0.017 million for the Parole programs, and a non-recurring decrease of \$0.450 million in one-time funding for Immigration Services projects received in FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Resources will continue current support of up to five positions within the Asylum, Refugee, and International Affairs Division, which houses the management and administration of the Cuban-Haitian Entrant Program (CHEP), as well as the Moscow Refugee and Humanitarian Parole programs. These programs transferred into USCIS from ICE in FY 2007, and the Congress provided appropriations to help pay for this cost starting in FY 2008.



**Program Increase 2:** REAL ID Act Implementation

Strategic Goal & Objective: Protect our nation from dangerous people  
Enhance the integrity of the legal immigration system.

PPA: REAL ID Act Implementation

Program Increase: Positions 2 FTE 2 Dollars \$50,000

|                        | FY 2007 Actual |     |                 | FY 2008 President's Budget |     |                 | FY 2009 Request |          |                 |
|------------------------|----------------|-----|-----------------|----------------------------|-----|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos                        | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |     |                 |                            |     |                 | -               | -        | -               |
| Program Increase       |                |     |                 |                            |     |                 | 2               | 2        | 50,000          |
| <b>Total Request</b>   | -              | -   | -               | -                          | -   | -               | <b>2</b>        | <b>2</b> | <b>\$50,000</b> |

Description of Item

Resources are requested for activities associated with the implementation of the REAL ID Act. Specifically, resources would be used to develop a Consolidated State Validation Center that will allow States to verify document information with the Federal and State source agency as well as enable States to share information.

Justification

The REAL ID Act requires, among other things, that before a State can issue a driver's license or identification card to a person the State must verify the issuance, validity, and completeness of each document required to be presented by the person seeking to obtain a REAL ID compliant driver's license or identification card. The FY 2008 Omnibus Appropriations Act provided \$50 million to the Federal Emergency Management Agency in FY 2008 to help States comply with the provisions of this law.

The FY 2009 funding requested for USCIS is aimed specifically at the development of an information sharing and verification hub that will allow States to verify data against Federal and other State databases as well as improve state-to-state information sharing. USCIS will work with the States on the development of this capability. Once operational this REAL ID Consolidated State Validation Center will be operated by the States and will provide a technical solution for jurisdictions to verify source document information presented by individuals. The Center will provide centralized connectivity to the specific databases States are required to verify against in the Act. These systems include:

- Social Security On-line Verification System (SSOLV) – verifies social security numbers.
- Systematic Alien Verification for Entitlement (SAVE) system – verifies evidence of lawful immigration status.

- Association of Public Health Statistics and Information Systems (NAPHSIS) – verifies birth record information.
- U.S. Department of State systems such as those tied to passports, Consular Report of Birth Abroad, and visas.

Overall, the Center will perform two key, interrelated functions. First, the Center will enable States to submit a single query directed to appropriate databases for validation, with responses combined and a single response delivered to the sender. Second, it will manage State-to-State data exchanges mandated by the REAL ID rule. The Act requires each jurisdiction to refuse to issue a driver's license or identification card to a person holding a driver's license issued by another State without confirmation that the person is terminating or has terminated the driver's license. The Department is currently working to develop necessary State partnerships and develop the Center through the American Association of Motor Vehicle Administrators.

Funding is included within USCIS because it is the core operating agency within DHS that will facilitate through its verification systems State compliance with the REAL ID Act. DHS Policy will continue to provide operational guidance and support.

Continued grant funding to assist States in meeting other requirements of the Act has been requested under the State and Local Grants program within the Federal Emergency Management Agency.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

By facilitating effective information exchanges between government agencies and States, DHS is working directly with States to implement a key component of the REAL ID Act. Our Nation can be protected from dangerous people if persons with actual or potential nefarious goals can be prevented from receiving State, local, or Federal public benefits. In addition, the integrity of the immigration system is facilitated if State efforts through REAL ID discourage the use of false immigration information to unlawfully obtain benefits.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

For necessary expenses for citizenship and immigration services, [\$80,973,000] **\$150,540,000**: Provided, [That of the amount provided under this heading, \$80,000,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act): Provided further, That of the total, \$20,000,000 is provided to address backlogs of security checks associated with pending applications and petitions and shall not be available for obligation until the Secretary of Homeland Security and the United States Attorney General submit to the Committees on Appropriations of the Senate and the House of Representatives a plan to eliminate the backlog of security checks that establishes information sharing protocols to ensure United States Citizenship and Immigration Services has the information it needs to carry out its mission: Provided further,] **That of the total, \$100,000,000 is provided for the E-Verify program to assist U.S. employers with maintaining a legal workforce. Additionally, \$50,000,000 is to support implementation of the REAL ID Act to develop an information sharing and verification capability with States.**

That notwithstanding any other provision of law, funds available to United States Citizenship and Immigration Services may be used to acquire, operate, equip, [and] dispose of **and replace** up to five vehicles for areas where the Administrator of General Services does not provide vehicles for lease: Provided further, That the Director of United States Citizenship and Immigration Services may authorize employees who are assigned to those areas to use such vehicles between the employees' residences and places of employment. (Department of Homeland Security Appropriations Act, 2008.)

### **Explanation of Changes:**

USCIS proposes to delete a provision related to the designation of emergency funding provided for USCIS in FY 2008, and deletes another provision related to funding provided to address the FBI name check backlog. No funding is requested for this purpose in FY 2009.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Salaries and Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---|-------------|------------|-----------------|
| <b>FY 2007 Actual</b> .....                       | <b>504</b>  | <b>146</b> | <b>\$86,882</b> |
| <b>2008 Enacted</b> <sup>1/</sup> .....           | <b>260</b>  | <b>194</b> | <b>80,973</b>   |
| <b>Adjustments-to-Base</b>                        |             |            |                 |
| Increases   |             |            |                 |
| E-Verify [EEV] FY 2008 Carryover Adjustment ..... | ---         | 66         | 22,000          |
| 2009 Pay Increase.....                            | ---         | ---        | 626             |
| Annualization of 2008 pay raise .....             | ---         | ---        | 203             |
| GSA Rent.....                                     | ---         | ---        | 68              |
| Non-pay inflation excluding GSA Rent.....         | ---         | ---        | 1,012           |
| <b>Total Increases</b> .....                      | <b>---</b>  | <b>66</b>  | <b>23,909</b>   |
| Decreases   |             |            |                 |
| Management Efficiency.....                        | ---         | ---        | -1,080          |
| One-time 2008 emergency funding.....              | ---         | ---        | -20,000         |
| Non-recurring decrease.....                       | ---         | ---        | -450            |
| <b>Total Decreases</b> .....                      | <b>---</b>  | <b>---</b> | <b>-21,530</b>  |
| <b>Total Adjustments-to-Base</b> .....            | <b>---</b>  | <b>66</b>  | <b>2,379</b>    |
| <b>2009 Current Services</b> .....                | <b>260</b>  | <b>260</b> | <b>83,352</b>   |
| <b>Program Changes</b>                            |             |            |                 |
| Program Increases                                 |             |            |                 |
| E-Verify [EEV] Systems .....                      | ---         | ---        | 17,188          |
| Real ID Act Implementation .....                  | 2           | 2          | 50,000          |
| <b>Total Program Changes</b> .....                | <b>2</b>    | <b>2</b>   | <b>67,188</b>   |
| <b>2009 Request</b> .....                         | <b>262</b>  | <b>262</b> | <b>150,540</b>  |
| <b>2008 to 2009 Total Change</b> .....            | <b>2</b>    | <b>68</b>  | <b>69,567</b>   |

1/ The FY 2008 Enacted level includes \$80M in emergency funding provided in P.L. 110-161.

## C. Summary of Requirements

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Salaries and Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |            |
|--|--------------|-----|------------|
|  | Perm. Pos.   | FTE | Amount     |
| <b>FY 2007 Actual</b>  | 504          | 146 | \$ 86,882  |
| <b>2008 Enacted <sup>1/</sup></b>  | 260          | 194 | 80,973     |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |            |
| Increases  | ---          | 66  | 23,909     |
| Decreases  | ---          | --- | (21,530)   |
| Total Adjustments-to-Base  | ---          | 66  | 2,379      |
| <b>2009 Current Services</b>   | 260          | 260 | 83,352     |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details)     |              |     |            |
|  | 2            | 2   | 67,188     |
| <b>2009 Total Request</b>  | 262          | 262 | \$ 150,540 |
| 2008 to 2009 Total Change  | 2            | 68  | \$ 69,567  |

| Estimates by Program/Project Activity                               | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |           |                 | 2009 Program Change |          |               | 2009 Request |            |                   | 2008 to 2009 Total Change |           |                  |
|---|--------------|------------|------------------|--------------------------|-----------|-----------------|---------------------|----------|---------------|--------------|------------|-------------------|---------------------------|-----------|------------------|
|   | Pos.         | FTE        | Amount           | Pos.                     | FTE       | Amount          | Pos.                | FTE      | Amount        | Pos.         | FTE        | Amount            | Pos.                      | FTE       | Amount           |
| 1 Adjudication Services - District Operating Expenses <sup>1/</sup> | ---          | ---        | 20,450           | ---                      | ---       | (20,450)        | ---                 | ---      | ---           | ---          | ---        | ---               | ---                       | ---       | (20,450)         |
| 2 Adjudication Services - Asylum, Refugee, Int'l Operations         | 5            | 5          | 523              | ---                      | ---       | 17              | ---                 | ---      | ---           | 5            | 5          | 540               | ---                       | ---       | 17               |
| 3 REAL ID Act Implementation  | ---          | ---        | ---              | ---                      | ---       | ---             | 2                   | 2        | 50,000        | 2            | 2          | 50,000            | 2                         | 2         | 50,000           |
| 4 E-Verify [EEV] <sup>1/</sup>                                      | 255          | 189        | 60,000           | ---                      | 66        | 22,812          | ---                 | ---      | 17,188        | 255          | 255        | 100,000           | ---                       | 66        | 40,000           |
| <b>Total</b>  | <b>260</b>   | <b>194</b> | <b>\$ 80,973</b> | <b>---</b>               | <b>66</b> | <b>\$ 2,379</b> | <b>2</b>            | <b>2</b> | <b>67,188</b> | <b>262</b>   | <b>262</b> | <b>\$ 150,540</b> | <b>2</b>                  | <b>68</b> | <b>\$ 69,567</b> |

<sup>1/</sup> The FY 2008 Enacted level includes \$80M in emergency funding provided in P.L. 110-161; this amount includes \$20M in Adjudication District Operating Expenses and \$60M in E-Verify.

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Salaries and Expenses  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source            | FY 2007 Actual |     |               | 2008 Revised Estimate |     |              | 2009 Estimate |     |        | Increase/Decrease |     |                |
|----------------------------------|----------------|-----|---------------|-----------------------|-----|--------------|---------------|-----|--------|-------------------|-----|----------------|
|                                  | Pos.           | FTE | Amount        | Pos.                  | FTE | Amount       | Pos.          | FTE | Amount | Pos.              | FTE | Amount         |
| Department of State              | ---            | --- | \$10,482      | ---                   | --- | \$6,012      | ---           | --- | \$0    | ---               | --- | (6,012)        |
| <b>Total Budgetary Resources</b> | ---            | --- | <b>10,482</b> | ---                   | --- | <b>6,012</b> | ---           | --- | ---    | ---               | --- | <b>(6,012)</b> |

| Obligations by Program/Project Activity           | FY 2007 Actual |     |               | 2008 Revised Estimate |     |              | 2009 Estimate |     |        | Increase/Decrease |     |                |
|---|----------------|-----|---------------|-----------------------|-----|--------------|---------------|-----|--------|-------------------|-----|----------------|
|   | Pos.           | FTE | Amount        | Pos.                  | FTE | Amount       | Pos.          | FTE | Amount | Pos.              | FTE | Amount         |
| Adjudication Services - Service Center Operations | ---            | --- | \$10,482      | ---                   | --- | \$6,012      | ---           | --- | \$0    | ---               | --- | (6,012)        |
| <b>Total Obligations</b>                          | ---            | --- | <b>10,482</b> | ---                   | --- | <b>6,012</b> | ---           | --- | ---    | ---               | --- | <b>(6,012)</b> |

Explanation of Increase/Decrease.

The Interagency Agreement with the Department of State is not scheduled to be renewed in FY 2009.

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted /1 | 2009<br>Request   | 2008 - 2009<br>Change |
|---|-------------------|--------------------|-------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | 7,903             | 23,358             | 24,606            | 1,248                 |
| 11.3 Other than full-time permanent                   | 877               | ---                | ---               | ---                   |
| 11.5 Other Personnel Compensation                     | 778               | 10                 | 27                | 17                    |
| 11.8 Special Service Pay                              | 1,668             | ---                | ---               | ---                   |
| 12.1 Benefits   | 794               | 5,155              | 5,469             | 314                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$ 12,020</b>  | <b>\$ 28,523</b>   | <b>\$ 30,102</b>  | <b>\$ 1,579</b>       |
| Other Object Classes:                                 |                   |                    |                   |                       |
| 21.0 Travel   | 195               | 3,300              | 3,950             | 650                   |
| 23.1 GSA rent   | 3,349             | 3,386              | 3,454             | 68                    |
| 23.2 Other rent                                       | 148               | ---                | ---               | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 2,085             | 60                 | 100               | 40                    |
| 24.0 Printing and reproduction                        | 1,975             | ---                | 500               | 500                   |
| 25.1 Advisory and assistance services                 | 14,398            | 103,000            | 58,454            | (44,546)              |
| 25.2 Other services                                   | 32,350            | 5,700              | 15,814            | 10,114                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 14,194            | 8,200              | 8,364             | 164                   |
| 25.7 Operation and maintenance of equipment           | 280               | 4,054              | 5,100             | 1,046                 |
| 26.0 Supplies and materials                           | 878               | 300                | 602               | 302                   |
| 31.0 Equipment  | 4,997             | ---                | 3,100             | 3,100                 |
| 32.0 Land & structures                                | ---               | 1,000              | 1,500             | 500                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | 450                | 44,000            | 43,550                |
| 99.0 Other  | 13                | ---                | ---               | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$ 74,862</b>  | <b>\$ 129,450</b>  | <b>\$ 144,938</b> | <b>\$ 15,488</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$ 86,882</b>  | <b>\$ 157,973</b>  | <b>\$ 175,040</b> | <b>\$ 17,067</b>      |
| Unobligated balance, start of year                    | (2,269)           | (98,993)           | (24,500)          | 74,493                |
| Anticipated accounting adjustment                     | ---               | (2,507)            |                   |                       |
| Unobligated balance, end of year                      | 98,993            | 24,500             |                   | (24,500)              |
| Recoveries of prior year obligations                  | (35)              | ---                | ---               | ---                   |
| <b>Total requirements</b>                             | <b>\$ 183,571</b> | <b>\$ 80,973</b>   | <b>\$ 150,540</b> | <b>\$ 69,567</b>      |

1/ The FY 2008 Enacted level includes \$80M in emergency funding provided in P.L. 110-161.

## F. Permanent Positions by Grade

**Department of Homeland Security  
U.S. Citizenship & Immigration Services  
Salaries and Expenses  
Permanent Positions by Grade**

| Grades and Salary Ranges         | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|
|                                  | Pos.              | Pos.               | Pos.               | Total                  |
| Total, SES                       | 1                 | 1                  | 1                  | ---                    |
| Total, EX                        | ---               | ---                | ---                | ---                    |
|                                  | ---               | ---                | ---                | ---                    |
| GS-15                            | 12                | 12                 | 13                 | 1                      |
| GS-14                            | 34                | 38                 | 38                 | ---                    |
| GS-13                            | 72                | 46                 | 47                 | 1                      |
| GS-12                            | 166               | 65                 | 65                 | ---                    |
| GS-11                            | 2                 | 46                 | 46                 | ---                    |
| GS-10                            | ---               | ---                | ---                | ---                    |
| GS-09                            | 15                | 25                 | 25                 | ---                    |
| GS-08                            | 1                 | ---                | ---                | ---                    |
| GS-07                            | 141               | 26                 | 26                 | ---                    |
| GS-06                            | 23                | ---                | ---                | ---                    |
| GS-05                            | 37                | ---                | ---                | ---                    |
| GS-04                            | ---               | 1                  | 1                  | ---                    |
| GS-03                            | ---               | ---                | ---                | ---                    |
| GS-02                            | ---               | ---                | ---                | ---                    |
| Other Graded Positions           | ---               | ---                | ---                | ---                    |
| Ungraded Positions               | ---               | ---                | ---                | ---                    |
| <b>Total Permanent Positions</b> | <b>504</b>        | <b>260</b>         | <b>262</b>         | <b>2</b>               |
| Unfilled Positions EOY           | 327               | ---                | ---                | ---                    |
| Total Perm. Employment EOY       | 177               | 260                | 262                | 2                      |
| <b>FTE</b>                       | <b>146</b>        | <b>194</b>         | <b>262</b>         | <b>68</b>              |
| Headquarters                     | 67                | 54                 | 56                 | 2                      |
| U.S. Field                       | 437               | 206                | 206                | ---                    |
| Foreign Field                    | ---               | ---                | ---                | ---                    |
| <b>Total Permanent Positions</b> | <b>504</b>        | <b>260</b>         | <b>262</b>         | <b>2</b>               |
| Average ES Salary                | \$ ---            | \$ ---             | \$ ---             | \$ ---                 |
| Average GS Salary                | \$ 75,000         | \$ 76,650          | \$ 78,183          | \$ 1,533               |
| Average GS Grade                 | 10.1              | 11.6               | 11.8               | 0.2                    |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Salaries and Expenses  
Employment Eligibility Verification (E-Verify)  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: E-Verify [EEV]</b>                      |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted <sup>1/</sup></b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|---------------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |  |                        |                                       |                         |                                |
| 11.1  | Perm Positions                             | \$ 2,924               | \$ 22,960                             | \$ 23,626               | \$ 666                         |
| 11.3  | Other than perm                            | 107                    | ---                                   | ---                     | ---                            |
| 11.5  | Other per comp                             | 208                    | ---                                   | ---                     | ---                            |
| 12.1  | Benefits                                   | 794                    | 5,040                                 | 5,186                   | 146                            |
| 21.0  | Travel                                     | 88                     | 3,300                                 | 3,800                   | 500                            |
| 23.1  | GSA rent                                   | 3,349                  | 3,386                                 | 3,454                   | 68                             |
| 23.2  | Other rent                                 | 148                    | ---                                   | ---                     | ---                            |
| 23.3  | Communication, Utilities, and misc charges | 347                    | 60                                    | 100                     | 40                             |
| 24.0  | Printing                                   | 1,470                  | ---                                   | 500                     | 500                            |
| 25.1  | Advisory & Assistance Services             | 11,334                 | 28,000                                | 56,454                  | 28,454                         |
| 25.2  | Other Services                             | 28,042                 | 5,700                                 | 15,814                  | 10,114                         |
| 25.3  | Purchase from Govt. Accts.                 | 12,041                 | 8,200                                 | 8,364                   | 164                            |
| 25.7  | Operation & maintenance of equipment       | 216                    | 4,054                                 | 5,100                   | 1,046                          |
| 26.0  | Supplies & materials                       | 575                    | 300                                   | 602                     | 302                            |
| 31.0  | Equipment                                  | 4,936                  | ---                                   | ---                     | ---                            |
| 32.0  | Land & Structures                          | ---                    | 1,000                                 | 1,500                   | 500                            |
| <b>Total, Direct Obligations E-Verify [EEV]</b> |  | <b>\$ 66,579</b>       | <b>\$ 82,000</b>                      | <b>\$ 124,500</b>       | <b>\$ 42,500</b>               |
| Full Time Equivalents                           |  | 38                     | 189                                   | 255                     | 66                             |

1/ The FY 2008 Enacted level includes \$60M in emergency funding provided in P.L. 110-161 and \$22M in FY 2007 funding carried forward.

### PPA Mission Statement

This account will fund the operation of the E-Verify Program. The E-Verify Program, a key component of the Department's Secure Border Initiative, involves electronic verification checks of the Social Security Administration and DHS databases, using an automated system to verify employment authorization. In FY 2009, USCIS is using \$24.5 million in anticipated funding carried forward from FY 2008.

### Summary Justification and Explanation of Changes

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$4,033</b>         | <b>28,000</b>           | <b>\$28,812</b>         | <b>\$812</b>                   |

Salaries and Benefits includes costs for 255 FTEs. The FY 2009 request includes an increase of \$812,000 for the proposed increase in personnel compensation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$88          | \$3,300        | \$3,800        | \$500               |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects a \$500,000 increase.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$3,349       | \$3,386        | \$3,454        | \$68                |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$68,000 increase.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$148         | \$0            | \$0            | \$0                 |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$347         | \$60           | \$100          | \$40                |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects a \$40,000 increase.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$1,470       | \$0            | \$500          | \$500               |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects a \$500,000 increase.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$11,334      | \$28,000       | \$56,454       | \$28,454            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a net increase of \$28,454,000, which includes a net adjustment of \$2,500,000 for carryover funds.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$28,042       | \$5,700         | \$15,814        | \$10,114               |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects a \$10,114,000 increase.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$12,041       | \$8,200         | \$8,364         | \$164                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects a \$164,000 increase.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$216          | \$4,054         | \$5,100         | \$1,046                |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects a \$1,046,000 increase.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$575          | \$300           | \$602           | \$302                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request reflects a \$302,000 increase.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$4,936        | \$0             | \$0             | \$0                    |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Land &amp; Structures</b> | \$0            | \$1,000         | \$1,500         | \$500                  |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions. The FY 2009 request reflects a \$500,000 increase.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
**Adjudication Services**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Adjudication Services</b>                      |                                | <b>2007<br/>Actual <sup>1/</sup></b> | <b>2008<br/>Enacted <sup>2/</sup></b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|--------------------------------------|---------------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                                 |                                |                                      |                                       |                         |                                |
| 11.1   | Perm Positions                 | \$ ---                               | \$ 398                                | \$ 410                  | \$ 12                          |
| 11.5   | Other per comp                 | ---                                  | 10                                    | 12                      | 2                              |
| 12.1   | Benefits                       | ---                                  | 115                                   | 118                     | 3                              |
| 21.0   | Travel                         | (13)                                 | ---                                   | ---                     | ---                            |
| 25.1   | Advisory & Assistance Services | ---                                  | 75,000                                | ---                     | (75,000)                       |
| 25.2   | Other Services                 | 11                                   | ---                                   | ---                     | ---                            |
| 31.0   | Equipment                      | 1                                    | ---                                   | ---                     | ---                            |
| 41.0   | Grants/Subsidies/Contributions | ---                                  | 450                                   | ---                     | (450)                          |
| 99.0   | Other                          | 13                                   | ---                                   | ---                     | ---                            |
| <b>Total, Direct Obligations Adjudication Services</b> |                                | <b>\$ 12</b>                         | <b>\$ 75,973</b>                      | <b>\$ 540</b>           | <b>\$ (75,433)</b>             |
| Full Time Equivalents                                  |                                | ---                                  | 5                                     | 5                       | ---                            |

1/ Reflects prior-year charges.

2/ The FY 2008 Enacted level includes \$20M in emergency funding provided in P.L. 110-161.

**PPA Mission Statement**

Through a network of 250 local offices, Application Support Centers, Service Centers, and Asylum offices, USCIS is responsible for the timely and quality processing of:

- Family-based petitions - facilitating the process for close relatives to immigrate, gain permanent residency, work, etc.;
- Employment-based petitions - facilitating the process for current and prospective employees to immigrate or stay in the U.S. temporarily;
- Asylum and Refugee processing - adjudicating asylum applications and the processing of refugees; and
- Naturalization - processing applications of those who wish to become U.S. citizens.

The Adjudication Services program within the Salaries & Expenses account includes funding for Immigration Services projects, the Federal Bureau of Investigation (FBI) background checks; and, the Cuban-Haitian Entrant Program, the Moscow Refugee Program, and the Humanitarian Parole Program which were transferred from ICE.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$523</b>            | <b>\$540</b>            | <b>\$17</b>                    |

Salaries and Benefits includes costs for 5 FTEs. The FY 2009 request includes an increase of \$17,000 for the proposed increase in personnel compensation to fund the Cuban-Haitian Entrant Program, the Moscow Refugee Program, and the Humanitarian Parole Program transferred from ICE.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | (\$13)        | \$0            | \$0            | \$0                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$0           | \$75,000       | \$0            | (\$75,000)          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a downward adjustment of \$47,000,000 in carryover funding used in FY 2008 for the Transformation Program and \$8,000,000 of carryover supplemental funding for FBI background checks. In addition, there is a non-recurring decrease of \$20,000,000 for one-time funding received in FY 2008 for FBI background checks.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$11          | \$0            | \$0            | \$0                 |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$1           | \$0            | \$0            | \$0                 |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

|                                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|---------------|----------------|----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | \$0           | \$450          | \$0            | (\$450)             |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects a non-recurring decrease of \$450,000 for one-time funding received in FY 2008 for Immigration Services projects.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
**Systematic Alien Verification for Entitlements (SAVE)**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: SAVE</b>                      |  | <b>2007</b>      | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|--|------------------|----------------|----------------|---------------------|
|                                       |  | <b>Actual</b>    | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                |  |                  |                |                |                     |
| 11.1                                  | Perm Positions                             | \$ 4,979         | \$ ---         | \$ ---         | \$ ---              |
| 11.3                                  | Other than perm                            | 770              | ---            | ---            | ---                 |
| 11.5                                  | Other per comp                             | 570              | ---            | ---            | ---                 |
| 11.8                                  | Spec Srvc Pay                              | 1,668            | ---            | ---            | ---                 |
| 21.0                                  | Travel                                     | 120              | ---            | ---            | ---                 |
| 23.3                                  | Communication, Utilities, and misc charges | 1,738            | ---            | ---            | ---                 |
| 24.0                                  | Printing                                   | 505              | ---            | ---            | ---                 |
| 25.1                                  | Advisory & Assistance Services             | 3,064            | ---            | ---            | ---                 |
| 25.2                                  | Other Services                             | 4,296            | ---            | ---            | ---                 |
| 25.3                                  | Purchase from Govt. Accts.                 | 2,153            | ---            | ---            | ---                 |
| 25.7                                  | Operation & maintenance of equipment       | 64               | ---            | ---            | ---                 |
| 26.0                                  | Supplies & materials                       | 303              | ---            | ---            | ---                 |
| 31.0                                  | Equipment                                  | 60               | ---            | ---            | ---                 |
| <b>Total, Direct Obligations SAVE</b> |  | <b>\$ 20,291</b> | <b>\$ ---</b>  | <b>\$ ---</b>  | <b>\$ ---</b>       |
| Full Time Equivalents                 |  | 108              | ---            | ---            | ---                 |

**PPA Mission Statement**

The SAVE Program is an intergovernmental information-sharing initiative designed to aid employers in determining an applicant's/recipient's immigration status, and thereby ensure that only entitled applicants/recipients receive Federal, state, or local public benefits. The USCIS SAVE Program is an information service for benefit granting agencies, institutions, and other entities. The USCIS does not make determinations on any applicant's/recipient's eligibility for a specific benefit. Beginning in FY 2008, the SAVE program will be entirely fee-funded through the Immigration Examinations Fee Account.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|----------------|---------------------|
|                              | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$7,987</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$120</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$1,738</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$505</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$3,064</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$4,296</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$2,153</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$64</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$303</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$60</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
**REAL ID Act Implementation**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: REAL ID Act</b>                      |                                | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                       |                                |                        |                         |                         |                                |
| 11.1   | Perm Positions                 | \$ ---                 | \$ ---                  | \$ 570                  | \$ 570                         |
| 11.5   | Other per comp                 | ---                    | ---                     | 15                      | 15                             |
| 12.1   | Benefits                       | ---                    | ---                     | 165                     | 165                            |
| 21.0   | Travel                         | ---                    | ---                     | 150                     | 150                            |
| 25.1   | Advisory & Assistance Services | ---                    | ---                     | 2,000                   | 2,000                          |
| 31.0   | Equipment                      | ---                    | ---                     | 3,100                   | 3,100                          |
| 41.0   | Grants/Subsidies/Contributions | ---                    | ---                     | 44,000                  | 44,000                         |
| <b>Total, Direct Obligations REAL ID Act</b> |                                | <b>\$ ---</b>          | <b>\$ ---</b>           | <b>\$ 50,000</b>        | <b>\$ 50,000</b>               |
| Full Time Equivalents                        |                                | ---                    | ---                     | 2                       | 2                              |

**PPA Mission Statement**

The REAL ID Act requires, among other things, that before a State can issue a driver's license or identification card to a person the State must verify the issuance, validity, and completeness of each document required to be presented by the person seeking to obtain a REAL ID compliant driver's license or identification card.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$0</b>              | <b>\$750</b>            | <b>\$750</b>                   |

Salaries and Benefits includes costs for 2 FTEs. The FY 2009 request includes an increase of \$750,000 for personnel compensation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$0</b>              | <b>\$150</b>            | <b>\$150</b>                   |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects a \$150,000 increase.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$2,000</b> | <b>\$2,000</b>      |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a \$2,000,000 increase.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$3,100</b> | <b>\$3,100</b>      |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects a \$3,100,000 increase.

|                                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|---------------|----------------|-----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$44,000</b> | <b>\$44,000</b>     |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects a \$44,000,000 increase.

## I. Changes in FTE

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Salaries and Expenses**  
 Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 0       | 146     | 194     |
| <b>INCREASES</b>  |         |         |         |
| Increase #1: SAVE Program   | 108     |         |         |
| Description: In FY 2007, SAVE Program is expanded and funded entirely through discretionary funds.  |         |         |         |
| Increase #2: E-Verify   | 38      | 151     | 66      |
| Description: In FY 2007, E-Verify Program is expanded and funded entirely through discretionary funds. The increase reflects the annualization of authorized FTEs in line with requested budget levels. |         |         |         |
| Increase #3: CHEP & Parole Programs   |         | 5       |         |
| Description: Transfer from Immigration Examinations Fee Account.  |         |         |         |
| Increase #4: REAL ID Act Implementation   |         |         | 2       |
| Description: REAL ID Act activities transferred to CIS.   |         |         |         |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1: SAVE Program   |         | (108)   |         |
| Description: The SAVE Program is proposed as an entirely fee-funded program in FY 2008.   |         |         |         |
| Year-end Actual/Estimated FTEs  | 146     | 194     | 262     |
| Net Change from prior year base to Budget Year Estimate:  | 146     | 48      | 68      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Salaries & Expenses One Year  
Working Capital Fund  
(Dollars in Thousands)**

| Program/Project Activity                   | FY 2007 EOY<br>Proj. Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|--|-----------------------------|------------------------|------------------------|---------------------------------------|
|  | AMOUNT                      | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| SAVE - (6001) - Operating Expenses         | \$1,977                     | ---                    | ---                    | ---                                   |
| Employment Eligibility Verification (7001) | ---                         | 1,944                  | 1,900                  | (\$44)                                |
| <b>Total Working Capital Fund</b>          | <b>\$1,977</b>              | <b>\$1,944</b>         | <b>\$1,900</b>         | <b>(\$44)</b>                         |

# Department of Homeland Security

*U.S. Citizenship & Immigration Services*

*Immigration Examinations Fee Account*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. CITIZENSHIP & IMMIGRATION SERVICES IMMIGRATION EXAMINATIONS FEE ACCOUNT

### I. Appropriation Overview

#### **A. Mission Statement for Immigration Examinations Fee Account:**

The Immigration Examinations Fee Account (IEFA) is the primary program funding source for USCIS, comprising approximately 95 percent of the total USCIS budget. Fees collected from the filing of immigration benefit applications are deposited into the IEFA and used to fund the cost of processing immigration benefit applications and associated support benefits; the cost of providing similar benefits to asylum and refugee applicants; and, the cost of similar benefits provided to other immigrants where fees were waived.

#### **B. Budget Activities:**

##### Adjudication Services

Through a network of 250 local offices, Application Support Centers, Service Centers, and Asylum offices, USCIS is responsible for the timely and quality processing of:

- *Family-based petitions* - facilitating the process for close relatives to immigrate, gain permanent residency, work, etc.;
- *Employment-based petitions* - facilitating the process for current and prospective employees to immigrate or stay in the U.S. temporarily;
- *Asylum and Refugee processing* - adjudicating asylum applications and the processing of refugees; and
- *Naturalization* - processing applications of those who wish to become U.S. citizens.

Premium processing revenue collected into this account also funds the Business Transformation Program which is a multi-year effort to modernize USCIS business processes and supporting systems.

##### Information and Customer Services

Through multiple channels of available assistance, including the USCIS website, toll-free call center (National Customer Service Call Centers), and face-to-face appointments; these services make it easier for customers to get the information they need, when they need it. On an annual basis, USCIS:

- Serves more than 16 million customers via the National Customer Service Call Centers; and
- Serves approximately 3 million customers through information counters at local offices.

##### Administration

The Administration activity supports a variety of headquarters offices including Administration, Chief Financial Officer, Chief Counsel, Communications, Congressional Relations, Policy and Strategy, Chief Human Capital, and Security and Integrity.

### Systematic Alien Verification for Entitlements (SAVE)

The SAVE program assists organizations by providing a non-citizen applicant's immigration status, in order to determine eligibility for Federal, state, or local public benefits. The program also supports implementation of the requirements of the REAL ID Act of 2005 by making it easier for States to verify immigration status for the issuance of state-issued driver's licenses and state-issued identification cards.

### **C. Budget Request Summary:**

USCIS requests 10,234 positions, 10,234 FTE, and \$2,495,186,000 for FY 2009. The total adjustments-to-base is \$314,000, which is for pay inflation for the SAVE Program. The remainder of the IEFA is the same as FY 2008 since the adjustment of the immigration benefit application and petition fee schedule addressed the FY 2008 and FY 2009 biennial periods.

### **D. Proposed PPA Structure:**

USCIS proposes to change the programs, projects, and activities (PPA) structure. The proposed restructuring serves several goals. First, the new structure improves the depiction of USCIS activities. Given the increased focus on both immigration status verification and fraud detection, the new structure uniquely identifies and depicts an integrated budget request in both areas. Immigration operations activities are better integrated and simplified within a single budget category, in particular by reducing the breakout of adjudication activities and incorporating information and customer service spending.

A second goal is the desire to simplify the report-level breakout by combining pay and non-pay line items. USCIS fully intends to internally execute and monitor annual resources with breakouts between pay and non-pay. For those movements that have a significant program, resource, or policy implication, USCIS would continue to keep the Committee apprised irrespective of the revised line item breakout. In addition, most DHS components do not have pay and benefits broken out separately within the appropriations budget structure.

Our final goal concerns the desire to better align activities with organizational units and activity costs. USCIS is continuing to refine its activity-based cost structure. This revised budget structure improves PPA alignment with our activity-based cost structure by bringing core immigration operations under a single PPA category.

**U.S. Citizenship & Immigration Services  
Revised PPA Crosswalk Proposal**

| <b>Current Budget Structure</b>                    | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted <sup>1/2</sup></b> | <b>Crosswalk to Proposed Revised Structure</b>  | <b>FY 2009<br/>Request</b>                               |                            |
|--|---------------------------|---|---|--|----------------------------|
| <b><u>Adjudication Services</u></b>                |                           |   |   |  |                            |
| Pay & benefits                                     | \$597,644                 | \$742,345                                 | Domestic<br>International<br>Customer Service, Support & Outreach<br>Fraud Detection & National Security<br>Business Transformation | \$567,032<br>\$78,218<br>\$27,330<br>\$64,996<br>\$4,769 |                            |
| District Operating Expenses                        | \$407,067                 | \$536,685                                 | Domestic<br>Customer Service, Support & Outreach<br>Fraud Detection & National Security<br>Business Transformation                  | \$516,739<br>\$4,344<br>\$14,802<br>\$800                |                            |
| Service Center Operating Expenses                  | \$265,837                 | \$336,873                                 | Domestic  | \$336,873  |                            |
| Asylum/Refugee Operating Expenses                  | \$65,221                  | \$92,028                                  | International   | \$92,028   |                            |
| Records Operating Expenses                         | \$68,211                  | \$87,739                                  | Customer Service, Support & Outreach<br>Fraud Detection & National Security   | \$87,329<br>\$410  |                            |
| Business Transformation                            | \$0                       | \$139,000                                 | Business Transformation   | \$139,000  |                            |
| <b>Subtotal:</b>                                   | <b>\$1,403,980</b>        | <b>\$1,934,670</b>                        |   | <b>\$1,934,670</b>                                       |                            |
| <b><u>Information and Customer Services</u></b>    |                           |   |   |  |                            |
| Pay & Benefits                                     | \$68,739                  | \$89,977                                  | Customer Service, Support & Outreach  | \$89,977   |                            |
| Customer Service Center Operating Expenses         | \$47,962                  | \$55,600                                  | Customer Service, Support & Outreach  | \$55,600   |                            |
| Information Services Operating Expenses            | \$13,750                  | \$22,222                                  | Customer Service, Support & Outreach  | \$22,222   |                            |
| <b>Subtotal:</b>                                   | <b>\$130,451</b>          | <b>\$167,799</b>                          |   | <b>\$167,799</b>   |                            |
| <b><u>Administration</u></b>                       |                           |   |   |  |                            |
| Pay & Benefits                                     | \$43,742                  | \$86,245                                  | Administration  | \$86,245   |                            |
| Operating Expenses                                 | \$179,377                 | \$287,654                                 | Administration<br>Customer Service, Support & Outreach  | \$286,355<br>\$1,299                                     |                            |
| <b>Subtotal:</b>                                   | <b>\$223,119</b>          | <b>\$373,899</b>                          |   | <b>\$373,899</b>   |                            |
| <b>SAVE <sup>1/</sup></b>                          | <b>\$0</b>                | <b>\$18,504</b>                           | Immigration Status Verification   | <b>\$18,504</b>  |                            |
|  | <b>\$1,757,550</b>        | <b>\$2,494,872</b>                        |   |  |                            |
| <b>Proposed Revised Budget Structure</b>           |                           |   |   | <b>FY 2008<br/>Enacted</b>                               | <b>FY 2009<br/>Request</b> |
| <b><u>Immigration Operations</u></b>               |                           |   |   |  |                            |
| Domestic   | \$1,128,386               |   |   | \$1,420,644  | \$1,420,644                |
| International                                      | \$130,033                 |   |   | \$170,246  | \$170,246                  |
| Customer Service, Support and Outreach             | \$225,250                 |   |   | \$288,101  | \$288,101                  |
| <b>Subtotal:</b>                                   | <b>\$1,483,669</b>        |   |   | <b>\$1,878,991</b>                                       | <b>\$1,878,991</b>         |
| <b><u>Immigration Security &amp; Integrity</u></b> |                           |   |   |  |                            |
| Fraud Detection & National Security                | \$33,414                  |   |   | \$80,208   | \$80,208                   |
| Immigration Status Verification <sup>1/</sup>      | \$0                       |   |   | \$18,504   | \$18,818                   |
| <b>Subtotal:</b>                                   | <b>\$33,414</b>           |   |   | <b>\$98,712</b>  | <b>\$99,026</b>            |
| <b>Administration</b>                              | <b>\$212,405</b>          |   |   | <b>\$372,600</b>   | <b>\$372,600</b>           |
| <b>Business Transformation</b>                     | <b>\$28,062</b>           |   |   | <b>\$144,569</b>   | <b>\$144,569</b>           |
| <b>TOTAL:</b>                                      | <b>\$1,757,550</b>        |   |   | <b>\$2,494,872</b>                                       | <b>\$2,495,186</b>         |

1/ In FY 2008, SAVE transfers to the Immigration Examinations Fee Account.

2/ FY 2008 reflects proposed technical reprogramming adjustments.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Immigration Examinations Fee Account**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |              |                 |            |                     |              |
|--|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|--------------|-----------------|------------|---------------------|--------------|
|  |                   |                    |                    |                    |                    |                    | Total Changes                            |              | Program Changes |            | Adjustments-to-Base |              |
|  | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                                      | AMOUNT       | FTE             | AMOUNT     | FTE                 | AMOUNT       |
| Adjudication Services  |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
| Pay & Benefits   | 6,562             | 597,644            | 7,992              | 742,345            | 7,999              | 763,873            | 7  | 21,528       | ---             | ---        | 7                   | 21,528       |
| District Operating Expenses                                  |                   | 407,067            |                    | 536,685            |                    | 525,716            | ---                                      | (10,969)     |                 | ---        | ---                 | (10,969)     |
| Service Center Operating Expenses                            |                   | 265,837            |                    | 336,873            |                    | 329,988            | ---                                      | (6,885)      |                 | ---        | ---                 | (6,885)      |
| Asylum/Refugee Operating Expenses                            |                   | 65,221             |                    | 92,028             |                    | 90,147             | ---                                      | (1,881)      |                 | ---        | ---                 | (1,881)      |
| Records Operating Expenses                                   |                   | 68,211             |                    | 87,739             |                    | 85,946             | ---                                      | (1,793)      |                 | ---        | ---                 | (1,793)      |
| Business Transformation                                      | ---               | ---                | ---                | 139,000            | ---                | 139,000            | ---                                      | ---          |                 | ---        | ---                 | ---          |
| Information and Customer Services                            |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
| Pay & Benefits   | 979               | 68,739             | 1,230              | 89,977             | 1,357              | 92,587             | 127                                      | 2,610        | ---             | ---        | 127                 | 2,610        |
| Customer Service Center Operating Expenses                   |                   | 47,962             |                    | 55,600             |                    | 53,747             | ---                                      | (1,853)      |                 | ---        | ---                 | (1,853)      |
| Information Services Operating Expenses                      |                   | 13,750             |                    | 22,222             |                    | 21,465             | ---                                      | (757)        |                 | ---        | ---                 | (757)        |
| Administration   |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
| Pay & Benefits   | 331               | 43,742             | 580                | 86,245             | 658                | 88,746             | 78                                       | 2,501        | ---             | ---        | 78                  | 2,501        |
| Operating Expenses   | ---               | 179,377            | ---                | 287,654            | ---                | 285,153            | ---                                      | (2,501)      |                 | ---        | ---                 | (2,501)      |
| SAVE   | ---               | ---                | 170                | 18,504             | 220                | 18,818             | 50                                       | 314          |                 | ---        | 50                  | 314          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>7,872</b>      | <b>\$1,757,550</b> | <b>9,972</b>       | <b>\$2,494,872</b> | <b>10,234</b>      | <b>\$2,495,186</b> | <b>262</b>                               | <b>\$314</b> | <b>---</b>      | <b>---</b> | <b>262</b>          | <b>\$314</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
|  |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
|  |                   |                    |                    |                    |                    |                    |  |              |                 |            |                     |              |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>7,872</b>      | <b>\$1,757,550</b> | <b>9,972</b>       | <b>\$2,494,872</b> | <b>10,234</b>      | <b>\$2,495,186</b> | <b>262</b>                               | <b>\$314</b> | <b>---</b>      | <b>\$0</b> | <b>262</b>          | <b>\$314</b> |

Notes: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
Program Performance Justification  
(Dollars in thousands)**

PPA: ADJUDICATION SERVICES

|                                   | <b>Perm. Pos.</b> | <b>FTE</b>   | <b>Amount</b>      |
|-----------------------------------|-------------------|--------------|--------------------|
| <b>2007 Actual</b>                | <b>6,338</b>      | <b>6,562</b> | <b>\$1,403,980</b> |
| <b>2008 Enacted</b> <sup>1/</sup> | <b>7,999</b>      | <b>7,992</b> | <b>\$1,934,670</b> |
| 2009 Adjustments-to-Base          | 0                 | 7            | \$0                |
| <b>2009 Current Services</b>      | <b>7,999</b>      | <b>7,999</b> | <b>\$1,934,670</b> |
| 2009 Program Change               | 0                 | 0            | \$0                |
| <b>2009 Request</b>               | <b>7,999</b>      | <b>7,999</b> | <b>\$1,934,670</b> |
| Total Change 2008-2009            | 0                 | 7            | \$0                |

1/ FY 2008 Enacted reflects base level staffing and proposed reprogramming adjustments.

USCIS requests \$1.935 billion to process millions of immigration benefit applications while maintaining backlog goals, and ensuring the security and integrity of the immigration system. There are no changes in funding from FY 2008 since the adjustment of the immigration benefit application and petition fee schedule addressed the FY 2008 and FY 2009 biennial periods. There is an adjustment-to-base increase of 7 FTE for annualization of FTE from FY 2008 to FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

FY 2009 planned funding for Adjudication Services includes \$764 million for payroll, \$526 million for District Operations, \$330 million for Service Center Operations, \$90 million for Refugee, Asylum, and International Operations, \$86 million for Records Operations, and \$139 million for Business Transformation.

Each year, millions of people apply for various types of immigration benefits from the U.S. government. Adjudications Officers determine eligibility for a wide variety of benefits. They review applications and often conduct interviews of the applicants. Adjudications Officers have the dual responsibility of providing courteous service to the public while being alert to the possibility of fraud and misrepresentation. Adjudications Officers are assigned to one of 70 field offices located in 26 Districts nationwide. In addition, there are also Adjudication Officers assigned to one of four Service Centers located in St. Albans, VT; Lincoln, NE; Irving, TX; and Laguna Niguel, CA.

The Refugee Affairs Division, which includes the specially trained Refugee Corps, is responsible for adjudicating refugee claims overseas to determine eligibility for resettlement in the United States. In meeting this humanitarian mission, officers are

vigilant to safeguard the integrity of the program by deterring and detecting fraud or threats to national security.

Asylum Officers determine eligibility for asylum under the Immigration and Nationality Act and relief under section 203 of the Nicaraguan Adjustment and Central Relief Act (NACARA). Asylum Officers also conduct protection screenings for certain individuals in the expedited removal process or subject to administrative removal. Officers are specially trained in country conditions, asylum and international law, interviewing techniques, and legal analysis, including credibility analysis. The Asylum Officer Corps also leverages specialized resources, including professional interpreters, to adjudicate cases and deliver timely and accurate provision of legal protection to individuals who qualify for asylum status and to identify and minimize fraud in the program. There are eight Asylum Offices throughout the U.S.: New York, NY, Newark, NJ, Arlington, VA, Miami, FL, Houston, TX, Chicago, IL, San Francisco, CA and Los Angeles, CA.

The International Operations Division is the face of USCIS overseas, encompassing 30 field offices, which are located in embassies and consulates around the world. Division offices play a critical role in extending immigration benefits to eligible individuals and exercising vigilance in matters of fraud detection and national security, while upholding the laws of the United States and honoring its international obligations.

In coordination with DHS and other Federal agencies, USCIS combats immigration benefit fraud through the Office of Fraud Detection and National Security (FDNS). FDNS staff analyzes and identifies fraud patterns and trends, and document evidence of fraud for administrative action. USCIS will continue to implement fraud detection measures in Service Centers, field offices, and Refugee and Asylum programs and train adjudications staff to proactively identify fraud/security profiles while considering an application. Also, USCIS works in coordination with other bureaus of DHS, and with agencies such as the Departments of Labor and State, and with the Federal Bureau of Investigation (to conduct background checks).

Adjudication includes funding for business transformation efforts. Funding is being used to transform USCIS' current paper-based data systems into a modern, world-class digital processing resource that will enhance customer service, better prevent future backlogs, and improve USCIS efficiency while also strengthening security.

During FY 2007, USCIS worked to lay the foundation for improvements to our business processes that support redesigned account-based, customer-centric operations. This includes establishing a Transformation Office, consolidating and re-working forms and instructions, beginning the identification of business requirements and rules, and initiating pilot projects to demonstrate the viability of information technology to support transformed business processes.

Pilot projects have been selected to satisfy key objectives of business transformation: *Identity management*, to uniquely associate an individual with biometrics; *data sharing* to improve national security by sharing information with partners; and *digitization* of our

files, which is essential to a transformed business process. The pilots, implemented in FY 2007, include an enumeration service for identity management, which enables the secure and encrypted storage, transmission, and retrieval of electronic biographic and biometric information, digitizing paper files, and acquiring the commercial off-the-shelf software licenses for electronic adjudication management.

Significant accomplishments in FY 2007:

- The Domestic Operations Directorate:
  - Processed over 1 million employment authorization applications
  - Processed 600,000 adjustment of status applications
  - Processed 600,000 naturalization applications
  - Processed over 500,000 applications to replace permanent resident cards
  - Processed 400,000 nonimmigrant worker petitions
  - Processed 30,000 orphan petitions
- The Transformation Program Office implemented pilots for:
  - Integrated Digitization Document Management Program (IDDMP) – scanning of case file records into an electronic repository and creation of metadata to facilitate searching
  - Biometric Storage System (BSS) – replacement of a disjointed collection of legacy systems with centralized storage and re-use of biometrics,
  - Enumeration Services – a joint effort between US-VISIT and USCIS to assign an enumerator to a set of fingerprints thus enabling unique identification of an individual
  - Inter-Country Adoptions – a case management system to support inter-country adoptions as a proof of concept for a customer account based system utilizing the enumerator
- The Refugee, Asylum and International Operations Directorate:
  - Developed and began implementing plans to expand biometric capture to all applicants for refugee resettlement
  - Developed and implemented procedures to adjudicate material support exceptions based on Secretary's exercise of discretion
  - Developed and implemented enhanced security processing for Iraqi refugee cases
  - Decreased processing time for asylum and NACARA 203 applications to less than six months
  - Completed the majority of new asylum cases within 60 days of receipt and the majority of credible fear cases within 14 days of receipt
  - Drafted Interim Rule to implement Hague Convention on Intercountry Adoptions
  - Established Humanitarian and Children's Issues branches

As part of the adjusted immigration benefit application fee schedule, USCIS received \$530 million in additional resources for the biennial period covering fiscal years 2008 and 2009. The following are current plans and program goals for several of the core program enhancements during FY 2008-2009.

- Adjudications and support staff enhancements (1,004 FTE and \$126.8 million). Fee rule enhancement positions are anticipated to be hired and on-board by the end of the third quarter of FY 2008.

In FY 2009, USCIS will monitor staffing levels to ensure that current vacancies are actively filled in order to meet processing goals and mission responsibilities, and will monitor all pending workload to determine if monthly completions are in line with agency prescribed processing goals.

- Second full-service card production facility and card production workload (4 FTE and \$32.4 million). In FY 2008, USCIS plans to award the technology refreshment contract for new secure identity document production equipment for its current card facility with sufficient scalability to equip the second card facility. In addition, USCIS will complete a facility risk factors assessment to determine potential site locations and initiate a requirements package to issue a solicitation for the award of a design contract.

In FY 2009, USCIS intends to award the contract for construction and/or build-out of space at the site selected for the facility, and will begin Certification and Accreditation (C&A) activities, as appropriate.

- Fraud prevention and detection (170 FTE and \$31.3 million). During FY 2008, USCIS plans to enhance the Benefit Fraud Assessment (BFA) methodology, implement methods to analyze fraud reactively, and identify emerging fraud trends in a proactive manner; work collaboratively with the FBI to improve the national name check process; provide enhanced fraud detection/national security training to USCIS components and other involved federal agencies, and develop tools that help adjudicators better recognize various types of fraud; and, leverage FDNS' national security resolution capabilities by distributing the vetting of non-known and suspected terrorist cases (non-KST) to field offices, leaving headquarters analysts available for advisory, policy, and KST issues.

In FY 2009, USCIS will pursue the development of the technology needed to better support anti-fraud and security-check related operations, including a case management system that captures the data necessary to measure performance and the analytics needed to identify and flag known fraud indicators, and track fraud and national security cases from referral to completion to ensure all instances of fraud are captured. In addition, FNDS will review aspects of the FDNS system to improve security check processing to safeguard against individuals and entities that may seek to defraud our nation's immigration system. FNDS will also design a system (or enhance existing systems) that, as necessary, allows for efficient policy and procedural changes when a vulnerability or fraud activity has been detected.

- Delivery of secure documents (\$31.6 million). USCIS and the USPS have partnered to develop and implement a process wherein the documents will be delivered via

USPS priority mail (2 to 3 day delivery) with delivery confirmation. USCIS awarded a contract in October to perform a requirements study to be completed by early February. Design, development, and test phases will then take several months. Implementation of the capability is targeted for the end of June.

In FY 2009, all Permanent Resident Cards, Employment Authorization Documents and Travel Documents will be sent via this new secure mail process.

- FBI background checks (\$12.4 million). The FBI implemented a new price structure for FY 2008 increasing fingerprint costs from \$16 to \$17.25. The average cost of a name check rose from \$5.00 to \$10.00. In October, USCIS obligated all of this funding through an Interagency Agreement.

In FY 2009, USCIS will continue to monitor its current projected workload for name and fingerprint checks. Current base funding of \$51.3M in addition to the \$12.4M fee enhancement will provide for an estimated 2.3M cases.

- National security systems and processes (\$4 million). Resources support efforts to enhance the FDNS Data System (FDNS-DS) and other supporting systems. In FY 2008, resources will be used to conduct a review of FDNS-DS; establish a tracking and reporting system for operational assessments and reporting progress in meeting program goals; provide enhanced reporting capabilities for national security cases and establish an effective tracking and reporting system; and, create a data collection mechanism to track fraud and national security cases sent for digitization.

In FY 2009, USCIS will enhance FDNS-DS capabilities to integrate the system with systems being developed for biometrics and background check processing, to streamline reporting of fraud and national security trends and analysis, and to provide predictive analytic capabilities.

- USCIS training program (25 FTE and \$43.2 million). In FY 2008, resources will be used to establish the USCIS Academy with its various components and programs developed and made available to employees; hire Academy staff and develop policies, procedures and capabilities; publicize and promote the Academy's programs and a culture of continuous learning throughout the USCIS federal workforce; align training program options with career development levels to create a structured set of opportunities that promote both employee and agency goals; and, develop coaching and mentoring practices that complement annual training-oriented Individual Development Plans to promote both learning and professional development.

In FY 2009, USCIS will institutionalize the Academy's programs and offerings; develop the Academy's programs into strategic pathways for employees to focus on current excellence and their future development; and, fully integrate Human Resource and Training strategies with organizational development needs to synergy among programs that address individual employee training, position and career path alignment, leadership development, and succession management.

- Information technology upgrades (88 FTE and \$124.3 million). Resources are being used to add staff, upgrade existing systems, refresh hardware, and add new technologies. During FY 2008, USCIS anticipates the following actions:
  - Hiring, training, and equipping all new IT staff.
  - Achieving key milestones for the Baseline Automated Support Infrastructure for Citizenship Services (BASIC) program including establishing perimeter control, ensuring access control, developing and deploying monitoring, and ensuring secure remote monitoring of all IT devices.
  - On IT governance, making significant progress in areas such as the development of an enterprise architecture and capital planning process. USCIS will also ensure FISMA compliance of 90% or better.
  - Making significant progress with CLAIMS 3 Program Optimization (C3PO), an effort to consolidate smaller database islands into one consolidated central database.

During FY 2009, USCIS anticipates:

- Completing deployment of BASIC encrypted data services and a secure user interface.
  - Completing an e-CISCOR operational data store (this will be a common data warehouse to support reporting needs of CLAIMS 3 information).
  - Complete all currently-planned IT governance improvements such as completion of an Enterprise Architecture, implementation of IT portfolio management, compliance with earned value management standards, and execution of a capital planning process.
- Rent and lease acquisition resources (\$33.1 million). In FY 2008, the lease acquisition program (LAP) enhancement of \$18.1 million is being used to replace, renew, or expand 14 facilities. Requirements for this work have been submitted to the General Services Administration (GSA), and planning and/or design work is underway. All planning work will be completed by the end of this year. The remaining \$15 million in resources is being used to pay for GSA rent increases over the FY 2008-2009 period.

In FY 2009, USCIS will be using requested funds to complete remaining phases of the 14 projects. In addition, FY09 resources will be used for facility sustainment. The USCIS real property inventory includes 188 facility leases, with an estimated sustainment funding level of \$34 million.

Business Transformation. As in 2008, \$139 million in current services premium processing revenue will facilitate modernization of processes and systems to improve sharing of immigration information, eliminate paper-based processing, and improve the ability of USCIS to respond more effectively to changing workload while enhancing the integrity of the immigration system.

During FY 2008, USCIS will award contracts to a solutions architect and necessary support contractors. The first increment of transformation – citizenship – will be started and completed during FY 2009. Services will encompass end-to-end adjudication and will include web-based account setup and electronic filing by customers; identity management, a new case management system, electronic workflow, expansion of scan-on-demand, and data-sharing with ICE and CBP. Work on increment two – immigration – will commence during FY 2009.

Asylum and Refugee. In FY 2009, USCIS plans to develop and implement a comprehensive refugee mission standard operating procedure and complete expansion of biometric capture to all applicants for refugee resettlement. USCIS will also work to enhance the integrity of the asylum process through expansion of overseas investigations, information-sharing agreements with other refugee-receiving countries, and obtaining access to additional biometric databases. Funds will be used to establish an International Operations Division centralized waiver adjudication unit and complete the FY 2009 phase of footprint realignment.

PPA: INFORMATION AND CUSTOMER SERVICES

|                                   | <b>Perm. Pos.</b> | <b>FTE</b>   | <b>Amount</b>    |
|-----------------------------------|-------------------|--------------|------------------|
| <b>2007 Actual</b>                | <b>1,606</b>      | <b>979</b>   | <b>\$130,451</b> |
| <b>2008 Enacted</b> <sup>/1</sup> | <b>1,357</b>      | <b>1,230</b> | <b>\$167,799</b> |
| 2009 Adjustments-to-Base          | 0                 | 127          | \$0              |
| <b>2009 Current Services</b>      | <b>1,357</b>      | <b>1,357</b> | <b>\$167,799</b> |
| 2009 Program Change               | 0                 | 0            | \$0              |
| <b>2009 Request</b>               | <b>1,357</b>      | <b>1,357</b> | <b>\$167,799</b> |
| Total Change 2008-2009            | 0                 | 127          | \$0              |

1/ FY 2008 Enacted reflects base level staffing and proposed reprogramming adjustments.

USCIS requests \$167.8 million to provide timely, consistent, and accurate information to our customers. There is no change in funding from FY 2008 since the adjustment of the immigration benefit application and petition fee schedule addressed the FY 2008 and FY 2009 biennial periods. There is an adjustment-to-base increase of 127 FTE for annualization of FTE from FY 2008 to FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

FY 2009 planned funding for Information and Customer Services include \$93 million for payroll, and \$54 million for National Customer Service Centers, and \$21 million for Information Services.

Through the Information and Customer Services Program, USCIS reduces the frequency of repeated, redundant applicant contact with USCIS employees, thus improving agency efficiency. USCIS makes it easier for our customers to get the information they need,

when they need it through multiple channels of available assistance, including the USCIS website, toll-free call centers (National Customer Service Call Centers), and face-to-face appointments.

On an annual basis, USCIS:

- Serves more than 16 million customers via the National Customer Service Call Centers; and
- Serves approximately 3 million customers through information counters at local offices.

Each year millions of people apply for various types of benefits under the Immigration and Nationality Act. The Immigration Information Officer (IIO) provides information about immigration and nationality law and regulations. They assist with a wide variety of requests, including questions on how to complete required forms, and explaining the administrative procedures and normal processing times for each application. IIOs provide a range of customer services from certain case services to problem resolution assistance on applications and petitions. IIOs also process and make decisions on a limited array of applications and petitions. Positions are located throughout the country in Districts, Field Offices, and Service Centers.

Through the National Customer Service Center's six telephone centers, USCIS provides toll-free nationwide assistance to customers calling from within the U.S. Customers can access live assistance from 8:00 AM until 6:00 PM, Monday through Friday. They can also access recorded information (including information about the status of their specific case) 24 hours a day/7 days a week. Both live and recorded service is available in English and Spanish. Callers from outside the U.S. can access more limited information through a separate toll number.

USCIS receives about 1.4 million direct information and customer service related contacts monthly, or more than 16 million contacts per year. Today, over 82 percent of all information and customer service interactions are self-service. The self-service options give customers new choices that are simpler and more effective to both customers and USCIS. This option also results in significant cost avoidance when compared to what it would cost USCIS to provide live assistance to all these customers.

In-person service continues to be a critical component of the USCIS service model. To improve service levels, USCIS shifted to offering most in-person service by appointment scheduled via website. This has helped mitigate long lines and wait times, and address customer concerns and inquiries.

In FY 2007, USCIS accomplished the following:

- Reduced customer wait time when calling the NCSC to less than one minute
- Reduced customer abandonment rate to less than two percent
- Launched Change of Address On-line
- Launched new Service Request Management Tool (SRMT) customer interface to provide more efficient data capture system within the call centers

- Installed Q-flow customer queuing system in all but 14 local offices
- Launched Military Help-line
- Streamlined InfoPass appointment categories to provide ease of use by customers and USCIS staff
- Developed a Product Index Card for all customer service related materials to be used by local offices
- Implementation of Departure Codes within the call centers to improve call handling efficiency and customer experience

Planned activities for FY 2008 include:

- Complete Q-flow customer queuing systems in remaining 14 local offices
- Upgrade Q-flow customer queuing system to allow interface with appointment scheduling software, create a knowledge management system, and display presentations geared to educating customers in the information waiting rooms
- Introduce a pilot program to introduce adjudication appointment customers into Q-flow customer queuing system to enable the capture of adjudicator performance metrics
- Review and revise Inter-Active Voice Response (IVR) system to improve efficiency of the system and the effectiveness of the information provided
- Implement National Appointment Scheduling System integrating various disparate ICS scheduling tools
- Develop strategy and launch customer scripts or “How To” information currently used by call centers on the web for external customer use
- Deploy SRMT on-line for external customer use, thereby improving self-service by allowing customers to file self-file SRMT requests
- Improve Customer Processing Times Matrix

In FY 2009, USCIS will primarily focus on enhancing self-service through improved on-line scripts, continued enhancements with the automated appointment scheduler, and will also look to enhance call center efficiencies and improve customer service with the implementation of Computer Telephone Integration (CTI).

PPA: ADMINISTRATION

|                                   | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>    |
|-----------------------------------|-------------------|------------|------------------|
| <b>2007 Actual</b>                | <b>507</b>        | <b>331</b> | <b>\$223,119</b> |
| <b>2008 Enacted</b> <sup>/1</sup> | <b>658</b>        | <b>580</b> | <b>\$373,899</b> |
| 2009 Adjustments-to-Base          | 0                 | 78         | \$0              |
| <b>2009 Current Services</b>      | <b>658</b>        | <b>658</b> | <b>\$373,899</b> |
| 2009 Program Change               | 0                 | 0          | \$0              |
| <b>2009 Request</b>               | <b>658</b>        | <b>658</b> | <b>\$373,899</b> |
| Total Change 2008-2009            | 0                 | 78         | \$0              |

<sup>1/</sup> FY 2008 Enacted reflects base level staffing and proposed reprogramming adjustments.

USCIS requests \$373.9 million to strengthen key management processes, systems, and administrative support activities; and to facilitate mission success and enhance the

timeliness, accountability, efficiency and effectiveness of service delivery. There is no change in funding from FY 2008 since the adjustment of the immigration benefit application and petition fee schedule addressed the FY 2008 and FY 2009 biennial periods. There is an adjustment-to-base increase of 78 FTE for annualization of FTE from FY 2008 to FY 2009.

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

FY 2009 funding for Administration is comprised of \$89 million for payroll and \$285 million for operating expenses. Outside of the offices of the Director and the Deputy Director, core offices include:

**Office of Administration** plans, develops, implements, and evaluates agency-wide policies, procedures, and programs for Acquisition, Asset, Facilities and Logistics Management, for the operation of centrally managed, agency-wide support activities, and for the direct delivery of administrative support to Headquarters.

**Office of Chief Counsel (principal legal advisor)** consists of dedicated legal divisions advising and representing USCIS Operations both at Headquarters and in the field. Divisions include Adjudications Law, Refugee and Asylum Law, Commercial and Administrative Law, Ethics, Field Operations, Training, and Liaison. Each division is responsible for reviewing, interpreting, and providing legal advice and guidance to USCIS operational components and OCC field staff.

**Office of Communications** oversees and coordinates communication to both internal and external stakeholders to empower employees with the tools needed to perform their jobs, educate the public regarding USCIS benefits and services, and facilitate consistent messaging and imaging for USCIS.

**Office of Congressional Relations (OCR)** maintains communication with Congress through responses to constituent concerns, promoting USCIS' priorities, proactive outreach on issues of interest, and ongoing educational activities for Members of Congress and their staff.

**Office of Ombudsman Liaison** serves as the Director's representative to the DHS CIS Ombudsman and provides customer relationship management oversight and evaluation.

**Office of Equal Opportunity and Inclusion (OEOI)** ensures individuals are not denied opportunities in employment or program-services delivery because of their race, color, religion, sex, national origin, age, disability, sexual orientation, status as a parent, genetic information or reprisal. In FY 2007, OEOI terminated a portion of a Service Level Agreement (SLA) with ICE and began staffing the office with USCIS employees. The remainder of the SLA with ICE will be terminated by the end of FY 2008.

**Office of Policy and Strategy** directs, prioritizes, and sets the agenda for agency-wide policy, strategy, and long-term planning activities, as well as for the conduct of research and analysis on immigration services issues.

**Office of Security and Integrity (OSI)** leads a multi-disciplined security and integrity program to protect and safeguard USCIS personnel, facilities, information and assets. The Office manages the personnel and industrial security, administrative/special security, communications security, and physical security programs and oversees the security awareness training program. The Office also manages a comprehensive internal management review program of USCIS functions and protects the integrity of USCIS programs by investigating allegations of employee misconduct related to waste, fraud, abuse or mismanagement.

**Office of the Chief Financial Officer** integrates annual planning, performance management, budget formulation and execution, and financial management functions. Grouping these activities supports strategic initiatives outlined in the President's Management Agenda regarding budget and performance integration as well as financial management.

**Office of the Chief Human Capital Officer (CHCO)** leads the strategic management of human capital in organizationally aligning and integrating workforce planning, recruiting, orientation, training, leadership and career development, and performance standards in achieving USCIS' mission. The Office is responsible for establishing an enterprise-wide environment for continuous learning and a culture of professional excellence and includes the Human Capital Management Division and the Training and Career Development Division.

**Office of Emergency Management and Safety (EMS)** develops, maintains and enhances USCIS' Emergency Preparedness and Continuity of Operations, and Occupational Safety and Health programs to protect our employees, ensure a safe and healthy work environment, mitigate and minimize damage or destruction of property and vital records, and ensure the continued performance of USCIS' essential functions during unexpected emergencies and/or catastrophic events.

Significant accomplishments in FY 2007 include:

Growth Management Oversight Unit (Deputy Director's Office):

- Developed an integrated project plan to assist the agency's leadership in meeting project implementation goals in a timely manner.
- Established the Growth Management Oversight Group, the leadership council chaired by the Deputy Director that meets monthly to review progress on growth-related projects.

Office of Administration:

- Developed a standard facility model for community-based offices across the US.

Office of Equal Opportunity and Inclusion:

- Led USCIS efforts to increase its hiring of individuals with disabilities. About 13 percent of permanent hires in FY 2007 have disabilities.
- Launched a computer based training module on employee rights and responsibilities in EEO, and approximately 8,000 employees successfully completed the training. Staff traveled to 18 different offices across the country and provided in-person training. The EEO piece of the new supervisor training course was redrafted and launched, as was the Cross Cultural Communications piece of the Officer Training Course at FLETC.

Office of Security and Integrity:

- Restructured organization to enhance existing USCIS functions that focus on management integrity, individual integrity, and securing employees and facilities.
- Established a Fraud Task Force to assess system-wide vulnerabilities that may have been exploited by an employee to commit fraudulent acts in the administration of immigration benefits.
- Restructured the Personnel and Industrial Security Division and centralized major functions in Burlington VT.
- Fully staffed the Central Region Office of Security and Integrity Investigations Office located in Houston, TX.

Office of Congressional Relations:

- Successfully held the National Congressional Relations Training Conference in Washington, DC for 52 Congressional Liaisons.
- Responded to more than 6,550 telephone calls and 1,250 written inquiries.
- Coordinated more than 81 hearings, briefings, and meetings.
- Participated in 13 field and outreach meetings for Members of Congress and staff.

Office of the Chief Human Capital Officer (CHCO):

- Established the Leadership Education and Development (LEAD) program.
- Redesigned and implemented a new basic training program (BASIC).
- Unified within CHCO all training and human capital functions to integrate and sharpen the focus on USCIS' recruitment, hiring and development of the USCIS workforce.

In FY 2008, USCIS plans to focus on the following activities:

Office of Administration:

- Improve facilities conditions at up to 10 percent of the current inventory

Office of Equal Opportunity and Inclusion:

- Complete operational transfer from ICE, and focus on training, as well as the hiring and inclusion of individuals with disabilities into the workforce.

Office of Security and Integrity:

- Expand the functions covered by Internal Self-Inspection Tracking and Evaluation System (INSITE) and develop field review capability.
- Publish updated guidance for reporting waste, fraud, abuse, mismanagement and misconduct allegations, and implement Management Inquiry Program and training for managers.

Office of Congressional Relations:

- Coordinate the National Congressional Relations Conference for all Congressional Liaisons.
- Maintain effective and timely response to congressional inquiries.
- Participate in at least 12 congressional seminars held in the field.

Office of the Chief Human Capital Officer:

- Launch Advanced Immigration Training, Continuous Learning, and Back-To-School programs associated with the fee rule training enhancement.

In FY 2009, USCIS has outlined the following goals and objectives:

Office of Administration

- Conduct quarterly facilities project reviews.
- Update the Three-Year Plan for Capital Improvements (facilities).
- Develop Fiscal Year 2010 Lease Acquisition Program.
- Streamline personal property inventories through technology.
- Establish and deploy independent logistical teams to evaluate support services and ensure compliance with established USCIS Management Directives in all logistics functional areas.

Office of Equal Opportunity and Inclusion:

- Focus on implementing measures to improve the quality and speed of processing internal EEO complaints.

Office of Security and Integrity:

- Initiate service-wide reporting on integrity and control related matters.
- Continue implementation of Management Inquiry training for managers.
- Develop specialized training tailored to program managers on the safeguarding of classified NSI and SBU information and other security programs.

Office of Congressional Relations:

- Coordinate the National Congressional Relations Conference for all Congressional Liaisons.
- Maintain effective and timely response to congressional inquiries.
- Participate in at least 12 congressional seminars held in the field.

PPA: Systematic Alien Verification for Entitlements (SAVE)

|                                   | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>   |
|-----------------------------------|-------------------|------------|-----------------|
| <b>2007 Actual</b> <sup>/1</sup>  | <b>383</b>        | <b>108</b> | <b>\$20,291</b> |
| <b>2008 Enacted</b> <sup>/2</sup> | <b>220</b>        | <b>170</b> | <b>\$18,504</b> |
| 2009 Adjustments-to-Base          | 0                 | 50         | \$314           |
| <b>2009 Current Services</b>      | <b>220</b>        | <b>220</b> | <b>\$18,818</b> |
| 2009 Program Change               | 0                 | 0          | \$0             |
| <b>2009 Request</b>               | <b>220</b>        | <b>220</b> | <b>\$18,818</b> |
| <b>Total Change 2008-2009</b>     | <b>0</b>          | <b>50</b>  | <b>\$314</b>    |

1/ In FY 2007, SAVE was funded through discretionary appropriations under the Salaries and Expenses Account.

2/ FY 2008 Enacted reflects base level staffing and proposed reprogramming adjustments.

USCIS requests \$18.8 million to fund existing operations. The adjustment-to-base is \$314 thousand for pay adjustments. The SAVE program assists organizations by providing a non-citizen applicant's immigration status, in order to determine eligibility for Federal, state, or local public benefits. There is an adjustment-to-base increase of 50 FTE for annualization of FTE from FY 2008 to FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The SAVE program helps State, local, or Federal agencies determine a non-citizen's eligibility for public benefits by checking immigration status. In total, about 365 agencies use SAVE services. Large agency customers include the Social Security Administration, the U.S. Departments of Housing and Urban Development and Education, and the California Department of Motor Vehicles.

SAVE supports implementation of the requirements of the REAL ID Act of 2005 by making it easier for States to verify immigration status for the issuance of state-issued driver's licenses and state-issued identification cards. Specifically, the Act requires the routine verification of lawful status through the SAVE Program of all non-citizen applicants for a driver's license or state-issued identification card.

USCIS will finalize REAL ID requirements and launch the program with state DMV's that are ready to participate. REAL ID is a nationwide effort intended to prevent terrorism, reduce fraud, and improve the reliability and accuracy of identification documents that State governments issue. USCIS aims to sign MOU's with a total of 30 states by the REAL ID start date of May 11, 2008. As of December 26, 2007, the SAVE program had signed MOU's with 29 states.

USCIS aims to improve internal and external SAVE processes to increase efficiency and improve user access. USCIS will migrate all SAVE billing and collection operations to the Burlington, Vermont, USCIS Finance Center. Also in FY 2008, USCIS will work to automate the Form G-845 process. Benefit issuing agencies and institutions can submit a

Form G-845 to request immigration status information to determine an applicant's eligibility to receive federal, state or local public benefits.

A referral protocol will be established by USCIS to provide relevant information to the appropriate enforcement agency. This protocol will allow the USCIS to refer cases of possible misconduct or illegal activity to the appropriate federal enforcement agency (e.g., U.S. Immigration and Customs Enforcement, the Federal Bureau of Investigation) for further action.

For FY 2009, the request level assumes the SAVE program will increase fees charged to users of the program. Currently, the program recovers approximately \$1 million in program costs through user fees. In FY 2009, fees are anticipated to recover approximately \$5 million in program costs. A new fee schedule will be disseminated during FY 2008 early enough for Federal, State, and local users to plan for the increased cost.

USCIS will also work to reduce SAVE secondary verifications through technological enhancements to the Verification Information System (VIS) and improvements to the database's accuracy. A reduction of SAVE secondary verifications would reduce the costs of using SAVE for participating entities.

In FY 2007, the SAVE program had 9,051,195 queries. The planning estimate for SAVE queries in FY 2008 is approximately 25.1M and the planning estimate for SAVE queries in FY 2009 is approximately 49.9M. There are currently 365 agencies using SAVE. The planning estimate for agencies enrolled in the SAVE program in FY 2008 is 426 and in FY 2009, 503.

The FY 2009 budget for the SAVE program covers the cost of information status verifiers (ISVs), monitoring and compliance, and program management staffing. Funding is split between ISV and monitoring/compliance staff, and program management.

**IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>       | <u>FTE</u>        | <u>Amount</u>        |
|--|-------------------|-------------------|----------------------|
| <b>FY 2007 Actual</b> .....                | <b>8,451</b>      | <b>7,872</b>      | <b>\$1,757,550</b>   |
| <b>2008 Enacted</b> .....                  | <b>10,234</b>     | <b>9,972</b>      | <b>2,494,872</b>     |
| <b>Adjustments-to-Base</b>                 |                   |                   |                      |
| Increases                                  |                   |                   |                      |
| 2009 Pay Increase.....                     | ---               | ---               | 20,215               |
| Annualization of 2008 pay raise .....      | ---               | ---               | 6,738                |
| GSA Rent.....                              | ---               | ---               | 24,006               |
| Annualization of FTE.....                  | ---               | 262               | ---                  |
| Total Increases.....                       | ---               | 262               | 50,959               |
| Decreases                                  |                   |                   |                      |
| Management Efficiency.....                 | ---               | ---               | (50,645)             |
| Total Decreases.....                       | ---               | ---               | (50,645)             |
| <b>Total Adjustments-to-Base</b> .....     | <b>---</b>        | <b>262</b>        | <b>314</b>           |
| <br><b>2009 Current Services</b> .....     | <br><b>10,234</b> | <br><b>10,234</b> | <br><b>2,495,186</b> |
| <br><b>2009 Request</b> .....              | <br><b>10,234</b> | <br><b>10,234</b> | <br><b>2,495,186</b> |
| <br><b>2008 to 2009 Total Change</b> ..... | <br><b>---</b>    | <br><b>262</b>    | <br><b>314</b>       |

Note: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

## C. Summary of Requirements

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request  |               |                    |
|--|---------------|---------------|--------------------|
|  | Perm. Pos.    | FTE           | Amount             |
| <b>FY 2007 Actual</b>  | <b>8,451</b>  | <b>7,872</b>  | <b>\$1,757,550</b> |
| <b>2008 Enacted</b>  | <b>10,234</b> | <b>9,972</b>  | <b>2,494,872</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |               |               |                    |
| Increases  | ---           | 262           | 50,959             |
| Decreases  | ---           | ---           | (50,645)           |
| Total Adjustments-to-Base  | ---           | 262           | 314                |
| <b>2009 Current Services</b>   | <b>10,234</b> | <b>10,234</b> | <b>2,495,186</b>   |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details)     | ---           | ---           | ---                |
| <b>2009 Total Request</b>  | <b>10,234</b> | <b>10,234</b> | <b>2,495,186</b>   |
| 2007 to 2008 Total Change  | ---           | 262           | 314                |

| Estimates by Program/Project Activity                           | 2008 Enacted  |              |                    | 2009 Adjustments-to-Base |            |              | 2009 Program Change |            |            | 2009 Request  |               |                    | 2008 to 2009 Total Change |            |              |
|---|---------------|--------------|--------------------|--------------------------|------------|--------------|---------------------|------------|------------|---------------|---------------|--------------------|---------------------------|------------|--------------|
|   | Pos.          | FTE          | Amount             | Pos.                     | FTE        | Amount       | Pos.                | FTE        | Amount     | Pos.          | FTE           | Amount             | Pos.                      | FTE        | Amount       |
| 1 Adjudication Services- Pay and Benefits                       | 7,999         | 7,992        | \$ 742,345         | ---                      | 7          | \$ 21,528    | ---                 | ---        | \$ ---     | 7,999         | 7,999         | \$ 763,873         | ---                       | 7          | \$ 21,528    |
| 2 Adjudication Services- District Operating Expenses            | ---           | ---          | 536,685            | ---                      | ---        | (10,969)     | ---                 | ---        | ---        | ---           | ---           | 525,716            | ---                       | ---        | (10,969)     |
| 3 Adjudication Services- Service Center Operating Expenses      | ---           | ---          | 336,873            | ---                      | ---        | (6,885)      | ---                 | ---        | ---        | ---           | ---           | 329,988            | ---                       | ---        | (6,885)      |
| 4 Adjudication Services- Asylum/Refugee Operating Expenses      | ---           | ---          | 92,028             | ---                      | ---        | (1,881)      | ---                 | ---        | ---        | ---           | ---           | 90,147             | ---                       | ---        | (1,881)      |
| 5 Adjudication Services- Records Operating Expenses             | ---           | ---          | 87,739             | ---                      | ---        | (1,793)      | ---                 | ---        | ---        | ---           | ---           | 85,946             | ---                       | ---        | (1,793)      |
| 6 Adjudication Services- Business Transformation                | ---           | ---          | 139,000            | ---                      | ---        | ---          | ---                 | ---        | ---        | ---           | ---           | 139,000            | ---                       | ---        | ---          |
| 7 Information & Customer Services- Pay and Benefits             | 1,357         | 1,230        | 89,977             | ---                      | 127        | 2,610        | ---                 | ---        | ---        | 1,357         | 1,357         | 92,587             | ---                       | 127        | 2,610        |
| 8 Information & Customer Services- NCSC Operating Expenses      | ---           | ---          | 55,600             | ---                      | ---        | (1,853)      | ---                 | ---        | ---        | ---           | ---           | 53,747             | ---                       | ---        | (1,853)      |
| 9 Information & Customer Services- Operating Expenses           | ---           | ---          | 22,222             | ---                      | ---        | (757)        | ---                 | ---        | ---        | ---           | ---           | 21,465             | ---                       | ---        | (757)        |
| 10 Information & Customer Services- SAVE/EEV Operating Expenses | ---           | ---          | ---                | ---                      | ---        | ---          | ---                 | ---        | ---        | ---           | ---           | ---                | ---                       | ---        | ---          |
| 11 Administration- Pay & Benefits                               | 658           | 580          | 86,245             | ---                      | 78         | 2,501        | ---                 | ---        | ---        | 658           | 658           | 88,746             | ---                       | 78         | 2,501        |
| 12 Administration- Operating Expenses                           | ---           | ---          | 287,654            | ---                      | ---        | (2,501)      | ---                 | ---        | ---        | ---           | ---           | 285,153            | ---                       | ---        | (2,501)      |
| 13 SAVE   | 220           | 170          | 18,504             | ---                      | 50         | 314          | ---                 | ---        | ---        | 220           | 220           | 18,818             | ---                       | 50         | 314          |
| <b>Total</b>  | <b>10,234</b> | <b>9,972</b> | <b>\$2,494,872</b> | <b>---</b>               | <b>262</b> | <b>\$314</b> | <b>---</b>          | <b>---</b> | <b>\$0</b> | <b>10,234</b> | <b>10,234</b> | <b>\$2,495,186</b> | <b>---</b>                | <b>262</b> | <b>\$314</b> |

Note: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source                       | FY 2007 Actual |            |               | 2008 Enacted |            |               | 2009 Estimate |            |               | Increase/Decrease |            |          |
|---|----------------|------------|---------------|--------------|------------|---------------|---------------|------------|---------------|-------------------|------------|----------|
|   | Pos.           | FTE        | Amount        | Pos.         | FTE        | Amount        | Pos.          | FTE        | Amount        | Pos.              | FTE        | Amount   |
| Department of Justice                       | ---            | ---        | \$1,339       | ---          | ---        | \$1,500       | ---           | ---        | \$1,500       | ---               | ---        | ---      |
| Department of the Interior                  | ---            | ---        | ---           | ---          | ---        | ---           | ---           | ---        | ---           | ---               | ---        | ---      |
| Transportation Security Administration      | ---            | ---        | 441           | ---          | ---        | 500           | ---           | ---        | 500           | ---               | ---        | ---      |
| U.S. Customs & Border Protection            | ---            | ---        | 5,078         | ---          | ---        | 6,200         | ---           | ---        | 6,200         | ---               | ---        | ---      |
| U.S. Department of Transportation           | 2              | 0.2        | 7             | 2            | 0.2        | 7             | 2             | 0.2        | 7             | ---               | ---        | ---      |
| U.S. Immigration & Customs Enforcement      | ---            | ---        | 10,599        | ---          | ---        | 9,950         | ---           | ---        | 9,950         | ---               | ---        | ---      |
| U.S. Visit                                  | ---            | ---        | 301           | ---          | ---        | 400           | ---           | ---        | 400           | ---               | ---        | ---      |
| Federal Emergency Management Administration | ---            | ---        | 122           | ---          | ---        | 126           | ---           | ---        | 130           | ---               | ---        | 4        |
|   | ---            | ---        | ---           | ---          | ---        | ---           | ---           | ---        | ---           | ---               | ---        | ---      |
| <b>Total Budgetary Resources</b>            | <b>2</b>       | <b>0.2</b> | <b>17,887</b> | <b>2</b>     | <b>0.2</b> | <b>18,683</b> | <b>2</b>      | <b>0.2</b> | <b>18,687</b> | <b>---</b>        | <b>---</b> | <b>4</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |            |               | 2008 Enacted |            |               | 2009 Estimate |            |               | Increase/Decrease |            |          |
|---|----------------|------------|---------------|--------------|------------|---------------|---------------|------------|---------------|-------------------|------------|----------|
|   | Pos.           | FTE        | Amount        | Pos.         | FTE        | Amount        | Pos.          | FTE        | Amount        | Pos.              | FTE        | Amount   |
| Adjudication Services                   | 2              | 0.2        | \$15,276      | 2            | 0.2        | \$16,964      | 2             | 0.2        | \$16,964      | ---               | ---        | ---      |
| Administration                          | ---            | ---        | 2,611         | ---          | ---        | 1,719         | ---           | ---        | 1,723         | ---               | ---        | 4        |
| <b>Total Obligations</b>                | <b>2</b>       | <b>0.2</b> | <b>17,887</b> | <b>2</b>     | <b>0.2</b> | <b>18,683</b> | <b>2</b>      | <b>0.2</b> | <b>18,687</b> | <b>---</b>        | <b>---</b> | <b>4</b> |

Explanation of Increase/Decrease.

N/A

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Immigration Examinations Fee Account**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual   | 2008<br>Enacted     | 2009<br>Request     | 2008 - 2009<br>Change |
|---|---------------------|---------------------|---------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$ 492,794          | \$ 681,945          | \$ 701,721          | \$ 19,776             |
| 11.3 Other than full-time permanent                   | 40,526              | 27,790              | 28,597              | 807                   |
| 11.5 Other Personnel Compensation                     | 21,444              | 42,455              | 43,686              | 1,231                 |
| 11.8 Special Service Pay                              | ---                 | 1,000               | 1,030               | 30                    |
| 12.1 Benefits   | 154,700             | 173,971             | 179,017             | 5,046                 |
| 13.0 Benefits - former                                | 662                 | 2,146               | 2,209               | 63                    |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$ 710,125</b>   | <b>\$ 929,307</b>   | <b>\$ 956,260</b>   | <b>\$ 26,953</b>      |
| Other Object Classes:                                 |                     |                     |                     |                       |
| 21.0 Travel   | 20,465              | 25,371              | 25,371              | ---                   |
| 22.0 Transportation of things                         | 2,758               | 3,075               | 3,075               | ---                   |
| 23.1 GSA rent   | 146,730             | 146,906             | 170,912             | 24,006                |
| 23.2 Other rent                                       | 3,324               | 1,460               | 1,460               | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 32,334              | 32,325              | 32,325              | ---                   |
| 24.0 Printing and reproduction                        | 8,539               | 6,544               | 6,544               | ---                   |
| 25.1 Advisory and assistance services                 | 110,961             | 260,796             | 227,396             | (33,400)              |
| 25.2 Other services                                   | 560,646             | 726,196             | 675,551             | (50,645)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 99,883              | 149,102             | 149,102             | ---                   |
| 25.4 Operation & maintenance of facilities            | 54                  | 34,077              | 34,077              | ---                   |
| 25.7 Operation and maintenance of equipment           | 6,261               | 6,101               | 6,101               | ---                   |
| 25.8 Subsistence and support of persons               | 30                  | ---                 | ---                 | ---                   |
| 26.0 Supplies and materials                           | 22,553              | 64,472              | 64,472              | ---                   |
| 31.0 Equipment  | 31,445              | 138,135             | 128,135             | (10,000)              |
| 41.0 Grants/Subsidies/Contributions                   | 19                  | 13,955              | 13,955              | ---                   |
| 42.0 Indemnity  | 1,423               | 450                 | 450                 | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$ 1,047,425</b> | <b>\$ 1,608,965</b> | <b>\$ 1,538,926</b> | <b>\$ (70,039)</b>    |
| <b>Total, Direct Obligations</b>                      | <b>\$ 1,757,550</b> | <b>\$ 2,538,272</b> | <b>\$ 2,495,186</b> | <b>\$ (43,086)</b>    |
| Unobligated balance, start of year                    | (334,730)           | (668,126)           | (641,726)           | 26,400                |
| Anticipated receipts, +/- estimates                   | ---                 | ---                 | ---                 |                       |
| Unobligated balance, end of year                      | 668,126             | 641,726             | 641,726             | ---                   |
| Recoveries of prior year obligations                  | (16,691)            | (17,000)            | ---                 | 17,000                |
| <b>Total requirements</b>                             | <b>\$ 2,074,255</b> | <b>\$ 2,494,872</b> | <b>\$ 2,495,186</b> | <b>\$ 314</b>         |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | 30             | 30              | 30              | ---             |
| Total, EX                        | 1              | 1               | 1               | ---             |
|                                  | ---            | ---             | ---             | ---             |
| GS-15                            | 214            | 263             | 263             | ---             |
| GS-14                            | 439            | 759             | 759             | ---             |
| GS-13                            | 721            | 1,286           | 1,286           | ---             |
| GS-12                            | 2,071          | 2,598           | 2,598           | ---             |
| GS-11                            | 643            | 735             | 735             | ---             |
| GS-10                            | 77             | 77              | 77              | ---             |
| GS-9                             | 855            | 979             | 979             | ---             |
| GS-8                             | 674            | 674             | 674             | ---             |
| GS-7                             | 1,419          | 1,481           | 1,481           | ---             |
| GS-6                             | 182            | 190             | 190             | ---             |
| GS-5                             | 853            | 890             | 890             | ---             |
| GS-4                             | 214            | 213             | 213             | ---             |
| GS-3                             | 31             | 31              | 31              | ---             |
| GS-2                             | 24             | 24              | 24              | ---             |
| Other Graded Positions           | 3              | 3               | 3               | ---             |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>8,451</b>   | <b>10,234</b>   | <b>10,234</b>   | <b>---</b>      |
| Unfilled Positions EOY           | 811            | 205             | 205             | ---             |
| Total Perm. Employment EOY       | 7,640          | 10,029          | 10,029          | ---             |
| <b>FTE</b>                       | <b>7,872</b>   | <b>9,972</b>    | <b>10,234</b>   | <b>262</b>      |
| Headquarters                     | 1,158          | 1,163           | 1,163           | ---             |
| U.S. Field                       | 7,126          | 8,888           | 8,880           | (8)             |
| Foreign Field                    | 167            | 183             | 191             | 8               |
| <b>Total Permanent Positions</b> | <b>8,451</b>   | <b>10,234</b>   | <b>10,234</b>   | <b>---</b>      |
| <b>Average ES Salary</b>         | \$ 152,000     | \$ 155,344      | \$ 158,451      | \$ 3,107        |
| <b>Average GS Salary</b>         | \$ 62,484      | \$ 62,485       | \$ 62,486       | \$ 1            |
| <b>Average GS Grade</b>          | 10.29          | 10.52           | 10.73           | 0.21            |

Note: FY 2008 reflects adjustments in base level staffing.

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account  
Adjudication Services  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Adjudication Services</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |  |                        |                         |                         |                                |
| 11.1                                | Perm Positions                             | \$412,587              | \$542,495               | \$558,227               | \$15,732                       |
| 11.3                                | Other than perm                            | 36,980                 | 24,495                  | 25,205                  | 710                            |
| 11.5                                | Other per comp                             | 17,228                 | 31,965                  | 32,892                  | 927                            |
| 12.1                                | Benefits                                   | 130,742                | 141,473                 | 145,576                 | 4,103                          |
| 13.0                                | Benefits-former                            | 107                    | 1,917                   | 1,973                   | 56                             |
| 21.0                                | Travel                                     | 16,628                 | 17,933                  | 17,933                  | ---                            |
| 22.0                                | Transportation of things                   | 2,527                  | 3,004                   | 3,004                   | ---                            |
| 23.1                                | GSA rent                                   | 97,859                 | 77,942                  | 90,564                  | 12,622                         |
| 23.2                                | Other rent                                 | 3,323                  | 1,460                   | 1,460                   | ---                            |
| 23.3                                | Communication, Utilities, and misc charges | 22,044                 | 20,760                  | 20,760                  | ---                            |
| 24.0                                | Printing                                   | 8,180                  | 3,182                   | 3,182                   | ---                            |
| 25.1                                | Advisory & Assistance Services             | 85,193                 | 204,793                 | 171,393                 | (33,400)                       |
| 25.2                                | Other Services                             | 472,937                | 564,574                 | 530,424                 | (34,150)                       |
| 25.3                                | Purchase from Govt. Accts.                 | 49,126                 | 107,811                 | 107,811                 | ---                            |
| 25.4                                | Operation & maintenance of facilities      | 53                     | 33,126                  | 33,126                  | ---                            |
| 25.7                                | Operation & maintenance of equipment       | 5,285                  | 4,418                   | 4,418                   | ---                            |
| 25.8                                | Subsistence & Support of persons           | 30                     | ---                     | ---                     | ---                            |
| 26.0                                | Supplies & materials                       | 17,064                 | 56,125                  | 56,125                  | ---                            |
| 31.0                                | Equipment                                  | 26,067                 | 126,192                 | 116,192                 | (10,000)                       |
| 41.0                                | Grants/Subsidies/Contributions             | 19                     | 13,955                  | 13,955                  | ---                            |
| 42.0                                | Indemnity                                  | 1                      | 450                     | 450                     | ---                            |
| <b>Total, Adjudication Services</b> |  | <b>\$1,403,980</b>     | <b>\$1,978,070</b>      | <b>\$1,934,670</b>      | <b>(\$43,400)</b>              |
| Full Time Equivalents               |  | 6,562                  | 7,992                   | 7,999                   | 7                              |

Note: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

### PPA Mission Statement

The funds from the Immigration Examinations Fee Account (IEFA), Adjudication Services Program, is the primary funding source and Program supporting USCIS' mission. USCIS requests \$1.9 billion to process millions of immigration benefit applications; maintaining backlog goals achieved at the end of FY 2006, and ensuring the security and integrity of the immigration system. \$139 million will also be used for the Business Transformation Program.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$597,644     | \$742,345      | \$763,873      | \$21,528            |

Salaries and Benefits includes costs for 7,999 FTEs. The FY 2009 request includes an increase of \$21,528,000 for the proposed increase in personnel compensation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$16,628      | \$17,933       | \$17,933       | \$0                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$2,527       | \$3,004        | \$3,004        | \$0                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to transportation of things. The FY 2009 request reflects no change from FY 2008.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$97,859      | \$77,942       | \$90,564       | \$12,622            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$12,622,000 increase.

|                   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------|---------------|----------------|----------------|---------------------|
|                   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Rent</b> | \$3,323       | \$1,460        | \$1,460        | \$0                 |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$22,044      | \$20,760       | \$20,760       | \$0                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects no change from FY 2008.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$8,180        | \$3,182         | \$3,182         | \$0                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$85,193       | \$204,793       | \$171,393       | (\$33,400)             |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects a downward adjustment of \$33,400,000 for carryover used in FY 2008.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$472,937      | \$564,574       | \$530,424       | (\$34,150)             |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects a downward adjustment of \$21,528,000 to offset pay inflation and \$12,622,000 to offset rent.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$49,126       | \$107,811       | \$107,811       | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects no change from FY 2008.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$53           | \$33,126        | \$33,126        | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$5,285        | \$4,418         | \$4,418         | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Subsistence &amp; Support of Persons</b> | \$30           | \$0             | \$0             | \$0                    |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$17,064</b> | <b>\$56,125</b> | <b>\$56,125</b> | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>     | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|------------------|-----------------|------------------|------------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Equipment</b> | <b>\$26,067</b> | <b>\$126,192</b> | <b>\$116,192</b> | <b>(\$10,000)</b>   |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects a downward adjustment of \$10,000,000 for carryover used in FY 2008.

|                                       | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------------|---------------|-----------------|-----------------|---------------------|
|                                       | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$19</b>   | <b>\$13,955</b> | <b>\$13,955</b> | <b>\$0</b>          |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$1</b>    | <b>\$450</b>   | <b>\$450</b>   | <b>\$0</b>          |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Immigration Examinations Fee Account**  
**Information & Customer Services**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Information &amp; Customer Services</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                          |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$48,173               | \$68,386                | \$70,369                | \$1,983                        |
| 11.3  | Other than perm                            | 2,001                  | 1,747                   | 1,798                   | 51                             |
| 11.5  | Other per comp                             | 3,155                  | 3,215                   | 3,308                   | 93                             |
| 12.1  | Benefits                                   | 15,410                 | 16,400                  | 16,876                  | 476                            |
| 13.0  | Benefits-former                            | ---                    | 229                     | 236                     | 7                              |
| 21.0  | Travel                                     | 966                    | 1,636                   | 1,636                   | ---                            |
| 22.0  | Transportation of things                   | 223                    | 71                      | 71                      | ---                            |
| 23.1  | GSA rent                                   | ---                    | 988                     | 2,159                   | 1,171                          |
| 23.3  | Communication, Utilities, and misc charges | 2,630                  | 2,050                   | 2,050                   | ---                            |
| 24.0  | Printing                                   | 191                    | 272                     | 272                     | ---                            |
| 25.1  | Advisory & Assistance Services             | 11,533                 | 7,363                   | 7,363                   | ---                            |
| 25.2  | Other Services                             | 41,463                 | 50,804                  | 47,023                  | (3,781)                        |
| 25.3  | Purchase from Govt. Accts.                 | 186                    | 5,976                   | 5,976                   | ---                            |
| 25.4  | Operation & maintenance of facilities      | ---                    | 136                     | 136                     | ---                            |
| 25.7  | Operation & maintenance of equipment       | 48                     | 124                     | 124                     | ---                            |
| 26.0  | Supplies & materials                       | 3,735                  | 4,123                   | 4,123                   | ---                            |
| 31.0  | Equipment                                  | 680                    | 4,279                   | 4,279                   | ---                            |
| 42.0  | Indemnity                                  | 57                     | ---                     | ---                     | ---                            |
| <b>Total, Information and Customer Services</b> |  | <b>\$130,451</b>       | <b>\$167,799</b>        | <b>\$167,799</b>        | <b>\$0</b>                     |
| Full Time Equivalents                           |  | 979                    | 1,230                   | 1,357                   | 127                            |

Note: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

**PPA Mission Statement**

The funds from the Immigration Examinations Fee Account (IEFA), Information and Customer Services Program, are used to provide timely, consistent, and accurate information to its customers that will reduce the frequency of repeated, redundant applicant contact with USCIS employees, thus improving agency efficiency. Through multiple channels of available assistance, including the USCIS website, toll-free call center (National Customer Service Call Center), and face-to-face appointments; USCIS will make it easier for our customers to get the information they need, when they need it.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$68,739</b>        | <b>\$89,977</b>         | <b>\$92,587</b>         | <b>\$2,610</b>                 |

Salaries and Benefits includes costs for 1,357 FTEs. The FY 2009 request includes an increase of \$2,610,000 for the proposed increase in personnel compensation.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$966         | \$1,636        | \$1,636        | \$0                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$223         | \$71           | \$71           | \$0                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to transportation of things. The FY 2009 request reflects no change from FY 2008.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$0           | \$988          | \$2,159        | \$1,171             |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$1,171,000 increase.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communications, Utilities, and miscellaneous charges</b> | \$2,630       | \$2,050        | \$2,050        | \$0                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects no change from FY 2008.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$191         | \$272          | \$272          | \$0                 |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$11,533      | \$7,363        | \$7,363        | \$0                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$41,463      | \$50,804       | \$47,023       | (\$3,781)           |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects a downward adjustment of \$2,610,000 to offset pay inflation and \$1,171,000 to offset rent.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$186          | \$5,976         | \$5,976         | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects no change from FY 2008.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$0            | \$136           | \$136           | \$0                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$48           | \$124           | \$124           | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$3,735        | \$4,123         | \$4,123         | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request reflects no change from FY 2008.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$680          | \$4,279         | \$4,279         | \$0                    |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|----------------|-----------------|-----------------|------------------------|
| <b>Indemnity</b> | \$57           | \$0             | \$0             | \$0                    |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Immigration Examinations Fee Account**  
**Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Administration</b>   |  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|------------------------------|--|------------------|------------------|------------------|---------------------|
| <b>Object Classes:</b>       |  | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| 11.1                         | Perm Positions                             | \$32,033         | \$62,664         | \$64,481         | \$1,817             |
| 11.3                         | Other than perm                            | 1,545            | 778              | 801              | 23                  |
| 11.5                         | Other per comp                             | 1,061            | 6,705            | 6,899            | 194                 |
| 12.1                         | Benefits                                   | 8,548            | 16,098           | 16,565           | 467                 |
| 13.0                         | Benefits-former                            | 555              | ---              | ---              | ---                 |
| 21.0                         | Travel                                     | 2,871            | 5,602            | 5,602            | ---                 |
| 22.0                         | Transportation of things                   | 8                | ---              | ---              | ---                 |
| 23.1                         | GSA rent                                   | 48,871           | 67,976           | 78,189           | 10,213              |
| 23.2                         | Other rent                                 | 1                | ---              | ---              | ---                 |
| 23.3                         | Communication, Utilities, and misc charges | 7,660            | 7,777            | 7,777            | ---                 |
| 24.0                         | Printing                                   | 168              | 2,490            | 2,490            | ---                 |
| 25.1                         | Advisory & Assistance Services             | 14,235           | 43,890           | 43,890           | ---                 |
| 25.2                         | Other Services                             | 46,246           | 110,818          | 98,104           | (12,714)            |
| 25.3                         | Purchase from Govt. Accts.                 | 50,571           | 35,315           | 35,315           | ---                 |
| 25.4                         | Operation & maintenance of facilities      | 1                | 815              | 815              | ---                 |
| 25.7                         | Operation & maintenance of equipment       | 928              | 1,559            | 1,559            | ---                 |
| 26.0                         | Supplies & materials                       | 1,754            | 3,948            | 3,948            | ---                 |
| 31.0                         | Equipment                                  | 4,698            | 7,464            | 7,464            | ---                 |
| 42.0                         | Indemnity                                  | 1,365            | ---              | ---              | ---                 |
| <b>Total, Administration</b> |  | <b>\$223,119</b> | <b>\$373,899</b> | <b>\$373,899</b> | <b>\$0</b>          |
| Full Time Equivalents        |  | 331              | 580              | 658              | 78                  |

Note: FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

**PPA Mission Statement**

The funds from the Immigration Examinations Fee Account (IEFA), Administration Program, fund USCIS Headquarters operations to support and guide USCIS offices around the world. These offices include Administration, Budget, Financial Management, Chief Counsel, Citizenship, Communications, Congressional Relations, Policy and Strategy, Chief Human Capital, and Security and Investigations.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------------------|-----------------|-----------------|-----------------|---------------------|
|                              | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$43,742</b> | <b>\$86,245</b> | <b>\$88,746</b> | <b>\$2,501</b>      |

Salaries and Benefits includes costs for 658 FTEs. The FY 2009 request includes an increase of \$2,501,000 for the proposed increase in personnel compensation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$2,871        | \$5,602         | \$5,602         | \$0                    |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$8            | \$0             | \$0             | \$0                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to transportation of things. The FY 2009 request reflects no change from FY 2008.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$48,871       | \$67,976        | \$78,189        | \$10,213               |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$10,213,000 increase.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$1            | \$0             | \$0             | \$0                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request reflects no change from FY 2008.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$7,660        | \$7,777         | \$7,777         | \$0                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects no change from FY 2008.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>Printing</b> | \$168          | \$2,490         | \$2,490         | \$0                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$14,235       | \$43,890        | \$43,890        | \$0                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                       | <b>2007</b>     | <b>2008</b>      | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|------------------|-----------------|---------------------|
|                       | <b>Actual</b>   | <b>Enacted</b>   | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$46,246</b> | <b>\$110,818</b> | <b>\$98,104</b> | <b>(\$12,714)</b>   |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects a downward adjustment of \$2,501,000 to offset pay inflation and \$10,213,000 to offset rent.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$50,571</b> | <b>\$35,315</b> | <b>\$35,315</b> | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$1</b>    | <b>\$815</b>   | <b>\$815</b>   | <b>\$0</b>          |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$928</b>  | <b>\$1,559</b> | <b>\$1,559</b> | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$1,754</b> | <b>\$3,948</b> | <b>\$3,948</b> | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$4,698</b> | <b>\$7,464</b> | <b>\$7,464</b> | <b>\$0</b>          |

Equipment includes all costs for the purchase of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Indemnity</b> | <b>\$1,365</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Insurance claims and indemnities includes all benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request reflects no change from FY 2008.

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Immigration Examinations Fee Account**  
**Systematic Alien Verification for Eligibility (SAVE)**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: SAVE</b>       |  | <b>2007<br/>Actual <sup>1</sup></b> | <b>2008<br/>Enacted <sup>2</sup></b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------|--|-------------------------------------|--------------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b> |  |                                     |                                      |                         |                                |
| 11.1                   | Perm Positions                             | \$0                                 | \$8,400                              | 8,644                   | \$244                          |
| 11.3                   | Other than perm                            | ---                                 | 770                                  | 793                     | 23                             |
| 11.5                   | Other per comp                             | ---                                 | 570                                  | 587                     | 17                             |
| 11.8                   | Spec Srvc Pay                              | ---                                 | 1,000                                | 1,030                   | 30                             |
| 21.0                   | Travel                                     | ---                                 | 200                                  | 200                     | ---                            |
| 23.3                   | Communication, Utilities, and misc charges | ---                                 | 1,738                                | 1,738                   | ---                            |
| 24.0                   | Printing                                   | ---                                 | 600                                  | 600                     | ---                            |
| 25.1                   | Advisory & Assistance Services             | ---                                 | 4,750                                | 4,750                   | ---                            |
| 26.0                   | Supplies & materials                       | ---                                 | 276                                  | 276                     | ---                            |
| 31.0                   | Equipment                                  | ---                                 | 200                                  | 200                     | ---                            |
| <b>Total, SAVE</b>     |  | <b>\$0</b>                          | <b>\$18,504</b>                      | <b>\$18,818</b>         | <b>\$314</b>                   |
| Full Time Equivalent   |  | ---                                 | 170                                  | 220                     | 50                             |

1/ In FY 2007, SAVE was funded through discretionary appropriations under the Salaries and Expenses Account.

2/ FY 2008 position and FTE levels reflect adjustments in base level staffing and proposed reprogramming adjustments.

**PPA Mission Statement**

This program funds the operations of the SAVE Program. SAVE is an intergovernmental information-sharing program that verifies an individual's immigration status to ensure that only those eligible receive Federal, state, or local public benefits.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>             | <b>\$10,740</b>         | <b>\$11,054</b>         | <b>\$314</b>                   |

Salaries and Benefits includes costs for 220 FTEs. The FY 2009 request includes an increase of \$314,000 for the proposed increase in personnel compensation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>             | <b>\$200</b>            | <b>\$200</b>            | <b>\$0</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | <b>\$0</b>    | <b>\$1,738</b> | <b>\$1,738</b> | <b>\$0</b>          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects no change from FY 2008.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$0</b>    | <b>\$600</b>   | <b>\$600</b>   | <b>\$0</b>          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$0</b>    | <b>\$4,750</b> | <b>\$4,750</b> | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>    | <b>\$276</b>   | <b>\$276</b>   | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects no change from FY 2008.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$200</b>   | <b>\$200</b>   | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

## I. Changes in FTE

### Department of Homeland Security U.S. Citizenship and Immigration Services Immigration Examinations Fee Account

Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 6,956   | 7,872   | 9,972   |
| <b>INCREASES</b>  |         |         |         |
| Officer, Office of the Chief Financial Officer, Domestic Operations, National Security and Records Verification, Office of Human Capital, Training, and Career Development, and the Office of Security and Investigations |         | 1,493   |         |
| Description: Projected hiring increase per the adjustment of the immigration benefit application fee schedule.  |         |         |         |
| Increase #2: Genealogy Program  |         | 2       |         |
| Description: Projected increase per the establishment of a fee-funded Genealogy Program.  |         |         |         |
| Increase #3: SAVE Program   |         | 170     |         |
| Description: The SAVE Program was previously funded through discretionary funds.  |         |         |         |
| Increase #4: Adjusted FTE levels  |         |         |         |
| Description: Fill vacant positions.   | 916     | 440     | 262     |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1: CHEP & Parole Programs   |         | (5)     |         |
| Description: Transfer to Salaries & Expenses Account.   |         |         |         |
| Year-end Actual/Estimated FTEs  | 7,872   | 9,972   | 10,234  |
| Net Change from prior year base to Budget Year Estimate:  | 916     | 2,100   | 262     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Immigration Examinations Fee Account**

**Working Capital Fund  
(Dollars in Thousands)**

| Program/Project Activity                            | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|---|-------------------|------------------------|------------------------|---------------------------------------|
|   | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| Adjudication Svs (2001) - District Operations       | 3,561             | 8,748                  | 10,298                 | 1,550                                 |
| Adjudication Svs (2002) - Service Center Operations | 6,819             | 12,232                 | 14,323                 | 2,091                                 |
| Adjudication Svs (2003) - Asylum & Intl Operations  | 5,195             | 11,922                 | 13,703                 | 1,781                                 |
| Adjudication Svs (2004) - Records Operations        | 7,925             | ---                    | ---                    | ---                                   |
| Infor & Customer Svs (4001) - Natl Cust Svs Center  | 6,232             | 3,222                  | 6,137                  | 2,915                                 |
| Administration (5001) - Operating Expenses          | 7,239             | 6,695                  | 7,698                  | 1,003                                 |
| <b>Total Working Capital Fund</b>                   | <b>36,971</b>     | <b>42,819</b>          | <b>52,159</b>          | <b>9,340</b>                          |

# Department of Homeland Security

*U.S. Citizenship & Immigration Services*

*H-1B Nonimmigrant Petitioner Account*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## U.S. CITIZENSHIP & IMMIGRATION SERVICES H-1B NONIMMIGRANT PETITIONER ACCOUNT

### I. Appropriation Overview

#### **A. Mission Statement for H-1B Nonimmigrant Petitioner Account:**

The H-1B Visa Reform Act of 2004 requires employers who participate in the H-1B program to pay an additional \$1,500 (\$750 for those petitioners who employ less than 25 full-time equivalent employees), in addition to the base-processing fee of \$190 to file a Petition for a Nonimmigrant Worker (Form I-129). USCIS receives five percent of these funds, as well as the entire base-processing fee. These funds comprise approximately one percent of the total USCIS budget.

#### **B. Budget Activities:**

Funding from the H-1B Nonimmigrant Petitioner Account primarily supports the Domestic Operations Directorate. Fee revenues are used primarily for contract activities (mail, file, biometric and data entry) and facility rent expenses related to the processing of immigration benefit applications at USCIS service centers.

Domestic Operations manages four regionally based Service Centers which receive, process, and adjudicate applications, petitions and their related fees for immigration benefits not requiring face-to-face contact with the applicant, petitioner, or beneficiary. This office also oversees the operations of USCIS document production operations at the production facility in Corbin, KY, and at two of the Regional Service Centers. The Service Centers also provide data entry and card production support for some District Office and Asylum Office workloads, as well as processing of immigrant visas for incoming immigrants.

#### **C. Budget Request Summary:**

The USCIS requests \$13,000,000 in FY 2009 to maintain current service levels. These funds will continue to support contract activities and facility rent expenses for the processing of immigration benefit applications.

#### **D. Proposed PPA Structure:**

USCIS proposes to change the programs, projects, and activities (PPA) structure. The proposed restructuring serves several goals. First, the new structure improves the depiction of USCIS activities. Given the increased focus on both immigration status verification and fraud detection, the new structure uniquely identifies and depicts an integrated budget request in both areas. Immigration operations activities are better integrated and simplified within a single budget

category, in particular by reducing the breakout of adjudication activities and incorporating information and customer service spending.

A second goal is the desire to simplify the report-level breakout by combining pay and non-pay line items. USCIS fully intends to internally execute and monitor annual resources with breakouts between pay and non-pay. For those movements that have a significant program, resource, or policy implication, USCIS would continue to keep the Committee apprised irrespective of the revised line item breakout. In addition, most DHS components do not have pay and benefits broken out separately within the appropriations budget structure.

Our final goal concerns the desire to better align activities with organizational units and activity costs. USCIS is continuing to refine its activity-based cost structure. This revised budget structure improves PPA alignment with our activity-based cost structure by bringing core immigration operations under a single PPA category.

| <b>U.S. Citizenship &amp; Immigration Services</b> |                 |                 |  |                 |
|--|-----------------|-----------------|--|-----------------|
| <b>Revised PPA Crosswalk Proposal</b>              |                 |                 |  |                 |
| <b>Current Budget Structure</b>                    | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>Crosswalk to Proposed Revised Structure</b> |                 |
| <b><u>Adjudication Services</u></b>                | <b>Actual</b>   | <b>Enacted</b>  |  | <b>FY 2009</b>  |
| Service Center Operating Expenses                  | \$12,998        | \$13,000        | Fraud Detection & National Security            | \$13,000        |
| <b>TOTAL:</b>                                      | <b>\$12,998</b> | <b>\$13,000</b> |  |                 |
|  |                 |                 |  | <b>FY 2008</b>  |
|  |                 |                 |  | <b>Enacted</b>  |
|  |                 |                 |  | <b>FY 2009</b>  |
|  |                 |                 |  | <b>Request</b>  |
| <b>Proposed Revised Budget Structure</b>           |                 |                 |  |                 |
| <b><u>Immigration Security &amp; Integrity</u></b> |                 |                 |  |                 |
| Fraud Detection & National Security                | \$12,998        |                 | \$13,000                                       | \$13,000        |
| <b>TOTAL:</b>                                      | <b>\$12,998</b> |                 | <b>\$13,000</b>                                | <b>\$13,000</b> |

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
H-1B Nonimmigrant Petitioner Account**  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |            |                 |            |                     |            |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|------------|-----------------|------------|---------------------|------------|
|  |                   |                 |                    |                 |                    |                 | Total Changes                            |            | Program Changes |            | Adjustments-to-Base |            |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT     | FTE             | AMOUNT     | FTE                 | AMOUNT     |
| Adjudication Services  |                   |                 |                    |                 |                    |                 |  |            |                 |            |                     |            |
| Service Center Operations                                    | ---               | 12,998          | ---                | 13,000          | ---                | 13,000          | ---                                      | ---        | ---             | ---        | ---                 | ---        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>---</b>        | <b>\$12,998</b> | <b>---</b>         | <b>\$13,000</b> | <b>---</b>         | <b>\$13,000</b> | <b>---</b>                               | <b>\$0</b> | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>\$0</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                 |                    |                 |                    |                 |  |            |                 |            |                     |            |
|  |                   |                 |                    |                 |                    |                 |  |            |                 |            |                     |            |
|  |                   |                 |                    |                 |                    |                 |  |            |                 |            |                     |            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>---</b>        | <b>\$12,998</b> | <b>---</b>         | <b>\$13,000</b> | <b>---</b>         | <b>\$13,000</b> | <b>---</b>                               | <b>\$0</b> | <b>---</b>      | <b>\$0</b> | <b>---</b>          | <b>\$0</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**H-1B Nonimmigrant Petitioner Account**  
**Program Performance Justification**  
 (Dollars in thousands)

PPA: ADJUDICATION SERVICES

|                              | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|-------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>0</b>          | <b>0</b>   | <b>\$12,998</b> |
| <b>2008 Enacted</b>          | <b>0</b>          | <b>0</b>   | <b>\$13,000</b> |
| 2009 Adjustments-to-Base     | 0                 | 0          | \$0             |
| <b>2009 Current Services</b> | <b>0</b>          | <b>0</b>   | <b>\$13,000</b> |
| 2009 Program Change          | 0                 | 0          | \$0             |
| <b>2009 Request</b>          | <b>0</b>          | <b>0</b>   | <b>\$13,000</b> |
| Total Change 2008-2009       | 0                 | 0          | \$0             |

USCIS requests \$13 million for contract activities and facility rent expenses that support the processing of immigration benefit applications. The requested amount is set by Congressional statute providing USCIS with five percent of the fees collected for the H-1B visas (Nonimmigrant Petitioner), in addition to the base-processing fee to file a Petition for a Nonimmigrant Worker (Form I-129).

**CURRENT SERVICES PROGRAM DESCRIPTION:**

USCIS Domestic Operations receives, processes and adjudicates applications, petitions and their related fees for immigration benefits not requiring face-to-face contact with the applicant, petitioner, or beneficiary; which includes:

- *Family-based petitions* - facilitating the process for close relatives to immigrate, gain permanent residency, work, etc.; and
- *Employment-based petitions* - facilitating the process for current and prospective employees to immigrate or stay in the U.S. temporarily

Domestic Operations also provides data entry and card production support for some District Office and Asylum Office workloads, as well as processing of immigrant visas for incoming immigrants.

On average, USCIS annually processes millions of immigration benefit applications at its Service Centers. The \$13 million for contract activities and facility rent expenses is a portion of the total operations contract support, and Service Center rent. The difference is covered by fees collected into the Immigration Examinations Fee Account.

In FY 2007 funding was used to:

- Support the ongoing mail, file, data entry and file room functions being performed by contractor staff at the four USCIS Service Centers located in St. Albans, VT; Lincoln, NE; Irving, TX; and Laguna Niguel, CA.

- Finance the payment of a portion of the rent costs associated with housing the contractor staff within the Service Centers.

In FY 2008 and FY 2009, USCIS plans to:

- Ensure that the mail, file and data entry functions being performed by contractors located within the four Service Centers continues uninterrupted.
- Continue funding for Service Center facility rent expenses.

#### **IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
H-1B Nonimmigrant Petitioner Account  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--|-------------|------------|---------------|
| <b>FY 2007 Actual</b> .....            | ---         | ---        | \$12,998      |
| <b>2008 Enacted</b> .....              | ---         | ---        | <b>13,000</b> |
| <b>Adjustments-to-Base</b>             |             |            |               |
| Increases                              |             |            |               |
| GSA Rent.....                          | ---         | ---        | 40            |
| <b>Total Increases</b> .....           | ---         | ---        | <b>40</b>     |
| Decreases                              |             |            |               |
| Management Efficiency.....             | ---         | ---        | (40)          |
| <b>Total Decreases</b> .....           | ---         | ---        | <b>(40)</b>   |
| <b>Total Adjustments-to-Base</b> ..... | ---         | ---        | <b>---</b>    |
| <b>2009 Current Services</b> .....     | ---         | ---        | <b>13,000</b> |
| <b>2009 Request</b> .....              | ---         | ---        | <b>13,000</b> |
| <b>2008 to 2009 Total Change</b> ..... | ---         | ---        | <b>---</b>    |

**C. Summary of Requirements**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
H-1B Nonimmigrant Petitioner Account  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |           |
|--|--------------|-----|-----------|
|  | Perm. Pos.   | FTE | Amount    |
| <b>FY 2007 Actual</b>  | ---          | --- | \$ 12,998 |
| <b>2008 Enacted</b>  | ---          | --- | 13,000    |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |              |     |           |
| Increases  | ---          | --- | 40        |
| Decreases  | ---          | --- | (40)      |
| Total Adjustments-to-Base  | ---          | --- | ---       |
| <b>2009 Current Services</b>   | ---          | --- | 13,000    |
| <b>2009 Total Request</b>  | ---          | --- | \$ 13,000 |
| 2008 to 2009 Total Change  | ---          | --- | \$ ---    |

| Estimates by Program/Project Activity                      | 2008 Enacted |     |           | 2009 Adjustments-to-Base |     |        | 2009 Program Change |     |        | 2009 Request |     |           | 2008 to 2009 Total Change |     |        |
|--|--------------|-----|-----------|--------------------------|-----|--------|---------------------|-----|--------|--------------|-----|-----------|---------------------------|-----|--------|
|  | Pos.         | FTE | Amount    | Pos.                     | FTE | Amount | Pos.                | FTE | Amount | Pos.         | FTE | Amount    | Pos.                      | FTE | Amount |
| 1 Adjudication Services- Service Center Operating Expenses | ---          | --- | 13,000    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | 13,000    | ---                       | --- | ---    |
| <b>Total</b>   | ---          | --- | \$ 13,000 | ---                      | --- | \$ --- | ---                 | --- | \$ --- | ---          | --- | \$ 13,000 | ---                       | --- | \$ --- |

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**H-1B Nonimmigrant Petitioner Account**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes                                      | FY 2007<br>Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|------------------|------------------|-----------------------|
| 23.1 GSA rent                                       | 2,000             | 2,000            | 2,040            | 40                    |
| 24.0 Printing and reproduction                      | 14                | 14               | 14               | ---                   |
| 25.1 Advisory and assistance services               | 1,947             | 1,940            | 1,940            | ---                   |
| 25.2 Other services                                 | 8,980             | 8,989            | 8,949            | (40)                  |
| 25.3 Purchases of goods & svcs. from Gov't accounts | 57                | 57               | 57               | ---                   |
| <b>Total, Other Object Classes</b>                  | <b>\$ 12,998</b>  | <b>\$ 13,000</b> | <b>\$ 13,000</b> | <b>\$ ---</b>         |
| <b>Total, Direct Obligations</b>                    | <b>\$ 12,998</b>  | <b>\$ 13,000</b> | <b>\$ 13,000</b> | <b>\$ ---</b>         |
| Unobligated balance, start of year                  | (1,677)           | (2,156)          | (2,156)          | ---                   |
| Additional receipts, +/- estimates                  | (479)             | ---              | ---              | ---                   |
| Unobligated balance, end of year                    | 2,156             | 2,156            | 2,156            | ---                   |
| Recoveries of prior year obligations                | ---               | ---              | ---              | ---                   |
| <b>Total requirements</b>                           | <b>\$ 12,998</b>  | <b>\$ 13,000</b> | <b>\$ 13,000</b> | <b>\$ ---</b>         |

**F. Permanent Positions by Grade**

Not Applicable

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**H-1B Nonimmigrant Petitioner Account**  
**Adjudication Services**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Adjudication Services</b>   |                                | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|-------------------------------------|--------------------------------|------------------|------------------|------------------|---------------------|
|                                     |                                | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Object Classes:</b>              |                                |                  |                  |                  |                     |
| 23.1                                | GSA rent                       | 2,000            | 2,000            | 2,040            | 40                  |
| 24.0                                | Printing                       | 14               | 14               | 14               | ---                 |
| 25.1                                | Advisory & Assistance Services | 1,947            | 1,940            | 1,940            | ---                 |
| 25.2                                | Other Services                 | 8,980            | 8,989            | 8,949            | (40)                |
| 25.3                                | Purchase from Govt. Accts.     | 57               | 57               | 57               | ---                 |
| <b>Total, Adjudication Services</b> |                                | <b>\$ 12,998</b> | <b>\$ 13,000</b> | <b>\$ 13,000</b> | <b>\$ ---</b>       |
| Full Time Equivalents               |                                | ---              | ---              | ---              | ---                 |

### PPA Mission Statement

The funds from the H1-B Nonimmigrant Petitioner Account, comprising approximately one percent of the total USCIS budget request, are specifically targeted to contracting activities and facility rent expenses related to processing immigration benefit applications. These funds are the result of the H1-B Visa Reform Act of 2004, which requires employers who participate in the H1-B program to pay an additional \$1,500 (\$750 for those petitioners who employ less than 25 full-time equivalent employees), in addition to the base processing fee of \$190 to file a Petition for a Nonimmigrant Worker (Form I-129). USCIS receives five percent of these funds, as well as the entire base processing fee.

### Summary Justification and Explanation of Changes

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$2,000</b> | <b>\$2,000</b> | <b>\$2,040</b> | <b>\$40</b>         |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$40,000 increase for rent. This amount is a portion of the Service Center rent; the difference is covered by fees collected into the Immigration Examinations Fee Account.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>\$14</b>   | <b>\$14</b>    | <b>\$14</b>    | <b>\$0</b>          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request reflects no change from FY 2008.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$1,947</b> | <b>\$1,940</b> | <b>\$1,940</b> | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request reflects no change from FY 2008.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$8,980</b> | <b>\$8,989</b> | <b>\$8,949</b> | <b>(\$40)</b>       |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects downward adjustment of \$40,000 to offset the increase for rent.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$57</b>   | <b>\$57</b>    | <b>\$57</b>    | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request reflects no change from FY 2008.

**I. Changes in FTE**

Not Applicable

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not Applicable

# Department of Homeland Security

*U.S. Citizenship & Immigration Services*

*Fraud Prevention and Detection Account*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **U.S. CITIZENSHIP & IMMIGRATION SERVICES FRAUD PREVENTION AND DETECTION ACCOUNT**

### **I. Appropriation Overview**

#### **A. Mission Statement for Fraud Prevention and Detection Account:**

Funding in the Fraud Prevention and Detection Account is used for activities related to preventing and detecting fraud of immigration benefit applications as stipulated in the L-1 Visa Reform Act of 2004 (later amended by Public Law 109-13, Section 403). The law requires petitioners to pay \$500 toward this purpose for a beneficiary's initial grant of H-1B, H-2B, or L nonimmigrant classification, as well as if they are changing a beneficiary's employer within these classifications; and pay \$150 for H-2B benefit in addition to the base-processing fee for a Petition for a Nonimmigrant Worker (Form I-129). USCIS receives a one-third share of these fees.

#### **B. Budget Activities:**

Funding supports Fraud Detection and National Security (FDNS) efforts related to the H-1B, H-2B, or L nonimmigrant classifications. FDNS develops coordinates and leads national anti-fraud operations for USCIS and oversees and enhances policies and procedures pertaining to the performance of law enforcement (background) checks on applicants and petitioners.

#### **C. Budget Request Summary:**

USCIS requests 124 positions, 124 FTE, and \$31,000,000 to reflect the USCIS share of fee collections for FY 2009.

#### **D. Proposed PPA Structure:**

USCIS proposes to change the programs, projects, and activities (PPA) structure. The proposed restructuring serves several goals. First, the new structure improves the depiction of USCIS activities. Given the increased focus on both immigration status verification and fraud detection, the new structure uniquely identifies and depicts an integrated budget request in both areas. Immigration operations activities are better integrated and simplified within a single budget category, in particular by reducing the breakout of adjudication activities and incorporating information and customer service spending.

A second goal is the desire to simplify the report-level breakout by combining pay and non-pay line items. USCIS fully intends to internally execute and monitor annual resources with breakouts between pay and non-pay. For those movements that have a significant program, resource, or policy implication, USCIS would continue to keep the Committee apprised irrespective of the

revised line item breakout. In addition, most DHS components do not have pay and benefits broken out separately within the appropriations budget structure.

Our final goal concerns the desire to better align activities with organizational units and activity costs. USCIS is continuing to refine its activity-based cost structure. This revised budget structure improves PPA alignment with our activity-based cost structure by bringing core immigration operations under a single PPA category.

| <b>U.S. Citizenship &amp; Immigration Services<br/>Revised PPA Crosswalk Proposal</b> |                 |                 |  |                            |
|---|-----------------|-----------------|--|----------------------------|
| <b>Current Budget Structure</b>   | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>Crosswalk to Proposed Revised Structure</b> |                            |
| <u>Adjudication Services</u>  | <b>Actual</b>   | <b>Enacted</b>  |  | <b>FY 2009<br/>Request</b> |
| Pay & benefits  | \$9,184         | \$15,746        | Fraud Detection & National Security            | \$15,746                   |
| District Operating Expenses   | \$2,660         | \$9,728         | Fraud Detection & National Security            | \$9,728                    |
| Service Center Operating Expenses   | \$1,036         | \$2,993         | Fraud Detection & National Security            | \$2,993                    |
| Asylum/Refugee Operating Expenses   | \$0             | \$2,533         | Fraud Detection & National Security            | \$2,533                    |
| <b>Subtotal:</b>  | <b>\$12,880</b> | <b>\$31,000</b> |  | <b>\$31,000</b>            |
| <hr/>   |                 |                 |  |                            |
| <b>TOTAL:</b>   | <b>\$12,880</b> | <b>\$31,000</b> |  |                            |
| <hr/>   |                 |                 |  |                            |
| <b>Proposed Revised Budget Structure</b>  |                 |                 | <b>FY 2008<br/>Enacted</b>                     | <b>FY 2009<br/>Request</b> |
| <u>Immigration Security &amp; Integrity</u>   |                 |                 |  |                            |
| Fraud Detection & National Security   | \$12,880        |                 | \$31,000                                       | \$31,000                   |
| <b>Subtotal:</b>  | <b>\$12,880</b> |                 | <b>\$31,000</b>                                | <b>\$31,000</b>            |
| <hr/>   |                 |                 |  |                            |
| <b>TOTAL:</b>   | <b>\$12,880</b> |                 | <b>\$31,000</b>                                | <b>\$31,000</b>            |

Note: FY 2008 reflects proposed technical reprogramming adjustments.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Fraud Prevention and Detection Account**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |               |                 |               |                     |               |  |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|---------------|-----------------|---------------|---------------------|---------------|--|
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |               | Program Changes |               | Adjustments-to-Base |               |  |
|  |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT        | FTE             | AMOUNT        | FTE                 | AMOUNT        |  |
| Adjudication Services  |                   |                  |                    |                  |                    |                  |  |               |                 |               |                     |               |  |
| Pay & Benefits   | 79                | \$ 9,184         | 98                 | \$ 15,746        | 124                | \$ 16,203        | 26                                       | \$ 457        | ---             | \$ ---        | 26                  | \$ 457        |  |
| District Operating Expenses                                  | ---               | 2,660            | ---                | 9,728            | ---                | 9,440            | ---                                      | (288)         | ---             | ---           | ---                 | (288)         |  |
| Service Center Operating Expenses                            | ---               | 1,036            | ---                | 2,993            | ---                | 2,902            | ---                                      | (91)          | ---             | ---           | ---                 | (91)          |  |
| Asylum/Refugee Operating Expenses                            |                   |                  | ---                | 2,533            | ---                | 2,455            | ---                                      | (78)          | ---             | ---           | ---                 | (78)          |  |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>79</b>         | <b>\$ 12,880</b> | <b>98</b>          | <b>\$ 31,000</b> | <b>124</b>         | <b>\$ 31,000</b> | <b>26</b>                                | <b>\$ ---</b> | <b>---</b>      | <b>\$ ---</b> | <b>26</b>           | <b>\$ ---</b> |  |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |               |                 |               |                     |               |  |
|  |                   |                  |                    |                  |                    |                  |  |               |                 |               |                     |               |  |
|  |                   |                  |                    |                  |                    |                  |  |               |                 |               |                     |               |  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>79</b>         | <b>\$ 12,880</b> | <b>98</b>          | <b>\$ 31,000</b> | <b>124</b>         | <b>\$ 31,000</b> | <b>26</b>                                | <b>\$ ---</b> | <b>---</b>      | <b>\$ ---</b> | <b>26</b>           | <b>\$ ---</b> |  |

Note: FY 2008 reflects proposed technical reprogramming adjustments.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Fraud Prevention and Detection Account**  
**Program Performance Justification**  
 (Dollars in thousands)

PPA: ADJUDICATION SERVICES

|                              | <b>Perm. Pos.</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|-------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>115</b>        | <b>79</b>  | <b>\$12,880</b> |
| <b>2008 Enacted</b>          | <b>124</b>        | <b>98</b>  | <b>\$31,000</b> |
| 2009 Adjustments-to-Base     | 0                 | 26         | \$0             |
| <b>2009 Current Services</b> | <b>124</b>        | <b>124</b> | <b>\$31,000</b> |
| 2009 Program Change          | 0                 | 0          | \$0             |
| <b>2009 Request</b>          | <b>124</b>        | <b>124</b> | <b>\$31,000</b> |
| Total Change 2008-2009       | 0                 | 26         | \$0             |

USCIS requests 124 positions, 124 FTE, and \$31 million for this activity. The requested level reflects the likely one-third fee collection level for H-1B, H-2B, & L visas fraud prevention and detection activities. There is an adjustment-to-base increase of 26 FTE for annualization of FTE from FY 2008 to FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

FDNS, in partnership with U.S. Immigration and Customs Enforcement (ICE), Office of Investigations, has dual missions: detecting and combating fraud, and identifying threats to the national security and public safety posed by those seeking immigration benefits. FDNS is also an active member of the ICE-led interagency Document and Benefit Fraud Task Forces (DBFTFs), for which there are currently 17 strategically located throughout the U.S. The cooperative work between ICE and FDNS promotes the efforts to combat H&L Visa fraud more effectively and identify and pursue solutions.

FDNS is in the process of completing a Benefit Fraud and Compliance Assessment (BFCA) for the H-1B (specialty occupation) and is in the process of conducting an assessment of the L-1A (multi-national executive or manager) nonimmigrant visa classifications. With respect to L-1A specifically, FDNS is reviewing and analyzing data, identifying possible fraud trends, and conducting overseas verification requests.

FDNS is in the process of establishing overseas H and L Anti-fraud Officer positions at 8 high volume H & L posts. Currently it is anticipated that there will be 8 FDNS IO positions and 9 Foreign Service National positions. These units will help develop FDNS's capacity overseas to conduct H & L visa inquiries based upon requests for verification of information from USCIS officers.

In addition, FDNS has developed an Administrative Site Visit Verification Program (ASVVP). This program will have contractors conducting site visits on select cases. It is anticipated that the ASVVP will be the vehicle used to conduct post adjudication compliance site visits on select H & L visa petitions.

FDNS was also tasked with directing, overseeing, and improving the completion of background checks on the millions of visa applicants, beneficiaries, and petitioners each year. As with the fraud detection mission, this task requires a delicate balance between facilitation and diligence. FDNS has developed and implemented the Fraud Detection and National Security Data System (FDNS-DS), which is a case management tracking system with analytical capabilities aimed at improving the integrity of the fraud detection mission. Over the past year, FDNS has conducted a comprehensive review of the background check process, and made a number of changes that enhance quality and processing times associated with background checks. It has placed priority emphasis on the resolution of national security hits, and has developed a criminal alien referral policy jointly with its ICE counterparts. Since October 2004, over 1,500 criminal alien leads have been referred to ICE Investigations, and thousands of suspected absconders with Removal Orders have been reported to ICE Detention and Removal Operations.

Because the majority of immigration benefit fraud begins with the filing of an application or petition with USCIS, it is essential to identify suspect cases as early in the process as possible, ideally before the application or petition reaches an adjudicator for decision making, and, most certainly, before an applicant or beneficiary is accorded a benefit that will enable him or her to enter or stay in the U.S. For these reasons, it is essential that USCIS develop the capacity to detect possible fraud, and work closely with ICE.

Towards this end, USCIS and ICE have developed and implemented a joint anti-fraud strategy that relies upon USCIS to detect suspected fraud, and refer the fraud to ICE for possible criminal investigation and prosecution. FDNS is not authorized to conduct investigations, only inquiries; therefore, all cases that are suspect to fraud are referred to ICE and, based on the information provided by FDNS, ICE may choose to accept or decline the case. On cases that ICE is unable to handle, FDNS may only conduct administrative inquiries in order to prove that fraud is present to validate the denial of a petition. FDNS also proposed to work with the Department of State Headquarters Fraud Prevention Program (FPP) and the Department of Labor's Office of Inspector General in an effort to become the primary conduit for all H and L visa fraud related issues. The necessary structure, resources, policies, procedures, and other organizational crosswalks are now in place to support this strategy.

To enhance the capability to manage this anti-fraud and background check operation, USCIS recently developed and is in the process of enhancing a new fraud tracking system, FDNS-DS. This system will enable FDNS to fully leverage technology in the combating of immigration fraud as well as provide a means by which law enforcement and intelligence entities can access information to support operations that enhance national security. This unprecedented effort will position USCIS/FDNS to quantify and qualify the types of benefit fraud that exist, as well as identify patterns and other vulnerabilities that threaten the integrity of our immigration system. A future interface with the USCIS Central Oracle Repository (CISCOR) will allow real time retrieval and analysis of data relating to the six million applications and petitions received by USCIS yearly.

FDNS is also responsible for reviewing operational malfunctions and systemic deficiencies, and proposing corrective action. This role includes reviewing proposed rules and regulations within USCIS. As part of the overall joint strategy and in partnership with ICE, both agencies identify vulnerabilities in the benefit fraud system and work together to eliminate the potential for exploitation of those vulnerabilities and prosecute the violators. Information on trends in fraud and criminal methodologies are shared among USCIS and ICE to identify and prevent potential abuse of the system.

FDNS is USCIS' primary point of contact with, and conduit to/from, the law enforcement and intelligence communities. This includes participation in a variety of Departmental and Government-wide information sharing initiatives. As subject matter experts in immigration benefit-related laws, regulations, policies, procedures, and operational matters, and custodians of more than 100 million electronic and hard copy immigration records, USCIS (via FDNS) has assigned officers to the Department's Homeland Security Operations Center (HSOC) and the Terrorist Screening Center (TSC). It is in the process of hiring additional personnel for assignments at DHS' Office of Information Analysis, the Department of State's (DOS) Fraud Prevention Program, and other locations. FDNS is also USCIS' lead on systems-related access and information exchanges with other agencies, such as the DOS.

In FY 2007, USCIS used the funds received from the Fraud Prevention and Detection Account to:

- Help expand Fraud Detection and National Security (FDNS) capability.
- Augment the current anti-fraud efforts within USCIS by dedicating more staff and contractor support to conducting system checks that identified known (previously proven) fraud conspirators and their association with future filings.
- Develop a proactive anti-fraud program that bounces key fraud indicators from past (proven) conspiracies against all incoming applications and petitions.

In FY 2008 and FY 2009, USCIS will continue using the funding received from the Fraud Prevention and Detection Account to support security-related initiatives and continue contractor assistance to the FDNS to support the program's ongoing efforts to develop a comprehensive and collaborative approach for detecting, prosecuting, and deterring immigration-related fraud.

#### **IV. Program Justification of Changes**

Not Applicable

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not Applicable

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Fraud Prevention and Detection Account  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|--|-------------|------------|-----------------|
| <b>FY 2007 Actual</b> .....            | <b>115</b>  | <b>79</b>  | <b>\$12,880</b> |
| <b>2008 Enacted</b> .....              | <b>124</b>  | <b>98</b>  | <b>31,000</b>   |
| <b>Adjustments-to-Base</b>             |             |            |                 |
| Increases                              |             |            |                 |
| 2009 pay increase.....                 | ---         | ---        | 343             |
| Annualization of 2008 pay raise.....   | ---         | ---        | 114             |
| GSA Rent.....                          | ---         | ---        | 39              |
| Annualization of FTE.....              | ---         | 26         | ---             |
| <b>Total Increases</b> .....           | <b>---</b>  | <b>26</b>  | <b>496</b>      |
| Decreases                              |             |            |                 |
| Management Efficiency.....             | ---         | ---        | (496)           |
| <b>Total Decreases</b> .....           | <b>---</b>  | <b>---</b> | <b>(496)</b>    |
| <b>Total Adjustments-to-Base</b> ..... | <b>---</b>  | <b>26</b>  | <b>---</b>      |
| <b>2009 Current Services</b> .....     | <b>124</b>  | <b>124</b> | <b>\$31,000</b> |
| <b>2009 Request</b> .....              | <b>124</b>  | <b>124</b> | <b>\$31,000</b> |
| <b>2008 to 2009 Total Change</b> ..... | <b>---</b>  | <b>26</b>  | <b>---</b>      |

### C. Summary of Requirements

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Fraud Prevention and Detection Account  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>FY 2007 Actual</b>  | 115          | 79  | \$12,880 |
| <b>2008 Enacted</b>  | 124          | 98  | 31,000   |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |              |     |          |
| Increases  | ---          | 26  | 496      |
| Decreases  | ---          | --- | (496)    |
| Total Adjustments-to-Base  | ---          | 26  | ---      |
| <b>2009 Current Services</b>   | 124          | 124 | 31,000   |
| <b>2009 Total Request</b>  | 124          | 124 | \$31,000 |
| 2008 to 2009 Total Change  | ---          | 26  | (0)      |

| Estimates by Program/Project Activity                       | 2008 Enacted |           |                 | 2009 Adjustments-to-Base |           |            | 2009 Program Change |            |            | 2009 Request |            |                 | 2008 to 2009 Total Change |           |            |
|---|--------------|-----------|-----------------|--------------------------|-----------|------------|---------------------|------------|------------|--------------|------------|-----------------|---------------------------|-----------|------------|
|   | Pos.         | FTE       | Amount          | Pos.                     | FTE       | Amount     | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount          | Pos.                      | FTE       | Amount     |
| 1 Adjudication Services - Pay & Benefits                    | 124          | 98        | 15,746          | ---                      | 26        | 457        | ---                 | ---        | ---        | 124          | 124        | 16,203          | ---                       | 26        | 457        |
| 2 Adjudication Services - District Operating Expenses       | ---          | ---       | 9,728           | ---                      | ---       | (288)      | ---                 | ---        | ---        | ---          | ---        | 9,440           | ---                       | ---       | (288)      |
| 3 Adjudication Services - Service Center Operating Expenses | ---          | ---       | 2,993           | ---                      | ---       | (91)       | ---                 | ---        | ---        | ---          | ---        | 2,902           | ---                       | ---       | (91)       |
| 4 Adjudication Services- Asylum/Refugee Operating Expenses  | ---          | ---       | 2,533           | ---                      | ---       | (78)       | ---                 | ---        | ---        | ---          | ---        | 2,455           | ---                       | ---       | (78)       |
| <b>Total</b>  | <b>124</b>   | <b>98</b> | <b>\$31,000</b> | <b>---</b>               | <b>26</b> | <b>---</b> | <b>---</b>          | <b>---</b> | <b>---</b> | <b>124</b>   | <b>124</b> | <b>\$31,000</b> | <b>---</b>                | <b>26</b> | <b>---</b> |

Note: FY 2008 reflects proposed technical reprogramming adjustments.

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Fraud Prevention and Detection Account**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009 Change |
|---|-------------------|-----------------|-----------------|--------------------|
| 11.1 Total FTE & personnel compensation               | \$7,004           | \$12,028        | \$12,377        | 349                |
| 11.5 Other Personnel Compensation                     | 144               | 216             | 222             | 6                  |
| 12.1 Benefits   | 2,036             | 3,502           | 3,604           | 102                |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>9,184</b>      | <b>15,746</b>   | <b>16,203</b>   | <b>457</b>         |
| Other Object Classes:                                 |                   |                 |                 |                    |
| 21.0 Travel   | 141               | 823             | 823             | ---                |
| 23.1 GSA rent   | 1,405             | 1,925           | 1,964           | 39                 |
| 23.3 Communications, utilities, & other misc. charges | 525               | 3,054           | 3,054           | ---                |
| 25.2 Other services                                   | 1,431             | 8,324           | 7,828           | (496)              |
| 26.0 Supplies and materials                           | 161               | 935             | 935             | ---                |
| 31.0 Equipment  | 33                | 193             | 193             | ---                |
| <b>Total, Other Object Classes</b>                    | <b>3,696</b>      | <b>15,254</b>   | <b>14,797</b>   | <b>(457)</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$12,880</b>   | <b>\$31,000</b> | <b>\$31,000</b> | <b>---</b>         |
| Unobligated balance, start of year                    | (30,219)          | (63,358)        | (64,358)        | (1,000)            |
| Additional receipts, +/- estimates                    | (32,863)          | ---             | ---             | ---                |
| Unobligated balance, end of year                      | 63,358            | 64,358          | 64,358          | ---                |
| Recoveries of prior year obligations                  | (276)             | (1,000)         | ---             | 1,000              |
| <b>Total requirements</b>                             | <b>\$12,880</b>   | <b>\$31,000</b> | <b>\$31,000</b> | <b>---</b>         |

Note: FY 2008 reflects proposed technical reprogramming adjustments.

## F. Permanent Positions by Grade

**Department of Homeland Security  
U.S. Citizenship and Immigration Services  
Fraud Prevention and Detection Account  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | ---            | ---             | ---             | ---             |
| Total, EX                        | ---            | ---             | ---             | ---             |
|                                  | ---            | ---             | ---             |                 |
| GS-15                            | 2              | 2               | 2               | ---             |
| GS-14                            | 12             | 12              | 12              | ---             |
| GS-13                            | 50             | 54              | 54              | ---             |
| GS-12                            | 43             | 48              | 48              | ---             |
| GS-11                            | 4              | 4               | 4               | ---             |
| GS-10                            | ---            | ---             | ---             | ---             |
| GS-9                             | 3              | 3               | 3               | ---             |
| GS-8                             | ---            | ---             | ---             | ---             |
| GS-7                             | 1              | 1               | 1               | ---             |
| GS-6                             | ---            | ---             | ---             | ---             |
| GS-5                             | ---            | ---             | ---             | ---             |
| GS-4                             | ---            | ---             | ---             | ---             |
| GS-3                             | ---            | ---             | ---             | ---             |
| GS-2                             | ---            | ---             | ---             | ---             |
| Other Graded Positions           | ---            | ---             | ---             | ---             |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>115</b>     | <b>124</b>      | <b>124</b>      | <b>---</b>      |
| Unfilled Positions EOY           | 11             | ---             | ---             | ---             |
| Total Perm. Employment EOY       | 104            | 124             | 124             | ---             |
| <b>FTE</b>                       | <b>79</b>      | <b>98</b>       | <b>124</b>      | <b>26</b>       |
| Headquarters                     | 20             | 20              | 20              | ---             |
| U.S. Field                       | 95             | 96              | 96              | ---             |
| Foreign Field                    | ---            | 8               | 8               | ---             |
| <b>Total Permanent Positions</b> | <b>115</b>     | <b>124</b>      | <b>124</b>      | <b>---</b>      |
| <b>Average ES Salary</b>         | \$ ---         | \$ ---          | \$ ---          | \$ ---          |
| <b>Average GS Salary</b>         | \$ 62,957      | \$ 64,389       | \$ 66,256       | \$ 1,867        |
| <b>Average GS Grade</b>          | 12.539         | 12.532          | 12.532          | ---             |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

### U.S. Citizenship and Immigration Services Fraud Prevention and Detection Account Adjudication Services Funding Schedule (Dollars in Thousands)

| PPA: Adjudication Services          |  | 2007<br>Actual  | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------------------------|--|-----------------|-----------------|-----------------|------------------------|
| <b>Object Classes:</b>              |  |                 |                 |                 |                        |
| 11.1                                | Perm Positions                             | \$7,004         | \$12,028        | \$12,377        | 349                    |
| 11.5                                | Other Personnel Compensation               | 144             | 216             | 222             | 6                      |
| 12.1                                | Benefits                                   | 2,036           | 3,502           | 3,604           | 102                    |
| 21.0                                | Travel                                     | 141             | 823             | 823             | ---                    |
| 23.1                                | GSA rent                                   | 1,405           | 1,925           | 1,964           | 39                     |
| 23.3                                | Communication, Utilities, and misc charges | 525             | 3,054           | 3,054           | ---                    |
| 25.2                                | Other Services                             | 1,431           | 8,324           | 7,828           | (496)                  |
| 26.0                                | Supplies & materials                       | 161             | 935             | 935             | ---                    |
| 31.0                                | Equipment                                  | 33              | 193             | 193             | ---                    |
| <b>Total, Adjudication Services</b> |  | <b>\$12,880</b> | <b>\$31,000</b> | <b>\$31,000</b> | <b>---</b>             |
| Full Time Equivalents               |  | 79              | 98              | 124             | 26                     |

Note: FY 2008 reflects proposed technical reprogramming adjustments.

#### PPA Mission Statement

The funds from the Fraud Prevention and Detection Account, comprising approximately two percent of the total USCIS budget request, primarily support the USCIS goal to ensure the security and integrity of the immigration system. These funds are specifically for activities related to preventing and detecting fraud of H & L immigration benefit applications.

#### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Salaries and Benefits</b> | <b>\$9,183</b> | <b>\$15,746</b> | <b>\$16,203</b> | <b>\$457</b>          |

Salaries and Benefits includes costs for 124 FTEs. The FY 2009 request includes an increase of \$457,000 for the proposed increase in personnel compensation.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------|----------------|-----------------|-----------------|-----------------------|
| <b>Travel</b> | <b>\$141</b>   | <b>\$823</b>    | <b>\$823</b>    | <b>\$0</b>            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request reflects no change from FY 2008.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>GSA rent</b> | \$1,405        | \$1,925         | \$1,964         | \$39                  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request reflects a \$39,000 increase.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$525          | \$3,054         | \$3,054         | \$0                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals and utility services. The FY 2009 request reflects no change from FY 2008.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$1,431        | \$8,324         | \$7,828         | (\$496)               |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request reflects a downward adjustment of \$457,000 to offset pay inflation and \$39,000 to offset rent.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$161          | \$935           | \$935           | \$0                   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request reflects no change from FY 2008.

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$33           | \$193           | \$193           | \$0                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects no change from FY 2008.

## I. Changes in FTE

**Department of Homeland Security**  
**U.S. Citizenship and Immigration Services**  
**Fraud Protection and National Security**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 6       | 79      | 98      |
| <b>INCREASES</b>   |         |         |         |
| Increase #1: FDNS and Adjudication Officer hiring<br>Description: A new plan was developed to expand hiring to combat H & L fraud. | 73      | 19      |         |
| Increase #2: FDNS<br>Description: The increase reflects the annualization of authorized FTEs in line with requested budget levels. |         |         | 26      |
| Year-end Actual/Estimated FTEs   | 79      | 98      | 124     |
| Net Change from prior year base to Budget Year Estimate:   | 73      | 19      | 26      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

Not Applicable

# Department of Homeland Security

*U.S. Citizenship & Immigration Services*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**U.S. CITIZENSHIP & IMMIGRATION SERVICES (USCIS)**

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## A. Mission and Description of USCIS

United States Citizenship and Immigration Services (USCIS) is the Federal agency responsible for granting or denying immigration benefits to individuals seeking to reside or work in the United States, and processing millions of immigration benefit applications and petitions annually. USCIS secures America's promise as a nation of immigrants by providing accurate and useful information to our customers, granting immigration and citizenship benefits, promoting an awareness and understanding of citizenship, and ensuring the integrity of the immigration system. USCIS has established six goals:

- Ensure the security and integrity of the immigration system,
- Provide efficient and customer-oriented immigration benefit and information services,
- Increase understanding of citizenship and its privileges and responsibilities,
- Ensure flexible and sound immigration policies and programs that meet the needs and obligations of the Nation, including our international treaties on humanitarian protection and trade,
- Strengthen the infrastructure necessary to achieve USCIS' mission, and
- Operate as a high-performance organization and position USCIS as an employer of choice.

Through a network of 250 field offices, Application Support Centers, Service Centers, Asylum offices, National Customer Service Call (NCSC) Centers, Forms Centers, and the Internet, USCIS works with applicants to collect, process, and grant benefits including: employment authorization documents, asylee and refugee status, classification as an immediate relative for the purpose of immigration to the United States, and U.S. citizenship. USCIS also works in coordination with other bureaus of DHS, and with agencies such as the Departments of Labor, State, and with the Federal Bureau of Investigation to conduct background checks. USCIS prevents adverse impacts on our immigration system and economy by screening thoroughly, making timely adjudication decisions, and giving accurate immigration information.

On average, USCIS annually:

- Processes more than 6 million immigration benefit applications
- Serves more than 20 million customers via the National Customer Service Call Centers
- Serves approximately 3 million customers through information counters at local offices
- Processes nearly 100,000 asylum cases
- Performs nearly 60,000 refugee interviews overseas, and
- Conducts the naturalization of approximately 600,000 new citizens.

## B. Major Activities and Key Strategic Issues

### Adjudication Services

Between six and eight million immigration applications or petitions each year require legal review and adjudication. These include applications by non-immigrants, extensions of a temporary stay, petitions by companies for foreign workers, and applications to naturalize and become a U.S. citizen. For adjudication services, the FY 2009 budget request includes 7,951 FTEs and \$1.78 billion.

During 2007, USCIS finalized rulemaking (effective July 30, 2007) which adjusted the immigration benefit application and petition fee schedule. The intent of the revised fee schedule is to enable the recovery of the full cost of providing immigration benefits and services, as well as devote premium processing revenues to the Transformation Program.

Under Transformation, modernization across all lines of business is anticipated to take up to five years although the program has been designed to be implemented in the multiple phases throughout those five years. By the end of FY 2008, USCIS is working to ensure full implementation of a set of core business services specific to Citizenship business activities. These core services will cover account set up, workflow management, and digitization of records. Starting in FY 2009, this core set of service will begin to be expanded to additional functional business areas. The other three business areas are Immigrant, Humanitarian, and Non-Immigrant activities. The following table provides a notional outline of incremental phases of the Transformation effort:

### Business Services By Increment

| <b>Increment 1<br/><i>Citizenship</i></b>   | <b>Increment 2<br/><i>Immigrant</i></b>  | <b>Increment 3<br/><i>Humanitarian</i></b>   | <b>Increment 4<br/><i>Non-Immigrant</i></b>  |
|---|--|--|--|
| <b>Account Setup and Case Intake</b> <ul style="list-style-type: none"> <li>▪ Expand use of E-Filing to accept Citizenship applications</li> <li>▪ Accept and deposit fees electronically</li> <li>▪ Create Accounts for Individuals and Representatives</li> </ul> | <b>Account Setup and Case Intake</b> <ul style="list-style-type: none"> <li>▪ Create Accounts for Employers and Certifiers</li> <li>▪ Expand use of E-Filing to accept Immigrant Benefits</li> </ul> | <b>Account Setup and Case Intake</b> <ul style="list-style-type: none"> <li>▪ Expand use of E-Filing to accept Humanitarian Benefits</li> <li>▪ Capture Biometrics Remotely</li> </ul> | <b>Account Setup and Case Intake</b> <ul style="list-style-type: none"> <li>▪ Expand application capability to include Non-Immigrant Benefits</li> </ul>               |
| <b>Biometric Identification</b> <ul style="list-style-type: none"> <li>▪ Biometrics captured for each citizenship applicant</li> <li>▪ Each biometric uniquely enumerated</li> </ul>  |  |  |  |
| <b>Background Check</b> <ul style="list-style-type: none"> <li>▪ Integrated background check capabilities</li> </ul>  |  |  |  |
| <b>Workflow</b> <ul style="list-style-type: none"> <li>▪ Workflow and case assignments controlled primarily by managers</li> </ul>  | <b>Workflow</b> <ul style="list-style-type: none"> <li>▪ Sort cases based on risk assessment</li> <li>▪ Expand to include Immigrant business rules</li> </ul>  | <b>Workflow</b> <ul style="list-style-type: none"> <li>▪ Improved automated workflow capabilities</li> <li>▪ Expand to include Humanitarian business rules</li> </ul>                  | <b>Workflow</b> <ul style="list-style-type: none"> <li>▪ Improved automated workflow capabilities</li> <li>▪ Expand to include Non-Immigrant business rules</li> </ul> |
| <b>Adjudication</b> <ul style="list-style-type: none"> <li>▪ Expand A-file Scan on Demand</li> <li>▪ Simultaneous access to information</li> <li>▪ Web-Based Naturalization Test</li> </ul>   | <b>Adjudication</b> <ul style="list-style-type: none"> <li>▪ Enhanced A-file Scan on Demand capability</li> </ul>  | <b>Adjudication</b> <ul style="list-style-type: none"> <li>▪ Introduce auto-adjudication capability for low risk cases</li> </ul>  | <b>Adjudication</b> <ul style="list-style-type: none"> <li>▪ Expand auto-adjudication based on improved business rules/risk management practices</li> </ul>            |
| <b>Document Issuance</b> <ul style="list-style-type: none"> <li>▪ Generate Naturalization Certificates</li> <li>▪ Support Passport Issuance</li> </ul>  | <b>Document Issuance</b> <ul style="list-style-type: none"> <li>▪ Issue single card for all benefits</li> </ul>  |  | <b>Document Issuance</b> <ul style="list-style-type: none"> <li>▪ Develop and produce new document / card</li> </ul>   |
| <b>Notification to Customers</b> <ul style="list-style-type: none"> <li>▪ Biometric, interview, and Oath ceremony appointment notification</li> </ul>   | <b>Notification to Customers</b> <ul style="list-style-type: none"> <li>▪ Case Status notification</li> <li>▪ RFE notice generation</li> </ul>   |  |  |

| <b>Increment 1<br/><i>Citizenship</i></b>  | <b>Increment 2<br/><i>Immigrant</i></b>  | <b>Increment 3<br/><i>Humanitarian</i></b>   | <b>Increment 4<br/><i>Non-Immigrant</i></b>   |
|--|--|--|---|
| <b>E-Records / Data Sharing</b> <ul style="list-style-type: none"> <li>▪ Implement Tri-Bureau data-sharing with CBP and ICE</li> </ul>   | <b>E-Records / Data Sharing</b> <ul style="list-style-type: none"> <li>▪ Expand to include DOL and DOS</li> </ul>  | <b>E-Records / Data Sharing</b> <ul style="list-style-type: none"> <li>▪ Expand to include Courts, International, State and Local</li> </ul> |   |
| <b>Manage Agency and Manage Knowledge</b> <ul style="list-style-type: none"> <li>▪ Case escalation</li> <li>▪ Production and performance reporting for citizenship workload</li> <li>▪ Access to legacy repositories (e.g. Call Center Scripts)</li> </ul> | <b>Manage Agency and Manage Knowledge</b> <ul style="list-style-type: none"> <li>▪ Enhanced performance reporting</li> <li>▪ Enhanced access to policies and procedures</li> </ul> |  | <b>Manage Agency and Manage Knowledge</b> <ul style="list-style-type: none"> <li>▪ Generate H-1B Cap Count</li> </ul> |

In general, the new fee rule will help USCIS modernize processes and systems to improve sharing of immigration information, eliminate paper-based processing, and improve the ability of USCIS to more effectively respond to a changing workload, while enhancing the integrity of the immigration system. Additionally, modernization will make operations easier and faster for customers to electronically file immigration benefit applications, receive updates on the status of their applications, and, receive immigration benefits as appropriate.

*Immigration Security and Integrity*

Activities encompass Fraud Detection and National Security programs with responsibilities in detecting, pursuing, and deterring fraud; ensuring law enforcement (background) checks are conducted on all persons seeking benefits; identifying systemic vulnerabilities and other weaknesses that compromise the integrity of the immigration system; performing as USCIS’ primary conduit to and from the law enforcement and intelligence communities; and coordinating interagency policies, procedures, and other issues with Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE).

For this area, the FY 2009 budget request includes 1,418 FTEs and \$511 million to operate a program of comprehensive quality assurance and security measures to ensure that benefits are granted only to eligible individuals. The requested amount is based on projected fee levels per the fee review of immigration benefit applications.

*Information and Customer Services*

Activities encompass information and customer service functions, operations, policies and activities, and customer service call center operations, such as:

Operations:

- Funds the operation of the Los Angeles and New York City Telephone Call Centers. These two locations provide live Immigration Information Officer (IIO) assistance to applicants that were unable to have their inquiries answered via the 1-800 contractor call center information line.
- Reduced customer wait time when calling the NCSC to less than 1 minute.
- Reduced customer abandonment rate to less than 2 percent.

Policies:

- USCIS has developed a new series of fact sheets focused on particular kinds of customers and services available to them. It will also include a fact sheet focused on customers after they file an application, setting out criteria for case services to do a better job of responding to the questions and concerns of customers.
- Launched a new Military Help-line to provide targeted support to the armed forces personnel.
- Review and update operational policies and procedures to ensure polite, professional and courteous service to the customer.

Activities:

- Launched Change of Address On-line.
- Launched new Service Request Management Tool (SRMT) customer interface to provide more efficient data capture system within the call centers.
- Installed Q-flow customer queuing system in all but 14 local offices.
- Launched Military Help-line.
- Streamlined our InfoPass appointment categories to enhance the ease of use by customers and USCIS staff.
- Developed a Product Index Card for all customer service related materials to be used by local offices.

These help customers understand eligibility rules and procedures, provide case status information, and answer thousands of written inquiries and millions of phone calls.

For this initiative, the FY 2009 budget request includes 803 FTEs and \$222 million. The requested amount is based on projected fee levels per the fee review of immigration benefit applications.

Citizenship

Activities promote civic integration of immigrants and increases public awareness of the benefits and responsibilities associated with U.S. citizenship; provide instruction and training on citizenship rights and responsibilities; and provide immigrants with information and tools necessary to successfully integrate into American civic culture. Activities cover work with community and faith-based organizations, other federal agencies, state and local governments, adult educators, and groups that directly interact with newly arrived immigrants, and those beginning the formal naturalization process such as:

- Regional training sessions to prepare adult educators nationwide to teach students who will be taking the new naturalization test.
- Task Force on New Americans roundtable discussions with different sectors of society (businesses, public libraries, community-based groups) to research best practices in integration.
- Meetings of the members of the inter-agency Task Force on New Americans to coordinate federal efforts to promote assimilation.
- Presentations on "lessons learned" in promoting integration to counterparts from other countries.
- Setting up informational booths and giving presentations on Office of Citizenship educational tools at library conferences.

For this initiative, the FY 2009 budget request includes 21 FTEs and \$7.8 million. The requested amount is based on projected fee levels per the fee review of immigration benefit applications.

#### Immigration Status Verification

Activities encompass three programs – the Systematic Alien Verification for Entitlements (SAVE), E-Verify (formerly the Employment Eligibility Verification) and the REAL ID Act programs. The SAVE program assists organizations by providing a non-citizen applicant's immigration status, in order to determine eligibility for Federal, state, or local public benefits. E-Verify helps employers verify work authorization. REAL ID is a nationwide effort intended to prevent terrorism, reduce fraud, and improve the reliability and accuracy of identification documents that State governments issue.

For this initiative, the FY 2009 budget request includes 427 FTEs and \$168.8 million. Both SAVE and E-Verify are central elements of the Administration's comprehensive immigration reform strategy. In August, the Administration announced a set of initiatives tied to these USCIS programs:

- Commence a rulemaking process to require all Federal contractors and vendors to use E-Verify to ensure employees are authorized to work in the U.S.
- Increase assistance to States with outreach and technical assistance to encourage E-Verify use.
- Improve system data sources to improve ability to catch identity theft.
- Seek voluntary State partners willing to share DMV photos and records with E-Verify.

In FY 2007, the SAVE program had 9,051,195 queries. There are currently 365 agencies using SAVE. E-Verify had 3,271,871 queries and 24,480 registered employers.

During FY 2008, USCIS is working to reduce SAVE secondary verifications through technological enhancements to the Verification Information System (VIS) and improvements to the database's accuracy. USCIS is also working to increase the number of users and the ability of E-Verify to handle a higher volume of information requests. In FY 2007, USCIS had an independent evaluation conducted on the E-Verify program and will implement improvements to the system based on the findings in this report. USCIS intends to continue to have independent evaluations performed in FY 2008 and beyond on key programs.

The FY 2009 request level assumes the SAVE program will increase fees charged to users of the program. Currently, the program recovers approximately \$1 million in program costs through user fees. In FY 2009, fees are anticipated to recover approximately \$5 million in program costs. A new fee schedule will be disseminated during FY 2008 early enough for Federal, State, and local users to plan for the increased cost.

Resources for E-Verify will be used to enhance systems, improve compliance and monitoring, and expand marketing activities. USCIS is planning for employer utilization to more than double between FY 2008 and FY 2009, from about 525,000 employers to 1.1 million.

In addition, the FY 2009 request includes \$50 million for REAL ID. These resources would be used to develop a Consolidated State Validation Center that will allow States to verify document information with the Federal and State source agency as well as enable States to share information.

### C. Resources Requested and Performance Impact

USCIS requests a total of 10,620 FTEs and \$2.7 billion. Excluding emergency funding provided in P.L. 110-161, this is an increase of 2 positions, 356 FTE and \$149.9 million over FY 2008 levels. This includes an adjustment to base to sustain the E-Verify and SAVE programs at current levels and the following program increases: \$17.2 million for E-Verify and \$50 million for REAL ID Act Implementation.

The total request will ensure the security and integrity of the immigration system, enhance service delivery, and continue investments in business transformation efforts to incrementally establish a new technology and business process platform.

D. How USCIS Programs and Performance Goals Align to and Support the DHS Goals and Objectives.

The following list of USCIS programs with their performance goals are followed by the DHS goals and objectives they support.

Immigration Security and Integrity program performance goal – Enhance the integrity of the legal immigration system.

- Goal 1 – Continue to protect our nation from dangerous people
- Objective 1.2 – Immigration

Adjudication Services program performance goal – Provide immigration benefit services in a timely, consistent, and accurate manner.

- Goal 1 – Continue to protect our nation from dangerous people
- Objective 1.2 – Immigration

Information and Customer Services program performance goal – Provide timely, consistent, and accurate information to our customers.

- Goal 1 – Continue to protect our nation from dangerous people
- Objective 1.2 – Immigration

Citizenship program performance goal – Enhance educational resources and promote opportunities to support immigrants’ integration and participation in American civic culture.

- Goal 1 – Continue to protect our nation from dangerous people
- Objective 1.2 – Immigration

Immigration Status Verification program performance goal - Provide efficient and accurate immigration status and employment eligibility information.

- Goal 1 – Continue to protect our nation from dangerous people
- Objective 1.2 – Immigration

## E. Performance Based Budget Highlights by Program <sup>1/</sup>

For each major program, the performance goal, main performance measure/s, indicators, budget including allocation of non-programmatic overhead, and FTE are shown below. A complete listing of performance measures may be found on the OMB web site Expectmore.gov. In a few instances program names in PARTweb may differ slightly from those used in the Performance Budget.

| <b>Program: Immigration Security and Integrity*</b>  |         |           |           |           |           |           |
|--|---------|-----------|-----------|-----------|-----------|-----------|
| <i>* The FY 2008 Enacted level includes \$20M in emergency funding provided in P.L. 110-161.</i> |         |           |           |           |           |           |
| <b>Performance Goal:</b> Enhance the integrity of the legal immigration system.                  |         |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | None    | \$315,291 | \$321,726 | \$403,483 | \$530,755 | \$510,755 |
| <b>FTE</b>   | None    | 937       | 937       | 1,188     | 1,356     | 1,418     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of suspected fraud leads where the principal application/petition is ultimately denied.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure assesses the proportion of suspected fraudulent petitions/applications that are verified as fraudulent by the Office of Fraud Detection and National Security (FDNS) or Immigration Customs Enforcement (ICE), and ultimately denied. When U.S. Citizenship and Immigration Services (USCIS) field adjudicators determine that applications/petitions may be fraudulent, the files are forwarded to FDNS. After the initial review by FDNS, if administrative investigation is validated, a lead is opened and FDNS conducts additional research. When the results of the research indicate that prosecutorial and/or administrative investigation is warranted, a case is opened and an investigation is conducted, either by ICE or FDNS. Results are provided to the adjudicator handling the application/petition for use in final determination to grant or deny the benefit. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | None    | 85%     | 85%     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

| <b>Program: Adjudication Services</b>   |         |             |             |             |             |             |
|---|---------|-------------|-------------|-------------|-------------|-------------|
| <b>Performance Goal:</b> Provide immigration benefit services in a timely, consistent, and accurate manner. |         |             |             |             |             |             |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>   | None    | \$1,204,943 | \$1,271,196 | \$1,485,272 | \$1,780,769 | \$1,780,336 |
| <b>FTE</b>  | None    | 6,378       | 6,403       | 7,695       | 7,746       | 7,951       |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Actual cycle time to process form I - 129 (Petition for Nonimmigrant Worker).  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The amount of time it takes for U.S. Citizenship and Immigration Services to provide a decision regarding an I - 129, Petition for Nonimmigrant Worker, that an employer has filed to petition for an alien to come to the U.S. temporarily as a nonimmigrant worker. To provide immigration benefit services in a timely manner, on a monthly basis, the USCIS collects performance data on applications received, completed, and pending through its Performance Analysis System. Actual Cycle Time is calculated by counting back the number of preceding months until the sum of the monthly receipts equals the current month's End Pending (e.g. if 100 cases are pending and case receipts were 20, 30, 15, 25, and 10 over the past 5 months, then cycle time is 5 months). |  |  |  |  |  |  |

1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

| <b>Fiscal Year:</b> | FY 2004       | FY 2005       | FY 2006       | FY 2007        | FY 2008       | FY 2009       |
|---------------------|---------------|---------------|---------------|----------------|---------------|---------------|
| <b>Target:</b>      | <=2<br>months | <=2<br>months | <=2<br>months | <=2<br>months  | <=2<br>months | <=2<br>months |
| <b>Actual:</b>      | 1.5 months    | 1.5 months    | 2 months      | 1.69<br>months | N/A           | N/A           |

**Measure:** Actual cycle time to process form I - 485 (Application to Register for Permanent Residence or to Adjust Status).

**Description of Measure:** The amount of time it takes to provide a decision regarding an I - 485, Application to Adjust Status. On a monthly basis, performance data on applications received, completed, and pending is collected via the Performance Analysis System. Actual Cycle Time is calculated by counting back the number of preceding months until the sum of the monthly receipts equals the current month's End Pending (e.g. if 100 cases are pending and case receipts were 20, 30, 15, 25, and 10 over the past 5 months, then cycle time is 5 months). Applications for which no visa number is available are considered pending, but not part of the backlog. Cases are also removed from the backlog calculation if a Request For Evidence is pending for the regulatory period with the applicant, the applicant has requested a later appearance date, or the required name check is pending with the FBI. The out - year targets are set at 6 months due to multiple steps in the application, investigation, and applicant interview process.

| <b>Fiscal Year:</b> | FY 2004        | FY 2005        | FY 2006        | FY 2007        | FY 2008       | FY 2009       |
|---------------------|----------------|----------------|----------------|----------------|---------------|---------------|
| <b>Target:</b>      | <=20<br>months | <=15<br>months | <=6<br>months  | <=6<br>months  | <=4<br>months | <=4<br>months |
| <b>Actual:</b>      | 19.7<br>months | 13.9<br>months | 5.93<br>months | 6.88<br>months | N/A           | N/A           |

**Measure:** Actual cycle time to process form N - 400 (Application for Naturalization).

**Description of Measure:** The amount of time it takes to make a decision on an N - 400, Application for Naturalization. USCIS collects monthly performance data on applications received, completed, and pending. Actual Cycle Time is calculated by counting back the number of preceding months until the sum of the monthly receipts equals the current month's End Pending (e.g. if 100 cases are pending and case receipts were 20, 30, 15, 25, and 10 over the past 5 months, then cycle time is 5 months). Cases are removed from the backlog calculation if the applicant has failed the English/Civics requirement and is waiting the statutory period between testing attempts, is awaiting a judicial oath ceremony for more than one month, the required name check is pending with the FBI, or if a Request For Evidence is pending for the regulatory period with the applicant. In FY 2007, the target is increased from 6 months to 7 months to allow the oath to occur in jurisdictions where it is administered by the U.S. District Courts.

| <b>Fiscal Year:</b> | FY 2004        | FY 2005        | FY 2006        | FY 2007        | FY 2008       | FY 2009       |
|---------------------|----------------|----------------|----------------|----------------|---------------|---------------|
| <b>Target:</b>      | <=14<br>months | <=10<br>months | <=6<br>months  | <=7<br>months  | <=5<br>months | <=5<br>months |
| <b>Actual:</b>      | 11.8<br>months | 10.9<br>months | 5.58<br>months | 5.46<br>months | N/A           | N/A           |

**Measure:** Percent of asylum reform referrals (at local offices) completed within 60 days of receipt.

**Description of Measure:** Asylum is a form of protection that allows refugees to remain in the U.S. Before asylum was reformed in 1995, applicants could obtain work authorization simply by filing for asylum, which made the system vulnerable to abuse. Since asylum reform, work authorization is obtained only if asylum is granted or no negative decision has been made within 180 days. If USCIS finds an applicant ineligible for asylum and the applicant is not in valid/legal status, USCIS refers the application to an immigration judge for final determination in the course

1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

of removal proceedings. Immigration courts require approximately 120 days to complete adjudications. To meet the 180 day threshold for a decision, USCIS aims to refer 75% of ineligible applications to immigration courts within 60 days of filing. Recognizing that some cases should be exempt due to their complexity or the unavailability of staff at certain times, the program has exempted 25 percent of its workload from this requirement.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | 75%     | 75%     | 75%     | 75%     | 75%     | 75%     |
| <b>Actual:</b>      | 71%     | 79%     | 88%     | 86%     | N/A     | N/A     |

**Measure:** Number of Refugee interviews conducted.

**Description of Measure:** The number of refugees seeking resettlement to the U.S. who have been interviewed by an immigration officer to get information about the applicant's claim for refugee status. A person is eligible for resettlement to the United States as a refugee pursuant to Immigration and Nationality Act §207 if he or she is of special humanitarian concern to the United States, is a refugee pursuant to Immigration and Nationality Act §101(a)(42), is not firmly resettled in a third country, and is otherwise admissible to the United States. Such person's spouse and unmarried children also derive refugee resettlement status. The Presidential Determination for FY2006 established a refugee admissions ceiling of 70,000. Approximately 90,000 applications must be adjudicated to meet this ceiling. USCIS uses the State Department's Worldwide Refugee Admissions Processing System to capture performance statistics, and ensure that services are provided to refugees in a timely, consistent, and accurate manner.

|                     |                 |                 |                 |                 |                 |                 |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Fiscal Year:</b> | FY 2004         | FY 2005         | FY 2006         | FY 2007         | FY 2008         | FY 2009         |
| <b>Target:</b>      | Up to<br>90,000 |
| <b>Actual:</b>      | 72,340          | 58,937          | 50,199          | 53,332          | N/A             | N/A             |

**Program: Information and Customer Service**

**Performance Goal:** Provide timely, consistent, and accurate information to our customers.

|                     |         |           |           |           |           |           |
|---------------------|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b> | None    | \$161,118 | \$164,406 | \$193,780 | \$221,021 | \$221,021 |
| <b>FTE</b>          | None    | 914       | 914       | 1,139     | 782       | 803       |

**Measure:** Customer satisfaction rate with USCIS phone centers.

**Description of Measure:** Percentage of people who obtained immigration services and benefits information from USCIS over the telephone, who have indicated satisfaction with the service they received. On a monthly basis, USCIS selects a random group of customers who have called the phone centers. A contracted company with expertise in conducting phone surveys then calls each customer and conducts a survey to rate their overall experience with the service received from the USCIS phone center. A standardized USCIS and General Accountability Office approved survey tool is used to collect customer responses. This satisfaction rate measures our performance in providing timely, consistent, and accurate information regarding immigration services and benefits to immigrants, U.S. employers, and the American public over the telephone. The FY07 and FY08 targets remain below the FY06 actual due to a current transition to two new contractors responsible for managing USCIS call center operation.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | N/A     | 78%     | 79%     | 79%     | 80%     | 80%     |
| <b>Actual:</b>      | N/A     | 75.5%   | 83%     | 84.8%   | N/A     | N/A     |

1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

| <b>Program: Citizenship</b>  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Performance Goal:</b> Enhance educational resources and promote opportunities to support immigrant integration and participation in American civic culture. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>\$ Thousands</b>  | None    | \$4,929 | \$5,030 | \$6,715 | \$7,796 | \$7,796 |
| <b>FTE</b>   | None    | 14      | 14      | 21      | 21      | 21      |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of targeted language populations with access to citizenship educational materials in their native language.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percent of targeted language populations with online access to "Welcome to the United States: A Guide for New Immigrants" in their native language. This guide contains information to help immigrants settle into life in the U.S., and basic civics information that introduces immigrants to the U.S. system of government. The guide gives immigrants tips on getting involved in their communities, meeting their responsibilities, and exercising their rights as permanent residents. First distributed in English in 2004, the guide is now available in 11 languages (English, Spanish, Chinese, Vietnamese, Korean, Russian, Arabic, Tagalog, Portuguese, French, and Haitian Creole). Outreach to three additional populations (speakers of Polish, Urdu, and Basic Literacy English) is planned through FY 2009. This measure is used as a proxy outcome due to the economic and logistic difficulties associated with using a more direct outcome measure, such as level of community involvement and volunteerism. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | N/A     | N/A     | N/A     | 86%     | 93%     | 100%    |
| <b>Actual:</b>  | N/A     | N/A     | 79%     | 79%     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of Significant Citizenship Outreach Events   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure describes the number of significant outreach events designed to support immigrant integration. These actions serve a multitude of purposes to assist in accomplishing this goal, such as educating immigrants and encouraging their civic integration, informing stakeholders about the Office's mission and the importance of promoting civic integration, educating counterparts from outside the U.S. government about federal integration efforts, and bringing on new partners to help encourage integration. Significant outreach events include conferences, ceremonies, meetings, media appearances, trainings, and presentations. Outreach efforts encourage immigrants to become more integrated into American civic culture. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | N/A     | N/A     | N/A     | N/A     | 75      | 80      |
| <b>Actual:</b>  | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |

| <b>Program: Immigration Status Verification*</b>   |         |         |          |           |          |           |
|--|---------|---------|----------|-----------|----------|-----------|
| <i>* The FY 2008 Enacted level includes \$60M in emergency funding provided in P.L. 110-161.</i>                   |         |         |          |           |          |           |
| <b>Performance Goal:</b> Provide efficient and accurate immigration status and employment eligibility information. |         |         |          |           |          |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006  | FY 2007   | FY 2008  | FY 2009   |
| <b>\$ Thousands</b>  | None    | None    | \$20,500 | \$134,990 | \$78,504 | \$168,818 |
| <b>FTE</b>   | None    | None    | 174      | 365       | 359      | 427       |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Percent of E - Verify employment eligibility verification queries that required manual review that are later resolved as "Employment Authorized." |  |  |  |  |  |  |
|---|--|--|--|--|--|--|

1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

**Description of Measure:** Immigration status and employment eligibility verification data is collected in the Verification Information System (VIS) from departmental databases. VIS also has access to the Social Security Administration (SSA) Numident database, which houses Social Security Number (SSN) information. This measure tracks the data completeness of the VIS system by reviewing the percentage of E - Verify Tentative Nonconfirmations and DHS Verifications In Process responses that resolve as Employment Authorized, instead of immediately resolving as Employment Authorized through the Automated VIS System, without the need for manual review by an Immigration Status Verifier (ISV). The ISV determines if USCIS has granted employment authorization status. The more complete the VIS data, the less likely a query forwarded for manual review will later resolve as Employment Authorized. Data completeness results in more efficient program operation and faster overall response time to employers.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | N/A     | N/A     | N/A     | 15%     | 12%     | 12%     |
| <b>Actual:</b>      | N/A     | N/A     | N/A     | 13%     | N/A     | N/A     |

**Measure:** Percent of Systematic Alien Verification for Entitlements (SAVE) queries requiring manual review that are later resolved as lawful status.

**Description of Measure:** Immigration status data is collected in the Verification Information System (VIS) departmental databases. This measure tracks the data completeness of the VIS system by reviewing the percentage of verification queries that are submitted by Federal, State, and local government benefit granting agencies to which the VIS system has responded with "Request for Additional Verification," and the ISV has verified the applicant's lawful status, instead of the status being automatically verified through the VIS system. The more complete the VIS data, the less likely a query forwarded for manual review will later resolve as having lawful status. Data completeness results in more efficient program operation and faster overall response time to benefit and license providers.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | N/A     | N/A     | N/A     | 15%     | 12%     | 12%     |
| <b>Actual:</b>      | N/A     | N/A     | N/A     | 6%      | N/A     | N/A     |

1/ FY 2007 Performance data reflects revised enacted funding and FTE levels.

F. Digest Tables by Future Year Homeland Security Program (FYHSP) Programs

**U.S. Citizenship & Immigration Services (USCIS)  
Digest of FY 2009 Budget Estimates by Activity and FYHSP Program**  
(Dollars in thousands)

| BUDGET<br>ACTIVITY               | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | INCREASE (+) OR DECREASE (-) FOR FY 2008 |                 |                 |                 |               |                |
|----------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|-----------------|-----------------|-----------------|---------------|----------------|
|                                  | FTE               | Amount             | FTE                | Amount             | FTE                | Amount             | Total Changes                            |                 | Program Changes |                 | Other Changes |                |
|                                  |                   |                    |                    |                    |                    |                    | FTE                                      | Amount          | FTE             | Amount          | FTE           | Amount         |
| Immigration Security & Integrity | 926               | \$356,481          | 1,356              | \$530,755          | 1,418              | \$510,755          | 62                                       | (\$20,000)      | 0               | \$0             | 62            | (\$20,000)     |
| Adjudication Services            | 6,101             | \$1,251,713        | 7,746              | \$1,780,769        | 7,951              | \$1,780,336        | 205                                      | (\$433)         | 0               | \$0             | 205           | (\$433)        |
| Information & Customer Services  | 903               | \$168,919          | 782                | \$222,021          | 803                | \$222,021          | 21                                       | \$0             | 0               | \$0             | 21            | \$0            |
| Citizenship                      | 21                | \$6,327            | 21                 | \$7,796            | 21                 | \$7,796            | 0  | \$0             | 0               | \$0             | 0             | \$0            |
| Immigration Status Verification  | 146               | \$86,870           | 359                | \$78,504           | 427                | \$168,818          | 68                                       | \$90,314        | 2               | \$67,188        | 66            | \$23,126       |
| <b>Total</b>                     | <b>8,097</b>      | <b>\$1,870,310</b> | <b>10,264</b>      | <b>\$2,619,845</b> | <b>10,620</b>      | <b>\$2,689,726</b> | <b>356</b>                               | <b>\$69,881</b> | <b>2</b>        | <b>\$67,188</b> | <b>354</b>    | <b>\$2,693</b> |

\* The FY 2008 Enacted level includes \$80M in emergency funding provided in P.L. 110-161.

**i. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
United States Secret Service**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual |                    | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                   |
|---|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|-----------------|-----------------|-----------------|---------------------|-------------------|
|   | FTE               | AMOUNT             | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                   |
|   |                   |                    |                    |                    |                    |                    | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT            |
| Protection, Administration, and Training                      | 4,530             | \$958,642          |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
| Investigations and Field Operations                           | 1,983             | 313,865            |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
| Salaries and Expenses   |                   |                    | 6,700              | \$1,381,771        | 6,732              | \$1,410,621        | 32                                       | \$28,850        | 32              | \$48,700        | -                   | (\$19,850)        |
| Acquisition, Construction, Improvements, and Related Expenses |                   | 3,676              |                    | 3,725              |                    | 3,725              |  |                 |                 |                 |                     |                   |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>  | <b>6,513</b>      | <b>\$1,276,183</b> | <b>6,700</b>       | <b>\$1,385,496</b> | <b>6,732</b>       | <b>\$1,414,346</b> | <b>32</b>                                | <b>\$28,850</b> | <b>32</b>       | <b>\$48,700</b> | <b>-</b>            | <b>(\$19,850)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>           |                   | \$475              |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
|   |                   |                    |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>       | <b>6,513</b>      | <b>\$1,276,658</b> | <b>6,700</b>       | <b>\$1,385,496</b> | <b>6,732</b>       | <b>\$1,414,346</b> | <b>32</b>                                | <b>\$28,850</b> | <b>32</b>       | <b>\$48,700</b> | <b>-</b>            | <b>(\$19,850)</b> |

ii: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**United States Secret Service**  
 Homeland and Non-Homeland Allocation by Appropriation  
 (Dollars in Thousands)

| Budget Activity  | 2007<br>Actual |                    |              |                  |              |                    | 2008<br>Enacted |                    |              |                  |              |                    | 2009<br>Request |                    |              |                  |              |                    |
|--|----------------|--------------------|--------------|------------------|--------------|--------------------|-----------------|--------------------|--------------|------------------|--------------|--------------------|-----------------|--------------------|--------------|------------------|--------------|--------------------|
|  | Homeland       |                    | Non-Homeland |                  | Total        |                    | Homeland        |                    | Non-Homeland |                  | Total        |                    | Homeland        |                    | Non-Homeland |                  | Total        |                    |
|  | FTE            | Amount             | FTE          | Amount           | FTE          | Amount             | FTE             | Amount             | FTE          | Amount           | FTE          | Amount             | FTE             | Amount             | FTE          | Amount           | FTE          | Amount             |
| Salaries and Expenses  | 6,017          | 1,194,041          | 496          | 78,466           | 6,513        | 1,272,507          | 6,179           | \$1,299,065        | 521          | \$82,706         | 6,700        | \$1,381,771        | 6,235           | \$1,318,593        | 497          | \$92,028         | 6,732        | \$1,410,621        |
| Acquisition, Construction, Improvements, and Related Expenses (Rowley Training Center) |                | 3,448              |              | 229              |              | 3,677              |                 | 3,514              |              | 211              |              | 3,725              |                 | 3,515              |              | 210              |              | 3,725              |
| Mandatory  |                |                    |              | 215,000          |              | 215,000            |                 |                    |              | 210,000          |              | 210,000            |                 |                    |              | 225,000          |              | 225,000            |
| <b>Total Direct Appropriations and Budget Estimates</b>                                | <b>6,017</b>   | <b>\$1,197,489</b> | <b>496</b>   | <b>\$293,695</b> | <b>6,513</b> | <b>\$1,491,184</b> | <b>6,179</b>    | <b>\$1,302,579</b> | <b>521</b>   | <b>\$292,917</b> | <b>6,700</b> | <b>\$1,595,496</b> | <b>6,235</b>    | <b>\$1,322,108</b> | <b>497</b>   | <b>\$317,238</b> | <b>6,732</b> | <b>\$1,639,346</b> |

**iii. Status of Congressionally Requested Studies, Reports, and Evaluation**

**Department of Homeland Security  
United States Secret Service**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b> | <b>Requirement</b>   | <b>Status</b>  |
|--------------------|-----------------|---------------------------|--|--|
| 2008               | 2/4/2008        | P.L. 110-161              | E Street Closure - The USSS is directed to submit a report developed jointly with the relevant agencies and delivered concurrently with the fiscal year 2009 budget on the agency's plan for improving the security and aesthetic conditions of E Street, as detailed in the House report. | Report is being prepared and will be submitted the week of February 4th. |
| 2008               | 2/4/2008        | P.L. 110-161              | White House Mail Screening -The USSS is directed to explain to the Committee their mail screening responsibilities and budgetary resources between the USSS and Executive Office of the President, as detailed in the House report.  | In DHS clearance process. Report is anticipated to meet deadline.        |
|                    |                 |                           |  |  |

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
United States Secret Service**

Schedule of Authorized/Unauthorized Appropriations by Program/Project/Activity 1/  
(Dollars in Thousands)

| Budget Activity   |                            |                  |   |                     |
|---|----------------------------|------------------|---|---------------------|
|   | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | FY 2009 Request     |
|   | Fiscal Year                | Amount           | Amount                                      | Amount              |
| <b>Salaries and Expenses</b>  |                            |                  |   |                     |
| - Protection of persons and facilities  | N/A                        | N/A              | N/A   | \$ 710,468          |
| - Protective intelligence activities  | N/A                        | N/A              | N/A   | 59,761              |
| - National special security event fund  | N/A                        | N/A              | N/A   | 1,000               |
| - Presidential candidate nominee protection   | N/A                        | N/A              | N/A   | 41,082              |
| - White House mail screening  | N/A                        | N/A              | N/A   | 36,701              |
| - Headquarters, management and administration   | N/A                        | N/A              | N/A   | 182,104             |
| - Rowley training center  | N/A                        | N/A              | N/A   | 53,189              |
| - Domestic field operations   | N/A                        | N/A              | N/A   | 241,772             |
| - International field office administration, operations and training                          | N/A                        | N/A              | N/A   | 28,342              |
| - Electronic crimes special agent program and electronic crimes task forces                   | N/A                        | N/A              | N/A   | 47,836              |
| - Forensic support and grants to NCMEC  | N/A                        | N/A              | N/A   | 8,366               |
| <b>Total, Salaries and Expenses</b>   |                            |                  |   | <b>\$ 1,410,621</b> |
| <b>Acquisition, Construction, Improvements, and Related Expenses (Rowley Training Center)</b> | N/A                        | N/A              | N/A   | <b>\$ 3,725</b>     |
| <b>Total Direct Authorization/Appropriation</b>   |                            |                  |   | <b>\$ 1,414,346</b> |

1/ Authorization Cites

The Secret Service is established in 18 U.S.C. 3056 and 3 U.S.C. 202. 18 U.S.C. 1029 and 1030 specifically authorize the Service to investigate offenses under those sections.

# Department of Homeland Security

*United States Secret Service*

*Salaries and Expenses*

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Fiscal Year 2009

Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## UNITED STATES SECRET SERVICE SALARIES AND EXPENSES

### I. Appropriation Overview

#### A. Mission Statement for Salaries and Expenses

The United States Secret Service (USSS) performs two critical homeland security missions: protection and criminal investigations. The USSS protects the President and Vice President, their families, visiting heads-of-state/government, and other designated individuals, such as the Secretary of Homeland Security; investigates threats against these protectees; protects the White House, Vice President's Residence, Foreign Missions and other designated buildings within the Washington, D.C. area; and designs, coordinates, and implements operational security plans for designated National Special Security Events (NSSEs). The USSS investigates violations of laws relating to: counterfeiting of obligations and securities of the United States; financial crimes such as access device fraud, financial institution fraud, identity theft, and computer fraud; computer-based attacks on our nation's financial, banking, and telecommunications infrastructure; and provides critical forensic support for associated investigations for the National Center for Missing and Exploited Children (NCMEC).

In order to accomplish both its protective and investigative missions, the USSS has offices located throughout the United States and in 15 foreign countries. The Service is requesting that \$1,410,621,000 in discretionary funding be provided to support this dual mission. Included in this budget is funding for 6,732 FTE comprised primarily of special agents, uniformed officers, and support personnel.

#### B. Budget Activities

##### Protection

In FY 2007, the Secret Service provided protection to 109 heads of state/government and 56 spouses at the 62<sup>nd</sup> United Nations General Assembly in New York City. Of the participants, four were considered to have high threat levels. The Secret Service continues to constantly adapt security plans to meet the protective needs for the ever-changing number of protectees and to mitigate emerging threats.

In addition, the Secret Service successfully provided protection to approximately 55 protectees who made approximately 6,000 foreign and domestic stops during FY 2007.

**Protection of Persons and Facilities** - The primary purpose of the Secret Service's domestic protection activity is to protect our nation's leaders. To accomplish this, this program operates to ensure protectees' personal protection, and to protect the buildings and grounds where these individuals reside and work (e.g., the White House Complex and the Vice President's residence). Since the September 11, 2001 attacks, there has been a significant increase in the number of

protectees receiving varying levels of protection from the Secret Service. Currently, the Service provides protection to 35 protectees: 22 permanent protectees are authorized under 18 USC § 3056; 5 provisional protectees are authorized pursuant to Presidential Directive; 7 provisional protectees are authorized pursuant to Presidential Directive when the protectee travels abroad, and 1 provisional protectee is authorized by 18 USC § 3056 and DHS Directive pursuant to status as a major Presidential or Vice-Presidential candidate. This budget also provides for the protection of the Vice President for a period of six months after the expiration of his term in January 2009. The Secretary and Deputy Secretary of the Department of Homeland Security have been added as protectees, while maintaining the detail for the Secretary of the Treasury, on a reimbursable basis. The Service estimates that 7,375,680 hours of protection for persons and facilities will be worked during FY 2009.

Part of the protection of persons and facilities program is the protection of foreign heads-of-state/government visiting the United States. Foreign dignitary protection includes: 1) protection for visiting heads-of-state/government, and their spouses, as well as other distinguished visitors to the U.S. as directed by the President; and 2) external security for foreign diplomatic embassies and missions in the Washington, D.C. area (and other limited areas consistent with statute). The Secret Service provides protection to these individuals and foreign missions by strategically placing human and physical assets (agents, tactical support, technical security, explosives detection and weapons-of-mass destruction detection and countermeasures) at these foreign missions and using these assets during foreign dignitary visits to the United States. All efforts are directed toward ensuring that foreign dignitaries and foreign missions receive the optimal level of protection.

The foreign dignitaries who visit the U.S. often are high-profile individuals and are deemed to have medium to high threat levels. Today's environment necessitates the implementation of complex security operations that involve multiple jurisdictions and functions.

The Service has the sole statutory authority to provide a dedicated police presence and response to foreign embassies, chanceries and residences. When a "surge" in protective responsibilities in this area occurs, the Secret Service turns to other entities (i.e., Metropolitan Police Department) for assistance in dealing with such issues as demonstration control. Currently, the Secret Service protects 590 missions located in the Washington, D.C. area.

**Protective Intelligence Activities** - The Service's protective intelligence program is responsible for overseeing the investigation and evaluation of all protective intelligence subjects and for the receipt, analysis, and dissemination of all protective intelligence information. This mission is accomplished by the review, coordination, control and referral of information about individuals, groups and activities that pose a potential threat to persons and property protected by the Secret Service.

**National Special Security Events (NSSEs)** - By statute and Presidential Decision Directive-62 (PDD-62), the Secret Service is designated as the lead agency for designing, coordinating, and implementing operational security plans for NSSEs. As with campaign events, special agents coordinate with the military and Federal, state, county, local, and international law enforcement organizations to ensure the success of NSSEs security operations.

The Secret Service plans and implements security designs for designated NSSEs to ensure the physical protection of the President, the public and other Secret Service protectees who participate in NSSEs.

The events of September 11<sup>th</sup>, 2001 demonstrated that our adversaries are capable of attacking our nation on a grand scale and employing extensive research and surveillance methodologies, acquiring substantial skills and instruction, and striking their targets without warning. Funding to protect our leaders and communities is critical.

**Presidential Candidate/Nominee Protection** – The Secret Service provides protection to major Presidential and Vice Presidential candidates. It also provides protection to their spouses within 120 days of a general presidential election. Candidate/nominee protection began for the FY 2008 Presidential Campaign earlier than any presidential campaign in history. Protective details are activated only after established criteria are met. Campaign protection is a mandatory workload increase, and funding is needed for these presidential campaigns three out of every four fiscal years. The Service has no base budget funding for this activity. All campaign funding is non-recurred from the base budget following a presidential campaign and inauguration.

**White House Mail Screening** - The Secret Service screens White House mail to ensure it is free of harmful toxins.

Due to discoveries of anthrax being mailed in letters to political leaders as well as to members of the press, the Secret Service initiated a program to provide additional screening for mail destined for the White House Complex. This program is indicative of the close partnership the Service maintains with the White House regarding the implementation of security measures. Mail is now being delivered to a facility where it is put through a series of tests and is analyzed to ascertain if any chemical, biological, radiological contamination or explosive material is present.

**Headquarters, Management and Administration:** The Headquarters, Management and Administration program develops and administers Secret Service-wide policies, plans, and procedures in budget, finance, accounting, financial systems, statements, and relocation and travel services. It exercises accountability over the collection and disposition of the Secret Service's financial resources and examines and processes documents for payment of contracts, purchase orders, invoices and recurring expenses, including reservations and payments for travel and relocation services. Administration also provides management and program analysis support to all operational and administrative programs involving studies of organizational structuring, workflow efficiencies, and staffing allocations. It maintains organization charts and functional responsibility statements for all Secret Service offices. In addition, it establishes, develops, implements, and manages the strategic planning process for the Secret Service and coordinates Secret Service participation in all Department of Homeland Security and government-wide management improvement and evaluation programs. These tasks serve to assist the Service's leadership in formulating the vision and direction of the Secret Service.

This program also purchases goods via procurement services within the scope of the law and regulations and provides value-added procurement solutions to ensure that government assets and resources are wisely managed.

The program promotes fairness, consistency, and efficiency in the utilization of staffing, scheduling, and travel logistics through the Logistics Resource Center. It analyzes staffing needs and travel logistics alternatives to provide for more informed decision-making by balancing cost considerations with operational needs.

The Administrative Operations Division (AOD) plans, develops, and administers policies and procedures, and performs related activities for a variety of real and personal property management areas in support of the United States Secret Service Headquarters and field elements. AOD functions include space and facilities management, personal property and supply management, vehicle fleet management, mail distribution and screening and printing management. AOD acts as the single acquisition agent between the USSS and the General Services Administration (GSA) and the Department of State for the acquisition, construction and renovation of USSS owned or leased real property.

In addition, AOD organizes and coordinates facilities and property management support activities in support of the Secret Service's protective activities and designated National Special Security Events (NSSEs); manages and coordinates administrative operations and services functions related to the planning, preparation, establishment, and deactivation of permanent and temporary protective sites; plans, develops, and administers policies and procedures for environmental management, energy conservation and other related programs for the USSS and provides building maintenance management and general repairs and limited labor services support to all Headquarters offices.

**Rowley Training Center** - This program encompasses approximately 270 personnel at the Service's James J. Rowley Training Center (JJRTC), including: instructors, tactical and weapons systems specialists, curricula design staff, computer and web-based faculty/technicians, executive training advisors, administrative support, and maintenance staff. The Service has a separate appropriation, the Acquisition, Construction, Improvements and Related Expenses account which is used to maintain the facility.

The Service's current Strategic Plan provides the following primary objectives with regard to future mission-driven training protocols:

- Enhance JJRTC to provide an academic environment that promotes in-depth critical thinking and innovative strategies in the areas of physical protection, site event security, threat/risk assessments, protection intelligence/counterterrorism techniques, emergency preparedness, criminal investigations, protection of critical financial infrastructure, and executive/management development.
- Maximize training opportunities by using emerging technologies, such as 3-D modeling, computer-generated simulation training, and distance learning.
- Develop and implement training programs consistent with the Secret Service's core mission for Federal, state, and local law enforcement partners in the areas of electronic crimes, counterterrorism/protection, cyber/counterfeit investigations, threat/risk assessment, and operational security for National Special Security Events.

- Establish partnerships with academic institutions and professional associations to assess, confirm, and ensure innovative training methodologies.

The Rowley Training Center supports both the protection and criminal investigation missions, the two critical homeland security missions mandated for the Secret Service.

**Domestic Field Operations** - In order to accomplish its investigative responsibilities, the Secret Service maintains a network of 116 field offices nationwide. Agents assigned to these domestic offices are responsible for investigating violations of laws relating to counterfeiting of obligations and securities of the United States (Currency, Treasury Checks, etc.), and to financial crimes that include, but are not limited to, access device fraud, financial institution fraud, identity theft, computer fraud; as well as investigating computer-based attacks on our nation's financial, banking, and telecommunications infrastructure.

**International Field Administration and Operations** - The Secret Service maintains a total of 19 foreign field offices and one domicile office in 15 countries. Similar to their domestic counterparts, agents assigned to these offices are responsible for investigating violations of criminal statutes falling under the Secret Service's investigative mission. Because they do not have arrest authority, agents liaise with their foreign law enforcement counterparts in order to meet their investigative responsibilities. Additionally, these agents augment any protective mission falling within their geographic area of responsibility. Relationships established in foreign countries from conducting criminal investigations greatly enhance the Secret Service's ability to provide a safe and secure environment for the people it protects while they travel overseas.

**Electronic Crimes Special Agent Program (ECSAP) and Electronic Crimes Task Forces (ECTF)** - In response to the emerging trends involving the use of computers and their peripheral devices, the Secret Service established the Electronic Crimes Special Agent Program, or ECSAP. Special Agents involved with the ECSAP are computer investigative specialists, qualified to conduct examinations on many types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, and other electronic media. Currently, there are over 400 special agents participating in the ECSAP.

In addition to the ECSAP, the Secret Service has established a domestic network of 24 Electronic Crimes Task Forces (ECTFs). The concept of the ECTF model is truly unique since it brings together not only Federal, state and local law enforcement officials from a specific region, but also prosecutors, as well as individuals from private industry and academia. These task forces provide a productive framework and collaborative crime-fighting environment in which the resources of its participants are combined to effectively and efficiently make a significant impact in preventing and detecting electronic crimes.

**Forensic Support for Missing and Exploited Children** – Funding for missing and exploited children includes a \$6M grant provided to the National Center for Missing and Exploited Children and \$2.366M for Secret Service forensic and related support of investigations involving missing and exploited children.

### **C. Budget Request Summary**

The U.S. Secret Service requests 6,762 positions, 6,732 FTE, and \$1,410,621,000 for FY 2009; an increase of \$28,850,000 and 32 FTE to the FY 2008 Enacted Budget. This level of funding is required for and includes the following:

- Complete the staffing required for a new President Bush Post-Presidency detail (35 positions, 18 FTE, and \$4,500,000). Funds are needed for recruiting, hiring, and training additional personnel in advance of President Bush leaving office.
- Additional program increases for the following: protective terrorist countermeasures (\$17,000,000), enhanced protection for White House protectees (27 positions, 14 FTE, and \$4,700,000), rent for the White House mail facility (\$6,000,000), White House mail facility equipment (\$14,500,000) and utility costs for the Joint Operations Center (JOC) (\$2,000,000).
- Adjustments to the base for the following: non-recur funding for the Joint Operations Center (JOC) (-\$28,796,000), 2008 Presidential Campaign (-\$27,918,000), 3<sup>rd</sup> year full funding for the 103 positions hired in FY 2007 (\$6,944,000), and expected cost increases net of management efficiencies (\$29,920,000).

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
 Summary of FY 2009 Budget Estimates by Program/Project/Activity  
 (Dollars in Thousands)

| Program/Project/Activity  | FY 2007<br>Actual |        | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                   |
|---|-------------------|--------|--------------------|--------------------|--------------------|--------------------|--|-----------------|-----------------|-----------------|---------------------|-------------------|
|   | FTE               | AMOUNT | FTE                | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                   |
|   |                   |        |                    |                    |                    |                    | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT            |
| Protection of persons and facilities                                      |                   |        | 3,514              | \$693,535          | 3,546              | \$710,468          | 32                                       | \$16,933        | 32              | \$28,200        |                     | (\$11,267)        |
| National special security events  |                   |        |                    | 1,000              |                    | 1,000              |  |                 |                 |                 |                     |                   |
| Presidential candidate nominee protection                                 |                   |        | 250                | 85,250             | 120                | 41,082             | (130)                                    | (44,168)        |                 |                 | (130)               | (44,168)          |
| Protective intelligence activities  |                   |        | 476                | 57,704             | 476                | 59,761             |  | 2,057           |                 |                 |                     | 2,057             |
| White House mail screening  |                   |        |                    | 16,201             |                    | 36,701             |  | 20,500          |                 | 20,500          |                     |                   |
| Headquarters, management and administration                               |                   |        | 328                | 175,934            | 328                | 182,104            |  | 6,170           |                 |                 |                     | 6,170             |
| Rowley training center  |                   |        | 273                | 51,954             | 273                | 53,189             |  | 1,235           |                 |                 |                     | 1,235             |
| Domestic field operations   |                   |        | 1,480              | 219,742            | 1,597              | 241,772            | 117                                      | 22,030          |                 |                 | 117                 | 22,030            |
| International field office administration, operations and training        |                   |        | 70                 | 27,520             | 70                 | 28,342             |  | 822             |                 |                 |                     | 822               |
| Electronic crimes special agent program and electronic crimes task forces |                   |        | 289                | 44,565             | 302                | 47,836             | 13                                       | 3,271           |                 |                 | 13                  | 3,271             |
| Forensic support and grants to NCMEC                                      |                   |        | 20                 | 8,366              | 20                 | 8,366              |  |                 |                 |                 |                     |                   |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>              |                   |        | <b>6,700</b>       | <b>\$1,381,771</b> | <b>6,732</b>       | <b>\$1,410,621</b> | <b>32</b>                                | <b>\$28,850</b> | <b>32</b>       | <b>\$48,700</b> | <b>-</b>            | <b>(\$19,850)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                       |                   |        |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
|   |                   |        |                    |                    |                    |                    |  |                 |                 |                 |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                   |                   |        | <b>6,700</b>       | <b>\$1,381,771</b> | <b>6,732</b>       | <b>\$1,410,621</b> | <b>32</b>                                | <b>\$28,850</b> | <b>32</b>       | <b>\$48,700</b> | <b>-</b>            | <b>(\$19,850)</b> |

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA) (Mandatory)

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses - Mandatory**  
 Summary of FY 2009 Budget Estimates by Program/Project/Activity  
 (Dollars in Thousands)

| Program/Project/Activity                                | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |        |                     |                 |
|---|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|--------|---------------------|-----------------|
|   | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                 | Program Changes |        | Adjustments-to-Base |                 |
|   |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT          | FTE             | AMOUNT | FTE                 | AMOUNT          |
| <b>Enacted Appropriations and Budget Estimates</b>      |                   | <b>\$215,000</b> |                    | <b>\$210,000</b> |                    | <b>\$225,000</b> |  | <b>\$15,000</b> |                 |        |                     | <b>\$15,000</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>     |                   |                  |                    |                  |                    |                  |  |                 |                 |        |                     |                 |
|   |                   |                  |                    |                  |                    |                  |  |                 |                 |        |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b> |                   | <b>\$215,000</b> |                    | <b>\$210,000</b> |                    | <b>\$225,000</b> |  | <b>\$15,000</b> |                 |        |                     | <b>\$15,000</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

#### PROTECTION

|                              | Perm<br>Pos. | FTE          | Amount           |
|------------------------------|--------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>4,013</b> | <b>3,918</b> | <b>\$752,689</b> |
| <b>2008 Enacted</b>          | <b>4,240</b> | <b>4,240</b> | <b>853,690</b>   |
| 2009 Adjustments             | (130)        | (130)        | (45,047)         |
| Management Efficiencies      |              |              | (8,331)          |
| <b>2009 Current Services</b> | <b>4,110</b> | <b>4,110</b> | <b>\$800,312</b> |
| 2009 Program Change          | 62           | 32           | 48,700           |
| <b>2009 Request</b>          | <b>4,172</b> | <b>4,142</b> | <b>\$849,012</b> |
| Total Change 2008-2009       | (68)         | (98)         | (\$4,678)        |

The United States Secret Service requests \$849.012 million and 4,142 FTE for this activity. This is a decrease of (-\$4,678) million to the FY 2008 Enacted Budget.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Service is authorized by law to protect:

- 1) the President, the Vice President, (or other individuals next in order of succession to the Office of the President), the President-elect and Vice President-elect;
- 2) the immediate families of the above individuals;
- 3) former Presidents and their spouses for their lifetimes, except when the spouse remarries; (In 1997, legislation was passed limiting Secret Service protection to former Presidents for a period of not more than 10 years from the date the former President leaves office and applies to all former Presidents after President Clinton.)
- 4) children of former presidents until age 16;
- 5) visiting heads-of-state/government and their spouses traveling with them, other distinguished foreign visitors to the United States, and official representatives of the United States performing special missions abroad; and
- 6) major Presidential and Vice Presidential candidates. Protection is also provided for their spouses within 120 days of a general Presidential election.

The functional organization of the Secret Service accommodates of dual missions, permanent protective details dedicated to protection, as well as a worldwide network of field offices to carry out the investigative responsibilities. However, these field offices are not only responsible for

investigations but also routinely provide agents to support the protective mission. That is, agents assigned to these offices spend significant time traveling away from their field office augmenting the Secret Service's permanent and temporary protective details. This is a very efficient way to provide protection as it allows for additional resources when protective mission requirements demand them. Also, agents trained to be good investigators come with these skills when doing protection which is important to the success of the protection mission.

The Secret Service provides protection in two ways, one for permanent protectees and the other for temporary protectees. Permanent protectees, such as the President and the First Lady, have details of special agents assigned to them with additional support, as needed, from field special agents. Temporary protectees, such as candidates and foreign dignitaries, have details of special agents on temporary assignment from Secret Service field offices. The Secret Service does not discuss methods or means in any detail; however, generally speaking, an advance team surveys each site to be visited. From these surveys, the team members determine staffing, equipment requirements, and the location of hospitals and evacuation routes for emergencies. Fire, rescue, and other public service personnel in the community are alerted. A command post is established with full communications facilities. The assistance of the military, Federal, state, county, and local law enforcement organizations is a vital part of the entire security operation.

Before the protectee's arrival, the lead advance agent coordinates the security planning with all law enforcement representatives participating in the visit. Personnel are posted and are alerted to specific problems associated with the visit. Intelligence information is discussed, identification specified, and emergency options outlined. Prior to the arrival of the protectee, checkpoints are established and access to the secured area is limited.

**PPA: Protection of Persons and Facilities**

|                              | Perm<br>Pos. | FTE          | Amount           |
|------------------------------|--------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>3,463</b> | <b>3,365</b> | <b>\$651,804</b> |
| <b>2008 Enacted</b>          | <b>3,514</b> | <b>3,514</b> | <b>693,535</b>   |
| 2009 Adjustments             |              |              | (2,936)          |
| Management Efficiencies      |              |              | <u>(8,331)</u>   |
| <b>2009 Current Services</b> | <b>3,514</b> | <b>3,514</b> | <b>\$682,268</b> |
| 2009 Program Change          | 62           | 32           | 28,200           |
| <b>2009 Request</b>          | <b>3,576</b> | <b>3,546</b> | <b>\$710,468</b> |
| Total Change 2008-2009       | 62           | 32           | \$16,933         |

The Secret Service requests \$710.468 million and 3,546 FTE for this PPA. This is an increase of \$16.933 million to the FY 2008 Enacted Budget. Adjustments include President Bush Post-Presidency detail position annualization (\$6.944 million) and other position annualization pay inflation net of management efficiencies (\$10.585 million). (\$-28.796 million) is non-recurred from the base budget for the relocation of the Joint Operations Center. Program changes include an additional \$17 million to fund the purchase of primary limousines (\$9.0 million), the enhancement of White House security systems (\$2.0 million), secure communications maintenance (\$3.3 million), White House re-key (\$1.8 million), the enhancement of portable air security surveillance systems (\$.6 million), and Explosive Ordinance Detection training and equipment (\$.3 million). In addition, the Service requests funding needed to enhance protection

for White House protectees (\$4.7 million), additional positions to complete staffing requirements for the President Bush Post-Presidency detail (\$4.5 million), and to cover utility costs for the relocated Joint Operations Center (JOC) (\$2.0 million).

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service secures the physical safety of the President, Vice President, their families, and other individuals as designated by statute, and of facilities under Secret Service protection from all threats. The Service also secures the physical safety of visiting heads of state/heads of government, and their spouses, and other distinguished visitors to the United States as directed by the President. In addition, the Service provides external security to foreign diplomatic embassies and missions in the Washington, DC area (and other limited areas, consistent with statute).

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following strategic challenges facing the Service: terrorists' sustained motivation to attack U.S. interests (including its leaders) and the increasing technological sophistication of the threat environment.

#### **Uniformed Division**

The U.S. Secret Service Uniformed Division began as the White House Police, which was originally created as a separate and distinct organization by Public Law 67-300, approved September 14, 1922. The White House Police came under the direct supervision of the U.S. Secret Service in 1930. The original mandate of the White House Police, incorporated in Title 3 of the U.S. Code, involved duties in connection with the protection of the Executive Mansion and grounds in the District of Columbia; any building in which White House offices are located; and the President and members of his immediate family.

The members of the Uniformed Division assigned to the White House Branch perform many functions that thrust them into the public light. These officers process thousands of staff members, other workers, members of the press and those individuals with appointments into the White House Complex on a daily basis. Officers assigned to this Branch provide protection to the White House Complex through the effective use of fixed posts, foot beats, bicycle patrols and police cruisers. Technicians assigned to the Counter Sniper Unit, Canine Unit and the Emergency Response Team also provide their expertise to our mission on a daily basis in and around the White House Complex. The Special Operations Section of the Uniformed Division is an additional unit responsible for tours of the White House Mansion and for the coordination of special events such as the Easter Egg Roll, Presidential Receptions and Inaugural events. The White House Vehicle Inspection Team and the Counter Surveillance Unit also help achieve the Uniformed Division's goal of providing a safe and protected environment.

The Uniformed Division provides a safe and secure environment for the President of the United States, his immediate family, the Vice President, their staff members and the myriad other White House employees that work there each day. In addition to these responsibilities, personnel assigned to the White House Branch perform similar functions at the Treasury Building, the New Executive Office Building, the Eisenhower Executive Office Building and other locations which house Presidential Offices. In addition to the White House Branch, other publicly visible

components of the Uniformed Division are the Naval Observatory Branch and Foreign Missions Branch.

Significant accomplishments in FY 2007 include the following:

- The Service provided protection to protectees while they made domestic and foreign stops
- Protection was provided to 109 foreign heads-of-state/government at the 62<sup>nd</sup> United Nations General Assembly
- Planning and construction for the relocation of the Joint Operations Center commenced

Significant planned accomplishments in FY 2008 include the following:

- The Service will continue to provide protection to protectees while they make domestic and foreign stops
- Protection will be provided to approximately 110 foreign heads-of-state/government at the 63<sup>rd</sup> United Nations General Assembly
- Continuing relocation of the Joint Operations Center

Significant planned accomplishments in FY 2009 include the following:

- Protection of the President and Vice President, their families, visiting heads-of-state/governments, other designated individuals, the White House and other buildings within the Washington, DC area will continue as a primary mission of the Secret Service
- The Service will also continue to implement operational security for designated National Special Security Events

**PPA: Protective Intelligence Activities**

|                              | Perm<br>Pos. | FTE        | Amount          |
|------------------------------|--------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>476</b>   | <b>503</b> | <b>\$58,432</b> |
| <b>2008 Enacted</b>          | <b>476</b>   | <b>476</b> | <b>57,704</b>   |
| 2009 Adjustments             |              |            | 2,057           |
| <b>2009 Current Services</b> | <b>476</b>   | <b>476</b> | <b>\$59,761</b> |
| 2009 Program Change          |              |            |                 |
| <b>2009 Request</b>          | <b>476</b>   | <b>476</b> | <b>\$59,761</b> |
| Total Change 2008-2009       |              |            | \$2,057         |

The Secret Service requests \$59.761 million and 476 FTE for this PPA. This is an increase of \$2.057 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Subjects (individuals and groups) and activities that pose threats to protectees and protected events are investigated. The Secret Service analyzes threats, investigates threats, and conducts intelligence advances in order to minimize the risk of harm to protected persons, property, and events. The requested amount funds these activities in a strategic environment characterized by terrorists' sustained motivation to attack these targets, and by the increasingly technological sophistication of the threat environment.

**PPA: National Special Security Events**

|                              | Perm<br>Pos. | FTE | Amount         |
|------------------------------|--------------|-----|----------------|
| <b>2007 Actual</b>           |              |     | <b>\$317</b>   |
| <b>2008 Enacted</b>          |              |     | 1,000          |
| 2009 Adjustments             |              |     |                |
| <b>2009 Current Services</b> |              |     | <b>\$1,000</b> |
| 2009 Program Change          |              |     |                |
| <b>2009 Request</b>          |              |     | <b>\$1,000</b> |
| Total Change 2008-2009       |              |     | \$0            |

The Secret Service continues funding of \$1.0 million for this PPA.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service plans and implements security designs for designated National Special Security Events (NSSEs). In addition, the Secret Service ensures the physical protection of the President, the public, and other Service protectees who participate in NSSEs.

Security at NSSEs is strategically crucial to homeland security in that NSSEs, by definition, involve persons, institutions, and landmarks that are integral to the governance of the nation, vital to national and/or global economic stability, or symbolically important to American citizens. The requested amount provides funding for the design, planning, and implementation of operational security plans for NSSEs.

**PPA: Presidential Candidate Nominee Protection**

|                              | Perm         |              |                 |
|------------------------------|--------------|--------------|-----------------|
|                              | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>   |
| <b>2007 Actual</b>           | <b>74</b>    | <b>50</b>    | <b>\$11,696</b> |
| <b>2008 Enacted</b>          | <b>250</b>   | <b>250</b>   | <b>85,250</b>   |
| 2009 Adjustments             | <u>(130)</u> | <u>(130)</u> | <u>(44,168)</u> |
| <b>2009 Current Services</b> | <b>120</b>   | <b>120</b>   | <b>\$41,082</b> |
| 2009 Program Change          |              |              |                 |
| <b>2009 Request</b>          | <b>120</b>   | <b>120</b>   | <b>\$41,082</b> |
| Total Change 2008-2009       | (130)        | (130)        | (\$44,168)      |

The Secret Service requests \$41.082 million for FY 2009. This is a decrease of (-\$44.168) million to the FY 2008 Enacted Budget. (-\$27.918) million is non-recurred from the base budget for the 2008 Presidential Campaign. In addition, this request shifts (\$-16.250) million and (130) FTE to the investigative activity as a result of reduced staffing requirements in FY 2009 for candidate/nominee protection.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The 2004 Presidential Campaign and the 2005 Presidential Inauguration were the first such protective events conducted in the post-9/11 environment. Campaign protection successfully concluded following the election, with protection having been provided at 884 different stops. The inauguration took place with integrated multi-agency security protocols in place that afforded the optimal level of protection for Secret Service protectees, invited guests, and the general public.

With President Bush completing his final term and Vice President Cheney indicating that he will not be a candidate for President in 2008, the Secret Service will face an unprecedented situation relative to candidate/nominee protection. There will not be a prospective presidential candidate as a sitting president or vice president under the Secret Service's protection and, as a result, a greater number of candidates/nominees will require protection under the statute. During presidential campaigns, the protective workload increases to provide protection for the designated candidates/nominees

Planning for the 2008 Presidential Campaign is ongoing. In FY 2007, equipment required for the protective details was purchased, the Secret Service began to project required staffing levels and candidate/nominee protection began for the 2008 Presidential Campaign.

Secret Service personnel traveled to Washington, DC to receive candidate/nominee protective detail and operations training needed to mitigate myriad threats. The Service sent personnel to instruct at regional training centers to provide protective detail support training. The Service is also training approximately 2,000 other Homeland Security agents to assist with campaign protection support.

Significant accomplishments in FY 2007 regarding candidate protection include the following:

- The Secret Service provided training to candidate protective detail personnel; supplies and equipment were procured to support candidate/nominee protective operations; and critical protective vehicles and equipment were purchased for the campaign.
- Candidate/nominee protection began earlier than for any previous presidential campaign.

Significant planned accomplishments in FY 2008 include the following:

- Protection will be provided to qualifying presidential candidates/nominees, and their spouses
- Security will be provided at the major political conventions, debates, and at coordinating centers

Significant planned accomplishments in FY 2009 include the following:

- Protection of candidates/nominees during the last month of campaigning will be provided
- Protection of the post-election President and Vice President-elect will be provided along with security for the Inaugural events

**PPA: White House Mail Screening**

|                              | Perm<br>Pos. | FTE | Amount          |
|------------------------------|--------------|-----|-----------------|
| <b>2007 Actual</b>           |              |     | <b>\$30,440</b> |
| <b>2008 Enacted</b>          |              |     | <b>16,201</b>   |
| Adjustments                  |              |     |                 |
| <b>2009 Current Services</b> |              |     | <b>\$16,201</b> |
| 2009 Program Change          |              |     | 20,500          |
| <b>2009 Request</b>          |              |     | <b>\$36,701</b> |
| Total Change 2008-2009       |              |     | \$20,500        |

The Secret Service requests \$36.701 million for FY 2009. This is an increase of \$20.5 million to the FY 2008 Enacted Budget. This request includes a program change of \$6 million needed to cover White House mail facility rent to be paid to the General Services Administration and a program change of \$14.5 million for White House mail facility equipment.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

White House mail screening is a process designed to screen all incoming mail, equipment, supplies and agricultural products destined for the White House Complex, with the goal of identifying lethal threats and containing, mitigating, and investigating vulnerabilities posed by these threats.

## ADMINISTRATION

### PPA: Headquarters, Management and Administration

|                              | Perm<br>Pos. | FTE        | Amount           |
|------------------------------|--------------|------------|------------------|
| <b>2007 Actual</b>           | <b>328</b>   | <b>346</b> | <b>\$150,325</b> |
| <b>2008 Enacted</b>          | <b>328</b>   | <b>328</b> | <b>175,934</b>   |
| 2009 Adjustments             |              |            | 6,170            |
| <b>2009 Current Services</b> | <b>328</b>   | <b>328</b> | <b>\$182,104</b> |
| 2009 Program Changes         |              |            |                  |
| <b>2009 Request</b>          | <b>328</b>   | <b>328</b> | <b>\$182,104</b> |
| Total Change 2008-2009       |              |            | \$6,170          |

The Service requests \$182.104 million and 328 FTE for this activity. This is an increase of \$6.170 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation.

### CURRENT SERVICES PROGRAM DESCRIPTION:

Administration is responsible for:

- (1) tracking, monitoring, executing, and reporting the financial activities of the Secret Service;
- (2) improving the efficiency and productivity of personnel;
- (3) conducting analyses of program objectives and strategies to examine operational and cost factors impacting the continued viability of ongoing activities and the feasibility of proposed initiatives;
- (4) procuring quality goods and services in a timely fashion; and
- (5) administering the design, construction, acquisition, assignment, maintenance, and disposal of Service properties.

### **Administrative Operations Division (AOD):**

During the past year, scheduled renovations with the necessary security enhancements were accomplished as a result of lease expirations and forced moves by the Facilities Management Branch. The Property Management Branch completed renovation projects on residences and command posts for new individuals receiving protection as well as projects within the White House Complex.

Significant accomplishments in FY 2007:

- Foreign and Protective Management Branch relocated/renovated/opened five foreign offices (Frankfurt, London, Moscow, Brasilia, and Madrid)
- Completed phase one of the Eisenhower Executive Office Building Renovations Project
- Completed the transition for replacement handcuffs and vests to scheduled individuals
- Completed the renovation of the Washington Field Office

FY 2008 planned accomplishments include:

- Open new foreign office in Beijing, China
- Perform scheduled and necessary upgrades to the USSS Headquarters Memorial Building
- Complete the Annual Physical Inventory within the prescribed three month timeframe

FY 2009 planned accomplishments include:

- Continue study of Webster School renovation
- Complete the relocation of the Joint Operations Center (JOC) data center

### **Enterprise Financial Systems Division (EFS):**

The Enterprise Financial Systems (EFS) Division is responsible for systems development in specific business areas including: core financial accounting and reporting; travel and relocation management; property management; and procurement management. EFS develops appropriate interfaces between these and other administrative systems, as EFS supports system users through training, communications, user procedures, and technical support services.

Significant accomplishments in FY 2007:

- Provided system support for closing the financial books within the required Department of Homeland Security timeframes
- Improved customer satisfaction by improving system integration, streamlining business processes and migrating to more efficient infrastructure

FY 2008 planned accomplishments include:

- Implementation of a web-based time and labor distribution system

In FY 2009, EFS will provide the infrastructure to integrate time and labor with the enterprise financial application. This will support the improved financial reporting required by Congress, the Office of Management and Budget and the Secret Service.

### **Management and Organization Division (MNO):**

Continued enhancement of performance metrics to best reflect how Secret Service financial crimes investigations impact the public. MNO refined the analytical methodology for completing the Office of Management and Budget (OMB) Program Assessment Rating Tool (PART) and completed the process for the Secret Service's final program review – Investigations – which received a preliminary score of "effective," the highest score possible. MNO actively participated in the Department of Homeland Security (DHS) Strategic Plan revision process, and subsequently began revising the Secret Service Strategic Plan (FY 2008 – FY 2012) for release in FY 2007. MNO continues to coordinate Secret Service submission of timely responses to quarterly reporting requirements for the President's Management Agenda (PMA), and has facilitated the Service's achievement of scores above the DHS average throughout FY 2007.

Significant accomplishments in FY 2007 include:

- Provided Congress a report entitled the “Investigative Impact Study.” The impetus of this report was to develop new performance metrics to show the impact of the Services’ investigations on the public and the impact of the protective mission on financial crimes investigations
- Facilitated the declassification of several thousand Secret Service records of archival and historical interest to the public.
- Coordinated a comprehensive update of Secret Service criminal investigative policy, encompassing areas such as financial crimes, identity theft, and counterfeit violations

FY 2008 planned accomplishments include:

- Build on the FY 2007 “ Investigative Impact Study” by testing and implementing a new performance metric entitled Return on Investigations, portraying the impact of the Services’ investigations on the public as well as the impact the protective mission has on investigations
- Publish and disseminate the 2008 Campaign Operational Guide

## TRAINING

### PPA: Rowley Training Center

|                              | Perm<br>Pos. | FTE        | Amount          |
|------------------------------|--------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>273</b>   | <b>266</b> | <b>\$55,628</b> |
| <b>2008 Enacted</b>          | <b>273</b>   | <b>273</b> | <b>51,954</b>   |
| 2009 Adjustments             |              |            | 1,235           |
| <b>2009 Current Services</b> | <b>273</b>   | <b>273</b> | <b>\$53,189</b> |
| 2009 Program Change          |              |            |                 |
| <b>2009 Request</b>          | <b>273</b>   | <b>273</b> | <b>\$53,189</b> |
| Total Change 2008-2009       |              |            | \$1,235         |

The Secret Service requests \$53.189 million and 273 FTE for this PPA. This is an increase of \$1.235 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation.

### CURRENT SERVICES PROGRAM DESCRIPTION:

The James J. Rowley Training Center (JJRTC) is responsible for:

- (1) developing, administering, and coordinating training programs for Secret Service employees, and for other federal law enforcement agencies and law enforcement officials from various state and local police departments;

- (2) providing all basic, in-service, and specialized skills training for special agents, Uniformed Division officers, special officers and other professional personnel;
- (3) providing training for the executive, managerial, supervisory, administrative support, cyber/IT solutions, and foreign language needs for all Secret Service components;
- (4) providing specialized operational training for the Service's tactical elements (counter-assault, counter-sniper, and emergency response teams), which include the core components of the protective methodology;
- (5) evaluating, selecting, and training all Secret Service explosive detection canines/tactical canines;
- (6) administering and coordinating fitness, control tactics, vehicle operation training, emergency medicine, and water safety programs;
- (7) conducting research and testing of munitions, and related equipment technology; and
- (8) administering the acquisition, storage, maintenance, and issuance of firearms, operational weapons and ammunition to all Secret Service personnel.

Significant accomplishments in FY 2007 include the following:

- JJRTC provided all basic, in-service, and specialized skills training for special agents, Uniformed Division officers, special officers and other professional personnel
- JJRTC provided training for the executive, managerial, supervisory, administrative support, cyber/IT solutions, and foreign language needs for all Secret Service components
- JJRTC provided significant training for the 2008 Presidential Campaign

Significant planned accomplishments in FY 2008 include the following:

- JJRTC will continue to provide specialized operational training for the Service's tactical elements (counter-assault, counter-sniper, and emergency response teams), which include the core components of the protective methodology

Significant planned accomplishments in FY 2009 include the following:

- JJRTC will continue to provide all basic and in-service training and specialized operational skills training for the Uniformed Division and other professional personnel
- JJRTC will continue to provide training for executive, supervisory, administrative, cyber/IT solutions, and foreign language training for all Service components
- The human resources and training office will continue enhancing efforts to recruit and hire special agents, Uniformed Division officers and administrative, professional and technical personnel
- Study the efficiencies for competing out uniformed division shooting instructors

## INVESTIGATIONS

|                              | Perm<br>Pos. | FTE          | Amount           |
|------------------------------|--------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>2,035</b> | <b>1,983</b> | <b>\$313,865</b> |
| <b>2008 Enacted</b>          | <b>1,859</b> | <b>1,859</b> | <b>300,193</b>   |
| 2009 Adjustments             | 130          | 130          | 26,123           |
| <b>2009 Current Services</b> | <b>1,989</b> | <b>1,989</b> | <b>\$326,316</b> |
| 2009 Program Change          |              |              |                  |
| <b>2009 Request</b>          | <b>1,989</b> | <b>1,989</b> | <b>\$326,316</b> |
| Total Change 2008-2009       | 130          | 130          | \$26,123         |

The United States Secret Service requests \$326.316 million and 1,989 FTE for this activity. This is an increase of \$26.123 million to the FY 2008 Enacted Budget.

### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The functional organization of the Secret Service accommodates of dual missions, permanent protective details dedicated to protection, as well as a worldwide network of field offices to carry out the investigative responsibilities. However, these field offices are not only responsible for investigations but also routinely provide agents to support the protective mission. That is, agents assigned to these offices spend significant time traveling away from their field office augmenting the Secret Service's permanent and temporary protective details. This is a very efficient way to provide protection as it allows for additional resources when protective mission requirements demand them. Also, agents trained to be good investigators come with these skills when doing protection which is important to the success of the protection mission.

The Secret Service is mandated by statute and executive order to carry out criminal investigations. The Secret Service was established as a law enforcement agency in 1865, with an original mandate to investigate the counterfeiting of U.S. currency.

This activity:

- (1) exercises broad investigative jurisdiction over a wide variety of financial crimes;
- (2) has a long history of protecting American consumers and industry from financial fraud as being the original guardian of our nation's financial payment systems;
- (3) has primary authority for the investigation of access device fraud, including credit and debit card fraud, and parallel authority with other law enforcement agencies in identity crime cases.
- (4) has experienced an expansion of its investigative mission since the early 1990's to include concurrent jurisdiction with the United States Department of Justice for financial institution fraud; and
- (5) has assumed additional responsibilities as the Internet and use of personal computers became mainstream, and economies of scale made this technology affordable to even the most common criminals.

The combination of the information revolution and the effects of globalization have caused the investigative mission of the Secret Service to change dramatically. As a result, the Secret Service has evolved into an agency that is recognized worldwide for its expertise in investigating all types of financial crimes; and its efforts to detect, investigate and prevent financial crimes are aggressive, innovative, and comprehensive.

**PPA: Domestic Field Office Operations**

|                              | Perm<br>Pos. | FTE          | Amount           |
|------------------------------|--------------|--------------|------------------|
| <b>2007 Actual</b>           | <b>1,633</b> | <b>1,574</b> | <b>\$242,468</b> |
| <b>2008 Enacted</b>          | <b>1,480</b> | <b>1,480</b> | <b>219,742</b>   |
| 2009 Adjustments             | 117          | 117          | 22,030           |
| <b>2009 Current Services</b> | <b>1,597</b> | <b>1,597</b> | <b>\$241,772</b> |
| 2009 Program Change          |              |              |                  |
| <b>2009 Request</b>          | <b>1,597</b> | <b>1,597</b> | <b>\$241,772</b> |
| Total Change 2008-2009       | 117          | 117          | \$22,030         |

The Secret Service requests \$241.772 million and 117 FTE for this PPA. This is an increase of \$22.030 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation. \$14.625 million and 117 FTE are reallocated to this program from Presidential Candidate Nominee Protection for the 2008 Presidential Campaign.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The United States Secret Service investigates violations of laws relating to counterfeiting of obligations and securities of the United States, and financial crimes that include, but are not limited to, financial institution fraud, identity theft, access device fraud, and money laundering.

Domestic field resources are focused on achieving the Department of Homeland Security strategic objective of economic security. The requested amount funds field offices nationwide in a strategic context which addresses the spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, and the increasing criminal exploitation of those technologies.

Significant accomplishments in FY 2007 include the following:

- Cyber Crime Investigations:

A two-year investigation by the Orlando Field Office resulted in three arrests and the service of 33 seizure warrants on 71 E-Gold accounts valued at over \$16 million dollars. The three suspects arrested were charged with violations of Title 18, USC, Sections 1960 (Unregistered Money Remitting Business), 1956 (Money Laundering), 371 (Conspiracy) and 2 (Aiding and Abetting) for their involvement as the developers/owners of E-Gold. E-Gold is a highly favored online payment system utilized by members of criminal web-based forums and other cyber criminals to pay one another for illicit goods and services,

such as stolen credit card numbers, false identification documents, and child pornography. On a typical business day, about 5,000 new E-Gold accounts are established and 40,000 account holders make nearly 55,000 E-Gold trades with an approximate value of \$5 million. The company's 4 million accounts trade approximately \$2 billion in E-Gold annually.

- Data Breach Investigations:

- The San Diego Field Office, through an online undercover operation, identified the largest known distributor of compromised credit card account numbers in the world as a Ukrainian national. This individual is believed to have had access to over 1 million stolen credit card numbers.

On September 11, 2006, based on the work done by the San Diego Field Office, a Federal Grand Jury in the Southern District of California issued a sealed indictment charging the suspect with numerous counts of violating Title 18, USC, Sections 1028 (Identity Fraud) and 1029 (Access Device Fraud). The potential fraud loss in this investigation was nearly \$200 million dollars.

During the course of the investigation, an undercover Secret Service agent conducted two face to face meetings with the suspect, once in Thailand and once in the United Arab Emirates. In July 2007, the suspect told the undercover agent he would be vacationing in Europe and invited the undercover agent to join him at the resort. On July 21, 2007, ten Secret Service agents along with one analyst and the prosecuting Assistant United States Attorney flew to Europe to coordinate with international law enforcement authorities for the arrest and extradition of the suspect. On July 25, 2007, the suspect was arrested for violation of international fraud laws. Deportation and asset forfeiture proceeding are ongoing.

- "*Operation Blinky*" began as an online carding investigation targeting a suspect with the username "Blinky." The suspect was sending large amounts of money, via e-Gold accounts, to known cyber criminals in Eastern Europe in return for tens of thousands of stolen credit card account numbers. After receiving additional information from an informant, Miami Field Office agents focused their investigation on a group of Cuban nationals utilizing stolen credit card numbers throughout southern Florida.

On April 26, 2007, five co-conspirators in the case were indicted by a federal grand jury in Miami for violation of Title 18, USC, Sections 1028A (Aggravated Identity Theft), 1029 (Access Device Fraud), and 371 (Conspiracy). More than 200,000 credit card account numbers have been recovered in connection with the ring's activity. To date, the fraud loss in this case exceeds \$75 million.

- Ongoing Network Intrusion Investigations:

The Secret Service is investigating a massive compromise of debit card and Personal Identification Number (PIN) numbers which have resulted in the unauthorized withdrawal of large amounts of cash from ATM machines in the United States and abroad. The unauthorized withdrawals are now estimated to have exceeded \$10 million dollars, and impact approximately 150 financial institutions.

Recent news articles have reported that one of the possible points of compromise is a large retailer. The Secret Service has been working closely with the victim corporation and other members of the card payment industry to determine the true point of compromise. As one component of this investigation, the Secret Service is examining the labyrinth of third party processors that make up a large part of the card payment system. As a result, we have uncovered many areas of concern regarding the credit/debit card authorization process, and we continue to work with industry partners to gather more information.

In December 2006, the Secret Service was notified by a victim corporation that their servers had been breached. This data breach resulted in the loss of 45 million credit card numbers, the largest single data breach in history. Forensic examination has shown that the original breach began through a wireless connection in Miami, Florida. Later, a remote connection was established with a Russian-owned internet server provider located in San Jose, California. The Secret Service has conducted extensive investigative efforts in the Boston, Pittsburgh, and San Jose districts and continues to coordinate this investigation. An analysis of the network intrusion yielded few leads; however, recent and pending arrests may produce positive results.

Significant planned accomplishments in FY 2008 include the following:

- Maintain current investigative operations while continuing to pursue efficiencies within program areas

Significant planned accomplishments in FY 2009 include the following:

- Maintain current investigative operations while continuing to pursue efficiencies within program areas

**PPA: International Field Administration and Operations**

|                              | Perm        |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
| <b>2007 Actual</b>           | <b>70</b>   | <b>67</b>  | <b>\$22,711</b> |
| <b>2008 Enacted</b>          | <b>70</b>   | <b>70</b>  | <b>27,520</b>   |
| 2009 Adjustments             |             |            | <u>822</u>      |
| <b>2009 Current Services</b> | <b>70</b>   | <b>70</b>  | <b>\$28,342</b> |
| 2009 Program Change          |             |            |                 |
| <b>2009 Request</b>          | <b>70</b>   | <b>70</b>  | <b>\$28,342</b> |
| Total Change 2008-2009       |             |            | \$822           |

The Secret Service requests \$28.342 million and 70 FTE for this PPA. This is an increase of \$.822 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service provides a comprehensive, internationally-coordinated response to new threats to the integrity of U.S. currency and other transnational crimes.

International field resources are focused on achieving DHS' strategic objective of economic security (e.g., combating foreign counterfeiting of U.S. currency). The requested amount funds field offices in 15 countries in a strategic context that addresses the worldwide spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, the increasing criminal exploitation of those technologies, and dollarization (when a foreign country replaces its national currency with the U.S. dollar).

Significant planned accomplishments in FY 2008 include the following:

- Maintain current investigative operations while continuing to pursue efficiencies within program areas

Significant planned accomplishments in FY 2009 include the following:

- Maintain current investigative operations while continuing to pursue efficiencies within program areas

**PPA: Electronic Crimes Special Agent Program/Electronic Crimes Task Forces**

|                              | Perm        |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
| <b>2007 Actual</b>           | <b>312</b>  | <b>322</b> | <b>\$40,535</b> |
| <b>2008 Enacted</b>          | <b>289</b>  | <b>289</b> | <b>44,565</b>   |
| 2009 Adjustments             | 13          | 13         | 3,271           |
| <b>2009 Current Services</b> | <b>302</b>  | <b>302</b> | <b>\$47,836</b> |
| 2009 Program Change          |             |            |                 |
| <b>2009 Request</b>          | <b>302</b>  | <b>302</b> | <b>\$47,836</b> |
| Total Change 2008-2009       | 13          | 13         | \$3,271         |

The Secret Service requests \$47.836 million and 302 FTE for this PPA. This is an increase of \$3.271 million to the FY 2008 Enacted Budget. Adjustments include position annualization and pay inflation. This request includes \$1.625 million and 13 FTE reallocated to this program from Presidential Candidate Nominee Protection for the 2008 Presidential Campaign.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Through the Electronic Crimes Special Agent Program (ECSAP), the Service trains special agents to detect network intrusions and conduct examinations on all types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, scanners, and other electronic equipment. Through Electronic Crimes Task Forces (ECTF), the Service forms partnerships with private industry, academia, other federal law enforcement, and state and local law enforcement to prevent, detect, mitigate, and aggressively investigate attacks on our nation's financial infrastructures.

The ECSAP and ECTF's combat those who seek to defraud financial institutions, private industry, or individuals through electronic or digital media. The requested amount funds these entities in a strategic environment characterized by a rise in electronic financial transactions and associated criminal activity.

Significant accomplishments in FY 2007 include the following:

- Electronic Crimes Special Agent Program (ECSAP):

This program seeks to mitigate vulnerabilities to the nation's critical infrastructure and sensitive communications networks by training agents and state/local partners on computers, PDAs, telecommunications devices, and other electronic media to obtain forensic data and investigative leads on organized criminal groups operating domestically and abroad, using new technologies. As part of the Electronic Crimes Special Agent Program, the Secret Service expanded this to the Electronic Crimes State and Local Program, which trains state and local law enforcement counterparts in the same forensic capabilities as our ECSAP trained agents. DHS US-CERT has contracted with the Secret Service to help facilitate the newly established National Computer Forensic Institute

located in Hoover, Alabama. This facility will enable the Secret Service to train state and local investigators, as well as attorneys and judges, in computer forensics network intrusions and judicial strategies.

*ECSAP in support of the National Center for Missing and Exploited Children:*

Miami Field Office agents arrested a suspect for violations of computer pornography and promoting a sexual act with a child. This investigation began when the suspect made contact online with an undercover Miami Field Office agent while seeking children to torture by forcibly submerging them in water until they became unconscious. The suspect flew to Miami to meet a mother (the undercover agent), who would let him "dunk" her 9 and 12 year-old daughters in exchange for \$500 as a form of sexual gratification, as well as having the children perform sexual acts.

Significant planned accomplishments in FY 2008 include the following:

- 240 new agents are scheduled for ECSAP training
- Maintain current investigative operations while continuing to pursue efficiencies within program areas

Significant planned accomplishments in FY 2009 include the following:

- Maintain current investigative operations while continuing to pursue efficiencies within program areas

**PPA: Forensic Support and Grants to NCMEC**

|                              | Perm<br>Pos. | FTE       | Amount         |
|------------------------------|--------------|-----------|----------------|
| <b>2007 Actual</b>           | <b>20</b>    | <b>20</b> | <b>\$8,151</b> |
| <b>2008 Enacted</b>          | <b>20</b>    | <b>20</b> | <b>8,366</b>   |
| 2009 Adjustments             |              |           |                |
| <b>2009 Current Services</b> | <b>20</b>    | <b>20</b> | <b>\$8,366</b> |
| 2009 Program Change          |              |           |                |
| <b>2009 Request</b>          | <b>20</b>    | <b>20</b> | <b>\$8,366</b> |
| Total Change 2008-2009       |              |           |                |

The Secret Service requests \$8.366 million and 20 FTE for FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Language contained in the Violent Crime Reduction Trust Fund legislation in 1995 directed the U.S. Secret Service to provide forensic support to the National Center for Missing and Exploited Children. Since that time, forensic support has included polygraph examinations, handwriting

examinations, voiceprint comparisons, audio and video enhancements, age progressions/regressions, and fingerprint research and identification.

Requested funding provides state of the art forensics support for investigations involving missing and exploited children and grant funds to the National Center for Missing and Exploited Children. In a strategic context characterized by predators determined to abuse the nation's children, the Secret Service's technologies provide critical support to associated investigations.

**IV. Program Justification of Changes**

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1:**                      Joint Operations Center

Strategic Goal(s) & Objective(s): This initiative supports DHS Goal 3: Protect critical infrastructure & Objective 3.1: Fixed critical infrastructure and key assets.

PPA:    Protection of Persons and Facilities

Program Increase:      Positions \_\_\_\_\_ FTE \_\_\_\_\_ Dollars \$2,000

Funding Profile: FY 2007 \$0; FY 2008 \$32,796

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 |                 |     | \$32,796        |
| Program Increase       |                |     |                 |                 |     |                 |                 |     | 2,000           |
| Non-Recur              |                |     |                 |                 |     |                 |                 |     | (28,796)        |
| <b>Total Request</b>   |                |     |                 |                 |     | <b>\$32,796</b> |                 |     | <b>\$6,000</b>  |

Description of Item

The Joint Operations Center (JOC) monitors all sensors, alarms, gates, and communications systems in support of the protection of the President and the White House Complex (24 hours a day / 7 days a week).

Justification

In February 2006, the General Services Administration (GSA) notified the Secret Service that the structural hardening and infrastructure modernization of the Eisenhower Executive Office Building (EEOB) would require the relocation of the Service’s JOC, Emergency Operations Center (EOC) and all supporting systems. Originally, GSA project managers indicated the modernization project would not affect JOC and EOC Operations. However, GSA project managers later determined that the construction would disrupt vital utility and communication lines critical to security operations, rendering the JOC and EOC inoperable both during and following the modernization effort.

The relocation of the JOC and EOC will require the equipping of a new facility, acquisition of additional communications systems to ensure continuity of operations and relocation of information technology systems supporting the current center.

The FY 2008 Enacted Budget includes \$32.796 million for the JOC relocation. \$4 million remains in the base budget in FY 2009 while \$28.796 million is non-recurred. The Secret Service requests an additional \$2 million in FY 2009 for utilities and out-year support services of proprietary systems in support of critical protective communications.

Impact on Performance (Relationship of Increase to Strategic Goals)

The structural hardening and infrastructure modernization at the EEOB requires the relocation of the JOC, EOC, and all supporting systems. The construction will disrupt vital utility and communication lines critical to security operations, rendering the JOC and EOC inoperable both during and following the modernization effort. These systems are integral to achieving a secure environment for Secret Service protectees and facilities 100 percent of the time; anything less than this is unacceptable, and relocating the JOC enables the Secret Service to maintain a secure environment. This initiative supports DHS Goal 3 to Protect Critical Infrastructure by improving our ability to respond to emergency situations. If the initiative is not funded, the Service's ability to meet the program performance target of 100 percent incident-free protection of persons inside the White House Complex will be jeopardized.

**Program Increase 2:** White House Mail Facility Rent

Strategic Goal(s) & Objective(s): This initiative supports IPG priority 9 – Secure Critical Infrastructure Systems and Safeguard Citizens.

PPA: White House Mail Screening

Program Increase: Positions \_\_\_\_\_ FTE \_\_\_\_\_ Dollars \$6,000

Funding Profile: FY 2007 \$30,660; FY 2008 \$16,201

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                              |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|------------------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000)              |
| Current Services Level |                |     |                 |                 |     |                 |                 |     | \$16,201                     |
| Program Increase       |                |     |                 |                 |     |                 |                 |     | 6,000                        |
| <b>Total Request</b>   |                |     | <b>\$30,660</b> |                 |     | <b>\$16,201</b> |                 |     | <b>\$22,201<sup>1/</sup></b> |

1/ Total PPA fund for White House mail screening is \$36,701 (\$16,201 for contractual services, \$14,500 for White House mail facility equipment and \$6,000 for White House mail facility rent)

Description of Item

The new White House mail screening facility will include state-of-the-art environmental screening and examination equipment, specialized chemical, biological, and radiological (CBR) alarms and sensors, laboratory testing and substance analysis screening systems, x-ray and explosive detection systems, and security alarms and camera systems critical to White House security.

Justification

In April 2002, the United States Secret Service and the Executive Office of the President, Office of Administration (EOP/OA), established a White House mail screening facility at an abandoned warehouse located on the U.S. Army’s Edgewood Chemical Biological Center (ECBC) in Aberdeen, Maryland. The purpose of the facility was to screen all mail destined for the White House Complex for select chemical, biological, radiological, nuclear, and explosive (CBRNE) hazards. The plan was for this facility to support this mission on a one-year, temporary basis pending the selection of a permanent site.

In August 2004, the EOP/OA, the Secret Service and the General Services Administration (GSA) met to discuss the potential design, security and site requirements for a permanent White House mail screening facility. Based on these discussions, the GSA proposed building a facility on vacant federal property located at the Anacostia Naval Annex, Washington, D.C. The proposed site is adjacent to the EOP/OA remote delivery site and the Secret Service vehicle support facility. The location meets all security, environmental and operational requirements identified by the EOP/OA and the Service.

The GSA commissioned the services of an architectural and engineering firm to produce a Program Development Study. The scope of the study was to develop a comprehensive facility

design plan and construction estimate based upon the facility's requirements. Staff from the Secret Service, the GSA, the EOP/OA, and the ECBC met as a working group to finalize facility requirements, laboratory space, administrative office space, and environmental safety and support systems.

In February 2005, the GSA received the completed program development study for a White House mail screening facility. The study proposed an approximately 80,000 square foot warehouse/laboratory facility, requiring approximately 24 months to complete; from breaking ground to utilization of the facility. The GSA subsequently included a construction prospectus for the White House mail facility in their 2007 federal budget submission. The estimated construction cost for the facility was \$39.6 million. The facility was to be completed and operational by March 2009. This FY 2009 funding request of \$6 million is for rental payments to the GSA for the completed facility.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

In this time of increased terrorist threats, it is imperative that the Service utilizes state-of-the-art technology to ensure all White House mail is free from harmful toxins. This initiative supports DHS Goal 3 to Protect Critical Infrastructure, and will allow the Secret Service to continue to meet the performance target of 100 percent incident-free protection of persons inside the White House Complex.

**Program Increase 3:** White House Mail Facility Equipment

Strategic Goal(s) & Objective(s): This initiative supports IPG priority 9 – Secure Critical Infrastructure Systems and Safeguard Citizens.

PPA: White House Mail Screening

Program Increase: Positions \_\_ FTE \_\_ Dollars \$14,500

Funding Profile: FY 2007 \$0; FY 2008 \$0

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                        |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|------------------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000)        |
| Current Services Level |                |     |                 |                 |     |                 |                 |     |                        |
| Program Increase       |                |     |                 |                 |     |                 |                 |     | \$14,500 <sup>2/</sup> |
| <b>Total Request</b>   |                |     |                 |                 |     |                 |                 |     | <b>\$14,500</b>        |

<sup>2/</sup> For FY 07 and FY 08, the funding profile for White House mail equipment is reflected in the White House mail rent program increase request

Description of Item

Funding is requested for equipment to operate the new White House mail facility. Although GSA is constructing the building, the Service is responsible for the build-out of the building, including security enhancement and specialized equipment. The facility is expected to be fully operational by spring 2009 with these resources.

Justification

Specialized equipment necessary to operate the new facility includes unique laboratory systems, specialized ventilation and filtering systems, radioactive detection systems/x-ray equipment, decontamination equipment, and laboratory analysis equipment. The laboratory equipment and environmental screening and surveillance systems will require proprietary Department of Defense maintenance and contractor support services to ensure proper operations and environmental safety. Funding will establish an appropriate scientific and chemical, biological, and radiological specialized equipment replacement cycle. The Service has also identified permanent security and alarm systems to ensure security of operations.

Prior to the anthrax attacks on the U.S. Postal Service, the Secret Service x-rayed White House mail at a remote site and then processed it within the White House Complex. After the anthrax attack, processing of White House mail was moved from the White House to a facility at the Anacostia Naval Annex. On October 23, 2001, the Anacostia facility was contaminated by anthrax and processing of White House mail was relocated to a temporary facility at the Edgewood Chemical and Biological Center in Aberdeen, Maryland. At this location, the Army was tasked with managing contractors to process and test White House mail for chemical and biological contamination. This facility was intended to support this mission on a temporary one-year basis pending the selection of a permanent site. In fact, the current location of the White

House mail screening operation is scheduled to be torn down, but will remain in operation until the mail processing operation can be moved to its new site in Anacostia.

\$14.5 million is requested in FY 2009 to fund new equipment for the facility to ensure a seamless transition from the old to the new site. The Service will operate both sites concurrently until the move has been completed. The new White House mail screening facility will require state-of-the-art environmental screening and examination equipment, specialized chemical, biological, and radiological (CBR) alarms and sensors, laboratory testing and substance analysis screening systems, x-ray and explosive detection systems, and security alarms and camera systems critical to White House security. These new CBR and explosive device detections systems will require out-year funding for support and maintenance. The laboratory equipment and environmental screening and surveillance systems will require proprietary Department of Defense (DoD) maintenance and contractor support services to ensure proper operations and environmental safety.

#### Impact on Performance

Funding the Secret Service at target will enable the Secret Service to work toward achieving DHS Strategic Objective 3.4 to “Secure the physical safety of the President, Vice President, visiting world leaders, and other protectees.” Funding this initiative at the requested level also enables the Secret Service to acquire the necessary equipment needed to screen incoming mail effectively. In this time of increased terrorist threats, it is imperative that the Service utilizes state-of-the-art technology to ensure all White House mail is free from harmful toxins. This initiative supports the IPG priority of “increased preparedness” by providing situational awareness which results in preparedness to respond to emergency situations. Funding for this initiative will allow the Secret Service to continue to meet the performance target of 100 percent incident-free protection of persons inside the White House Complex.

**Program Increase 4:** President Bush Post-Presidency Detail

Strategic Goal(s) & Objective(s): This initiative supports IPG priority 9 – Secure Critical Infrastructure Systems and Safeguard Citizens.

PPA: Protection of Persons and Facilities

Program Increase: Positions 35 FTE 18 Dollars \$4,500

Funding Profile: FY 2007 \$16,500; FY 2008 \$18,985

|   | FY 2007 Actual |           |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|---|----------------|-----------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|   | Pos            | FTE       | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level                      |                |           |                 |                 |            |                 | 103             | 103        | \$18,985        |
| Program Increase                            |                |           |                 |                 |            |                 | 35              | 18         | 4,500           |
| Position Annualization/<br>Full Performance |                |           |                 |                 |            |                 |                 |            | 6,944           |
| <b>Total Request</b>                        | <b>103</b>     | <b>52</b> | <b>\$16,500</b> | <b>103</b>      | <b>103</b> | <b>\$18,985</b> | <b>138</b>      | <b>121</b> | <b>\$30,429</b> |

Description of Item

The President Bush Post-Presidency detail provides protection for President Bush after he leaves office.

Justification

It is anticipated that the current President will be active and maintain a high profile after he leaves office, while continuing to be the focal point of terrorists' aggression directed towards the United States. With the current post-September 11 threat environment, the ongoing war in Iraq, and the fact that President Bush is a target for terrorist activity, the President Bush Post-Presidency Detail will require significant resources.

In FY 2007, 103 positions were hired to support the President Bush Post-Presidency detail. The FY 2009 funding request is for an additional 35 positions for staffing requirements of the detail (\$4,500). These resources will ensure the Secret Service effectively anticipates threats and provides the appropriate level of protection for President Bush. The Secret Service will dedicate human and technical resources to ensure security for the former President. This will create greater demands upon field agents, as they investigate and assess threats, perform protective advances and support assignments, and supplement the protective detail staffing as necessary.

Impact on Performance (Relationship of Increase to Strategic Goals)

The realities of the post-September 11 threat environment are such that significantly more resources will be required to effectively anticipate threats and provide the appropriate level of

protection for President Bush after he leaves office. Not funding this initiative will force the Secret Service to fill this detail by reallocating staffing from elsewhere, resulting in not achieving investigative performance targets. Funding this initiative will allow for a smooth implementation of protection and transition of personnel without jeopardizing other critical program operations. Funding this initiative will directly support DHS Goal 3 to Protect Critical Infrastructure, and have a direct impact on Secret Service protective and investigative performance measures.

**Program Increase 5:** Protective Terrorist Countermeasures

Strategic Goal(s) & Objective(s): This initiative supports IPG priority 9 – Secure Critical Infrastructure Systems and Safeguard Citizens.

PPA: Protection of Persons and Facilities

Program Increase: Positions \_\_\_\_\_ FTE \_\_\_\_\_ Dollars \$17,000

Funding Profile: FY 2007 \$4,500; FY 2008 \$2,000

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 |                 |     | \$2,000         |
| Program Increase       |                |     |                 |                 |     |                 |                 |     | 17,000          |
| <b>Total Request</b>   |                |     | <b>\$4,500</b>  |                 |     | <b>\$2,000</b>  |                 |     | <b>\$19,000</b> |

Description of Item

This funding will support initiatives and studies that will detail procedures, responsibilities, requirements, and plans that could be utilized in the event of an explosive, chemical, biological, radiological attack at a secured site; identify additional countermeasures that could be deployed to address specific emerging threats; allow the acquisition and deployment of advanced electronic countermeasures; and the purchase of additional primary Presidential limousines.

Justification

Some portion of this request was funded by Congress in FY 2007. However, the Service through a Congressionally-approved reprogramming, re-allocated these funds to cover major shortfalls in funding for base operations. As a result, funding for important classified countermeasures at the White House have been delayed. As new threats evolve and are identified, it is critical the Service have funding to address them. A further delay in the acquisition of protective technologies increases the cost to catch up to developments and enhancements currently available. Technology has been evolving at a rapid pace and with new developments come cost increases.

The Secret Service cannot utilize outdated equipment as adversaries constantly look for new ways to thwart our attempts to counter the threat. It is imperative that the Service have an adequate funding base for the replacement of classified equipment. The Service must continually upgrade permanent and temporary protective site equipment with the latest state-of-the-art equipment available.

The Secret Service seeks additional base funding for the maintenance and life-cycle replacement of equipment to support and enhance critical operational and classified systems. The Service is requesting \$17.0 million for the following protective terrorist countermeasure support programs:

### **Primary Limousines - \$9,000,000**

The vehicle carrying the President essentially becomes the Oval Office when he is traveling beyond the perimeter of the White House Complex. The President's primary limousine contains protection systems classified at the "SECRET" level, and are designed to mitigate the terrorist's offensive capabilities. Armored vehicles play an important role in overall protection of the Service's protectees. Components and sub-systems of the primary armored vehicles contain integrated techniques and specific modifications to the standard armored automotive technologies.

The Secret Service is requesting \$9.0 million to increase the number of and maintain the current inventory of primary Presidential/Vice Presidential armored limousines. The cost of a primary limousine is proportional to its complex design. These vehicles are built from the ground up. There is a significantly higher degree of protection offered by these primary armored vehicles than any other armored vehicle. Funding requested would allow for expansion, maintenance and replacement of the existing Presidential/Vice Presidential armored vehicle fleet. The primary Presidential/Vice Presidential armored vehicles contain state-of-the-art technologies including transparent armor vital to the Secret Service's ability to provide critical protection to the President and Vice President outside of protected sites. The availability and operability of the Service's armored fleet would be greatly enhanced with this additional funding.

### **Technical Surveillance and Electronic Countermeasures Programs - \$3,300,000**

The need for secured communications dramatically increased after September 11<sup>th</sup>. This has accelerated the need for necessary enhancements, upgrades, replacement and maintenance of existing critical classified programs used to identify and mitigate technical and electronic threats to fixed and temporary protected sites visited by the President, Vice President and high-threat protectees.

Without such funding, the Presidential and Vice Presidential communications, protected sites and motorcades will be vulnerable to terrorist attacks via electronic intercepts and activation of chemical/biological/explosives devices. The funding requested is critical to the acquisition of countermeasures to mitigate these threats.

### **White House Complex Security Programs - \$2,000,000**

Funding will be used to enhance, upgrade and replace critical equipment used as part of existing classified programs, implement new state-of-the-art protective countermeasures, and enhance existing technologies and detection systems used at the White House Complex. Systems include state-of-the-art perimeter surveillance and detection systems, low lighting and thermal camera systems, back scatter x-ray systems (fixed and mobile), chemical/biological/radiological/nuclear/air detection and surveillance systems for threat identification and mitigation, complex technical monitoring systems, alarm and notification systems, and specialized countermeasure monitoring equipment.

### **White House Re-key - \$1,800,000**

This initiative provides a solution for the re-keying of the White House Complex and other Secret Service facilities. The Secret Service held the patent for the key mechanisms used over 20 years at the Complex and other Secret Service facilities. This is cause for concern regarding access restrictions. The patented “S” key system has recently become available worldwide to interested entities. With the pending change of administration quickly approaching and considering the number of keys misplaced or lost over the last 20 years, the Secret Service requires funding to re-key all locations.

### **Portable air security surveillance systems - \$600,000**

Funding would be used for the enhancement, operations and maintenance of a classified air security surveillance program. Funding will be used to purchase and deploy state-of-the-art portable radar surveillance systems for air space monitoring around temporary protected sites visited by the President, Vice President and high-threat protectees. The system could be easily transported and integrated into existing air security systems at temporary locations throughout the world to support the protective mission. Air space monitoring will identify threats to persons and venues protected by the Secret Service and allow for rapid response to those threats.

### **Explosive Ordnance Detection Training & Equipment - \$300,000**

This initiative allows for a five-year replacement cycle on equipment provided for military personnel in the performance of explosive device mitigation. Items such as the Explosive Ordnance Detection (EOD) response vehicles, radio firing devices, blasting machines, range vehicles, robotic equipment, and support equipment require routine replacement to afford the best protection tools available for highly dangerous situations encountered by our employees as well as support provided by the military.

### Impact on Performance (Relationship of Increase to Strategic Goals)

#### *Primary Limousines*

Funding this initiative will greatly enhance the ability of the Secret Service to provide protection to the President and Vice President, by allowing for the expansion, maintenance, and replacement of the existing armored vehicle fleet. Because of the level of safety and security these armored vehicles provide, this initiative enhances the Service’s ability to meet the Long Term Performance Goal of the Protection of Person and Facilities program to “protect our Nation’s leaders and other protectees”, as well as support DHS Goal 3 to Protect Critical Infrastructure. Not funding this initiative could have enormous consequences as our limousines would not have the latest state-of-the-art technologies to counter a potential attack. This initiative also has a direct impact on the performance measures of the Protection of Persons and Facilities program, by enabling the Secret Service to continue meeting its main outcome measure – “Percentage of Instances Protectees Arrive and Depart Safely.”

#### *Countermeasures Support Programs*

This funding will support initiatives that will detail procedures, responsibilities, requirements, and plans that could be utilized in the event of an explosive, chemical, biological, radiological attack at a secured site; identify additional countermeasures that could be deployed to address specific emerging threats; and allow the acquisition and deployment of advanced electronic countermeasures. These initiatives support DHS Goal 3 to Protect Critical Infrastructure, and have a direct impact on our Long Term Performance Goal of protecting our nation's leaders, foreign dignitaries, and facilities.

Strategic Goal(s) & Objective(s): This initiative supports IPG priority 9 – Secure Critical Infrastructure Systems and Safeguard Citizens.

PPA: Protection of Persons and Facilities

Program Increase: Positions 27 FTE 14 Dollars \$4,700

Funding Profile: FY 2007 \$ 0; FY 2008 \$ 0

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 |                 |           |                 |
| Program Increase       |                |     |                 |                 |     |                 | 27              | 14        | \$4,700         |
| <b>Total Request</b>   |                |     |                 |                 |     |                 | <b>27</b>       | <b>14</b> | <b>\$4,700</b>  |

Description of Item

Enhance protection services for White House protectees.

Justification

**Hazardous Agent Mitigation – Medical Emergency Response (HAMMER): (15 Special Agents)**

The primary mission of the Hazardous Agent Mitigation Medical Emergency Response Team (HAMMER) is to provide immediate emergency life saving interventions for the Secret Service protectee(s) during incidents involving chemical, biological, radiological (CBR), industrial hazardous materials, and emergency medical situations. HAMMER teams are responsible for ensuring that the most technically-equipped and trained personnel are available when needed.

HAMMER teams consist of operational members utilizing a tactical rescue vehicle/ambulance. Each team member has a special support function to address a variety of emergency situations. HAMMER team members are required to travel throughout the year in support of protective movements. A typical out-of-town HAMMER mission involves transport of the team and support vehicle to the trip site on the car plane at least a day or two in advance of the protectee’s visit. Once on the ground, the team liaises with the HAMMER advance agent and surveys the prospective motorcade routes and sites to develop a tactical hazardous material, medical and rescue response plan.

In order to respond to the increasing need for HAMMER services, it is necessary to hire 15 additional special agents. These positions will replace Uniformed Division officers currently performing these functions, thus releasing valuable resources to the Uniformed Division for use in other critical assignment areas. The training requirements for these individuals are rigorous and frequent. These positions also require professional certification.

### **Airspace Security Branch/Special Operations Division: (12 Detection Systems Specialists)**

The Secret Service Airspace Security Program has continued to foster and develop relationships within the airspace security community in the National Capitol Region (NCR) and nationwide. These relationships have enhanced our standing with our interagency partners on airspace security matters. The staffing of the National Capitol Region Coordination Center (NCRCC) with permanent, highly qualified Detection Systems Specialists (DSS's) will not only enhance airspace situational awareness, but will also improve our communication and coordination with NCRCC partners. All DSS's are cross-trained to work in the NCRCC, Joint Operations Center/Tiger Wall (JOC/TW) and the Joint Air Defense Operations Center (JADOC), which controls the Army's Ground Based Air Defense (GBAD) missile sites. Additionally, all DSS's are qualified to travel to staff Airspace Security Operations Centers (ASOC) in the North American Aerospace Defense Command (NORAD) Air Defense Sectors or to work with the Federal Aviation Administration in Air Traffic Control facilities in support of security for President, Vice-President and National Special Security Events. These personnel greatly enhance the effectiveness of the radar technology the Secret Service has acquired through the implementation of their specialized skills and experience. They have already demonstrated their worth not only to the overall protective mission, but to the airspace security community as a whole.

The Secret Service's effort to hire DSSs has moved forward in a diligent and deliberate manner. This will allow the Secret Service to have DSSs assigned to airspace positions now filled by special agents, thereby relieving the rotating agent personnel currently provided by the Presidential Protective Division, Vice-Presidential Protective Division and the Dignitary Protective Division.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

This initiative will make available the necessary resources to provide the required protection at the White House and temporary protective venues. Due to the high-threat environment post September 11, the resources required to provide the necessary protection has increased, and the Secret Service will do all that is necessary to provide incident-free protection 100 percent of the time. The Service would need to reallocate resources from other areas to meet these protection requirements should this initiative not be funded, and the consequences of this reallocation would include missed performance targets in these other mission-critical areas. The resources provided through this initiative directly support DHS Goal 3 to Protect Critical Infrastructure as they will greatly augment the level of protection provided to our protectees, and enable the Service to continue meeting the Long Term Program Goal of its protection programs.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
United States Secret Service  
Justification of Proposed Changes in Salaries and Expenses  
Appropriation Language**

For necessary expenses of the United States Secret Service, including purchase of not to exceed [645] **675** vehicles for police-type use, of which 645 shall be for replacement only, and hire of passenger motor vehicles; purchase of motorcycles made in the United States; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director of the Secret Service; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; payment of per diem or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee requires an employee to work 16 hours per day or to remain overnight at a post of duty; conduct of and participation in firearms matches; presentation of awards; travel of United States Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act; [if approval is obtained in advance from the Committees on Appropriations of the Senate and the House of Representatives]; research and development; grants to conduct behavioral research in support of protective research and operations; and payment in advance for commercial accommodations as may be necessary to perform protective functions; [\$1,381,771,000]**\$1,410,621,000** [, of which \$853,690,000 is for protective functions]; of which not to exceed \$25,000 shall be for official reception and representation expenses; of which not to exceed \$100,000 shall be to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; of which \$2,366,000 shall be for forensic and related support of investigations of missing and exploited children; and of which \$6,000,000 shall be for a grant for activities related to the investigations of missing and exploited children and shall remain available until expended: Provided, That up to \$18,000,000 provided for protective travel shall remain available until September 30, [2009]**2010**: Provided further, that up to \$1,000,000 for National Special Security Events shall remain available until expended: Provided further, That the United States Secret Service is authorized to obligate funds in anticipation of reimbursements from Federal agencies and entities, as defined in section 105 of title 5, United States Code, receiving training sponsored by the James J. Rowley Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available under this heading at the end of the fiscal year. Provide further, that none of the funds made available under this heading shall be available to compensate any employee for overtime in an annual amount in excess of \$35,000, except that the Secretary of Homeland Security, or the designee of the Secretary, may waive that amount as necessary for national security purposes. (Department of Homeland Security Appropriations Act, 2008.)

### **Explanation of Changes**

[645] **675** – To purchase 30 vehicles for the additional special agent staffing contained in the FY 2009 budget.

[\$961,779,000 and \$311,154,000] **\$1,410,621,000** – No substantive changes proposed

[2009] **2010** – No substantive changes proposed.

### **Authorization Cites**

The Secret Service is established in 18 U.S.C. 3056 and 3 U.S.C. 202. 18 U.S.C. 1029 and 1030 specifically authorize the Service to investigate offenses under those sections

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses - Discretionary  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>       |
|---|--------------|--------------|---------------------|
| <b>2007 Actual</b> .....                                    | <b>6,700</b> | <b>6,513</b> | <b>\$ 1,272,507</b> |
| <b>2008 Enacted</b> .....                                   | <b>6,700</b> | <b>6,700</b> | <b>1,381,771</b>    |
| <b>Adjustments-to-Base</b>                                  |              |              |                     |
| Increases   |              |              |                     |
| Annualization of 2008 pay raise.....                        |              |              | 8,286               |
| 2009 pay increase.....                                      |              |              | 20,227              |
| GSA Rent  |              |              | 1,513               |
| Non-pay adjustments excluding rent.....                     |              |              | 8,225               |
| President Bush Post-Presidency detail.....                  |              |              | 6,944               |
| <b>Total Increases</b> .....                                |              |              | <b>45,195</b>       |
| Decreases   |              |              |                     |
| Base Re-allocation  |              |              |                     |
| Non-recur Campaign funding.....                             |              |              | (27,918)            |
| Non-recur Joint Operations Center.....                      |              |              | (28,796)            |
| Management Efficiencies.....                                |              |              | (8,331)             |
| <b>Total Decreases</b> .....                                |              |              | <b>(65,045)</b>     |
| <b>Total Adjustments-to-Base</b> .....                      |              |              | <b>(19,850)</b>     |
| <b>2009 Current Services</b> .....                          | <b>6,700</b> | <b>6,700</b> | <b>1,361,921</b>    |
| <b>Program Changes</b>                                      |              |              |                     |
| Program Increases/(Decreases)                               |              |              |                     |
| Enhance protection services for White House protectees..... | 27           | 14           | 4,700               |
| Joint Operations Center forced move.....                    |              |              | 2,000               |
| President Bush Post-Presidency detail.....                  | 35           | 18           | 4,500               |
| Protective terrorist countermeasures.....                   |              |              | 17,000              |
| White House mail equipment.....                             |              |              | 14,500              |
| White House mail facility rent.....                         |              |              | 6,000               |
| <b>Total Program Changes</b> .....                          | <b>62</b>    | <b>32</b>    | <b>48,700</b>       |
| <b>2009 Request</b> .....                                   | <b>6,762</b> | <b>6,732</b> | <b>1,410,621</b>    |
| <b>2008 to 2009 Total Change</b> .....                      | <b>62</b>    | <b>32</b>    | <b>28,850</b>       |

**B: FY 2007 to FY 2008 Budget Change (Mandatory)**

**Department of Homeland Security  
 United States Secret Service  
 Salaries and Expenses - Mandatory  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>     |
|--|-------------|------------|-------------------|
| <b>2007 Actual</b> .....               |             |            | <b>\$ 215,000</b> |
| <b>2008 Enacted</b> .....              |             |            | <b>210,000</b>    |
| <b>Adjustments-to-Base</b>             |             |            |                   |
| Increases                              |             |            |                   |
| Total Increases.....                   |             |            | <b>15,000</b>     |
| Decreases                              |             |            |                   |
| Total Decreases.....                   |             |            |                   |
| <b>Total Adjustments-to-Base</b> ..... |             |            | <b>15,000</b>     |
| <b>2009 Current Services</b> .....     |             |            | <b>225,000</b>    |
| <b>Program Changes</b>                 |             |            |                   |
| Program Increases/(Decreases)          |             |            |                   |
| <b>Total Program Changes</b> .....     |             |            |                   |
| <b>2009 Request</b> .....              |             |            | <b>225,000</b>    |
| <b>2008 to 2009 Total Change</b> ..... |             |            | <b>15,000</b>     |

## C. Summary of Requirements

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |              |                    |
|--|--------------|--------------|--------------------|
|  | Perm. Pos.   | FTE          | Amount             |
| <b>FY 2007 Actual</b>  | <b>6,700</b> | <b>6,513</b> | <b>\$1,272,507</b> |
| <b>2008 Enacted</b>  | <b>6,700</b> | <b>6,700</b> | <b>\$1,381,771</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |              |                    |
| Increases  | ---          | ---          | 45,195             |
| Decreases  | ---          | ---          | (65,045)           |
| Total Adjustments-to-Base  | ---          | ---          | (19,850)           |
| <b>2009 Current Services</b>   | <b>6,700</b> | <b>6,700</b> | <b>\$1,361,921</b> |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 62           | 32           | 48,700             |
| <b>2009 Total Request</b>  | <b>6,762</b> | <b>6,732</b> | <b>\$1,410,621</b> |
| 2008 to 2009 Total Change  | 62           | 32           | \$28,850           |

| Estimates by Program/Project Activity                               | 2008 Enacted |              |                    | 2009 Adjustments-to-Base |            |                   | 2009 Program Change |           |                 | 2009 Request |              |                    | 2008 to 2009 Total Change |           |                 |
|---|--------------|--------------|--------------------|--------------------------|------------|-------------------|---------------------|-----------|-----------------|--------------|--------------|--------------------|---------------------------|-----------|-----------------|
|   | Pos.         | FTE          | Amount             | Pos.                     | FTE        | Amount            | Pos.                | FTE       | Amount          | Pos.         | FTE          | Amount             | Pos.                      | FTE       | Amount          |
| 1 Protection of persons and facilities                              | 3,514        | 3,514        | \$693,535          | ---                      | ---        | (\$11,267)        | 62                  | 32        | \$28,200        | 3,576        | 3,546        | \$710,468          | 62                        | 32        | \$16,933        |
| 2 National special security event fund                              | ---          | ---          | 1,000              | ---                      | ---        | ---               | ---                 | ---       | ---             | ---          | ---          | 1,000              | ---                       | ---       | ---             |
| 3 Presidential candidate nominee protection                         | 250          | 250          | 85,250             | (130)                    | (130)      | (44,168)          | ---                 | ---       | ---             | 120          | 120          | 41,082             | (130)                     | (130)     | (44,168)        |
| 4 Protective intelligence   | 476          | 476          | 57,704             | ---                      | ---        | 2,057             | ---                 | ---       | ---             | 476          | 476          | 59,761             | ---                       | ---       | 2,057           |
| 5 White House mail screening  | ---          | ---          | 16,201             | ---                      | ---        | ---               | ---                 | ---       | 20,500          | ---          | ---          | 36,701             | ---                       | ---       | 20,500          |
| 6 Headquarters, management and administration                       | 328          | 328          | 175,934            | ---                      | ---        | 6,170             | ---                 | ---       | ---             | 328          | 328          | 182,104            | ---                       | ---       | 6,170           |
| 7 Rowley training center  | 273          | 273          | 51,954             | ---                      | ---        | 1,235             | ---                 | ---       | ---             | 273          | 273          | 53,189             | ---                       | ---       | 1,235           |
| 8 Domestic field operations   | 1,480        | 1,480        | 219,742            | 117                      | 117        | 22,030            | ---                 | ---       | ---             | 1,597        | 1,597        | 241,772            | 117                       | 117       | 22,030          |
| 9 International field office administration operations and training | 70           | 70           | 27,520             | ---                      | ---        | 822               | ---                 | ---       | ---             | 70           | 70           | 28,342             | ---                       | ---       | 822             |
| 10 Electronic crimes special agent program                          |              |              |                    |                          |            |                   |                     |           |                 |              |              |                    |                           |           |                 |
| and electronic crimes task forces                                   | 289          | 289          | 44,565             | 13                       | 13         | 3,271             | ---                 | ---       | ---             | 302          | 302          | 47,836             | 13                        | 13        | 3,271           |
| 11 Forensic support and grants to NCMEC                             | 20           | 20           | 8,366              | ---                      | ---        | ---               | ---                 | ---       | ---             | 20           | 20           | 8,366              | ---                       | ---       | ---             |
| <b>Total</b>  | <b>6,700</b> | <b>6,700</b> | <b>\$1,381,771</b> | <b>---</b>               | <b>---</b> | <b>(\$19,850)</b> | <b>62</b>           | <b>32</b> | <b>\$48,700</b> | <b>6,762</b> | <b>6,732</b> | <b>\$1,410,621</b> | <b>62</b>                 | <b>32</b> | <b>\$28,850</b> |

### C. Summary of Requirements (Mandatory)

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses - Mandatory**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request  |     |                  |
|--|---------------|-----|------------------|
|  | Perm.<br>Pos. | FTE | Amount           |
| <b>FY 2007 Actual</b>  |               |     | <b>\$215,000</b> |
| <b>2008 Enacted</b>  |               |     | <b>\$210,000</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |               |     |                  |
| Transfers  |               |     |                  |
| Increases  |               |     | 15,000           |
| Decreases  |               |     |                  |
| <b>Total Adjustments-to-Base</b>   |               |     | <b>15,000</b>    |
| <b>2009 Current Services</b>   |               |     | <b>\$225,000</b> |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |               |     |                  |
| <b>2009 Total Request</b>  |               |     | <b>\$225,000</b> |
| 2008 to 2009 Total Change  |               |     | \$15,000         |

|  | 2008<br>Enacted |     |                  | 2009<br>Adjustments-to-Base |     |                 | 2009<br>Program Change |     |            | 2009<br>Request |     |                  | 2008 to 2009<br>Total Change |     |                 |
|--|-----------------|-----|------------------|-----------------------------|-----|-----------------|------------------------|-----|------------|-----------------|-----|------------------|------------------------------|-----|-----------------|
|  | Pos.            | FTE | Amount           | Pos.                        | FTE | Amount          | Pos.                   | FTE | Amount     | Pos.            | FTE | Amount           | Pos.                         | FTE | Amount          |
| <b>Estimates by Program/Project Activity</b> |                 |     |                  |                             |     |                 |                        |     |            |                 |     |                  |                              |     |                 |
| <b>Total</b>                                 |                 |     | <b>\$210,000</b> |                             |     | <b>\$15,000</b> |                        |     | <b>\$0</b> |                 |     | <b>\$225,000</b> |                              |     | <b>\$15,000</b> |

## D. Summary of Reimbursable Resources

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

|                                  | 2008 Estimate |     |                 | 2009 Estimate |     |                 | Increase/Decrease |     |        |
|----------------------------------|---------------|-----|-----------------|---------------|-----|-----------------|-------------------|-----|--------|
|                                  | Pos.          | FTE | Amount          | Pos.          | FTE | Amount          | Pos.              | FTE | Amount |
| <b>Collections by Source</b>     |               |     |                 |               |     |                 |                   |     |        |
| Air Force                        |               |     | \$200           |               |     | \$200           |                   |     |        |
| Army                             |               |     | 300             |               |     | 300             |                   |     |        |
| Navy (Group 1)                   |               |     | 25              |               |     | 25              |                   |     |        |
| Navy (Group 2)                   |               |     | 35              |               |     | 35              |                   |     |        |
| Department of Homeland Security  |               |     | 3,864           |               |     | 3,864           |                   |     |        |
| Department of Education          |               |     | 141             |               |     | 141             |                   |     |        |
| Department of State              |               |     | 674             |               |     | 674             |                   |     |        |
| Department of Treasury           |               |     | 17,244          |               |     | 17,244          |                   |     |        |
| <b>Total Budgetary Resources</b> |               |     | <b>\$22,483</b> |               |     | <b>\$22,483</b> |                   |     |        |

|   | 2008 Estimate |     |                 | 2009 Estimate |     |                 | Increase/Decrease |     |        |
|---|---------------|-----|-----------------|---------------|-----|-----------------|-------------------|-----|--------|
|   | Pos.          | FTE | Amount          | Pos.          | FTE | Amount          | Pos.              | FTE | Amount |
| <b>Obligations by Program/Project/Activity</b>                            |               |     |                 |               |     |                 |                   |     |        |
| <i>Protection</i>   |               |     |                 |               |     |                 |                   |     |        |
| Protection of persons and facilities                                      |               |     | \$2,701         |               |     | \$2,701         |                   |     |        |
| National special security event fund                                      |               |     |                 |               |     |                 |                   |     |        |
| Protective intelligence activities  |               |     |                 |               |     |                 |                   |     |        |
| White House mail screening  |               |     |                 |               |     |                 |                   |     |        |
| <i>Administration</i>   |               |     |                 |               |     |                 |                   |     |        |
| Headquarters, management and administration                               |               |     |                 |               |     |                 |                   |     |        |
| <i>Training</i>   |               |     |                 |               |     |                 |                   |     |        |
| Rowley training center  |               |     | 674             |               |     | 674             |                   |     |        |
| <i>Investigations</i>   |               |     |                 |               |     |                 |                   |     |        |
| Domestic field operations   |               |     | 15,244          |               |     | 15,244          |                   |     |        |
| International field office administration, operations and training        |               |     |                 |               |     |                 |                   |     |        |
| Electronic crimes special agent program and electronic crimes task forces |               |     | 3,864           |               |     | 3,864           |                   |     |        |
| Forensic support and grants to NCMEC                                      |               |     |                 |               |     |                 |                   |     |        |
| <b>Total Obligations</b>  |               |     | <b>\$22,483</b> |               |     | <b>\$22,483</b> |                   |     |        |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted    | 2009<br>Request    | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               |                   | \$538,503          | \$553,680          | \$15,177              |
| 11.3 Other than full-time permanent                   |                   | 4,299              | 4,455              | 156                   |
| 11.5 Other Personnel Compensation                     |                   | 133,157            | 135,969            | 2,812                 |
| 12.1 Benefits   |                   | 254,008            | 269,022            | 15,014                |
| <b>Total, Personnel Comp. &amp; Benefits</b>          |                   | <b>\$929,967</b>   | <b>\$963,126</b>   | <b>\$33,159</b>       |
| Other Object Classes:                                 |                   |                    |                    |                       |
| 21.0 Travel   |                   | 147,928            | 107,718            | (40,210)              |
| 22.0 Transportation of things                         |                   | 6,492              | 6,617              | 125                   |
| 23.1 GSA rent   |                   | 76,664             | 81,778             | 5,114                 |
| 23.2 Other rent                                       |                   | 1,563              | 1,357              | (206)                 |
| 23.3 Communications, utilities, & other misc. charges |                   | 26,644             | 26,935             | 291                   |
| 24.0 Printing and reproduction                        |                   | 865                | 652                | (213)                 |
| 25.2 Other services                                   |                   | 146,045            | 118,018            | (28,027)              |
| 26.0 Supplies and materials                           |                   | 20,736             | 20,051             | (685)                 |
| 31.0 Equipment  |                   | 46,007             | 63,028             | 17,021                |
| 32.0 Land & structures                                |                   | 15,341             | 15,241             | (100)                 |
| 41.0 Grants/Subsidies/Contributions                   |                   | 6,000              | 6,000              | -                     |
| 42.0 Insurance Claims and Indemnities                 |                   | 100                | 100                | -                     |
| 43.0 Interest & dividends                             |                   |                    |                    |                       |
| 92.0 Object of Revenue                                |                   |                    |                    |                       |
| <b>Total, Other Object Classes</b>                    |                   | <b>494,385</b>     | <b>447,495</b>     | <b>(46,890)</b>       |
| <b>Total, Direct Obligations</b>                      |                   | <b>\$1,424,352</b> | <b>\$1,410,621</b> | <b>(\$13,731)</b>     |
| Unobligated balance, start of year                    |                   | (42,581)           |                    |                       |
| Unobligated balance, end of year                      |                   |                    |                    |                       |
| Recoveries of prior year obligaton                    |                   |                    |                    |                       |
| <b>Total requirements</b>                             |                   | <b>\$1,381,771</b> | <b>\$1,410,621</b> | <b>\$28,850</b>       |

**E. Summary of Requirements by Object Class (Mandatory)**

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses - Mandatory**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               |                   |                  |                  |                       |
| 11.3 Other than full-time permanent                   |                   |                  |                  |                       |
| 11.5 Other Personnel Compensation                     |                   |                  |                  |                       |
| 12.1 Benefits   |                   | 210,000          | 225,000          | 15,000                |
| <b>Total, Personnel Comp. &amp; Benefits</b>          |                   | <b>\$210,000</b> | <b>\$225,000</b> | <b>\$15,000</b>       |
| Other Object Classes:                                 |                   |                  |                  |                       |
| 21.0 Travel   |                   |                  |                  |                       |
| 22.0 Transportation of things                         |                   |                  |                  |                       |
| 23.1 GSA rent   |                   |                  |                  |                       |
| 23.2 Other rent                                       |                   |                  |                  |                       |
| 23.3 Communications, utilities, & other misc. charges |                   |                  |                  |                       |
| 24.0 Printing and reproduction                        |                   |                  |                  |                       |
| 25.2 Other services                                   |                   |                  |                  |                       |
| 26.0 Supplies and materials                           |                   |                  |                  |                       |
| 31.0 Equipment  |                   |                  |                  |                       |
| 32.0 Land & structures                                |                   |                  |                  |                       |
| 41.0 Grants/Subsidies/Contributions                   |                   |                  |                  |                       |
| 42.0 Indemnity  |                   |                  |                  |                       |
| 43.0 Interest & dividends                             |                   |                  |                  |                       |
| 92.0 Object of Revenue                                |                   |                  |                  |                       |
| <b>Total, Other Object Classes</b>                    |                   |                  |                  |                       |
| <b>Total, Direct Obligations</b>                      |                   | <b>\$210,000</b> | <b>\$225,000</b> | <b>\$15,000</b>       |
| Unobligated balance, start of year                    |                   |                  |                  |                       |
| Unobligated balance, end of year                      |                   |                  |                  |                       |
| Recoveries of prior year obligaton                    |                   |                  |                  |                       |
| <b>Total requirements</b>                             |                   | <b>\$210,000</b> | <b>\$225,000</b> | <b>\$15,000</b>       |

## F. Permanent Positions by Grade

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009 Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|--------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.         | Total                  |
| Total, SES                       |                | 44              | 44           | -                      |
| Total, EX                        |                |                 |              |                        |
| GS-15                            |                | 191             | 191          | -                      |
| GS-14                            |                | 587             | 587          | -                      |
| GS-13                            |                | 2,250           | 2,250        | -                      |
| GS-12                            |                | 447             | 462          | 15                     |
| GS-11                            |                | 321             | 348          | 27                     |
| GS-10                            |                | 61              | 61           | -                      |
| GS-09                            |                | 465             | 485          | 20                     |
| GS-08                            |                | 252             | 252          | -                      |
| GS-07                            |                | 171             | 171          | -                      |
| GS-06                            |                | 33              | 33           | -                      |
| GS-05                            |                | 42              | 42           | -                      |
| GS-04                            |                | 59              | 59           | -                      |
| GS-03                            |                | 22              | 22           | -                      |
| GS-02                            |                | 12              | 12           | -                      |
| Other Graded Positions           |                |                 |              |                        |
| Ungraded Positions               |                | 1,743           | 1,743        | -                      |
| <b>Total Permanent Positions</b> |                | 6,700           | 6,762        | 62                     |
| Unfilled Positions EOY           |                |                 |              |                        |
| Total Perm. Employment EOY       |                | 6,700           | 6,762        | 62                     |
| <b>FTE</b>                       |                | 6,700           | 6,732        | 32                     |
| Headquarters                     |                | 4,592           | 4,642        | 27                     |
| U.S. Field                       |                | 2,026           | 2,038        | 35                     |
| Foreign Field                    |                | 82              | 82           | -                      |
| <b>Total Permanent Positions</b> |                | 6,700           | 6,762        | 62                     |
| <b>Average ES Salary</b>         |                | \$ 157,788      | \$ 162,521   | \$ 4,733               |
| <b>Average GS Salary</b>         |                | \$ 83,993       | \$ 86,513    | \$ 2,520               |
| <b>Average GS Grade</b>          |                | 11.80           | 11.79        | (0.01)                 |

**G. Capital Investment and Construction Initiative Listing**

*Not applicable*

## H. PPA Budget Justifications

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Protection of Persons and Facilities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Protection of Persons and Facilities</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                             |   |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                      |                        | \$372,593               | \$389,029               | \$16,436                       |
| 12.0   | Benefits                                    |                        | 143,236                 | 152,437                 | 9,201                          |
| 21.0   | Travel                                      |                        | 59,725                  | 59,454                  | (271)                          |
| 22.0   | Transportation of things                    |                        | 622                     | 756                     | 134                            |
| 23.1   | GSA rent                                    |                        | 32,060                  | 31,437                  | (623)                          |
| 23.3   | Communication, utilities, and misc. charges |                        | 10,186                  | 10,932                  | 746                            |
| 24.0   | Printing                                    |                        | 52                      | 68                      | 16                             |
| 25.0   | Other Services                              |                        | 35,796                  | 28,103                  | (7,693)                        |
| 26.0   | Supplies & materials                        |                        | 8,288                   | 8,552                   | 264                            |
| 31.0   | Equipment                                   |                        | 23,765                  | 22,631                  | (1,134)                        |
| 32.0   | Land & Structures                           |                        | 7,146                   | 7,003                   | (143)                          |
| 42.0   | Insurance Claims and Indemnities            |                        | 66                      | 66                      | ---                            |
| <b>Total, Protection of Persons and Facilities</b> |   | <b>\$0</b>             | <b>\$693,535</b>        | <b>\$710,468</b>        | <b>\$16,933</b>                |
| Full Time Equivalents                              |   |                        | 3,514                   | 3,546                   | 32                             |

### PPA Mission Statement

Protection of Persons and Facilities - Secure the physical safety of the President, Vice President, their families, and other individuals as designated by statute, and of facilities under Secret Service protection from all threats. Secure the physical safety of visiting heads of state/heads of government, and their spouses, and other distinguished visitors to the United States as directed by the President. Provide external security to foreign diplomatic embassies and missions in the Washington, DC area (and other limited areas, consistent with statute).

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following USSS strategic challenges: terrorists' sustained motivation to attack U.S. interests (including its leaders), and the increasing technological sophistication of the threat environment.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$515,829               | \$541,466               | \$25,637                       |

Salaries and benefits includes funding for 3,546 FTE, including an increase of \$6,944,000 for funding of 3rd year full-performance costs associated with 103 positions hired in FY 2007 for the President Bush Post-Presidency detail. The FY 2009 request also includes \$1,598,000 for 27 positions to be hired for enhanced protection for White House protectees, \$1,926,000 for 35 positions to be hired to complete staffing requirements for the President Bush Post-Presidency detail, and an increase of \$17,813,000 to cover increased payroll costs and (\$2,644,000) for management efficiencies.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$59,725                | \$59,454                | (\$271)                        |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$372,000 for enhanced protection for White House protectees, \$263,000 for the President Bush Post-Presidency detail, an increase of \$95,000 to cover expected cost increases and (\$1,001,000) for management efficiencies.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$622                   | \$756                   | \$134                          |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things. The FY 2009 request includes \$67,000 for enhanced protection for White House protectees and \$67,000 for the President Bush Post-Presidency detail.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$32,060                | \$31,437                | (\$623)                        |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$48,000 for enhanced protection for White House protectees, and \$40,000 for the President Bush Post-Presidency detail, an increase of \$802,000 to cover expected cost increases and (\$1,513,000) for management efficiencies.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$10,186                | \$10,932                | \$746                          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$880,000 needed to cover utility costs for the newly relocated Joint Operations Center (JOC), \$47,000 for enhanced protection for White House protectees, and \$56,000 for the President Bush Post-Presidency detail, an increase of \$26,000 to cover expected cost increases and (\$263,000) for management efficiencies.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$52                    | \$68                    | \$16                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities. The FY 2009 request includes an increase of \$10,000 for enhanced protection for White House protectees and \$11,000 for the President Bush Post-Presidency detail, an increase of \$1,000 to cover expected cost increases and (\$6,000) for management efficiencies.

|                       | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|---------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$35,796</b> | <b>\$28,103</b> | <b>(\$7,693)</b>    |

Other services include contractual services from federal and non-federal sources. The FY 2009 request includes an increase of \$560,000 needed to cover costs for the newly-relocated Joint Operations Center (JOC), a decrease of (\$13,118,000) for non-recurring costs relative to the relocated JOC, \$4,035,000 for protective terrorist countermeasures, \$1,435,000 for enhanced protection for White House protectees, \$994,000 for the President Bush Post-Presidency detail, an increase of \$122,000 to cover expected cost increases and (\$1,721,000) for management efficiencies.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$8,288</b> | <b>\$8,552</b> | <b>\$264</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$225,000 for protective terrorist countermeasures an increase, \$88,000 for enhanced protection for White House protectees, \$136,000 for the President Bush Post-Presidency detail and an increase of \$19,000 to cover expected cost increases and (\$204,000) for management efficiencies.

|                  | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|---------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$23,765</b> | <b>\$22,631</b> | <b>(\$1,134)</b>    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$560,000 needed to cover costs for the newly-relocated Joint Operations Center (JOC), a decrease of (\$15,678,000) for non-recurring costs relative to the JOC, \$12,740,000 for protective terrorist countermeasures, \$1,035,000 for enhanced protection for White House protectees, and \$1,007,000 for the President Bush Post-Presidency detail, an increase of \$21,000 to cover expected cost increases and (\$819,000) for management efficiencies.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$7,146</b> | <b>\$7,003</b> | <b>(\$143)</b>      |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract, an increase of \$16,000 to cover expected cost increases and (\$159,000) for management efficiencies.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Insurance Claims and Indemnities</b> | <b>\$0</b>    | <b>\$66</b>    | <b>\$66</b>    | <b>\$0</b>          |

Insurance claims and indemnities includes payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request includes \$1,000 to cover expected cost increases and (\$1,000) for management efficiencies.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**National Special Security Events**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: National Special Security Events</b>   |                        | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|------------------------|---------------|----------------|----------------|---------------------|
|  |                        | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                         |                        |               |                |                |                     |
| 11.0   | Personnel Compensation |               | \$300          | \$300          | ---                 |
| 21.0   | Travel                 |               | 700            | 700            | ---                 |
| <b>Total, National Special Security Events</b> |                        | <b>\$0</b>    | <b>\$1,000</b> | <b>\$1,000</b> | <b>\$0</b>          |
| Full Time Equivalents                          |                        |               |                |                |                     |

**PPA Mission Statement**

National Special Security Events - Plan and implement security designs for designated National Special Security Events (NSSEs). Ensure the physical protection of the President, the public, and other Secret Service protectees who participate in NSSEs.

Security at NSSEs is strategically crucial to homeland security in that NSSEs, by definition, involve persons, institutions, and landmarks that are integral to the governance of the nation, vital to national and/or global economic stability, or symbolically important to American citizens. The requested amount provides funding for the design, planning, and implementation of operational security plans for NSSEs.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$0</b>    | <b>\$300</b>   | <b>\$300</b>   | <b>\$0</b>          |

Salaries and benefits includes funding to cover overtime payments to provide security at National Special Security Events.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$0</b>    | <b>\$700</b>   | <b>\$700</b>   | <b>\$0</b>          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Presidential Candidate / Nominee Protection**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Presidential Candidate Nominee Prot.</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                           |  |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                             |                        | \$34,584                | \$16,895                | (\$17,689)                     |
| 12.0   | Benefits   |                        | 8,501                   | 4,053                   | (4,448)                        |
| 21.0   | Travel   |                        | 28,862                  | 11,587                  | (17,275)                       |
| 22.0   | Transportation of things                           |                        | 163                     | 160                     | (3)                            |
| 23.1   | GSA rent   |                        | 996                     | 22                      | (974)                          |
| 23.2   | Other rent   |                        | 659                     | 453                     | (206)                          |
| 23.3   | Communication, utilities, and misc. charges        |                        | 2,466                   | 1,778                   | (688)                          |
| 24.0   | Printing   |                        | 233                     | 9                       | (224)                          |
| 25.0   | Other Services                                     |                        | 8,402                   | 4,280                   | (4,122)                        |
| 26.0   | Supplies & materials                               |                        | 192                     | 26                      | (166)                          |
| 31.0   | Equipment  |                        | 92                      | 1,819                   | 1,727                          |
| 32.0   | Land & Structures                                  |                        | 100                     | ---                     | (100)                          |
|  | <b>Total, Presidential Candidate Nominee Prot.</b> | <b>\$0</b>             | <b>\$85,250</b>         | <b>\$41,082</b>         | <b>(\$44,168)</b>              |
|  | Full Time Equivalent                               |                        | 250                     | 120                     | (130)                          |

**PPA Mission Statement**

Presidential Candidate Nominee Protection - Secure the physical safety of Presidential and Vice Presidential nominees, candidates, and spouses.

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following USSS strategic challenges: terrorists' sustained motivation to attack U.S. interests (including its leaders), the increasing technological sophistication of the threat environment, and the unprecedented protective challenge presented by the 2008 Presidential Campaign.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$43,085                | \$20,948                | (\$22,137)                     |

Salaries and benefits includes funding for 120 FTE. The FY 2009 request includes a decrease of (\$5,887,000) for non-recurring costs relative to the 2008 Presidential Campaign, a resource shift of (\$14,625,000) and (117) FTE to domestic field operations, and a resource shift of (\$1,625,000) and (13) FTE to ECSAP/ECTF.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$28,862                | \$11,587                | (\$17,275)                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes a decrease of (\$17,275,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$163                   | \$160                   | (\$3)                          |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things. The FY 2009 request includes a decrease of (\$3,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$996                   | \$22                    | (\$974)                        |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes an decrease of (\$974,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                    | \$659                   | \$453                   | (\$206)                        |

Other rent includes all payments to a non-federal source for rental of space, land, and structures. The FY 2009 request includes a decrease of (\$206,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$2,466                 | \$1,778                 | (\$688)                        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a decrease of (\$688,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$233                   | \$9                     | (\$224)                        |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities. The FY 2009 request includes a decrease of (\$224,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$8,402</b> | <b>\$4,280</b> | <b>(\$4,122)</b>    |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes a decrease of (\$4,122,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$192</b>   | <b>\$26</b>    | <b>(\$166)</b>      |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes a decrease of (\$166,000) for non-recurring costs relative to the 2008 Presidential Campaign.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$92</b>    | <b>\$1,819</b> | <b>\$1,727</b>      |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$1,727,000 for funding relative to the 2009 Presidential Inauguration.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$100</b>   | <b>\$0</b>     | <b>(\$100)</b>      |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes a decrease of (\$100,000) for non-recurring costs relative to the 2008 Presidential Campaign.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Protective Intelligence Activities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Protective Intelligence Activities</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                         |  |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                           |                        | \$36,516                | \$37,579                | \$1,063                        |
| 12.0   | Benefits   |                        | 13,486                  | 14,104                  | 618                            |
| 21.0   | Travel   |                        | 277                     | 373                     | 96                             |
| 22.0   | Transportation of things                         |                        | 10                      | 10                      | ---                            |
| 23.1   | GSA rent   |                        | 6,187                   | 6,263                   | 76                             |
| 23.3   | Communication, utilities, and misc. charges      |                        | 218                     | 243                     | 25                             |
| 24.0   | Printing   |                        | 3                       | 4                       | 1                              |
| 25.0   | Other Services                                   |                        | 305                     | 427                     | 122                            |
| 26.0   | Supplies & materials                             |                        | 596                     | 616                     | 20                             |
| 31.0   | Equipment  |                        | 79                      | 100                     | 21                             |
| 32.0   | Land & Structures                                |                        | 27                      | 42                      | 15                             |
|  | <b>Total, Protective Intelligence Activities</b> | <b>\$0</b>             | <b>\$57,704</b>         | <b>\$59,761</b>         | <b>\$2,057</b>                 |
| Full Time Equivalents                          |  |                        | 476                     | 476                     | ---                            |

**PPA Mission Statement**

Protective Intelligence Activities - Investigate subjects (individuals and groups) and activities that pose threats to protectees and protected events.

The Secret Service analyzes threats, investigates threats, and conducts intelligence advances in order to minimize the risk of harm to protected persons, property, and events. The requested amount funds these activities in a strategic environment characterized by terrorists' sustained motivation to attack these targets, and by the increasingly technological sophistication of the threat environment.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$50,002                | \$51,683                | \$1,681                        |

Salaries and benefits includes funding for 476 FTE. The FY 2009 request includes an increase of \$1,681,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$277                   | \$373                   | \$96                           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$96,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$10                    | \$10                    | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$6,187                 | \$6,263                 | \$76                           |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$76,000 to cover expected cost increases.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$218                   | \$243                   | \$25                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$25,000 to cover expected cost increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$3                     | \$4                     | \$1                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes \$1,000 to cover expected cost increases.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$305</b>   | <b>\$427</b>   | <b>\$122</b>        |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$122,000 to cover expected cost increases.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$596</b>   | <b>\$616</b>   | <b>\$20</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$20,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$79</b>    | <b>\$100</b>   | <b>\$21</b>         |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$21,000 to cover expected cost increases.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$27</b>    | <b>\$42</b>    | <b>\$15</b>         |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes \$15,000 to cover expected cost increases.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**White House Mail Screening**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: White House Mail Screening</b>   |                | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|----------------|---------------|-----------------|-----------------|---------------------|
|  |                | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                   |                |               |                 |                 |                     |
| 23.1                                     | GSA rent       |               | ---             | \$6,000         | \$6,000             |
| 25.0                                     | Other Services |               | \$16,201        | 16,201          | ---                 |
| 31.0                                     | Equipment      |               | ---             | 14,500          | 14,500              |
| <b>Total, White House Mail Screening</b> |                | <b>\$0</b>    | <b>\$16,201</b> | <b>\$36,701</b> | <b>\$20,500</b>     |
| Full Time Equivalents                    |                |               |                 |                 |                     |

**PPA Mission Statement**

White House Mail Screening - Screen White House mail to ensure it is free of harmful toxins.

**Summary Justification and Explanation of Changes**

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2007 to 2008</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$6,000</b> | <b>\$6,000</b>      |

GSA Rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes a program increase of \$6,000,000 to cover the rental cost for the new White House mail facility.

|                       | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|---------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$16,201</b> | <b>\$16,201</b> | <b>\$0</b>          |

Other services include contractual services with federal and non-federal sources.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|---------------|----------------|-----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$14,500</b> | <b>\$14,500</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an increase of \$14,500,000 for costs relative to the purchase of White House mail facility equipment.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Headquarters, Management and Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Headquarters, Mgmt, &amp; Admin</b> |   | <b>2007</b>   | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---|---|---------------|------------------|------------------|---------------------|
|   |   | <b>Actual</b> | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Object Classes:</b>                      |   |               |                  |                  |                     |
| 11.0  | Personnel Compensation                      |               | \$45,718         | \$48,905         | \$3,187             |
| 12.0  | Benefits                                    |               | 14,685           | 16,540           | 1,855               |
| 21.0  | Travel                                      |               | 14,242           | 14,531           | 289                 |
| 22.0  | Transportation of things                    |               | 5,452            | 5,452            | ---                 |
| 23.1  | GSA rent                                    |               | 8,159            | 8,386            | 227                 |
| 23.3  | Communication, utilities, and misc. charges |               | 10,750           | 10,826           | 76                  |
| 24.0  | Printing                                    |               | 560              | 562              | 2                   |
| 25.0  | Other Services                              |               | 60,723           | 46,089           | (14,634)            |
| 26.0  | Supplies & materials                        |               | 4,770            | 4,829            | 59                  |
| 31.0  | Equipment                                   |               | 5,685            | 20,748           | 15,063              |
| 32.0  | Land & Structures                           |               | 5,156            | 5,202            | 46                  |
| 42.0  | Insurance Claims and Indemnities            |               | 34               | 34               | ---                 |
|   | <b>Total, Admin - HQ, Mgmt, and Admin</b>   | <b>\$0</b>    | <b>\$175,934</b> | <b>\$182,104</b> | <b>\$6,170</b>      |
| Full Time Equivalents                       |   |               | 328              | 328              | ---                 |

**PPA Mission Statement**

Headquarters, Management, and Administration - Plan, direct, and coordinate the administrative functions and programs of the Secret Service including the areas of budget, finance, logistics, procurement, management of property and facilities, administrative functions, and management and program analysis.

Requested funding provides headquarters support to the agency's protective and investigative missions in an environment of increased threat. In the strategic context of industry-wide law enforcement support ratios, the Secret Service is highly efficient.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$60,403                | \$65,445                | \$5,042                        |

Salaries and benefits includes funding for 328 FTE. The FY 2009 request includes an increase of \$5,042,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$14,242                | \$14,531                | \$289                          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$289,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$5,452                 | \$5,452                 | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$8,159                 | \$8,386                 | \$227                          |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$227,000 to cover expected cost increases.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$10,750                | \$10,826                | \$76                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$76,000 to cover expected cost increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$560                   | \$562                   | \$2                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes \$2,000 to cover expected cost increases.

|                       | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|---------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$60,723</b> | <b>\$46,089</b> | <b>(\$14,634)</b>   |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$366,000 to cover expected cost increases and (\$15,000,000) internal resource shift to the Equipment object class.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$4,770</b> | <b>\$4,829</b> | <b>\$59</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$59,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|---------------|----------------|-----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$5,685</b> | <b>\$20,748</b> | <b>\$15,063</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$63,000 to cover expected cost increases and a \$15,000,000 resource shift from the Other Services object class.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$5,156</b> | <b>\$5,202</b> | <b>\$46</b>         |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes \$46,000 to cover expected cost increases.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Insurance Claims and Indemnities</b> | <b>\$0</b>    | <b>\$34</b>    | <b>\$34</b>    | <b>\$0</b>          |

Insurance claims and indemnities includes payments for losses and claims including those under the Equal Access to Justice Act.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Rowley Training Center**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Rowley Training Center</b>   |   | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--------------------------------------|---|---------------|-----------------|-----------------|---------------------|
|                                      |   | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>               |   |               |                 |                 |                     |
| 11.0                                 | Personnel Compensation                      |               | \$28,477        | \$29,114        | \$637               |
| 12.0                                 | Benefits                                    |               | 9,750           | 10,122          | 372                 |
| 21.0                                 | Travel                                      |               | 6,609           | 6,667           | 58                  |
| 22.0                                 | Transportation of things                    |               | 54              | 54              | ---                 |
| 23.1                                 | GSA rent                                    |               | 1,103           | 1,148           | 45                  |
| 23.3                                 | Communication, utilities, and misc. charges |               | 866             | 882             | 16                  |
| 24.0                                 | Printing                                    |               | 2               | 2               | ---                 |
| 25.0                                 | Other Services                              |               | 2,867           | 2,940           | 73                  |
| 26.0                                 | Supplies & materials                        |               | 1,302           | 1,314           | 12                  |
| 31.0                                 | Equipment                                   |               | 899             | 912             | 13                  |
| 32.0                                 | Land & Structures                           |               | 25              | 34              | 9                   |
| <b>Total, Rowley Training Center</b> |   | <b>\$0</b>    | <b>\$51,954</b> | <b>\$53,189</b> | <b>\$1,235</b>      |
| Full Time Equivalents                |   |               | 273             | 273             | ---                 |

**PPA Mission Statement**

Rowley Training Center - Ensure Secret Service employees possess the skills and knowledge to successfully accomplish the protective and investigative missions. Assist employees in maximizing their potential and their ability to meet the challenges of the 21st century. Provide innovative training opportunities that emphasize risk management and the judgment skills needed to support the Service's mission.

Requested funding will ensure that the Secret Service's most important resource - its employees - have the knowledge and skills needed to meet the demands of the Service's protective and investigative missions. In a strategic context of heightened threat, the Service must ensure that its training outpaces the threat environment.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$38,227                | \$39,236                | \$1,009                        |

Salaries and benefits includes funding for 273 FTE. The FY 2009 request includes an increase of \$1,009,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$6,609                 | \$6,667                 | \$58                           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$58,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$54                    | \$54                    | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$1,103                 | \$1,148                 | \$45                           |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent- related services. The FY 2009 request includes \$45,000 to cover expected cost increases.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$866                   | \$882                   | \$16                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$16,000 to cover expected cost increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$2                     | \$2                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$2,867</b> | <b>\$2,940</b> | <b>\$73</b>         |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$73,000 to cover expected cost increases.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$1,302</b> | <b>\$1,314</b> | <b>\$12</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$12,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$899</b>   | <b>\$912</b>   | <b>\$13</b>         |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$13,000 to cover expected cost increases.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$25</b>    | <b>\$34</b>    | <b>\$9</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes \$9,000 to cover expected cost increases.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Domestic Field Operations**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Domestic Field Operations</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                  |   |                        |                         |                         |                                |
| 11.0                                    | Personnel Compensation                      |                        | \$121,081               | \$135,531               | \$14,450                       |
| 12.0                                    | Benefits                                    |                        | 48,250                  | 54,478                  | 6,228                          |
| 21.0                                    | Travel                                      |                        | 10,567                  | 10,914                  | 347                            |
| 22.0                                    | Transportation of things                    |                        | 42                      | 42                      | ---                            |
| 23.1                                    | GSA rent                                    |                        | 23,505                  | 23,777                  | 272                            |
| 23.3                                    | Communication, utilities, and misc. charges |                        | 230                     | 320                     | 90                             |
| 24.0                                    | Printing                                    |                        | 5                       | 7                       | 2                              |
| 25.0                                    | Other Services                              |                        | 8,016                   | 8,456                   | 440                            |
| 26.0                                    | Supplies & materials                        |                        | 3,610                   | 3,680                   | 70                             |
| 31.0                                    | Equipment                                   |                        | 1,971                   | 2,047                   | 76                             |
| 32.0                                    | Land & Structures                           |                        | 2,465                   | 2,520                   | 55                             |
| <b>Total, Domestic Field Operations</b> |   | <b>\$0</b>             | <b>\$219,742</b>        | <b>\$241,772</b>        | <b>\$22,030</b>                |
| Full Time Equivalents                   |   |                        | 1,480                   | 1,597                   | 117                            |

**PPA Mission Statement**

Domestic Field Operations - Investigate violations of laws relating to counterfeiting of obligations and securities of the United States; investigate financial crimes that include, but are not limited to, financial institution fraud, identity theft, access device fraud, and money laundering.

Domestic field resources are focused on achieving DHS' strategic objective of economic security. The requested amount funds field offices nationwide in a strategic context of: the spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, and the increasing criminal exploitation of those technologies.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$169,331               | \$190,009               | \$20,678                       |

Salaries and benefits includes funding for 1,597 FTE. The FY 2009 request includes a resource shift of \$14,625,000 and 117 FTE from Presidential Candidate/Nominee Protection for the 2008 Presidential Campaign and an increase of \$6,053,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$10,567                | \$10,914                | \$347                          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$347,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$42                    | \$42                    | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$23,505                | \$23,777                | \$272                          |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$272,000 to cover expected cost increases.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$230                   | \$320                   | \$90                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$90,000 to cover expected cost increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$5                     | \$7                     | \$2                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes \$2,000 to cover expected cost increases.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$0           | \$8,016        | \$8,456        | \$440               |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$440,000 to cover expected cost increases.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | \$0           | \$3,610        | \$3,680        | \$70                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$70,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$0           | \$1,971        | \$2,047        | \$76                |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$76,000 to cover expected cost increases.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | \$0           | \$2,465        | \$2,520        | \$55                |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes \$55,000 to cover expected cost increases.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**International Field Office Administration and Operations**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Int'l Field Office Admin. and Operations</b>  |   | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|---|---------------|-----------------|-----------------|---------------------|
|   |   | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                                |   |               |                 |                 |                     |
| 11.0  | Personnel Compensation                      |               | \$6,612         | \$7,037         | \$425               |
| 12.0  | Benefits                                    |               | 4,657           | 4,904           | 247                 |
| 21.0  | Travel                                      |               | 2,299           | 2,338           | 39                  |
| 22.0  | Transportation of things                    |               | 51              | 51              | ---                 |
| 23.1  | GSA rent                                    |               | 158             | 188             | 30                  |
| 23.2  | Other rent                                  |               | 904             | 904             | ---                 |
| 23.3  | Communication, utilities, and misc. charges |               | 1,838           | 1,848           | 10                  |
| 25.0  | Other Services                              |               | 10,620          | 10,669          | 49                  |
| 26.0  | Supplies & materials                        |               | 190             | 198             | 8                   |
| 31.0  | Equipment                                   |               | 48              | 56              | 8                   |
| 32.0  | Land & Structures                           |               | 143             | 149             | 6                   |
| <b>Total, Int'l Field Office Admin. and Operation</b> |   | <b>\$0</b>    | <b>\$27,520</b> | <b>\$28,342</b> | <b>\$822</b>        |
| Full Time Equivalents                                 |   |               | 70              | 70              | ---                 |

**PPA Mission Statement**

International Field Administration and Operations - Provide a comprehensive, internationally-coordinated response to threats to the integrity of U.S. currency and other transnational crimes.

International field resources are focused on achieving DHS' strategic objective of economic security (e.g., combating foreign counterfeiting of U.S. currency). The requested amount funds field offices in 15 countries in a strategic context of: the worldwide spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, the increasing criminal exploitation of those technologies, and dollarization (when a foreign country replaces its national currency with the U.S. dollar).

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$11,269                | \$11,941                | \$672                          |

Salaries and benefits includes funding for 70 FTE. The FY 2009 request includes an increase of \$672,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$2,299                 | \$2,338                 | \$39                           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$39,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$51                    | \$51                    | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$158                   | \$188                   | \$30                           |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$30,000 to cover expected cost increases.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                    | \$904                   | \$904                   | \$0                            |

Other rent includes all payments to a non-federal source for rental of space, land, and structures.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$1,838                 | \$1,848                 | \$10                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$10,000 to cover expected cost increases.

|                       | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|---------------|-----------------|-----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$10,620</b> | <b>\$10,669</b> | <b>\$49</b>         |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$49,000 to cover expected cost increases.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$190</b>   | <b>\$198</b>   | <b>\$8</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$8,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$48</b>    | <b>\$56</b>    | <b>\$8</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$8,000 to cover expected cost increases.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$143</b>   | <b>\$149</b>   | <b>\$6</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes \$6,000 to cover expected cost increases.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Electronic Crimes Special Agent Program/Electronic Crimes Task Forces**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: ECSAP/ECTF</b> |   | <b>2007</b>   | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------------|---|---------------|-----------------|-----------------|---------------------|
|                        |   | <b>Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b> |   |               |                 |                 |                     |
| 11.0                   | Personnel Compensation                      |               | \$26,384        | \$28,414        | \$2,030             |
| 12.0                   | Benefits                                    |               | 10,667          | 11,607          | 940                 |
| 21.0                   | Travel                                      |               | 1,077           | 1,154           | 77                  |
| 22.0                   | Transportation of things                    |               | 89              | 89              | ---                 |
| 23.1                   | GSA rent                                    |               | 4,496           | 4,557           | 61                  |
| 23.3                   | Communication, utilities, and misc. charges |               | 86              | 106             | 20                  |
| 25.0                   | Other Services                              |               | 728             | 826             | 98                  |
| 26.0                   | Supplies & materials                        |               | 759             | 792             | 33                  |
| 32.0                   | Land & Structures                           |               | 279             | 291             | 12                  |
|                        | <b>Total, ECSAP/ECTF</b>                    | <b>\$0</b>    | <b>\$44,565</b> | <b>\$47,836</b> | <b>\$3,271</b>      |
| Full Time Equivalents  |   |               | 289             | 302             | 13                  |

**PPA Mission Statement**

Electronic Crimes Special Agent Program (ECSAP) and Electronic Crimes Task Forces (ECTF) - Through the ECSAP, train special agents to detect network intrusions and conduct examinations on all types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, scanners, and other electronic equipment. Through the ECTF, form partnerships with private industry, academia, other federal law enforcement, and state and local law enforcement to prevent, detect, mitigate, and aggressively investigate attacks on our nation's financial infrastructures.

The ECSAP and ECTF's combat those who seek to defraud financial institutions, private industry, or individuals through electronic or digital media. The requested amount funds these entities in a strategic environment characterized by a rise in electronic financial transactions and associated criminal activity.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$37,051                | \$40,021                | \$2,970                        |

Salaries and benefits includes funding for 302 FTE. The FY 2009 request includes a resource shift of \$1,625,000 and 13 FTE from Presidential Candidate/Nominee Protection for the 2008 Presidential Campaign, and an increase of \$1,345,000 to cover increased payroll costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$1,077                 | \$1,154                 | \$77                           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes \$77,000 to cover expected cost increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                    | \$89                    | \$89                    | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$0                    | \$4,496                 | \$4,557                 | \$61                           |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services. The FY 2009 request includes \$61,000 to cover expected cost increases.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                    | \$0                     | \$0                     | \$0                            |

Other rent includes all payments to a non-federal source for rental of space, land, and structures.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$0                    | \$86                    | \$106                   | \$20                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes \$20,000 to cover expected cost increases.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$0</b>    | <b>\$728</b>   | <b>\$826</b>   | <b>\$98</b>         |

Other services include contractual services with federal and non-federal sources. The FY 2009 request includes \$98,000 to cover expected cost increases.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$0</b>    | <b>\$759</b>   | <b>\$792</b>   | <b>\$33</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above. The FY 2009 request includes \$33,000 to cover expected cost increases.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$0</b>    | <b>\$279</b>   | <b>\$291</b>   | <b>\$12</b>         |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract. The FY 2009 request includes \$12,000 to cover expected cost increases.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Forensic Support and Grants to National Center for Missing and**  
**Exploited Children (NCMEC)**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Forensic Support and Grants to NCMEC</b>   |                                | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--------------------------------|---------------|----------------|----------------|---------------------|
|  |                                | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                             |                                |               |                |                |                     |
| 11.0   | Personnel Compensation         |               | \$1,300        | \$1,300        | \$0                 |
| 12.0   | Benefits                       |               | 777            | 777            | ---                 |
| 22.0   | Transportation of things       |               | 3              | 3              | ---                 |
| 25.0   | Other Services                 |               | 27             | 27             | ---                 |
| 26.0   | Supplies & materials           |               | 44             | 44             | ---                 |
| 31.0   | Equipment                      |               | 215            | 215            | ---                 |
| 41.0   | Grants/Subsidies/Contributions |               | 6,000          | 6,000          | ---                 |
| <b>Total, Forensic Support and Grants to NCMEC</b> |                                | <b>\$0</b>    | <b>\$8,366</b> | <b>\$8,366</b> | <b>\$0</b>          |
| Full Time Equivalents                              |                                |               | 20             | 20             | ---                 |

**PPA Mission Statement**

National Center for Missing and Exploited Children (NCMEC) - Language contained in the Violent Crime Reduction Trust Fund legislation in 1995 directed the U.S. Secret Service to provide forensic support to the National Center for Missing and Exploited Children. Since that time, forensic support has included polygraph examinations, handwriting examinations, voiceprint comparisons, audio and video enhancements, age progressions/regressions, and fingerprint research and identification.

Requested funding provides state of the art forensics support for investigations involving missing and exploited children and grant funds to the National Center for Missing and Exploited Children. In a strategic context characterized by predators determined to abuse the nation's children, the Secret Service's technologies provide critical support to associated investigations.

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
**Forensic Support and Grants to National Center for Missing and**  
**Exploited Children (NCMEC)**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Forensic Support and Grants to NCMEC</b>   |                                | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--------------------------------|---------------|----------------|----------------|---------------------|
|  |                                | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                             |                                |               |                |                |                     |
| 11.0   | Personnel Compensation         |               | \$1,300        | \$1,300        | \$0                 |
| 12.0   | Benefits                       |               | 777            | 777            | ---                 |
| 22.0   | Transportation of things       |               | 3              | 3              | ---                 |
| 25.0   | Other Services                 |               | 27             | 27             | ---                 |
| 26.0   | Supplies & materials           |               | 44             | 44             | ---                 |
| 31.0   | Equipment                      |               | 215            | 215            | ---                 |
| 41.0   | Grants/Subsidies/Contributions |               | 6,000          | 6,000          | ---                 |
| <b>Total, Forensic Support and Grants to NCMEC</b> |                                | <b>\$0</b>    | <b>\$8,366</b> | <b>\$8,366</b> | <b>\$0</b>          |
| Full Time Equivalents                              |                                |               | 20             | 20             | ---                 |

**PPA Mission Statement**

National Center for Missing and Exploited Children (NCMEC) - Language contained in the Violent Crime Reduction Trust Fund legislation in 1995 directed the U.S. Secret Service to provide forensic support to the National Center for Missing and Exploited Children. Since that time, forensic support has included polygraph examinations, handwriting examinations, voiceprint comparisons, audio and video enhancements, age progressions/regressions, and fingerprint research and identification.

Requested funding provides state of the art forensics support for investigations involving missing and exploited children and grant funds to the National Center for Missing and Exploited Children. In a strategic context characterized by predators determined to abuse the nation's children, the Secret Service's technologies provide critical support to associated investigations.

## I. Changes in FTE

**Department of Homeland Security**  
**United States Secret Service**  
**Salaries and Expenses**  
Changes In Full-Time Equivalents

|   | FY 2007 | FY 2008      | FY 2009      |
|---|---------|--------------|--------------|
| <b>BASE: Year-end Actual from Prior Year</b>  |         | <b>6,649</b> | <b>6,700</b> |
| <b>INCREASES</b>  |         |              |              |
| <b>Increase #1:</b> Annualize Bush Detail   |         | 51           |              |
| <b>Description:</b> Annualization for protective positions hired in FY 2007   |         |              |              |
| <b>Increase #2:</b> Former President George W. Bush Detail  |         |              | 18           |
| <b>Description:</b> Recruit, hire, and train additional staff for the protection of Former President George W. Bush |         |              |              |
| <b>Increase #3</b> Enhance protection services for White House protectees   |         |              | 14           |
| <b>Description:</b> Recruit, hire, and train additional staff for enhanced protection of White House protectees     |         |              |              |
| <b>Subtotal, Increases</b>  |         | <b>51</b>    | <b>32</b>    |
| <b>DECREASES</b>  |         |              |              |
| <b>Subtotal, Decreases</b>  |         |              |              |
| <b>Year-end Enacted/ Estimated FTEs</b>   |         | <b>6,700</b> | <b>6,732</b> |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b>   |         | 51           | 32           |

## J. Working Capital Fund by PPA

**Department of Homeland Security  
United States Secret Service  
Salaries and Expenses**

FY 2009 Schedule of Working Capital Fund by Program/Project/Activity  
(Dollars in Thousands)

| Program/Project/Activity  | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase / Decrease for<br>FY 2009 |
|---|------------------------|------------------------|------------------------------------|
|   | AMOUNT                 | AMOUNT                 | AMOUNT                             |
| Protection of persons and facilities                                      | \$2,042                | \$2,347                | \$305                              |
| Protective intelligence activities  | 92                     | 152                    | 60                                 |
| White House mail screening  | 62                     | 75                     | 13                                 |
| Headquarters, management and administration                               | 2,306                  | 1,911                  | (395)                              |
| Rowley training center  | 310                    | 411                    | 101                                |
| Domestic field operations   | 492                    | 698                    | 206                                |
| International field office administration, operations and training        | 62                     | 76                     | 14                                 |
| Electronic crimes special agent program and electronic crimes task forces | 92                     | 152                    | 60                                 |
| Forensic support and grants to NCMEC                                      | 31                     | 38                     | 7                                  |
| <b>Total Working Capital Fund</b>   | <b>\$5,489</b>         | <b>\$5,860</b>         | <b>\$371</b>                       |

# Department of Homeland Security

*United States Secret Service*

*Protection, Administration, and Training*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## UNITED STATES SECRET SERVICE PROTECTION, ADMINISTRATION, AND TRAINING

### I. Appropriation Overview

#### **A. Mission Statement for Protection, Administration, and Training**

The United States Secret Service protects the President and Vice President, their families, visiting heads-of-state/government, and other designated individuals, such as the Secretary of Homeland Security; protects the White House, Vice President's Residence, Foreign Missions and other designated buildings within the Washington, D.C. area; and designs, coordinates, and implements operational security plans for designated National Special Security Events.

#### **B. Budget Activities**

##### Protection, Administration, and Training – Protection

**Protection of Persons and Facilities** - The primary purpose of the Secret Service's domestic protection activity is to protect our nation's leaders. To accomplish this, this program operates to ensure protectees' personal protection, and to protect the buildings and grounds where these individuals reside and work (e.g., the White House Complex and the Vice President's residence). Since the September 11, 2001 attacks, there has been a significant increase in the number of protectees receiving varying levels of protection from the Secret Service. In FY 2007, the Service provided protection to 55 protectees pursuant to Title 18 USC 3056 and Presidential Directive. The Secretary and Deputy Secretary of the Department of Homeland Security have been added as protectees, while maintaining the detail for the Secretary of the Treasury, on a reimbursable basis. The Service estimates that 6,999,200 hours for protection of persons and facilities were worked in FY 2007.

Part of the protection of persons and facilities program is the protection of foreign heads-of-state/government visiting the United States. Foreign dignitary protection includes: 1) protection for visiting heads-of-state/government, and their spouses, as well as other distinguished visitors to the U.S. as directed by the President; and 2) external security for foreign diplomatic embassies and missions in the Washington, D.C. area (and other limited areas consistent with statute). The Secret Service provides protection to these individuals and foreign missions by strategically placing human and physical assets (agents, tactical support, technical security, explosives detection, weapons-of-mass destruction detection and countermeasures, and specialized training) at these foreign missions and during dignitary visits to the United States. All efforts are directed to ensuring that foreign dignitaries and foreign missions receive the optimal level of protection.

The foreign dignitaries who visit the U.S. often are high-profile individuals and are deemed to have medium to high threat levels. Today's environment necessitates the implementation of complex security operations that involve multiple jurisdictions and functions.

The Service has the sole statutory authority to provide a dedicated police presence and response to foreign embassies, chanceries and residences. When a “surge” in protective responsibilities in this area occurs, the Secret Service turns to other entities (i.e., Metropolitan Police Department) for assistance in dealing with such issues as demonstration control. Currently, the Secret Service protects 590 missions located in the Washington, D.C. area.

**Protective Intelligence Activities** - The Service’s protective intelligence program is responsible for overseeing the investigation and evaluation of all protective intelligence subjects and for the receipt, analysis, and dissemination of all protective intelligence information. This mission is accomplished by the review, coordination, control and referral of information about individuals, groups and activities that pose a potential threat to persons and property protected by the Secret Service.

**National Special Security Events (NSSEs)** - By statute and Presidential Decision Directive-62 (PDD-62), the Secret Service is designated as the lead agency for designing, coordinating, and implementing operational security plans for NSSEs. As with campaign events, special agents coordinate with the military and Federal, state, county, local, and international law enforcement organizations to ensure the success of NSSE security operations.

The Secret Service plans and implements security designs for designated National Special Security Events (NSSEs) to ensure the physical protection of the President, the public and other Secret Service protectees who participate in NSSEs.

The events of September 11<sup>th</sup>, 2001 demonstrated that our adversaries are capable of attacking our nation on a grand scale and employing extensive research and surveillance methodologies, acquiring substantial skills and instruction, and striking their targets without warning. Funding to protect our leaders and communities is critical.

**Presidential Candidate/Nominee Protection** – The Secret Service provides protection to major Presidential and Vice Presidential candidates. It also provides protection to their spouses within 120 days of a Presidential election. In FY 2007, candidate/nominee protection began earlier than for any previous presidential campaign for the Secret Service. Protective details are activated only after established criteria are met. Campaign protection is a mandatory workload increase, and funding is needed for these Presidential campaigns three out of every four fiscal years. The Service has no base budget funding for this activity. All campaign funding is non-recurred from the base budget following a presidential campaign and inauguration.

**White House Mail Screening** - The Secret Service screens White House mail to ensure it is free of harmful toxins.

Due to discoveries of anthrax being mailed in letters to political leaders, as well as to members of the press, the Secret Service initiated a program to provide additional screening for mail destined for the White House Complex. This program is indicative of the close partnership the Service maintains with the White House regarding the implementation of security measures. Mail is now being delivered to a facility where it is put through a series of tests and is analyzed to ascertain if any chemical, biological, radiological contamination or explosive material is present.

### Protection, Administration, and Training – Administration

**Headquarters, Management and Administration:** The Headquarters, Management and Administration program develops and administers Secret Service-wide policies, plans, and procedures in budget, finance, accounting, financial systems, statements, and relocation and travel services. It exercises accountability over the collection and disposition of the Secret Service's financial resources and examines and processes documents for payment of contracts, purchase orders, invoices and recurring expenses, including reservations and payments for travel and relocation services. Administration also provides management and program analysis support to all operational and administrative programs involving studies of organizational structuring, workflow efficiencies, and staffing allocations. It maintains organization charts and functional responsibility statements for all Secret Service offices. In addition, it establishes, develops, implements, and manages the strategic planning process for the Secret Service and coordinates Secret Service participation in all Homeland Security and government-wide management improvement and evaluation programs. These tasks serve to assist the Service's leadership in formulating the vision and direction of the Secret Service.

This program also purchases goods via procurement services within the scope of the law and regulations and provides value-added procurement solutions to ensure that government assets and resources are wisely managed.

The program promotes fairness, consistency, and efficiency in the utilization of staffing, scheduling, and travel logistics through the Logistics Resource Center. It analyzes staffing needs and travel logistics alternatives to provide for more informed decision-making by balancing cost considerations with operational needs.

The Administrative Operations Division (AOD) plans, develops, and administers policies and procedures, and performs related activities for a variety of real and personal property management areas in support of the United States Secret Service Headquarters and field elements. AOD functions include space and facilities management, personal property and supply management, vehicle fleet management, mail distribution and screening and printing management. AOD acts as the single acquisition agent between the USSS and the General Services Administration (GSA) and the Department of State for the acquisition, construction and renovation of USSS owned or leased real property.

In addition, AOD organizes and coordinates facilities and property management support activities in support of the Secret Service's protective activities and designated National Special Security Events (NSSSEs); manages and coordinates administrative operations and services functions related to the planning, preparation, establishment, and deactivation of permanent and temporary protective sites; plans, develops, and administers policies and procedures for environmental management, energy conservation and other related programs for the USSS and provides building maintenance management and general repairs and limited labor services support to all Headquarters offices.

### Protection, Administration, and Training – Training

**Rowley Training Center:** This program encompasses approximately 270 personnel at the Service's James J. Rowley Training Center (JJRTC), including: instructors, tactical and weapons

systems specialists, curricula design staff, computer and web-based faculty/technicians, executive training advisors, administrative support, and maintenance staff. The Service has a separate appropriation, the Acquisition, Construction, Improvements and Related Expenses account which is used to maintain the facility.

The Service's current Strategic Plan provides the following primary objectives with regard to future mission-driven training protocols:

- Enhance JJRTC to provide an academic environment that promotes in-depth critical thinking and innovative strategies in the areas of physical protection, site event security, threat/risk assessments, protection intelligence/counterterrorism techniques, emergency preparedness, criminal investigations, protection of critical financial infrastructure, and executive/management development.
- Maximize training opportunities by using emerging technologies, such as 3-D modeling, computer-generated simulation training, and distance learning.
- Develop and implement training programs consistent with the Secret Service's core mission for Federal, state, local, and foreign law enforcement partners in the areas of electronic crimes, counterterrorism/protection, cyber/counterfeit investigations, threat/risk assessment, and operational security for National Special Security Events.
- Establish partnerships with academic institutions and professional associations to assess, confirm, and ensure innovative training methodologies.

The JJRTC supports both the protection and criminal investigation missions, the two critical homeland security missions mandated for the Secret Service.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
 Summary of FY 2009 Budget Estimates by Program/Project/Activity  
 (Dollars in Thousands)

| Program/Project/Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |        | FY 2009<br>Request |        | Increase (+) or Decrease (-) For FY 2009 |        |                 |        |                     |        |
|--|-------------------|------------------|--------------------|--------|--------------------|--------|--|--------|-----------------|--------|---------------------|--------|
|  |                   |                  |                    |        |                    |        | Total Changes                            |        | Program Changes |        | Adjustments-to-Base |        |
|  | FTE               | AMOUNT           | FTE                | AMOUNT | FTE                | AMOUNT | FTE                                      | AMOUNT | FTE             | AMOUNT | FTE                 | AMOUNT |
| Protection of persons and facilities                         | 3,365             | \$651,804        |                    |        |                    |        |  |        |                 |        |                     |        |
| National special security events                             |                   | 317              |                    |        |                    |        |  |        |                 |        |                     |        |
| Presidential candidate nominee protection                    | 50                | 11,696           |                    |        |                    |        |  |        |                 |        |                     |        |
| Protective intelligence activities                           | 503               | 58,432           |                    |        |                    |        |  |        |                 |        |                     |        |
| White House mail screening                                   |                   | 30,440           |                    |        |                    |        |  |        |                 |        |                     |        |
| Subtotal, Protection   | 3,918             | \$752,689        |                    |        |                    |        |  |        |                 |        |                     |        |
| Headquarters, management and administration                  | 346               | 150,325          |                    |        |                    |        |  |        |                 |        |                     |        |
| Rowley training center                                       | 266               | 55,628           |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>4,530</b>      | <b>\$958,642</b> |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   | 3,137            |                    |        |                    |        |  |        |                 |        |                     |        |
|  |                   |                  |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>4,530</b>      | <b>\$961,779</b> |                    |        |                    |        |  |        |                 |        |                     |        |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**Program Performance Justification**  
(Dollars in thousands)

#### PROTECTION

|                    | Perm<br>Pos. | FTE          | Amount           |
|--------------------|--------------|--------------|------------------|
| <b>2007 Actual</b> | <b>4,064</b> | <b>3,918</b> | <b>\$752,689</b> |

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Service is authorized by law to protect:

- 1) the President, the Vice President, (or other individuals next in order of succession to the Office of the President), the President-elect and Vice President-elect;
- 2) the immediate families of the above individuals;
- 3) former Presidents and their spouses for their lifetimes, except when the spouse remarries; (In 1997, legislation was passed limiting Secret Service protection to former Presidents for a period of not more than 10 years from the date the former President leaves office and applies to all former Presidents after President Clinton.)
- 4) children of former presidents until age 16;
- 5) visiting heads-of-state/government and their spouses traveling with them, other distinguished foreign visitors to the United States, and official representatives of the United States performing special missions abroad; and
- 6) major Presidential and Vice Presidential candidates. Protection is also provided for their spouses within 120 days of a general Presidential election.

Certain Secret Service protective methods are generally the same for all individuals protected. Permanent protectees, such as the President and the First Lady, have details of special agents assigned to them, with field agents providing support, as needed, for these details. Temporary protectees, such as candidates and foreign dignitaries, have details of special agents on temporary assignment from Secret Service field offices. The Secret Service does not discuss methods or means in any detail; however, generally speaking, an advance team surveys each site to be visited. From these surveys, the team members determine staffing, equipment requirements, and the location of hospitals and evacuation routes for emergencies. Fire, rescue, and other public service personnel in the community are alerted. A command post is established with full communications facilities. The assistance of the military, Federal, state, county, and local law enforcement organizations is a vital part of the entire security operation.

Before the protectee's arrival, the lead advance agent coordinates the security planning with all law enforcement representatives participating in the visit. Personnel are posted and are alerted to specific problems associated with the visit. Intelligence information is discussed, identification specified, and emergency options outlined. Prior to the arrival of the protectee, checkpoints are established and access to the secured area is limited.

**PPA: Protection of Persons and Facilities**

|                    | Perm         |              |                  |
|--------------------|--------------|--------------|------------------|
|                    | Pos.         | FTE          | Amount           |
| <b>2007 Actual</b> | <b>3,514</b> | <b>3,365</b> | <b>\$651,804</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service secures the physical safety of the President, Vice President, their families, and other individuals as designated by statute, and of facilities under Secret Service protection from all threats. The Service also provides for the physical safety of visiting heads of state/heads of government, and their spouses, and other distinguished visitors to the United States as directed by the President. In addition, the Service provides external security to foreign diplomatic embassies and missions in the Washington, DC area (and other limited areas, consistent with statute).

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following strategic challenges facing the Service: terrorists' sustained motivation to attack U.S. interests (including its leaders) and the increasing technological sophistication of the threat environment.

**Uniformed Division**

The U.S. Secret Service Uniformed Division began as the White House Police, which was originally created as a separate and distinct organization by Public Law 67-300, approved September 14, 1922. The White House Police came under the direct supervision of the U.S. Secret Service in 1930. The original mandate of the White House Police, incorporated in Title 3 of the U.S. Code, involved duties in connection with the protection of the Executive Mansion and grounds in the District of Columbia; any building in which White House offices are located; and the President and members of his immediate family.

The members of the Uniformed Division assigned to the White House Branch perform many functions that thrust them into the public light. These officers process thousands of staff members, other workers, members of the press and those individuals with appointments into the White House Complex on a daily basis. Officers assigned to this Branch provide protection to the White House Complex through the effective use of fixed posts, foot beats, bicycle patrols and police cruisers. Technicians assigned to the Counter Sniper Unit, Canine Unit and the Emergency Response Team also provide their expertise to our mission on a daily basis in and

around the White House Complex. The Special Operations Section of the Uniformed Division is an additional unit responsible for tours of the White House Mansion and for the coordination of special events such as the Easter Egg Roll, Presidential Receptions, and Inaugural events. The White House Vehicle Inspection Team and the Counter Surveillance Unit also help augment the Uniformed Division's goal of providing a safe and protected environment.

The Uniformed Division provides a safe and secure environment for the President of the United States, his immediate family, the Vice President, their staff members and the myriad other White House employees that work there each day. In addition to these responsibilities, personnel assigned to the White House Branch perform similar functions at the Treasury Building, the New Executive Office Building, the Eisenhower Executive Office Building and other locations which house Presidential Offices. In addition to the White House Branch, other publicly visible components of the Uniformed Division are the Naval Observatory Branch and the Foreign Missions Branch.

**PPA: Protective Intelligence Activities**

|                    | Perm        |            |                 |
|--------------------|-------------|------------|-----------------|
|                    | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
| <b>2007 Actual</b> | <b>476</b>  | <b>503</b> | <b>\$58,432</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Subjects (individuals and groups) and activities that pose threats to protectees and protected events are investigated. The Secret Service analyzes threats, investigates threats, and conducts intelligence advances in order to minimize the risk of harm to protected persons, property, and events. The requested amount funds these activities in a strategic environment characterized by terrorists' sustained motivation to attack these targets, and by the increasingly technological sophistication of the threat environment.

**PPA: National Special Security Events**

|                    | Perm        |            |               |
|--------------------|-------------|------------|---------------|
|                    | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
| <b>2007 Actual</b> |             |            | <b>\$317</b>  |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service plans and implements security designs for designated National Special Security Events (NSSEs). In addition, the Secret Service ensures the physical protection of the President, the public, and other Service protectees who participate in NSSEs.

Security at NSSEs is strategically crucial to homeland security in that NSSEs, by definition, involve persons, institutions, and landmarks that are integral to the governance of the nation, vital to national and/or global economic stability, or symbolically important to American citizens. The requested amount provides funding for the design, planning, and implementation of operational security plans for NSSEs.

**PPA: Presidential Candidate Nominee Protection**

|                    | Perm<br>Pos. | FTE       | Amount          |
|--------------------|--------------|-----------|-----------------|
| <b>2007 Actual</b> | <b>74</b>    | <b>50</b> | <b>\$11,696</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The 2004 Presidential Campaign and the 2005 Presidential Inauguration were the first such protective events conducted in the post-9/11 environment. Campaign protection successfully concluded following the election, with protection being provided at 884 different stops. The inauguration took place with integrated multi-agency security protocols in place that afforded the optimal level of protection for Secret Service protectees, invited guests, and the general public.

With President Bush completing his final term and Vice President Cheney indicating that he will not be a candidate for President in 2008, the Secret Service will face an unprecedented situation relative to candidate/nominee protection. There will not be a prospective presidential candidate as a sitting president or vice president under the Secret Service’s protection and, as a result, a greater number of candidates/nominees will require protection under the statute. During presidential campaigns, the protective workload increases to provide protection for the designated candidates/nominees

Planning for the 2008 Presidential Campaign is ongoing. In FY 2007, equipment required for the protective details was purchased, the Secret Service began to project required staffing levels and candidate/nominee protection began for the 2008 Presidential Campaign.

Secret Service personnel traveled to Washington, DC to receive candidate/nominee protective detail and operations training to mitigate myriad threats; this training occurring at the Service’s Rowley Training Center. The Service will also send personnel to provide instruction at regional training centers for protective detail support training. The Service is also training approximately 2,000 other Homeland Security agents to assist with campaign protection support.

**PPA: White House Mail Screening**

|                    | Perm<br>Pos. | FTE | Amount          |
|--------------------|--------------|-----|-----------------|
| <b>2007 Actual</b> |              |     | <b>\$30,440</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

White House mail screening is a process designed to screen all incoming mail, equipment, supplies and agricultural products destined for the White House Complex, with the goal of identifying lethal threats and containing, mitigating, and investigating vulnerabilities posed by these threats.

**ADMINISTRATION**

**PPA: Headquarters, Management and Administration**

|                    | Perm        |            |                  |
|--------------------|-------------|------------|------------------|
|                    | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
| <b>2007 Actual</b> | <b>328</b>  | <b>346</b> | <b>\$150,325</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Administration is responsible for:

- (1) tracking, monitoring, executing, and reporting the financial activities of the Secret Service;
- (2) improving the efficiency and productivity of personnel;
- (3) conducting analyses of program objectives and strategies to examine operational and cost factors impacting the continued viability of ongoing activities and the feasibility of proposed initiatives;
- (4) procuring quality goods and services in a timely fashion; and
- (5) administering the design, construction, acquisition, assignment, maintenance, and disposal of Service properties.

**Administrative Operations Division (AOD):**

During the past year, scheduled renovations with the necessary security enhancements were accomplished as a result of lease expirations and forced moves by the Facilities Management Branch. The Property Management Branch completed renovation projects on residences and command posts for new individuals receiving protection as well as projects within the White House Complex.

**Enterprise Financial Systems Division (EFSD):**

The Enterprise Financial Systems Division (EFSD) is responsible for systems development in specific business areas including: core financial accounting and reporting; travel and relocation management; property management; and procurement management. EFSD develops appropriate interfaces between these and other administrative systems, as EFSD supports system users through training, communications, user procedures, and technical support services.

**Management and Organization Division (MNO):**

MNO participated in the Department of Homeland Security (DHS) Strategic Plan revision process, and subsequently revised the Secret Service Strategic Plan (FY 2008 – FY 2012) for release in FY 2007. MNO continued to coordinate the Secret Service’s submission of timely responses to quarterly reporting requirements for the President’s Management Agenda (PMA), and has facilitated the Service’s achievement of scores above the DHS average throughout FY 2007.

**TRAINING**

**PPA: Rowley Training Center**

|                    | Perm<br>Pos. | FTE        | Amount          |
|--------------------|--------------|------------|-----------------|
| <b>2007 Actual</b> | <b>273</b>   | <b>266</b> | <b>\$55,628</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The James J. Rowley Training Center (JJRTC) is responsible for:

- (1) developing, administering, and coordinating training programs for Secret Service employees, and for other federal law enforcement agencies and law enforcement officials from various state and local police departments;
- (2) providing all basic, in-service, and specialized skills training for special agents, Uniformed Division officers, special officers and other professional personnel;
- (3) providing training for the executive, managerial, supervisory, administrative support, cyber/IT solutions, and foreign language needs for all Secret Service components;
- (4) providing specialized operational training for the Service’s tactical elements (counter-assault, counter-sniper, and emergency response teams), which include the core components of the protective methodology;
- (5) evaluating, selecting, and training all Secret Service explosive detection canines/tactical canines;
- (6) administering and coordinating fitness, control tactics, vehicle operation training, emergency medicine, and water safety programs;
- (7) conducting research and testing of munitions, and related equipment technology; and
- (8) administering the acquisition, storage, maintenance, and issuance of firearms, operational weapons and ammunition to all Secret Service personnel.

**IV. Program Justification of Changes**

*Not applicable*

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

*Not applicable*

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|-------------------|-------------|------------|---------------|
| 2007 Actual ..... | 4,614       | 4,530      | \$ 958,642    |

### C. Summary of Requirements

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |       |           |
|--|--------------|-------|-----------|
|  | Perm. Pos.   | FTE   | Amount    |
| <b>FY 2007 Actual</b>  | 4,614        | 4,530 | \$958,642 |
| <b>2008 Enacted</b>  |              |       |           |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |           |
| Transfers  |              |       |           |
| Increases  |              |       |           |
| Decreases  |              |       |           |
| Total Adjustments-to-Base  |              |       |           |
| <b>2009 Current Services</b>   | ---          | ---   | \$0       |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |       |           |
| <b>2009 Total Request</b>  | ---          | ---   | \$0       |
| 2008 to 2009 Total Change  | ---          | ---   | \$0       |

| Estimates by Program/Project Activity         | 2008 Enacted |     |        | 2009 Adjustments-to-Base |     |        | 2009 Program Change |     |        | 2009 Request |     |        | 2008 to 2009 Total Change |     |        |
|---|--------------|-----|--------|--------------------------|-----|--------|---------------------|-----|--------|--------------|-----|--------|---------------------------|-----|--------|
|   | Pos.         | FTE | Amount | Pos.                     | FTE | Amount | Pos.                | FTE | Amount | Pos.         | FTE | Amount | Pos.                      | FTE | Amount |
| 1 Protection of persons and facilities        | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 2 National special security event fund        | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 3 Presidential candidate nominee protection   | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 4 Protective intelligence                     | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 5 White House mail screening                  | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 6 Headquarters, management and administration | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| 7 Rowley training center                      | ---          | --- | ---    | ---                      | --- | ---    | ---                 | --- | ---    | ---          | --- | ---    | ---                       | --- | ---    |
| <b>Total</b>                                  | ---          | --- | \$0    | ---                      | --- | \$0    | ---                 | --- | \$0    | ---          | --- | \$0    | ---                       | --- | \$0    |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

|                                  | <b>2007 Actual</b> |            |                |
|----------------------------------|--------------------|------------|----------------|
|                                  | <b>Pos.</b>        | <b>FTE</b> | <b>Amount</b>  |
| <b>Collections by Source</b>     |                    |            |                |
| Air Force                        |                    |            |                |
| Army                             |                    |            | 241            |
| Navy (Group1)                    |                    |            |                |
| Navy (Group 2)                   |                    |            |                |
| Department of Education          |                    |            | 34             |
| Department of Defense            |                    |            | 2,343          |
| Department of State              |                    |            | 582            |
| Department of Treasury           | 8                  | 8          | 1,656          |
| <b>Total Budgetary Resources</b> | <b>8</b>           | <b>8</b>   | <b>\$4,856</b> |

|  | <b>2007 Actual</b> |            |                |
|--|--------------------|------------|----------------|
|  | <b>Pos.</b>        | <b>FTE</b> | <b>Amount</b>  |
| <b>Obligations by Program/Project/Activity</b> |                    |            |                |
| <i>Protection</i>                              |                    |            |                |
| Protection of persons and facilities           | 8                  | 8          | \$4,274        |
| National special security event fund           |                    |            |                |
| Protective intelligence activities             |                    |            |                |
| White House mail screening                     |                    |            |                |
| <i>Administration</i>                          |                    |            |                |
| Headquarters, management and administration    |                    |            |                |
| <i>Training</i>                                |                    |            |                |
| Rowley training center                         |                    |            | 582            |
| <b>Total Obligations</b>                       | <b>8</b>           | <b>8</b>   | <b>\$4,856</b> |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$361,077         |                 |                 |                       |
| 11.3 Other than full-time permanent                   | 2,011             |                 |                 |                       |
| 11.5 Other Personnel Compensation                     | 108,617           |                 |                 |                       |
| 12.1 Benefits   | 180,445           |                 |                 |                       |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$652,150</b>  |                 |                 |                       |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 69,045            |                 |                 |                       |
| 22.0 Transportation of things                         | 3,347             |                 |                 |                       |
| 23.1 GSA rent   | 40,936            |                 |                 |                       |
| 23.2 Other rent                                       | 210               |                 |                 |                       |
| 23.3 Communications, utilities, & other misc. charges | 16,654            |                 |                 |                       |
| 24.0 Printing and reproduction                        | 671               |                 |                 |                       |
| 25.2 Other services                                   | 90,557            |                 |                 |                       |
| 26.0 Supplies and materials                           | 15,623            |                 |                 |                       |
| 31.0 Equipment  | 53,191            |                 |                 |                       |
| 32.0 Land & structures                                | 7,403             |                 |                 |                       |
| 41.0 Grants/Subsidies/Contributions                   |                   |                 |                 |                       |
| 42.0 Indemnity  | 8,855             |                 |                 |                       |
| 43.0 Interest & dividends                             |                   |                 |                 |                       |
| 92.0 Object of Revenue                                |                   |                 |                 |                       |
| <b>Total, Other Object Classes</b>                    | <b>306,492</b>    |                 |                 |                       |
| <b>Total, Direct Obligations</b>                      | <b>\$958,642</b>  |                 |                 |                       |
| Unobligated balance, start of year                    |                   |                 |                 |                       |
| Unobligated balance, end of year                      |                   |                 |                 |                       |
| Recoveries of prior year obligaton                    |                   |                 |                 |                       |
| <b>Total requirements</b>                             | <b>\$958,642</b>  |                 |                 |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
Permanent Positions by Grade**

| Grades and Salary Ranges         | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|
|                                  | Pos.              | Pos.               | Pos.               | Total                  |
| Total, SES                       | 32                |                    |                    |                        |
| Total, EX                        |                   |                    |                    |                        |
|                                  |                   |                    |                    |                        |
| GS-15                            | 120               |                    |                    |                        |
| GS-14                            | 406               |                    |                    |                        |
| GS-13                            | 1,402             |                    |                    |                        |
| GS-12                            | 314               |                    |                    |                        |
| GS-11                            | 156               |                    |                    |                        |
| GS-10                            | 30                |                    |                    |                        |
| GS-09                            | 208               |                    |                    |                        |
| GS-08                            | 102               |                    |                    |                        |
| GS-07                            | 70                |                    |                    |                        |
| GS-06                            | 16                |                    |                    |                        |
| GS-05                            | 23                |                    |                    |                        |
| GS-04                            | 28                |                    |                    |                        |
| GS-03                            | 10                |                    |                    |                        |
| GS-02                            | 5                 |                    |                    |                        |
| Other Graded Positions           |                   |                    |                    |                        |
| Ungraded Positions               | 1,743             |                    |                    |                        |
| <b>Total Permanent Positions</b> | 4,665             |                    |                    |                        |
| Unfilled Positions EOY           | 78                |                    |                    |                        |
| Total Perm. Employment EOY       | 4,587             |                    |                    |                        |
| <b>FTE</b>                       | 4,530             |                    |                    |                        |
| Headquarters                     | 4,292             |                    |                    |                        |
| U.S. Field                       | 373               |                    |                    |                        |
| Foreign Field                    |                   |                    |                    |                        |
| <b>Total Permanent Positions</b> | 4,665             |                    |                    |                        |
| <b>Average ES Salary</b>         | \$ 152,452        |                    |                    |                        |
| <b>Average GS Salary</b>         | \$ 81,153         |                    |                    |                        |
| <b>Average GS Grade</b>          | 11.93             |                    |                    |                        |

**G. Capital Investment and Construction Initiative Listing**

*Not applicable*

## H. PPA Budget Justifications

| <b>PPA: Protection of Persons and Facilities</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                             |   |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                      | \$349,809              |                         |                         |                                |
| 12.0   | Benefits                                    | 131,697                |                         |                         |                                |
| 21.0   | Travel                                      | 62,190                 |                         |                         |                                |
| 22.0   | Transportation of things                    | 232                    |                         |                         |                                |
| 23.1   | GSA rent                                    | 25,820                 |                         |                         |                                |
| 23.3   | Communication, utilities, and misc. charges | 8,300                  |                         |                         |                                |
| 24.0   | Printing                                    | 73                     |                         |                         |                                |
| 25.0   | Other Services                              | 17,543                 |                         |                         |                                |
| 26.0   | Supplies & materials                        | 7,603                  |                         |                         |                                |
| 31.0   | Equipment                                   | 46,183                 |                         |                         |                                |
| 32.0   | Land & Structures                           | 2,249                  |                         |                         |                                |
| 42.0   | Insurance Claims and Indemnities            | 105                    |                         |                         |                                |
| <b>Total, Protection of Persons and Facilities</b> |   | <b>\$651,804</b>       |                         |                         |                                |
| Full Time Equivalents                              |   | 3,365                  |                         |                         |                                |

### PPA Mission Statement

Protection of Persons and Facilities - Secure the physical safety of the President, Vice President, their families, and other individuals as designated by statute, and of facilities under Secret Service protection from all threats. Secure the physical s

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following USSS strategic challenges: terrorists' sustained motivation to attack U.S. interests (including its leaders), and the increasing technological sophistication of the threat environment.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$481,506              | \$0                     | \$0                     | \$0                            |

Salaries and benefits includes funding for 3,365 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$62,190               | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$232                  | \$0                     | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$25,820               | \$0                     | \$0                     | \$0                            |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$8,300                | \$0                     | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$73                   | \$0                     | \$0                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$17,543               | \$0                     | \$0                     | \$0                            |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|----------------|----------------|----------------|---------------------|
|                               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$7,603</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$46,183</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|----------------|----------------|----------------|---------------------|
|                            | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$2,249</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Insurance Claims and Indemnities</b> | <b>\$105</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Insurance claims and indemnities includes payments for losses and claims including those under the Equal Access to Justice Act.

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
National Special Security Events  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: National Special Security Events</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                       |  |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                         | \$159                  |                         |                         |                                |
| 21.0   | Travel   | 158                    |                         |                         |                                |
|  | <b>Total, National Special Security Events</b> | <b>\$317</b>           |                         |                         |                                |
| Full Time Equivalents                        |  |                        |                         |                         |                                |

**PPA Mission Statement**

National Special Security Events - Plan and implement security designs for designated National Special Security Events (NSSEs). Ensure the physical protection of the President, the public, and other Secret Service protectees who participate in NSSEs.

Security at NSSEs is strategically crucial to homeland security in that NSSEs, by definition, involve persons, institutions, and landmarks that are integral to the governance of the nation, vital to national and/or global economic stability, or symbolical

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$159</b>           | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Salaries and benefits includes funding for overtime payments to provide security at National Special Security Events.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$158</b>           | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**Presidential Candidate Nominee Protection**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Presidential Candidate Nominee Protection</b> |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                                |  |                        |                         |                         |                                |
| 11.0  | Personnel Compensation                             | \$8,170                |                         |                         |                                |
| 12.0  | Benefits   | 3,405                  |                         |                         |                                |
| 26.0  | Supplies & materials                               | 121                    |                         |                         |                                |
|   | <b>Total, Presidential Candidate Nominee Prot.</b> | <b>\$11,696</b>        |                         |                         |                                |
| Full Time Equivalents                                 |  | 50                     |                         |                         |                                |

**PPA Mission Statement**

Presidential Candidate Nominee Protection - Secure the physical safety of Presidential and Vice Presidential nominees, candidates, and spouses.

In order to protect our nation's leaders, the Secret Service operates to ensure protectees' physical protection and to protect the buildings and grounds where they reside and work. The requested amount addresses the following USSS strategic challenges: terrorists' sustained motivation to attack U.S. interests (including its leaders), the increasing technological sophistication of the threat environment, and the unprecedented protective challenge presented by the 2008 Presidential Campaign.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$11,575</b>        | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Salaries and benefits includes funding for 50 FTE.

|                               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies and Materials</b> | <b>\$121</b>           | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**Protective Intelligence Activities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Protective Intelligence Activities</b>   |   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---|-----------------|----------------|----------------|---------------------|
|  |   | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                           |   |                 |                |                |                     |
| 11.0   | Personnel Compensation                      | \$39,998        |                |                |                     |
| 12.0   | Benefits                                    | 15,728          |                |                |                     |
| 21.0   | Travel                                      | 18              |                |                |                     |
| 22.0   | Transportation of things                    | 4               |                |                |                     |
| 23.1   | GSA rent                                    | 1,774           |                |                |                     |
| 23.3   | Communication, utilities, and misc. charges | 10              |                |                |                     |
| 25.0   | Other Services                              | 12              |                |                |                     |
| 26.0   | Supplies & materials                        | 878             |                |                |                     |
| 31.0   | Equipment                                   | 8               |                |                |                     |
| 32.0   | Land & Structures                           | 2               |                |                |                     |
| <b>Total, Protective Intelligence Activities</b> |   | <b>\$58,432</b> |                |                |                     |
| Full Time Equivalents                            |   | 503             |                |                |                     |

**PPA Mission Statement**

Protective Intelligence Activities - Investigate subjects (individuals and groups) and activities that pose threats to protectees and protected events.

The Secret Service analyzes threats, investigates threats, and conducts intelligence advances in order to minimize the risk of harm to protected persons, property, and events. The requested amount funds these activities in a strategic environment characterized by terrorists' sustained motivation to attack these targets, and by the increasingly technological sophistication of the threat environment.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$55,726               | \$0                     | \$0                     | \$0                            |

Salaries and benefits includes funding for 503 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$18                   | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$4                    | \$0                     | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$1,774                | \$0                     | \$0                     | \$0                            |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$10                   | \$0                     | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$12                   | \$0                     | \$0                     | \$0                            |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$878</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$8</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$2</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**White House Mail Screening**  
**Funding Schedule**  
(Dollars in Thousands)

|  |  | 2007            | 2008           | 2009           | 2008 to 2009  |
|--|--|-----------------|----------------|----------------|---------------|
| <b>PPA: White House Mail Screening</b> |  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b> |
| <b>Object Classes:</b>                 |  |                 |                |                |               |
| 25.0                                   | Other Services                           | \$30,440        |                |                |               |
|  | <b>Total, White House Mail Screening</b> | <b>\$30,440</b> |                |                |               |
| Full Time Equivalents                  |  |                 |                |                |               |

**PPA Mission Statement**

White House Mail Screening - Screen White House mail to ensure it is free of harmful toxins.

**Summary Justification and Explanation of Changes**

|                       | 2007            | 2008           | 2009           | 2008 to 2009  |
|-----------------------|-----------------|----------------|----------------|---------------|
|                       | <u>Actual</u>   | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Other Services</b> | <b>\$30,440</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>    |

Other services include contractual services with federal and non-federal sources.

|                  | 2007          | 2008           | 2009           | 2008 to 2009  |
|------------------|---------------|----------------|----------------|---------------|
|                  | <u>Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**Headquarters, Management and Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Headquarters, Mgmt, &amp; Admin</b> |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |   |                        |                         |                         |                                |
| 11.0  | Personnel Compensation                      | \$40,524               |                         |                         |                                |
| 12.0  | Benefits                                    | 16,480                 |                         |                         |                                |
| 21.0  | Travel                                      | 4,597                  |                         |                         |                                |
| 22.0  | Transportation of things                    | 3,057                  |                         |                         |                                |
| 23.1  | GSA rent                                    | 12,751                 |                         |                         |                                |
| 23.3  | Communication, utilities, and misc. charges | 7,571                  |                         |                         |                                |
| 24.0  | Printing                                    | 598                    |                         |                         |                                |
| 25.0  | Other Services                              | 39,557                 |                         |                         |                                |
| 26.0  | Supplies & materials                        | 5,309                  |                         |                         |                                |
| 31.0  | Equipment                                   | 6,005                  |                         |                         |                                |
| 32.0  | Land & Structures                           | 5,126                  |                         |                         |                                |
| 42.0  | Insurance Claims and Indemnities            | 8,750                  |                         |                         |                                |
|   | <b>Total, Admin - HQ, Mgmt, and Admin</b>   | <b>\$150,325</b>       |                         |                         |                                |
| Full Time Equivalents                       |   | 346                    |                         |                         |                                |

**PPA Mission Statement**

Headquarters, Management, and Administration - Plan, direct, and coordinate the administrative functions and programs of the Secret Service including the areas of budget, finance, logistics, procurement, management of property and facilities, administrat

Requested funding provides headquarters support to the agency's protective and investigative missions in an environment of increased threat. In the strategic context of industry-wide law enforcement support ratios, the Secret Service is highly efficient.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$57,004               | \$0                     | \$0                     | \$0                            |

Salaries and benefits includes funding for 346 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$4,597                | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$3,057                | \$0                     | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$12,751               | \$0                     | \$0                     | \$0                            |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$7,571                | \$0                     | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$598                  | \$0                     | \$0                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$39,557               | \$0                     | \$0                     | \$0                            |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|----------------|----------------|----------------|---------------------|
|                               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$5,309</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$6,005</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|----------------|----------------|----------------|---------------------|
|                            | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$5,126</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Insurance Claims and Indemnities</b> | <b>\$8,750</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Insurance claims and indemnities includes payments for losses and claims including those under the Equal Access to Justice Act.

**Department of Homeland Security**  
**United States Secret Service**  
**Protection, Administration, and Training**  
**Rowley Training Center**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Rowley Training Center</b>   |   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--------------------------------------|---|-----------------|----------------|----------------|---------------------|
|                                      |   | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>               |   |                 |                |                |                     |
| 11.0                                 | Personnel Compensation                      | \$33,045        |                |                |                     |
| 12.0                                 | Benefits                                    | 13,135          |                |                |                     |
| 21.0                                 | Travel                                      | 2,082           |                |                |                     |
| 22.0                                 | Transportation of things                    | 54              |                |                |                     |
| 23.1                                 | GSA rent                                    | 591             |                |                |                     |
| 23.2                                 | Other rent                                  | 210             |                |                |                     |
| 23.3                                 | Communication, utilities, and misc. charges | 773             |                |                |                     |
| 25.0                                 | Other Services                              | 3,005           |                |                |                     |
| 26.0                                 | Supplies & materials                        | 1,712           |                |                |                     |
| 31.0                                 | Equipment                                   | 995             |                |                |                     |
| 32.0                                 | Land & Structures                           | 26              |                |                |                     |
| <b>Total, Rowley Training Center</b> |   | <b>\$55,628</b> |                |                |                     |
| Full Time Equivalent                 |   | 266             |                |                |                     |

**PPA Mission Statement**

Rowley Training Center - Ensure Secret Service employees possess the skills and knowledge to successfully accomplish the protective and investigative missions. Assist employees in maximizing their potential and their ability to meet the challenges of th

Requested funding will ensure that the Secret Service's most important resource - its employees - have the knowledge and skills needed to meet the demands of the Service's protective and investigative missions. In a strategic context of heightened threat

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$46,180               | \$0                     |                         | \$0                            |

Salaries and benefits includes funding for 266 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$2,082                | \$0                     | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$54                   | \$0                     | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$591                  | \$0                     | \$0                     | \$0                            |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent- related services.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$210                  | \$0                     | \$0                     | \$0                            |

Other rent includes all payments to a non-Federal source for rental space, land, and structures.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$773                  | \$0                     | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$3,005</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|----------------|----------------|----------------|---------------------|
|                               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$1,712</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$995</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$26</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

## I. Changes in FTE

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training  
Changes in Full-Time Equivalent**

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|---|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>  | <b>4,490</b>   |                |                |
| <b>INCREASES</b>  |                |                |                |
| <b>Increase #1:</b> Former President George W. Bush Detail  | 52             |                |                |
| <b>Description:</b> Recruit, hire, and train additional staff for the protection of Former President George W. Bush   |                |                |                |
| <b>Increase #2:</b> Annualization of FY 2006 Positions  | 18             |                |                |
| <b>Description:</b> 2nd year annualization of Counter Assault Team/Counter Sniper Unit, Physical Security Specialists and Intelligence Research Specialist positions hired in FY 06 |                |                |                |
| <b>Increase #3:</b> Campaign Labor Shift  | 24             |                |                |
| <b>Description:</b> Shift to Protection, Administration, and Training from Investigations and Field Operations  |                |                |                |
| <b>Increase #4:</b> Campaign Labor Shift  |                |                |                |
| <b>Description:</b> Shift to Protection, Administration, and Training from Investigations and Field Operations for FY 2007 Reprogramming  | 50             |                |                |
| <b>Subtotal, Increases</b>  | <b>144</b>     |                |                |
| <b>DECREASES</b>  |                |                |                |
| <b>Decrease #1:</b> National Center for Missing and Exploited Children  | (20)           |                |                |
| <b>Description:</b> Moved to Investigations and Field Operations from Headquarters, Management, and Administration per Congressional action   |                |                |                |
| <b>Subtotal, Decreases</b>  | <b>(20)</b>    |                |                |
| <b>Year-end Enacted/ Estimated FTEs</b>   | <b>4,614</b>   |                |                |

**J. Working Capital Fund by PPA**

**Department of Homeland Security  
United States Secret Service  
Protection, Administration, and Training**  
FY 2009 Schedule of Working Capital Fund by Program/Project/Activity  
(Dollars in Thousands)

| Program/Project/Activity                    | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase / Decrease for<br>FY 2009 |
|---|-------------------|------------------------|------------------------|------------------------------------|
|   | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                             |
| Protection of persons and facilities        | \$2,551           |                        |                        |                                    |
| Protective intelligence activities          | 172               |                        |                        |                                    |
| National special security event fund        | 43                |                        |                        |                                    |
| White House mail screening                  | 43                |                        |                        |                                    |
| Headquarters, management and administration | 1,963             |                        |                        |                                    |
| Rowley training center                      | 1,118             |                        |                        |                                    |
| <b>Total Working Capital Fund</b>           | <b>\$5,890</b>    |                        |                        |                                    |

# Department of Homeland Security

*United States Secret Service*

*Investigations and Field Operations*

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Fiscal Year 2009

Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## UNITED STATES SECRET SERVICE INVESTIGATIONS AND FIELD OPERATIONS

### I. Appropriation Overview

#### A. Mission Statement for Investigations and Field Operations

The United States Secret Service investigates violations of laws relating to: counterfeiting of obligations and securities of the United States; financial crimes such as access device fraud, financial institution fraud, identity theft, and computer fraud; computer-based attacks on our nation's financial, banking, and telecommunications infrastructure; and provides critical forensic support for associated investigations for the National Center for Missing and Exploited Children (NCMEC).

In order to accomplish its investigative mission, the Service has offices located throughout the United States and in 15 foreign countries.

#### B. Budget Activities

**Domestic Field Operations** - In order to accomplish its investigative responsibilities, the Secret Service maintains a network of 116 field offices nationwide. Agents assigned to these domestic offices are responsible for investigating violations of laws relating to: counterfeiting of obligations and securities of the United States (Currency, Treasury Checks, etc.); to financial crimes that include, but are not limited to, access device fraud, financial institution fraud, identity theft, computer fraud; and to computer-based attacks on our nation's financial, banking, and telecommunications infrastructure.

**International Field Administration and Operations** - The Secret Service maintains a total of 19 foreign field offices and one domicile office in 15 countries. Similar to their domestic counterparts, agents assigned to these offices are responsible for investigating violations of criminal statutes falling under the Secret Service's investigative mission. Because they do not have arrest authority, agents liaise with their foreign law enforcement counterparts in order to accomplish their investigative responsibilities. Additionally, these agents augment any

protective mission falling within their geographic area of responsibility. Relationships established in foreign countries from conducting criminal investigations greatly enhance the Secret Service's ability to provide a safe and secure environment for the people it protects while they travel overseas.

**Electronic Crimes Special Agent Program (ECSAP) and Electronic Crimes Task Forces (ECTF)** - In response to the emerging trends involving the use of computers and their peripheral devices, the Secret Service established the Electronic Crimes Special Agent Program, or ECSAP. Special Agents involved with the ECSAP are computer investigative specialists, qualified to conduct examinations on many types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, and other electronic media. The ECSAP is the only program in the country with the level of expertise in this area and culture of partnership building with stakeholders across the spectrum of critical infrastructure in the United States. Currently, there are over 400 special agents participating in the ECSAP.

In addition to the ECSAP, the Secret Service has established a domestic network of 24 Electronic Crimes Task Forces (ECTFs). The concept of the ECTF model is truly unique since it brings together not only Federal, state and local law enforcement officials from a specific region, but also prosecutors, as well as individuals from private industry and academia. These task forces provide a productive framework and collaborative crime-fighting environment in which the resources of its participants are combined to effectively and efficiently make a significant impact in preventing and detecting electronic crimes.

**Forensic Support for Missing and Exploited Children** – Funding for missing and exploited children includes a \$6M grant provided to the National Center for Missing Children and \$2.366M for Secret Service forensic and related support of investigations of missing and exploited children.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**United States Secret Service**  
**Investigations and Field Operations**  
 Summary of FY 2009 Budget Estimates by Program/Project/Activity  
 (Dollars in Thousands)

| Program/Project/Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted |        | FY 2009<br>Request |        | Increase (+) or Decrease (-) For FY 2009 |        |                 |        |                     |        |
|---|-------------------|------------------|--------------------|--------|--------------------|--------|--|--------|-----------------|--------|---------------------|--------|
|   | FTE               | AMOUNT           | FTE                | AMOUNT | FTE                | AMOUNT | Total Changes                            |        | Program Changes |        | Adjustments-to-Base |        |
|   |                   |                  |                    |        |                    |        | FTE                                      | AMOUNT | FTE             | AMOUNT | FTE                 | AMOUNT |
| Domestic field operations   | 1,574             | \$242,468        |                    |        |                    |        |  |        |                 |        |                     |        |
| International field office administration, operations and training        | 67                | 22,711           |                    |        |                    |        |  |        |                 |        |                     |        |
| Electronic crimes special agent program and electronic crimes task forces | 322               | 40,535           |                    |        |                    |        |  |        |                 |        |                     |        |
| National Center for Missing and Exploited Children                        | 20                | 8,151            |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>              | <b>1,983</b>      | <b>\$313,865</b> |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Less: Adjustments for Other Funding Sources:</b>                       |                   | <b>(2,711)</b>   |                    |        |                    |        |  |        |                 |        |                     |        |
|   |                   |                  |                    |        |                    |        |  |        |                 |        |                     |        |
|   |                   |                  |                    |        |                    |        |  |        |                 |        |                     |        |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                   | <b>1,983</b>      | <b>\$311,154</b> |                    |        |                    |        |  |        |                 |        |                     |        |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**United States Secret Service**  
**Investigations and Field Operations**  
**Program Performance Justification**

(Dollars in thousands)

#### INVESTIGATIONS

|                    | Perm<br>Pos. | FTE          | Amount           |
|--------------------|--------------|--------------|------------------|
| <b>2007 Actual</b> | <b>2,035</b> | <b>1,983</b> | <b>\$313,865</b> |

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service is mandated by statute and executive order to carry out criminal investigations. The Secret Service was established as a law enforcement agency in 1865, with an original mandate to investigate the counterfeiting of U.S. currency.

This activity:

- (1) exercises broad investigative jurisdiction over a wide variety of financial crimes;
- (2) has a long history of protecting American consumers and industry from financial fraud as the original guardian of our nation's financial payment systems;
- (3) has primary authority for the investigation of access device fraud, including credit and debit card fraud, and parallel authority with other law enforcement agencies in identity crime cases.
- (4) has experienced an expansion of its investigative mission since the early 1990's to include concurrent jurisdiction with the United States Department of Justice for financial institution fraud; and
- (5) has assumed additional responsibilities as the Internet and use of personal computers became mainstream, and economies of scale made this technology affordable to even the most common criminals.

The combination of the information revolution and the effects of globalization have caused the investigative mission of the Secret Service to change dramatically. As a result, the Secret Service has evolved into an agency that is recognized worldwide for its expertise in investigating all types of financial crimes; and its efforts to detect, investigate and prevent financial crimes are aggressive, innovative and comprehensive.

**PPA: Domestic Field Office Operations**

|                    | Perm<br>Pos. | FTE          | Amount           |
|--------------------|--------------|--------------|------------------|
| <b>2007 Actual</b> | <b>1,633</b> | <b>1,574</b> | <b>\$242,468</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The United States Secret Service investigates violations of laws relating to counterfeiting of obligations and securities of the United States; investigate financial crimes that include, but are not limited to, financial institution fraud, identity theft, access device fraud, and money laundering.

Domestic field resources are focused on achieving the Department of Homeland Security strategic objective of economic security. The requested amount funds field offices nationwide in a strategic context of the spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, and the increasing criminal exploitation of those technologies.

**PPA: International Field Administration and Operations**

|                    | Perm<br>Pos. | FTE       | Amount          |
|--------------------|--------------|-----------|-----------------|
| <b>2007 Actual</b> | <b>70</b>    | <b>67</b> | <b>\$22,711</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Secret Service provides a comprehensive, internationally-coordinated response to new threats to the integrity of U.S. currency and other transnational crimes.

International field resources are focused on achieving DHS' strategic objective of economic security (e.g., combating foreign counterfeiting of U.S. currency). The requested amount funds field offices in 15 countries in a strategic context of: the worldwide spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, the increasing criminal exploitation of those technologies, and dollarization (when a foreign country replaces its national currency with the U.S. dollar).

**PPA: Electronic Crimes Special Agent Program/Electronic Crimes Task Forces**

|                    | Perm<br>Pos. | FTE        | Amount          |
|--------------------|--------------|------------|-----------------|
| <b>2007 Actual</b> | <b>312</b>   | <b>322</b> | <b>\$40,535</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Through the Electronic Crimes Special Agent Program (ECSAP), the Service trains special agents to detect network intrusions and conduct examinations on all types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, scanners, and other electronic equipment. Through Electronic Crimes Task Forces (ECTF), the Service forms partnerships with private industry, academia, other federal law enforcement, and state and local law enforcement to prevent, detect, mitigate, and aggressively investigate attacks on our nation's financial infrastructures.

The ECSAP and ECTF's combat those who seek to defraud financial institutions, private industry, or individuals through electronic or digital media. The requested amount funds these entities in a strategic environment characterized by a rise in electronic financial transactions and associated criminal activity.

**PPA: Forensic Support and Grants to NCMEC**

|                    | Perm        |            |                |
|--------------------|-------------|------------|----------------|
|                    | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
| <b>2007 Actual</b> | <b>20</b>   | <b>20</b>  | <b>\$8,151</b> |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Language contained in the Violent Crime Reduction Trust Fund legislation in 1995 directed the U.S. Secret Service to provide forensic support to the National Center for Missing and Exploited Children. Since that time, forensic support has included polygraph examinations, handwriting examinations, voiceprint comparisons, audio and video enhancements, age progressions/regressions, and fingerprint research and identification.

Requested funding provides state of the art forensics support for investigations involving missing and exploited children and grant funds to the National Center for Missing and Exploited Children. In a strategic context characterized by predators determined to abuse the nation's children, the Secret Service's technologies provide critical support to associated investigations.

#### **IV. Program Justification of Changes**

*Not Applicable*

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

*Not Applicable*

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|-------------------|-------------|------------|---------------|
| 2007 Actual ..... | 2,035       | 1,983      | \$313,865     |

**C. Summary of Requirements**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |       |            |
|--|--------------|-------|------------|
|  | Perm. Pos.   | FTE   | Amount     |
| <b>FY 2007 Actual</b>  | 2,035        | 1,983 | \$313,865  |
| <b>2008 Enacted</b>  |              |       |            |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |            |
| Transfers  |              |       |            |
| Increases  |              |       |            |
| Decreases  |              |       |            |
| Total Adjustments-to-Base  |              |       |            |
| <b>2009 Current Services</b>   |              |       |            |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |       |            |
| <b>2009 Total Request</b>  | ---          | ---   | <b>\$0</b> |
| 2008 to 2009 Total Change  | ---          | ---   | \$0        |

| Estimates by Program/Project Activity                                     | 2008 Enacted |     |            | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |            | 2009 Request |     |            | 2008 to 2009 Total Change |     |            |
|---|--------------|-----|------------|--------------------------|-----|------------|---------------------|-----|------------|--------------|-----|------------|---------------------------|-----|------------|
|   | Pos.         | FTE | Amount     | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount     | Pos.         | FTE | Amount     | Pos.                      | FTE | Amount     |
| Domestic field operations   | ---          | --- | ---        | ---                      | --- | ---        | ---                 | --- | ---        | ---          | --- | ---        | ---                       | --- | \$0        |
| International field office administration operations and training         | ---          | --- | ---        | ---                      | --- | ---        | ---                 | --- | ---        | ---          | --- | ---        | ---                       | --- | ---        |
| Electronic crimes special agent program and electronic crimes task forces | ---          | --- | ---        | ---                      | --- | ---        | ---                 | --- | ---        | ---          | --- | ---        | ---                       | --- | ---        |
| National Center for Missing and Exploited Children                        | ---          | --- | ---        | ---                      | --- | ---        | ---                 | --- | ---        | ---          | --- | ---        | ---                       | --- | ---        |
| <b>Total</b>  | ---          | --- | <b>\$0</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>\$0</b> | ---          | --- | <b>\$0</b> | ---                       | --- | <b>\$0</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

|                                  | <b>2007 Actual</b> |            |                 |
|----------------------------------|--------------------|------------|-----------------|
| <b>Collections by Source</b>     | <b>Pos.</b>        | <b>FTE</b> | <b>Amount</b>   |
| Department of Treasury           |                    |            | \$14,450        |
| Department of Homeland Security  |                    |            | 2,884           |
| <b>Total Budgetary Resources</b> |                    |            | <b>\$17,334</b> |

|   | <b>2007 Actual</b> |            |                 |
|---|--------------------|------------|-----------------|
| <b>Obligations by Program/Project/Activity</b>                            | <b>Pos.</b>        | <b>FTE</b> | <b>Amount</b>   |
| Domestic field operations   |                    |            | \$14,450        |
| International field office administration, operations and training        |                    |            |                 |
| Electronic crimes special agent program and electronic crimes task forces |                    |            | 2,884           |
| Forensic support and grants to NCMEC                                      |                    |            |                 |
| <b>Total Obligations</b>  |                    |            | <b>\$17,334</b> |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$124,303         |                 |                 |                       |
| 11.3 Other than full-time permanent                   | 703               |                 |                 |                       |
| 11.5 Other Personnel Compensation                     | 27,928            |                 |                 |                       |
| 12.1 Benefits   | 64,774            |                 |                 |                       |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$217,708</b>  |                 |                 |                       |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 6,435             |                 |                 |                       |
| 22.0 Transportation of things                         | 4,010             |                 |                 |                       |
| 23.1 GSA rent   | 32,547            |                 |                 |                       |
| 23.2 Other rent                                       | 3,126             |                 |                 |                       |
| 23.3 Communications, utilities, & other misc. charges | 4,833             |                 |                 |                       |
| 24.0 Printing and reproduction                        | 57                |                 |                 |                       |
| 25.2 Other services                                   | 22,617            |                 |                 |                       |
| 26.0 Supplies and materials                           | 2,368             |                 |                 |                       |
| 31.0 Equipment  | 5,786             |                 |                 |                       |
| 32.0 Land & structures                                | 8,262             |                 |                 |                       |
| 41.0 Grants/Subsidies/Contributions                   | 6,000             |                 |                 |                       |
| 42.0 Indemnity  | 54                |                 |                 |                       |
| 43.0 Interest & dividends                             |                   |                 |                 |                       |
| 92.0 Object of Revenue                                | 62                |                 |                 |                       |
| <b>Total, Other Object Classes</b>                    | <b>96,157</b>     |                 |                 |                       |
| <b>Total, Direct Obligations</b>                      | <b>\$313,865</b>  |                 |                 |                       |
| Transfer from other accounts                          | (3,481)           |                 |                 |                       |
| Unobligated balance, start of year                    |                   |                 |                 |                       |
| Unobligated balance, end of year                      |                   |                 |                 |                       |
| Unobligated balance currently available               | 770               |                 |                 |                       |
| Recoveries of prior year obligaton                    |                   |                 |                 |                       |
| <b>Total requirements</b>                             | <b>\$311,154</b>  |                 |                 |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual<br>Pos. | 2008<br>Enacted<br>Pos. | 2009<br>Request<br>Pos. | 2008 to 2009<br>Change<br>Total |
|----------------------------------|------------------------|-------------------------|-------------------------|---------------------------------|
| Total, SES                       | 12                     |                         |                         |                                 |
| Total, EX                        |                        |                         |                         |                                 |
| GS-15                            | 71                     |                         |                         |                                 |
| GS-14                            | 181                    |                         |                         |                                 |
| GS-13                            | 848                    |                         |                         |                                 |
| GS-12                            | 133                    |                         |                         |                                 |
| GS-11                            | 165                    |                         |                         |                                 |
| GS-10                            | 31                     |                         |                         |                                 |
| GS-09                            | 257                    |                         |                         |                                 |
| GS-08                            | 150                    |                         |                         |                                 |
| GS-07                            | 101                    |                         |                         |                                 |
| GS-06                            | 17                     |                         |                         |                                 |
| GS-05                            | 19                     |                         |                         |                                 |
| GS-04                            | 31                     |                         |                         |                                 |
| GS-03                            | 12                     |                         |                         |                                 |
| GS-02                            | 7                      |                         |                         |                                 |
| Other Graded Positions           |                        |                         |                         |                                 |
| Ungraded Positions               |                        |                         |                         |                                 |
| <b>Total Permanent Positions</b> | 2,035                  |                         |                         |                                 |
| Unfilled Positions EOY           | 34                     |                         |                         |                                 |
| Total Perm. Employment EOY       | 2,001                  |                         |                         |                                 |
| <b>FTE</b>                       | 1,983                  |                         |                         |                                 |
| Headquarters                     | 300                    |                         |                         |                                 |
| U.S. Field                       | 1,653                  |                         |                         |                                 |
| Foreign Field                    | 82                     |                         |                         |                                 |
| <b>Total Permanent Positions</b> | 2,035                  |                         |                         |                                 |
| <b>Average ES Salary</b>         | \$ 152,452             |                         |                         |                                 |
| <b>Average GS Salary</b>         | \$ 81,153              |                         |                         |                                 |
| <b>Average GS Grade</b>          | 11.93                  |                         |                         |                                 |

**G. Capital Investment and Construction Initiative Listing**

*Not applicable*

## H. PPA Budget Justifications

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Domestic Field Operations  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Domestic Field Operations</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                  |   |                        |                         |                         |                                |
| 11.0                                    | Personnel Compensation                      | \$120,797              |                         |                         |                                |
| 12.0                                    | Benefits                                    | 48,956                 |                         |                         |                                |
| 21.0                                    | Travel                                      | 3,008                  |                         |                         |                                |
| 22.0                                    | Transportation of things                    | 3,146                  |                         |                         |                                |
| 23.1                                    | GSA rent                                    | 31,054                 |                         |                         |                                |
| 23.3                                    | Communication, utilities, and misc. charges | 3,546                  |                         |                         |                                |
| 24.0                                    | Printing                                    | 55                     |                         |                         |                                |
| 25.0                                    | Other Services                              | 18,171                 |                         |                         |                                |
| 26.0                                    | Supplies & materials                        | 1,499                  |                         |                         |                                |
| 31.0                                    | Equipment                                   | 4,308                  |                         |                         |                                |
| 32.0                                    | Land & Structures                           | 7,812                  |                         |                         |                                |
| 42.0                                    | Insurance Claims and Indemnities            | 116                    |                         |                         |                                |
| <b>Total, Domestic Field Operations</b> |   | <b>\$242,468</b>       |                         |                         |                                |
| Full Time Equivalents                   |   | 1,574                  |                         |                         |                                |

### PPA Mission Statement

Domestic Field Operations - Investigate violations of laws relating to counterfeiting of obligations and securities of the United States; investigate financial crimes that include, but are not limited to, financial institution fraud, identity theft, access device fraud, and money laundering.

Domestic field resources are focused on achieving DHS' strategic objective of economic security. The requested amount funds field offices nationwide in a strategic context of: the spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, and the increasing criminal exploitation of those technologies.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$169,753     | \$0            | \$0            | \$0                 |

Salaries and benefits includes funding for 1,574 FTE.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$3,008       | \$0            | \$0            | \$0                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$3,146       | \$0            | \$0            | \$0                 |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA Rent</b> | \$31,054      | \$0            | \$0            | \$0                 |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and Misc. Charges</b> | \$3,546       | \$0            | \$0            | \$0                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$55          | \$0            | \$0            | \$0                 |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$18,171      | \$0            | \$0            | \$0                 |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|----------------|----------------|----------------|---------------------|
|                               | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$1,499</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$4,308</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|----------------|----------------|----------------|---------------------|
|                            | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | <b>\$7,812</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Insurance Claims and Indemnities</b> | <b>\$116</b>  | <b>\$0</b>     |                | <b>\$0</b>          |

Insurance claims and indemnities includes payments for losses and claims including those under the Equal Access to Justice Act.

**Department of Homeland Security**  
**United States Secret Service**  
**Investigations and Field Operations**  
**International Field Office Administration and Operations**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Int'l Field Office Admin. and Operations</b>   |   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                                 |   |                        |                         |                         |                                |
| 11.0   | Personnel Compensation                      | \$5,663                |                         |                         |                                |
| 12.0   | Benefits                                    | 5,117                  |                         |                         |                                |
| 21.0   | Travel                                      | 2,499                  |                         |                         |                                |
| 22.0   | Transportation of things                    | 772                    |                         |                         |                                |
| 23.1   | GSA rent                                    | 84                     |                         |                         |                                |
| 23.2   | Other rent                                  | 3,126                  |                         |                         |                                |
| 23.3   | Communication, utilities, and misc. charges | 1,244                  |                         |                         |                                |
| 24.0   | Printing                                    | 2                      |                         |                         |                                |
| 25.0   | Other Services                              | 3,457                  |                         |                         |                                |
| 26.0   | Supplies & materials                        | 179                    |                         |                         |                                |
| 31.0   | Equipment                                   | 418                    |                         |                         |                                |
| 32.0   | Land & Structures                           | 150                    |                         |                         |                                |
| <b>Total, Int'l Field Office Admin. and Operations</b> |   | <b>\$22,711</b>        |                         |                         |                                |
| Full Time Equivalents                                  |   | 67                     |                         |                         |                                |

**PPA Mission Statement**

International Field Administration and Operations - Provide a comprehensive, internationally-coordinated response to threats to the integrity of U.S. currency and other transnational crimes.

International field resources are focused on achieving DHS' strategic objective of economic security (e.g., combating foreign counterfeiting of U.S. currency). The requested amount funds field offices in 15 countries in a strategic context of: the worldwide spread of the internet and other consumer-friendly technologies that facilitate electronic commerce, the increasing criminal exploitation of those technologies, and dollarization (when a foreign country replaces its national currency with the U.S. dollar).

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$10,780               |                         | \$0                     | \$0                            |

Salaries and benefits includes funding for 67 FTE.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$2,499                |                         | \$0                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$772                  |                         | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA Rent</b> | \$84                   |                         | \$0                     | \$0                            |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$3,126                |                         | \$0                     | \$0                            |

Other rent includes all payments to a non-federal source for rental of space, land, and structures.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$1,244                |                         | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$2                    |                         | \$0                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$3,457       | \$0            | \$0            | \$0                 |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | \$179         | \$0            | \$0            | \$0                 |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | \$418         | \$0            | \$0            | \$0                 |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                            | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------|---------------|----------------|----------------|---------------------|
|                            | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land and Structures</b> | \$150         | \$0            | \$0            | \$0                 |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

**Department of Homeland Security**  
**United States Secret Service**  
**Investigations and Field Operations**  
**Electronic Crimes Special Agent Program/Electronic Crimes Task Forces**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: ECSAP/ECTF</b> |   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------|---|-----------------|----------------|----------------|---------------------|
|                        |   | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b> |   |                 |                |                |                     |
| 11.0                   | Personnel Compensation                      | \$25,174        |                |                |                     |
| 12.0                   | Benefits                                    | 9,924           |                |                |                     |
| 21.0                   | Travel                                      | 928             |                |                |                     |
| 22.0                   | Transportation of things                    | 89              |                |                |                     |
| 23.1                   | GSA rent                                    | 1,409           |                |                |                     |
| 23.3                   | Communication, utilities, and misc. charges | 43              |                |                |                     |
| 25.0                   | Other Services                              | 962             |                |                |                     |
| 26.0                   | Supplies & materials                        | 646             |                |                |                     |
| 31.0                   | Equipment                                   | 1,060           |                |                |                     |
| 32.0                   | Land & Structures                           | 300             |                |                |                     |
|                        | <b>Total, ECSAP/ECTF</b>                    | <b>\$40,535</b> |                |                |                     |
| Full Time Equivalents  |   | 322             |                |                |                     |

**PPA Mission Statement**

Electronic Crimes Special Agent Program (ECSAP) and Electronic Crimes Task Forces (ECTF) - Through the ECSAP, train special agents to detect network intrusions and conduct examinations on all types of electronic evidence, including computers, personal data assistants, telecommunications devices, electronic organizers, scanners, and other electronic equipment. Through the ECTF, form partnerships with private industry, academia, other federal law enforcement, and state and local law enforcement to prevent, detect, mitigate, and aggressively investigate attacks on our nation's financial infrastructures.

The ECSAP and ECTF's combat those who seek to defraud financial institutions, private industry, or individuals through electronic or digital media. The requested amount funds these entities in a strategic environment characterized by a rise in electronic financial transactions and associated criminal activity.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$35,098      | \$0            | \$0            | \$0                 |

Salaries and benefits includes funding for 322 FTE.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$928         | \$0            | \$0            | \$0                 |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$89          | \$0            | \$0            | \$0                 |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA Rent</b> | \$1,409       | \$0            | \$0            | \$0                 |

GSA rent includes all payments to the General Services Administration (GSA) for rental of space and rent-related services.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and Misc. Charges</b> | \$43          | \$0            | \$0            | \$0                 |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$962         | \$0            | \$0            | \$0                 |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and Materials</b> | <b>\$646</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$1,060</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|---------------|----------------|----------------|---------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$300</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Land and structures includes the costs of land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract.

**Department of Homeland Security**  
**United States Secret Service**  
**Investigations and Field Operations**  
**Forensic Support and Grants to National Center for Missing and**  
**Exploited Children (NCMEC)**  
**Funding Schedule**  
(Dollars in Thousands)

|  |                                | 2007           | 2008           | 2009           | 2008 to 2009  |
|--|--------------------------------|----------------|----------------|----------------|---------------|
| <b>PPA: Forensic Support and Grants to NCMEC</b>   |                                | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b> |
| <b>Object Classes:</b>                             |                                |                |                |                |               |
| 11.0   | Personnel Compensation         | \$1,300        |                |                |               |
| 12.0   | Benefits                       | 777            |                |                |               |
| 22.0   | Transportation of things       | 3              |                |                |               |
| 25.0   | Other Services                 | 27             |                |                |               |
| 26.0   | Supplies & materials           | 44             |                |                |               |
| 41.0   | Grants/Subsidies/Contributions | 6,000          |                |                |               |
| <b>Total, Forensic Support and Grants to NCMEC</b> |                                | <b>\$8,151</b> |                |                |               |
| Full Time Equivalents                              |                                | 20             |                |                |               |

**PPA Mission Statement**

National Center for Missing and Exploited Children - Language contained in the Violent Crime Reduction Trust Fund legislation in 1995 directed the U. S. Secret Service to provide forensic support to the National Center for Missing and Exploited Children (NCMEC). Since that time, forensic support has included polygraph examinations, handwriting examinations, voiceprint comparisons, audio and video enhancements, age progressions/regressions, and fingerprint research and identification.

Requested funding provides state of the art forensics support for investigations involving missing and exploited children and grant funds to the National Center for Missing and Exploited Children. In a strategic context characterized by predators determined to abuse the nation's children, the Secret Service's technologies provide critical support to associated investigations.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$2,077                | \$0                     | \$0                     | \$0                            |

Salaries and benefits includes funding for 20 FTE.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$3                    | \$0                     | \$0                     | \$0                            |

Transportation of things includes all costs of the care of such things while in the process of being transported, and other services incident to the transportation of things.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$27                   | \$0                     | \$0                     | \$0                            |

Other services include contractual services with federal and non-federal sources.

|                               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies and Materials</b> | \$44                   | \$0                     | \$0                     | \$0                            |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above.

|                                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$6,000                | \$0                     | \$0                     | \$0                            |

Grants/subsidies/contributions includes cash payments to states, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

## I. Changes in Full Time Equivalents

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations  
Changes in Full-Time Equivalents**

|  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
|--|----------------|----------------|----------------|
| <b>BASE: Year-end Actual from Prior Year</b>   | <b>2,074</b>   |                |                |
| <b>INCREASES</b>   |                |                |                |
| <b>Increase #1:</b> Annualization of FY 2006 Positions   | 15             |                |                |
| <b>Description:</b> 2nd year annualization of Electronic Crimes Special Agent Program/<br>Electronic Crimes Task Forces and International Field Office Administration, Operations and<br>Training positions hired in FY 2006 |                |                |                |
| <b>Increase #2:</b> National Center for Missing and Exploited Children   | 20             |                |                |
| <b>Description:</b> Moved to Investigations and Field Operations from<br>Headquarters, Management, and Administration per Congressional action   |                |                |                |
| <b>Subtotal, Increases</b>   | <b>35</b>      |                |                |
| <b>DECREASES</b>   |                |                |                |
| <b>Decrease #1:</b> Campaign Labor Shift   | (24)           |                |                |
| <b>Description:</b> Shift to Protection, Administration, and Training from Investigations and<br>Field Operations  |                |                |                |
| <b>Decrease #2:</b> Campaign Labor Shift   | (50)           |                |                |
| <b>Description:</b> Shift to Protection, Administration, and Training from Investigations and<br>Field Operations for FY 2007 Reprogramming  |                |                |                |
| <b>Subtotal, Decreases</b>   | <b>(74)</b>    |                |                |
| <b>Year-end Enacted/ Estimated FTEs</b>  | <b>2,035</b>   |                |                |
| <b>Net Change from prior year SOY base<br/>to budget year EOY estimate:</b>  |                |                |                |

**J. Working Capital Fund by PPA**

**Department of Homeland Security  
United States Secret Service  
Investigations and Field Operations**  
FY 2009 Schedule of Working Capital Fund by Program/Project/Activity  
(Dollars in Thousands)

| Program/Project/Activity  | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase / Decrease for<br>FY 2009 |
|---|-------------------|------------------------|------------------------|------------------------------------|
|   | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                             |
| Domestic field operations   | \$866             |                        |                        |                                    |
| International field office administration, operations and training        | 86                |                        |                        |                                    |
| Electronic crimes special agent program and electronic crimes task forces | 129               |                        |                        |                                    |
| <b>Total Working Capital Fund</b>   | <b>\$1,125</b>    |                        |                        |                                    |

# Department of Homeland Security

*United States Secret Service*

*Acquisition, Construction, Improvements, and Related Expenses*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **UNITED STATES SECRET SERVICE** **Acquisition, Construction, Improvements, and Related Expenses**

### **I. Appropriation Overview**

#### **A. Mission Statement for Acquisition, Construction, Improvements, and Related Expenses**

The United States Secret Service performs two critical homeland security missions: protection and criminal investigations. The Secret Service protects the President and Vice President, their families, visiting heads-of-state/government, and other designated individuals, such as the Secretary of Homeland Security; investigates threats against these protectees; protects the White House, Vice President's Residence, foreign missions, and other designated buildings within the Washington, D.C. area; and designs, coordinates, and implements operational security plans for designated National Special Security Events. The Secret Service investigates violations of laws relating to: counterfeiting of obligations and securities of the United States; financial crimes such as access device fraud, financial institution fraud, identity theft, and computer fraud; and to crimes involving computer-based attacks on our nation's financial, banking, and telecommunications infrastructure. In order to accomplish both its protective and investigative missions, the Secret Service has offices located throughout the United States and in 15 foreign countries. The employees of the Secret Service are special agents, uniformed officers, and support personnel.

#### **B. Budget Activities:**

##### **James J. Rowley Training Center (JJRTC)**

The Acquisition, Construction, Improvements, and Related Expenses account is used to maintain the Service's JJRTC which provides the protection and criminal investigation training required to meet the needs of the Service's dual mission.

Some major goals for the James J. Rowley Training Center (JJRTC) during the next two fiscal years include the following: update the comprehensive "Master Plan" for the JJRTC, and incorporate and expand the use of technology (e.g. virtual teleconference, virtual classroom and web-based) to send recurring training to the field offices when traditional instructor-led training is impractical, time sensitive or cost prohibitive.

#### **C. Budget Request Summary:**

- The U.S. Secret Service is requesting \$3,725,000 to maintain the JJRTC located in Beltsville, Maryland.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
United States Secret Service  
Acquisition, Construction, Improvements, and Related Expenses  
Summary of FY 2009 Budget Estimates by Program/Project/Activity  
(Dollars in Thousands)**

| Program/Project/Activity  | FY 2007<br>Actual |         | FY 2008<br>Enacted |         | FY 2009<br>Request |         | Increase (+) or Decrease (-) For FY 2008 |        |                 |        |                     |        |
|---|-------------------|---------|--------------------|---------|--------------------|---------|--|--------|-----------------|--------|---------------------|--------|
|   |                   |         |                    |         |                    |         | Total Changes                            |        | Program Changes |        | Adjustments-to-Base |        |
|   | FTE               | AMOUNT  | FTE                | AMOUNT  | FTE                | AMOUNT  | FTE                                      | AMOUNT | FTE             | AMOUNT | FTE                 | AMOUNT |
| Acquisition, Construction, Improvements, and Related Expenses (James J. Rowley Training Center) |                   | \$3,676 |                    | \$3,725 |                    | \$3,725 |  | \$0    |                 | \$0    |                     | \$0    |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>                                    |                   | \$3,676 |                    | \$3,725 |                    | \$3,725 |  | \$0    |                 | \$0    |                     | \$0    |
| <b>Adjustments for Other Funding Sources:</b>   |                   | \$49    |                    |         |                    |         |  |        |                 |        |                     |        |
|   |                   |         |                    |         |                    |         |  |        |                 |        |                     |        |
| <b>Net, Enacted Appropriations and Budget Estimates</b>   |                   | \$3,725 |                    | \$3,725 |                    | \$3,725 |  | \$0    |                 | \$0    |                     | \$0    |

**III. Current Services Program Description by PPA**

**Department of Homeland Security**  
**United States Secret Service**  
**Acquisition, Construction, Improvements, and Related Expenses**  
**Program Performance Justification**  
(Dollars in Thousands)

**PPA: ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES**  
**James J. Rowley Training Center (JJRTC)**

|                                 | Perm<br>Pos. | FTE | Amount         |
|---------------------------------|--------------|-----|----------------|
| <b>2007 Actual</b>              |              |     | <b>\$3,676</b> |
| <b>2008 Enacted</b>             |              |     | <b>\$3,725</b> |
| <b>2009 Non-pay Adjustments</b> |              |     | <b>75</b>      |
| Management Efficiencies         |              |     | (75)           |
| <b>2009 Current Services</b>    |              |     | <b>\$3,725</b> |
| 2009 Program Change             |              |     |                |
| <b>2009 Request</b>             |              |     | <b>\$3,725</b> |
| Total Change 2008-2009          |              |     |                |

The United States Secret Service requests \$3.725 million for this activity.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Acquisition, Construction, Improvements, and Related Expenses account is used to maintain the JJRTC. This facility provides the protection and criminal investigation training required to meet the needs of the Service's dual mission.

**IV. Program Justification of Changes**

*Not applicable*

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
United States Secret Service  
Justification of Proposed Changes in  
Acquisition, Construction, Improvements, and Related Expenses  
Appropriation Language**

For necessary expenses for acquisition, construction, repair, alteration, and improvement of facilities, \$3,725,000 to remain available until expended.

**Explanation of Changes**

\$3,725,000 – No substantive changes proposed.

**Authorization Cites**

The Secret Service is established in 18 U.S.C. 3056 and 3 U.S.C. 202. 18 U.S.C. 1029 and 1030 specifically authorize the Service to investigate offenses under those sections.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
United States Secret Service  
Acquisition, Construction, Improvements, and Related Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|--|-------------|------------|-----------------|
| <b>FY 2007 Actual</b> .....                |             |            | <b>\$ 3,676</b> |
| <b>2008 Enacted Budget</b> .....           |             |            | <b>3,725</b>    |
| <b>Adjustments-to-Base</b>                 |             |            |                 |
| Increases                                  |             |            |                 |
| Non-pay adjustments .....                  |             |            | 75              |
| <b>Total Increases</b> .....               |             |            | <b>75</b>       |
| Decreases                                  |             |            |                 |
| Management Efficiencies.....               |             |            | (75)            |
| <b>Total Decreases</b> .....               |             |            | <b>(75)</b>     |
| <b>Total Adjustments-to-Base</b> .....     |             |            | <b>---</b>      |
| <b>2009 Current Services</b> .....         |             |            | <b>3,725</b>    |
| <br><b>Program Changes</b>                 |             |            |                 |
| Program Increases/(Decreases)              |             |            |                 |
| <b>Total Program Changes</b> .....         |             |            |                 |
| <br><b>2009 Request</b> .....              |             |            | <b>3,725</b>    |
| <br><b>2008 to 2009 Total Change</b> ..... |             |            |                 |

**C. Summary of Requirements**

**Department of Homeland Security  
United States Secret Service  
Acquisition, Construction, Improvements, and Related Expenses  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request  |     |                |
|------------------------------|---------------|-----|----------------|
|                              | Perm.<br>Pos. | FTE | Amount         |
| <b>FY 2007 Actual</b>        |               |     | <b>\$3,676</b> |
| <b>2008 Enacted Budget</b>   |               |     | <b>\$3,725</b> |
| Adjustments-to-Base          |               |     |                |
| Transfers                    |               |     |                |
| Increases                    |               |     | 75             |
| Decreases                    |               |     | (75)           |
| Total Adjustments-to-Base    |               |     | ---            |
| <b>2009 Current Services</b> |               |     | <b>\$3,725</b> |
| Program Changes              |               |     |                |
| <b>2009 Total Request</b>    |               |     | <b>\$3,725</b> |
| 2008 to 2009 Total Change    |               |     | ---            |

| Estimates by Program/Project Activity | 2008 Enacted |     |                | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |            | 2009 Request |     |                | 2008 to 2009 Total Change |     |            |
|---------------------------------------|--------------|-----|----------------|--------------------------|-----|------------|---------------------|-----|------------|--------------|-----|----------------|---------------------------|-----|------------|
|                                       | Pos.         | FTE | Amount         | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount     | Pos.         | FTE | Amount         | Pos.                      | FTE | Amount     |
| 1 ACIRE                               |              |     | \$3,725        |                          |     | \$0        |                     |     | \$0        |              |     | \$3,725        |                           |     | \$0        |
| <b>Total</b>                          |              |     | <b>\$3,725</b> |                          |     | <b>\$0</b> |                     |     | <b>\$0</b> |              |     | <b>\$3,725</b> |                           |     | <b>\$0</b> |

**D. Summary of Reimbursable Resources**

*Not applicable*

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
United States Secret Service  
Acquisition, Construction, Improvements, and Related Expenses  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classification |                                    | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|------------------------------------|-------------------|-----------------|-----------------|------------------------|
| 25.0                  | Other services                     | \$ 2,803          | \$ 3,589        | \$ 2,678        | \$ (911)               |
| 26.0                  | Supplies & materials               | 45                | 38              | 38              | -                      |
| 31.0                  | Equipment                          | 6                 | 35              | 35              | -                      |
| 32.0                  | Land & structures                  | 822               | 1,885           | 974             | (911)                  |
|                       | Total, other objects               | \$ 3,676          | \$ 5,547        | \$ 3,725        | \$ (1,822)             |
|                       |                                    |                   |                 |                 |                        |
|                       | Total Direct Obligations           | \$ 3,676          | \$ 5,547        | \$ 3,725        | \$ (1,822)             |
|                       | Unobligated balance, start of year | \$ (1,773)        | \$ (1,822)      |                 |                        |
|                       | Unobligated balance, end of year   | 1,822             |                 |                 |                        |
|                       | Total Requirements                 | \$ 3,725          | \$ 3,725        | \$ 3,725        |                        |

**F. Permanent Positions by Grade**

*Not applicable*

**G. Capital Investment and Construction Initiative Listing**

*Not applicable*

## H. PPA Budget Justifications

**Department of Homeland Security**  
**United States Secret Service**  
**Acquisition, Construction, Improvements, and Related Expenses**  
**James J. Rowley Training Center**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: ACIRE</b>      |                      | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------|----------------------|----------------|----------------|----------------|---------------------|
|                        |                      | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b> |                      |                |                |                |                     |
| 25.2                   | Other Services       | \$2,803        | \$2,678        | \$2,678        | \$0                 |
| 26.0                   | Supplies & materials | 45             | 38             | 38             | ---                 |
| 31.0                   | Equipment            | 6              | 35             | 35             | ---                 |
| 32.0                   | Land & Structures    | 822            | 974            | 974            | ---                 |
|                        | <b>Total, ACIRE</b>  | <b>\$3,676</b> | <b>\$3,725</b> | <b>\$3,725</b> | <b>\$0</b>          |
| Full Time Equivalents  |                      |                |                |                |                     |

### PPA Mission Statement

Acquisition, Construction, Improvements, and Related Expenses Account - Used to maintain the James J. Rowley Training Center, which supports the protection and criminal investigation missions, the two critical homeland security missions covered by the Secret Service.

**Summary Justification and Explanation of Changes**

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$2,803                | \$2,678                 | \$2,678                 | \$0                            |

Other services include contractual services with non-Federal sources. The FY 2009 request includes \$54,000 to cover expected cost increases and (\$54,000) for management efficiencies.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | \$45                   | \$38                    | \$38                    | \$0                            |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes \$1,000 to cover expected cost increases and (\$1,000) for management efficiencies.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | \$6                    | \$35                    | \$35                    | \$0                            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes \$1,000 to cover expected cost increases and (\$1,000) for management efficiencies.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Land &amp; Structures</b> | \$822                  | \$974                   | \$974                   | \$0                            |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request includes \$19,000 to cover expected cost increases and (\$19,000) for management efficiencies.

**I. Changes in Full Time Equivalents**

*Not applicable*

**J. Working Capital Fund by PPA**

*Not applicable*

# Department of Homeland Security

*United States Secret Service*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 CONGRESSIONAL BUDGET REQUEST STRATEGIC CONTEXT**

**UNITED STATES SECRET SERVICE (USSS)**

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# **I. STRATEGIC CONTEXT FOR THE FY 2009-2013 BUDGET**

## **A. Mission and Description of the United States Secret Service**

The United States Secret Service (USSS) performs two critical homeland security missions: protection and criminal investigations. The USSS protects the President and Vice President, their families, visiting heads-of-state/government, and other designated individuals, such as the Secretary of Homeland Security; investigates threats against these protectees; protects the White House, Vice President's Residence, Foreign Missions, and other designated buildings within the Washington, D.C. area; and designs, coordinates, and implements operational security plans for designated National Special Security Events. The USSS investigates violations of laws relating to: counterfeiting of obligations and securities of the United States; financial crimes, such as access device fraud, financial institution fraud, identity theft, and computer fraud; computer-based attacks on our nation's financial, banking, and telecommunications infrastructure; and provides critical forensic support for associated investigations for the National Center for Missing and Exploited Children (NCMEC).

In order to accomplish both its protective and investigative missions, the Secret Service has offices located throughout the United States and in 15 foreign countries. The Secret Service employs special agents, uniformed officers, and support personnel.

## **B. Major Activities and Key Strategic Issues**

In FY 2007, the Secret Service provided incident-free protection for all its protectees while they were traveling, within protected facilities, and at the 62<sup>nd</sup> United Nations General Assembly. The agency created candidate protective details and provided training, supplies and equipment in support of the 2008 Presidential Campaign protective operations. Planning and staffing for the new Former President and Mrs. Bush detail began in FY 2007, as did the planning and construction for the relocation of the Service's Joint Operations Center (JOC).

In FY 2008, the Service will continue to provide incident-free protection to all designated protectees in travel status and within protected facilities. Candidate protective details will provide protection to qualifying presidential candidates/nominees. The Service will provide protection and security operations at National Special Security Events (NSSEs) including major political conventions, and at Presidential campaign debates, and the 63<sup>rd</sup> United Nations General Assembly. The Service will continue relocation efforts for its JOC.

In FY 2009, the Service will continue to provide incident-free protection to all designated protectees in travel status and within protected facilities. Candidate protective details will provide protection to qualifying presidential nominees through the last month of the campaign. The Service will provide protection and security operations at NSSEs, and at Inaugural events. The Service will provide appropriate equipment and staffing for enhanced protection services for White House protectees. In January 2009, the Service will have a detail fully-equipped and operational for the protection of Former President and Mrs. Bush; planning and staffing for the new detail will continue through early FY 2009, so the new detail will be operational following the Inauguration of the new president. Further, the Secret Service plans to study the efficiencies for competing out Uniformed Division range instructors at the James J. Rowley Training Center.

The Service is continually assessing its technological capability to identify and mitigate threats to fixed and temporarily protected sites visited by the President, Vice-President and high-threat protectees. Advances in publicly-available technology require the Service to equip its personnel with the sophisticated tools necessary to address modern threats. In FY 2009, the Service will enhance, upgrade, and replace several systems for existing classified programs that address physical, technological, electronic, chemical, biological, radiological, and air security threats. In addition, the Service will upgrade security around the perimeter of the White House Complex.

In terms of protecting the nation's financial infrastructure, Secret Service Field Operations continue to provide training and equipment to identify and address cyber vulnerabilities before the criminal element is able to exploit them. In FY 2007, Secret Service agents trained in the Electronic Crimes Special Agent Program (ECSAP) conducted numerous federal cyber crime investigations and assisted state and local law enforcement agencies in similar investigations, including computer forensic examinations of their backlogged cases. Also in FY 2007, the collaborative efforts and resources of our Electronic Crimes Task Forces (ECTFs) were invaluable in successfully preventing cyber attacks that otherwise would have resulted in large-scale financial losses to U.S.-based companies, or disruptions of critical infrastructures.

In FY 2008, the training, equipment and resources of ECSAP-trained special agents and ECTFs will continue strengthening cyber investigations to lessen the number of victims impacted by cyber crimes, and will mitigate fraud losses to U.S. businesses and financial institutions.

In FY 2009, in addition to identifying and mitigating electronic crimes, ECTFs will engage in exercises to test the emergency response of entities entrusted to protect and secure critical infrastructure.

Major challenges impacting the Secret Service's ability to maintain a state of increased preparedness and accomplish its mission in the current and predicted threat environments include terrorists' continued motivation to attack U.S. interests (including its leaders and the economy), and the constantly evolving technological sophistication of the threat

environment. The funds requested in this budget will help the Secret Service address these issues while protecting national leaders and the nation's critical financial infrastructure.

### **C. Resources Requested and Performance Impact**

#### **Major Changes within the Base level**

The proposed FY 2009 budget totals \$ 1,407,621,000 for the Salaries and Expenses appropriation and \$3,725,000 for the Acquisition, Construction, Improvements, and Related Expenses appropriation. Funding will be used to maintain current levels of program operations, provide funding for adjustments to the base and pay annualization, hire an additional 35 positions to complete the staffing requirements for the President Bush Post-Presidency detail, and hire 27 positions for enhanced protection for White House protectees. In addition, funding for rental charges for the new White House mail facility, utility and other costs relative to the Joint Operations Center and protective terrorist countermeasures is included. These costs are net of non-recurred funding for the JOC and the 2008 Presidential Campaign.

#### **Increments over current service level**

#### **Adjustments-to-the-Base**

The Secret Service is a labor-intensive operation, and it is vital that each program has all necessary resources to remain fully operational. This funding will cover increasing payroll and other personnel-related costs. This funding will allow program managers to direct an appropriate level of human and financial capital to continue the dual mission of the Secret Service – Protection and Investigations.

The number of protectees receiving varying levels of protection from the Secret Service has significantly increased since September 11, 2001. Furthermore, the methods utilized to attack U.S. economic interests are becoming more sophisticated, and investigative cases are becoming more complicated. Secret Service personnel are performing critical tasks on a daily basis to provide security for all protectees, as well as to work to combat, disrupt and prevent financial and electronic crimes. These activities directly support DHS Goal 3 to Protect Critical Infrastructure, and these adjustments also have a direct impact on Secret Service protection and investigation-related performance measures.

#### **President Bush Post-Presidency Detail**

Because of the post-September 11 threat environment, the President Bush Post-Presidency detail will require a significant amount of resources, and funding requested in this budget will cover the cost of the additional positions hired for this detail.

Despite the current post-September 11 threat environment, it is anticipated that the current President will be active and maintain a high profile after he leaves office. Therefore, significantly more resources will be required to effectively anticipate threats and provide the appropriate level of protection for President Bush after he leaves office, as compared to other Former President details. This initiative will allow for a smooth implementation of protection and transition of personnel without jeopardizing other critical program operations, including investigative programs. Funding this initiative will have a direct impact on Secret Service protective and investigative performance measures, and directly support DHS Goal 3 to Protect Critical Infrastructure

### **Joint Operations Center (JOC) Relocation**

The Secret Service JOC monitors all sensors, alarms, gates, and communications systems in support of the protection of the President and White House Complex (24 hours a day/7 days a week). The adjacent Emergency Operations Center (EOC) is critical to the establishment of unified command and control for all emergency actions required to ensure the security of the President and the White House Complex. Operation of these systems allows the Secret Service to continue to meet the performance target of 100 percent incident-free protection of persons inside the White House Complex. The JOC and EOC are housed in the Eisenhower Executive Office Building (EEOB), which the General Services Administration (GSA) is beginning to structurally harden. This structural hardening and infrastructure modernization at the EEOB requires the relocation of the JOC, EOC, and all supporting systems. The construction will disrupt vital utility and communication lines critical to security operations, rendering the JOC and EOC inoperable both during and following the modernization effort. These systems are integral to achieving a secure environment for Secret Service protectees and facilities 100 percent of the time; anything less than this is unacceptable, and relocating the JOC enables the Secret Service to maintain a secure environment. This initiative supports DHS Goal 3 to Protect Critical Infrastructure by improving our ability to respond to emergency situations. If the initiative is not funded, the Service's ability to meet the program performance target of 100 percent incident-free protection of persons inside the White House Complex will be jeopardized.

### **White House Mail Facility**

Funding this initiative enables the Secret Service to cover rental charges for this facility and acquire the equipment necessary to screen incoming mail effectively. In this time of increased terrorist threats, it is imperative that the Service utilizes state-of-the-art technology to ensure all White House mail is free from harmful toxins. This initiative supports DHS Goal 3 to Protect Critical Infrastructure, and will allow the Secret Service to continue to meet the performance target of 100 percent incident-free protection of persons inside the White House Complex.

## **Protective Terrorist Countermeasures**

### *Countermeasures Support Programs*

This funding will support initiatives that will detail procedures, responsibilities, requirements, and plans that could be utilized in the event of an explosive, chemical, biological, radiological attack at a secured site; identify additional countermeasures that could be deployed to address specific emerging threats; and allow for the acquisition and deployment of advanced electronic countermeasures. These initiatives support DHS Goal 3 to Protect Critical Infrastructure, and have a direct impact on our Long Term Performance Goal of protecting our nation's leaders, foreign dignitaries, and protected facilities.

### *Primary Limousines*

Funding this initiative will greatly enhance the ability of the Secret Service to provide protection to the President and Vice President, by allowing for the expansion, maintenance, and replacement of the existing primary armored vehicle fleet. Because of the level of safety and security these armored vehicles provide, this initiative enhances our ability to meet the Long Term Performance Goal of our Domestic Protectees program to "protect our Nation's leaders and other protectees", as well as support DHS Goal 3 to Protect Critical Infrastructure. Not funding this initiative could have dire consequences as our limousines would not have the latest state-of-the-art technologies to counter a potential attack. This initiative also has a direct impact on the performance measures of the Domestic Protectees program, by enabling the Secret Service to continue meeting its main outcome measure – "Percentage of Instances Protectees Arrive and Depart Safely."

## **Enhance Protection for White House Protectees**

This initiative will make available the necessary resources to provide the required level of protection at the White House. Due to the high-threat environment post September 11, the resources required to provide the necessary protection has increased, and the Secret Service will do all that is necessary to provide incident-free protection 100 percent of the time. The Service would need to reallocate resources from other areas to meet these protection requirements should this initiative not be funded, and the consequences of this reallocation would include missed performance targets in these other mission-critical areas. The resources provided through this initiative directly support DHS Goal 3 to Protect Critical Infrastructure as it will greatly augment the level of protection provided to our protectees, and enable the Service to continue meeting the Long Term Program Goal of its protection programs.

**D. How Secret Service Programs and Performance Goals Align to and Support DHS Goals and Objectives.**

Domestic Protectees program performance goal - Protect our nation's leaders and other protectees.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

Foreign Protectees and Foreign Missions program performance goal - Protect visiting world leaders

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

Protective Intelligence program performance goal - Reduce threats posed by global terrorists and other adversaries.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

Financial Investigations program performance goal - Reduce losses to the public attributable to counterfeit currency, other financial crimes, and identity theft crimes that are under the jurisdiction of the Secret Service, which threaten the integrity of our currency and the reliability of financial payment systems worldwide.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

Infrastructure Investigations program performance goal - Reduce losses to the public attributable to electronic crimes and crimes under the jurisdiction of the Secret Service that threaten the integrity and reliability of the critical infrastructure of the country.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

Campaign Protection program performance goal - Protect our Presidential and Vice Presidential Candidates and Nominees.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed critical infrastructure and key assets

## E. Performance Based Budget Highlights by Program

### Performance Budget Highlights by Program

USSS

2009 Congressional

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars and FTE, and main performance measure/s are shown below. For many of the programs, more performance information may be found on the OMB web site [Expectmore.gov](http://Expectmore.gov) (program names may differ slightly from those used in this document).

|  |          |          |         |          |          |          |
|--|----------|----------|---------|----------|----------|----------|
| <b>Program: Campaign Protection</b>  |          |          |         |          |          |          |
| <b>Performance Goal:</b> Protect our Presidential and Vice Presidential Candidates and Nominees. |          |          |         |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>                        |          |          |         |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | \$64,557 | \$24,500 | \$0     | \$33,650 | \$85,250 | \$39,882 |
| <b>FTE</b>   | 236      | 120      | 0       | 74       | 250      | 120      |

### Performance Plan Measures

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment in order to provide the highest - quality protection the Secret Service demands for all protectees. This measure represents the percentage of travel stops where the protectee safely arrives and departs. The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | 100%    | 100%    | N/A     | N/A     | 100%    | 100%    |
| <b>Actual:</b>   | 100%    | 100%    | N/A     | 100%    | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Domestic Protectees (DP)</b>                                    |           |           |           |           |           |           |
| <b>Performance Goal:</b> Protect our Nation's leaders and other protectees. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$819,927 | \$792,670 | \$830,560 | \$859,669 | \$910,127 | \$960,142 |
| <b>FTE</b>  | 3,140     | 3,358     | 3,374     | 3,440     | 3,491     | 3,523     |

### Performance Plan Measures

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely.   |  |  |  |  |  |  |
| <b>Description of Measure:</b> The percentage of travel stops where our Nation's leaders and other protectees arrive and depart safely. The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment in order to provide the highest - quality protection the Secret Service demands for all protectees. |  |  |  |  |  |  |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | 100%    | 100%    | 100%    | 100%    | N/A     | N/A     |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Financial Investigations (FI)</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> Reduce losses to the public attributable to counterfeit currency, other financial crimes, and identity theft crimes that are under the jurisdiction of the Secret Service, which threaten the integrity of our currency and the reliability of financial payment systems worldwide. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$251,262 | \$315,794 | \$341,612 | \$345,329 | \$334,371 | \$360,320 |
| <b>FTE</b>   | 1,689     | 1,684     | 1,796     | 1,726     | 1,573     | 1,690     |

### Performance Plan Measures

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Counterfeit passed as a percent of the amount of genuine currency in circulation   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The dollar value of counterfeit notes passed on the public reported as a percent of dollars of genuine currency. This measure is calculated by dividing the dollar value of counterfeit notes passed by the dollar value of genuine currency in circulation. This measure is an indicator of the proportion of counterfeit currency relative to the amount of genuine U.S. Currency in circulation, and reflects our efforts to reduce financial losses to the public attributable to counterfeit currency. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | <.01%   | <.01%   | <.0098% |
| <b>Actual:</b>   | None    | None    | None    | .0079%  | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Financial crimes loss prevented through a criminal investigation (in billions).   |         |         |         |         |         |         |
| <b>Description of Measure:</b> An estimate of the direct dollar loss to the public that was prevented due to Secret Service intervention or interruption of a criminal venture through a criminal investigation. This estimate is based on the likely amount of financial crime that would have occurred had the offender not been identified nor the criminal enterprise disrupted, and reflects the Secret Service's efforts to reduce financial losses to the public attributable to financial crimes. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | \$1.0   | \$1.5   | \$1.5   | \$1.5   | \$1.0   | \$1.8   |
| <b>Actual:</b>  | \$1.7   | \$1.8   | \$1.23  | \$3.9   | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Foreign Protectees and Foreign Missions (FP/FM)</b>           |           |           |           |           |           |           |
| <b>Performance Goal:</b> Protect visiting world leaders.                  |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$105,406 | \$124,807 | \$129,134 | \$130,781 | \$136,012 | \$140,401 |
| <b>FTE</b>  | 527       | 659       | 659       | 659       | 659       | 659       |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely - Foreign Dignitaries.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percentage of travel stops where visiting world leader protectees safely arrive and depart. The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment in order to provide the highest - quality protection the Secret Service demands for all protectees. The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | 100%    | 100%    | 100%    | 100%    | N/A     | N/A     |

|   |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|
| <b>Program: Infrastructure Investigations</b>   |          |          |          |          |          |          |
| <b>Performance Goal:</b> Reduce losses to the public attributable to electronic crimes and crimes under the jurisdiction of the Secret Service that threaten the integrity and reliability of the critical infrastructure of the country. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |          |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$27,323 | \$49,172 | \$50,958 | \$54,140 | \$54,794 | \$58,236 |
| <b>FTE</b>  | 240      | 254      | 289      | 300      | 277      | 290      |

**Performance Plan Measures**

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Financial crimes loss prevented by the Secret Service Electronic Crimes Task Forces (in millions).  |          |         |         |         |         |         |
| <b>Description of Measure:</b> An estimate of the direct dollar loss to the public that was prevented due to investigations by Secret Service Electronic Crimes Task Forces throughout the United States, which were established pursuant to the USA PATRIOT Act. This estimate is based on the likely amount of electronic financial crime that would have occurred had the offender not been identified nor the criminal enterprise disrupted. This measure reflects the Secret Service's efforts to reduce financial losses to the public attributable to electronic crimes. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | Baseline | \$150   | \$150   | \$150   | \$150   | \$160   |
| <b>Actual:</b>  | \$150    | \$556.2 | \$315.9 | \$355.1 | N/A     | N/A     |

|   |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|
| <b>Program: Protective Intelligence (PI)</b>  |          |          |          |          |          |          |
| <b>Performance Goal:</b> Reduce threats posed by global terrorists and other adversaries. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>                 |          |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$65,653 | \$68,857 | \$71,225 | \$73,548 | \$74,942 | \$77,365 |
| <b>FTE</b>  | 441      | 441      | 446      | 450      | 450      | 450      |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of Protective Intelligence cases completed.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The total number of intelligence cases completed by agents assigned to field operations. These cases generally represent an assessment of individuals or groups who have threatened a protectee of the Secret Service. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 4,500   | 4,000   | 4,000   | 3,300   | 4,200   | 4,000   |
| <b>Actual:</b>  | 3,992   | 4,614   | 4,164   | 3,631   | N/A     | N/A     |

|  |          |          |         |          |          |          |
|--|----------|----------|---------|----------|----------|----------|
| <b>Program: Campaign Protection</b>  |          |          |         |          |          |          |
| <b>Performance Goal:</b> Protect our Presidential and Vice Presidential Candidates and Nominees. |          |          |         |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>                        |          |          |         |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | \$64,557 | \$24,500 | \$0     | \$33,650 | \$85,250 | \$39,882 |
| <b>FTE</b>   | 236      | 120      | 0       | 74       | 250      | 120      |

**Performance Plan Measures**

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment in order to provide the highest - quality protection the Secret Service demands for all protectees. This measure represents the percentage of travel stops where the protectee safely arrives and departs. The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | 100%    | 100%    | N/A     | N/A     | 100%    | 100%    |
| <b>Actual:</b>   | 100%    | 100%    | N/A     | 100%    | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Domestic Protectees (DP)</b>                                    |           |           |           |           |           |           |
| <b>Performance Goal:</b> Protect our Nation's leaders and other protectees. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$819,927 | \$792,670 | \$830,560 | \$859,669 | \$910,127 | \$960,142 |
| <b>FTE</b>  | 3,140     | 3,358     | 3,374     | 3,440     | 3,491     | 3,523     |

**Performance Plan Measures**

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely.   |  |  |  |  |  |  |
| <b>Description of Measure:</b> The percentage of travel stops where our Nation's leaders and other protectees arrive and depart safely. The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment |  |  |  |  |  |  |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| in order to provide the highest - quality protection the Secret Service demands for all protectees. The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | 100%    | 100%    | 100%    | 100%    | N/A     | N/A     |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Financial Investigations (FI)</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> Reduce losses to the public attributable to counterfeit currency, other financial crimes, and identity theft crimes that are under the jurisdiction of the Secret Service, which threaten the integrity of our currency and the reliability of financial payment systems worldwide. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$251,262 | \$315,794 | \$341,612 | \$345,329 | \$334,371 | \$360,320 |
| <b>FTE</b>   | 1,689     | 1,684     | 1,796     | 1,726     | 1,573     | 1,690     |

### Performance Plan Measures

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Counterfeit passed as a percent of the amount of genuine currency in circulation   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The dollar value of counterfeit notes passed on the public reported as a percent of dollars of genuine currency. This measure is calculated by dividing the dollar value of counterfeit notes passed by the dollar value of genuine currency in circulation. This measure is an indicator of the proportion of counterfeit currency relative to the amount of genuine U.S. Currency in circulation, and reflects our efforts to reduce financial losses to the public attributable to counterfeit currency. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | <.01%   | <.01%   | <.0098% |
| <b>Actual:</b>   | None    | None    | None    | .0079%  | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Financial crimes loss prevented through a criminal investigation (in billions).   |         |         |         |         |         |         |
| <b>Description of Measure:</b> An estimate of the direct dollar loss to the public that was prevented due to Secret Service intervention or interruption of a criminal venture through a criminal investigation. This estimate is based on the likely amount of financial crime that would have occurred had the offender not been identified nor the criminal enterprise disrupted, and reflects the Secret Service's efforts to reduce financial losses to the public attributable to financial crimes. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | \$1.0   | \$1.5   | \$1.5   | \$1.5   | \$1.0   | \$1.8   |
| <b>Actual:</b>  | \$1.7   | \$1.8   | \$1.23  | \$3.9   | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Foreign Protectees and Foreign Missions (FP/FM)</b>           |           |           |           |           |           |           |
| <b>Performance Goal:</b> Protect visiting world leaders.                  |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$105,406 | \$124,807 | \$129,134 | \$130,781 | \$136,012 | \$140,401 |
| <b>FTE</b>  | 527       | 659       | 659       | 659       | 659       | 659       |

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of instances protectees arrive and depart safely - Foreign Dignitaries.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percentage of travel stops where visiting world leader protectees safely arrive and depart. The security of protectees is the ultimate priority of the Secret Service; therefore, all necessary resources are utilized before and during a protective assignment in order to provide the highest - quality protection the Secret Service demands for all protectees. The performance target is always 100%. Anything under 100% is unacceptable. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | 100%    | 100%    | 100%    | 100%    | N/A     | N/A     |

|   |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|
| <b>Program: Infrastructure Investigations</b>   |          |          |          |          |          |          |
| <b>Performance Goal:</b> Reduce losses to the public attributable to electronic crimes and crimes under the jurisdiction of the Secret Service that threaten the integrity and reliability of the critical infrastructure of the country. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |          |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$27,323 | \$49,172 | \$50,958 | \$54,140 | \$54,794 | \$58,236 |
| <b>FTE</b>  | 240      | 254      | 289      | 300      | 277      | 290      |

### Performance Plan Measures

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Financial crimes loss prevented by the Secret Service Electronic Crimes Task Forces (in millions).  |          |         |         |         |         |         |
| <b>Description of Measure:</b> An estimate of the direct dollar loss to the public that was prevented due to investigations by Secret Service Electronic Crimes Task Forces throughout the United States, which were established pursuant to the USA PATRIOT Act. This estimate is based on the likely amount of electronic financial crime that would have occurred had the offender not been identified nor the criminal enterprise disrupted. This measure reflects the Secret Service's efforts to reduce financial losses to the public attributable to electronic crimes. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | Baseline | \$150   | \$150   | \$150   | \$150   | \$160   |
| <b>Actual:</b>  | \$150    | \$556.2 | \$315.9 | \$355.1 | N/A     | N/A     |

|   |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|
| <b>Program: Protective Intelligence (PI)</b>  |          |          |          |          |          |          |
| <b>Performance Goal:</b> Reduce threats posed by global terrorists and other adversaries. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>                 |          |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$65,653 | \$68,857 | \$71,225 | \$73,548 | \$74,942 | \$77,365 |
| <b>FTE</b>  | 441      | 441      | 446      | 450      | 450      | 450      |

**Performance Plan Measures**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of Protective Intelligence cases completed.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The total number of intelligence cases completed by agents assigned to field operations. These cases generally represent an assessment of individuals or groups who have threatened a protectee of the Secret Service. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 4,500   | 4,000   | 4,000   | 3,300   | 4,200   | 4,000   |
| <b>Actual:</b>  | 3,992   | 4,614   | 4,164   | 3,631   | N/A     | N/A     |

**F. Digest Tables by FYHSP Program**

DIGEST OF FY 2008 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM  
 All Appropriations  
 (dollars in thousands)

| BUDGET ACTIVITY   | FY 2007<br>Actual |                    | FY 2008<br>President's Budget |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                    |
|---|-------------------|--------------------|-------------------------------|--------------------|--------------------|--------------------|--|-----------------|-----------------|-----------------|---------------------|--------------------|
|   | FTE               | AMOUNT             | FTE                           | AMOUNT             | FTE                | AMOUNT             | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                    |
|   |                   |                    |                               |                    |                    |                    | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT             |
| <b>1. PROTECTION</b>  | <b>4,323</b>      | <b>\$1,122,864</b> | <b>4,850</b>                  | <b>\$1,206,331</b> | <b>4,752</b>       | <b>\$1,220,790</b> | <b>(98)</b>                              | <b>\$14,459</b> | <b>32</b>       | <b>\$46,900</b> | <b>(130)</b>        | <b>\$ (35,441)</b> |
| Domestic Protectees   | 3,182             | 922,536            | 3,491                         | 910,127            | 3,523              | 961,942            | 32                                       | 51,815          | 32              | 46,900          |                     | 3,115              |
| <i>White House Mail Processing</i>                                    |                   | 30,440             |                               | 16,201             |                    | 36,701             | ---                                      | 20,500          |                 | 20,500          |                     |                    |
| Foreign Protectees and Foreign Missions                               | 535               | 96,577             | 659                           | 136,012            | 659                | 140,401            | ---                                      | 4,389           |                 |                 |                     | 4,389              |
| Protective Intelligence   | 556               | 92,056             | 450                           | 74,942             | 450                | 77,365             | ---                                      | 2,423           |                 |                 |                     | 2,423              |
| Campaign Protection   | 50                | 11,695             | 250                           | 85,250             | 120                | 41,082             | (130)                                    | (44,168)        |                 |                 | (130)               | (45,368)           |
| <b>2. INVESTIGATIONS</b>  | <b>2,190</b>      | <b>368,320</b>     | <b>1,850</b>                  | <b>389,165</b>     | <b>1,980</b>       | <b>418,556</b>     | <b>130</b>                               | <b>29,391</b>   | <b>---</b>      | <b>0</b>        | <b>130</b>          | <b>29,391</b>      |
| Financial Investigations  | 1,832             | 319,797            | 1,573                         | 334,371            | 1,690              | 360,320            | 117                                      | 25,949          |                 |                 | 117                 | 25,949             |
| Infrastructure Investigations   | 358               | 48,523             | 277                           | 54,794             | 290                | 58,236             | 13                                       | 3,442           |                 |                 | 13                  | 3,442              |
| Unobligated balance expiring  |                   |                    |                               |                    |                    |                    |  |                 |                 |                 |                     |                    |
| <b>Subtotal, Salaries and Expenses Budget Authority (All Sources)</b> | <b>6,513</b>      | <b>\$1,491,184</b> | <b>6,700</b>                  | <b>\$1,595,496</b> | <b>6,732</b>       | <b>\$1,639,346</b> | <b>32</b>                                | <b>\$43,850</b> | <b>32</b>       | <b>\$46,900</b> | <b>-</b>            | <b>(\$6,050)</b>   |
| Less Adjustments for Other Funding Sources:                           |                   |                    |                               |                    |                    |                    |  |                 |                 |                 |                     |                    |
| <b>Total, enacted appropriations and budget estimates</b>             | <b>6,513</b>      | <b>\$1,491,184</b> | <b>6,700</b>                  | <b>\$1,595,496</b> | <b>6,732</b>       | <b>\$1,639,346</b> | <b>32</b>                                | <b>\$43,850</b> | <b>32</b>       | <b>\$46,900</b> | <b>---</b>          | <b>(\$6,050)</b>   |

# Department of Homeland Security

*United States Coast Guard*

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Fiscal Year 2009

Congressional Stage Budget



**i-A. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
U.S. Coast Guard**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007 Actual Obligations |                    | FY 2008 Enacted Excluding Emergency Funds |                    | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                  |
|--|----------------------------|--------------------|---|--------------------|-----------------|--------------------|--|------------------|-----------------|------------------|---------------------|------------------|
|  | FTE                        | AMOUNT             | FTE                                       | AMOUNT             | FTE             | AMOUNT             | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                  |
|  |                            |                    |   |                    |                 |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT           |
| Operating Expenses   | 46,360                     | 5,763,330          | 46,950                                    | 5,931,047          | 48,260          | 6,213,402          | 1,310                                    | 282,355          | 237             | 46,508           | 1,073               | 235,847          |
| Environmental Compliance and Restoration   | 22                         | 11,161             | 24  | 13,000             | 24              | 12,315             | ---                                      | (685)            | ---             | ---              | ---                 | (685)            |
| Reserve Training   | 547                        | 120,516            | 536                                       | 126,883            | 536             | 130,501            | ---                                      | 3,618            | ---             | ---              | ---                 | 3,618            |
| Acquisition, Construction and Improvements   | 619                        | 1,533,895          | 652                                       | 892,019            | ---             | 1,205,118          | (652)                                    | 313,099          | ---             | 399,173          | (652)               | (86,074)         |
| Alteration of Bridges  | ---                        | 16,029             | ---                                       | 16,000             | ---             | ---                | ---                                      | (16,000)         | ---             | ---              | ---                 | (16,000)         |
| Research, Development, Test and Evaluation   | 96                         | 18,446             | 102                                       | 25,000             | 102             | 16,000             | ---                                      | (9,000)          | ---             | ---              | ---                 | (9,000)          |
| Health Care Fund Contribution  | ---                        | 278,704            | ---                                       | 272,111            | ---             | 257,305            | ---                                      | (14,806)         | ---             | ---              | ---                 | (14,806)         |
| Retired Pay  | ---                        | 1,081,844          | ---                                       | 1,184,720          | ---             | 1,236,745          | ---                                      | 52,025           | ---             | ---              | ---                 | 52,025           |
| Boat Safety  | ---                        | 111,993            | 8   | 132,923            | 8               | 125,461            | ---                                      | (7,462)          | ---             | ---              | ---                 | (7,462)          |
| Oil Spill Recovery   | ---                        | 87,278             | ---                                       | 147,270            | ---             | 149,095            | ---                                      | 1,825            | ---             | ---              | ---                 | 1,825            |
| Gift Fund  | ---                        | 1,380              | ---                                       | 80                 | ---             | 80                 | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>                                   | <b>47,644</b>              | <b>\$9,024,576</b> | <b>48,272</b>                             | <b>\$8,741,053</b> | <b>48,930</b>   | <b>\$9,346,022</b> | <b>658</b>                               | <b>\$604,969</b> | <b>237</b>      | <b>\$445,681</b> | <b>421</b>          | <b>\$159,288</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>  |                            |                    |   |                    |                 |                    |  |                  |                 |                  |                     |                  |
| Department of Defense Transfer, P.L. 109-148, P.L. 110-161 (Function 054)                      | ---                        | (90,000)           | ---                                       | (110,000)          | ---             | ---                | ---                                      | 110,000          | ---             | ---              | ---                 | 110,000          |
| DHS Transfer - NCR Air Defense and AC&I Emergency Supplemental (P.L. 109-90)                   | ---                        | (175,800)          | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| AC&I Emergency Supplemental (P.L. 109-90) to mitigate patrol boat operational gap              | ---                        | (30,000)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Sale of Lighthouse   | ---                        | (682)              | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| ONDOP transfer to cover USCG HIDTA activities, P.L. 110-05                                     | ---                        | (32)               | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Rescission of prior year Fast Response Cutter (FRC) funding appropriated in P.L. 109-295       | ---                        | (78,694)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Rescission of prior year Offshore Patrol Cutter (OPC) appropriated in P.L. 109-90, P.L. 110-05 | ---                        | (20,000)           | ---                                       | 98,627             | ---             | ---                | ---                                      | (98,627)         | ---             | ---              | ---                 | ---              |
| Rescission of prior year (VUAV) funding appropriated in P.L. 110-05                            | ---                        | ---                | ---                                       | 33,822             | ---             | ---                | ---                                      | (33,822)         | ---             | ---              | ---                 | ---              |
| Rescission of prior year funding pursuant to P.L. 110-161 <sup>1/</sup>                        | ---                        | ---                | ---                                       | [9,584]            | ---             | ---                | ---                                      | [9,584]          | ---             | ---              | ---                 | ---              |
| Rescission of DHS start-up balances pursuant to P.L. 110-161                                   | ---                        | ---                | ---                                       | 4,815              | ---             | ---                | ---                                      | (4,815)          | ---             | ---              | ---                 | ---              |
| Rescission of prior year NAIS funding pursuant to P.L. 109-90                                  | ---                        | (4,100)            | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Rescission Unobligated Balances pursuant to P.L. 109-90  | ---                        | [-25,596]          | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Reapportionment of unobligated balances in Retired Pay pursuant to P.L. 110-28                 | ---                        | (30,000)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |
| Operating Expenses Emergency Funding (Function 403) P.L. 110-161                               | ---                        | ---                | 286                                       | 70,300             | ---             | ---                | (286)                                    | (70,300)         | ---             | ---              | (286)               | (70,300)         |
| AC&I Emergency Funding (Function 403) P.L. 110-161   | ---                        | ---                | ---                                       | 95,800             | ---             | ---                | ---                                      | (95,800)         | ---             | ---              | ---                 | ---              |
| <b>Net, Enacted Appropriations and Budget Estimates</b>  | <b>47,644</b>              | <b>\$8,595,268</b> | <b>48,558</b>                             | <b>\$8,934,417</b> | <b>48,930</b>   | <b>\$9,346,022</b> | <b>372</b>                               | <b>\$411,605</b> | <b>237</b>      | <b>\$212,617</b> | <b>421</b>          | <b>\$269,288</b> |

<sup>1/</sup> For comparability purposes, FY08 excludes \$9,584M Rescission of unobligated balances from section 505 of P.L. 109-295 pursuant to P.L. 110-161.

**i-B. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
U.S. Coast Guard**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

|  | FY 2007 Actual Obligations |                    | FY 2008 Enacted Including Emergency Funds |                    | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                  |     |
|--|----------------------------|--------------------|---|--------------------|-----------------|--------------------|--|------------------|-----------------|------------------|---------------------|------------------|-----|
|  | FTE                        | AMOUNT             | FTE                                       | AMOUNT             | FTE             | AMOUNT             | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                  |     |
|  |                            |                    |   |                    |                 |                    | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT           | FTE |
| Budget Activity  |                            |                    |   |                    |                 |                    |  |                  |                 |                  |                     |                  |     |
| Operating Expenses   | 46,360                     | 5,763,330          | 47,236                                    | 6,001,347          | 48,260          | 6,213,402          | 1,024                                    | 212,055          | 237             | 46,508           | 787                 | 165,547          |     |
| Environmental Compliance and Restoration   | 22                         | 11,161             | 24  | 13,000             | 24              | 12,315             | ---                                      | (685)            | ---             | ---              | ---                 | (685)            |     |
| Reserve Training   | 547                        | 120,516            | 536                                       | 126,883            | 536             | 130,501            | ---                                      | 3,618            | ---             | ---              | ---                 | 3,618            |     |
| Acquisition, Construction and Improvements   | 619                        | 1,533,895          | 652                                       | 987,819            | ---             | 1,205,118          | (652)                                    | 217,299          | ---             | 303,373          | (652)               | (86,074)         |     |
| Alteration of Bridges  | ---                        | 16,029             | ---                                       | 16,000             | ---             | ---                | ---                                      | (16,000)         | ---             | ---              | ---                 | (16,000)         |     |
| Research, Development, Test and Evaluation   | 96                         | 18,446             | 102                                       | 25,000             | 102             | 16,000             | ---                                      | (9,000)          | ---             | ---              | ---                 | (9,000)          |     |
| Health Care Fund Contribution  | ---                        | 278,704            | ---                                       | 272,111            | ---             | 257,305            | ---                                      | (14,806)         | ---             | ---              | ---                 | (14,806)         |     |
| Retired Pay  | ---                        | 1,081,844          | ---                                       | 1,184,720          | ---             | 1,236,745          | ---                                      | 52,025           | ---             | ---              | ---                 | 52,025           |     |
| Boat Safety  | ---                        | 111,993            | 8   | 132,923            | 8               | 125,461            | ---                                      | (7,462)          | ---             | ---              | ---                 | (7,462)          |     |
| Oil Spill Recovery   | ---                        | 87,278             | ---                                       | 147,270            | ---             | 149,095            | ---                                      | 1,825            | ---             | ---              | ---                 | 1,825            |     |
| Gift Fund  | ---                        | 1,380              | ---                                       | 80                 | ---             | 80                 | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>                                   | <b>47,644</b>              | <b>\$9,024,576</b> | <b>48,558</b>                             | <b>\$8,907,153</b> | <b>48,930</b>   | <b>\$9,346,022</b> | <b>372</b>                               | <b>\$438,869</b> | <b>237</b>      | <b>\$349,881</b> | <b>135</b>          | <b>\$68,988</b>  |     |
| <b>Less: Adjustments for Other Funding Sources:</b>  |                            |                    |   |                    |                 |                    |  |                  |                 |                  |                     |                  |     |
| Department of Defense Transfer, P.L. 109-148, P.L. 110-161 (Function 054)                      | ---                        | (90,000)           | ---                                       | (110,000)          | ---             | ---                | ---                                      | 110,000          | ---             | ---              | ---                 | 110,000          |     |
| DHS Transfer - NCR Air Defense and AC&I Emergency Supplemental (P.L. 109-90)                   | ---                        | (175,800)          | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| AC&I Emergency Supplemental (P.L. 109-90) to mitigate patrol boat operational gap              | ---                        | (30,000)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Sale of Lighthouse   | ---                        | (682)              | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| ONDOP transfer to cover USCG HIDTA activities, P.L. 110-05                                     | ---                        | (32)               | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Rescission of prior year Fast Response Cutter (FRC) funding appropriated in P.L. 109-295       | ---                        | (78,694)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Rescission of prior year Offshore Patrol Cutter (OPC) appropriated in P.L. 109-90, P.L. 110-05 | ---                        | (20,000)           | ---                                       | 98,627             | ---             | ---                | ---                                      | (98,627)         | ---             | (98,627)         | ---                 | ---              |     |
| Rescission of prior year funding appropriated in P.L. 110-05                                   | ---                        | ---                | ---                                       | 33,822             | ---             | ---                | ---                                      | (33,822)         | ---             | (33,822)         | ---                 | ---              |     |
| Rescission of prior year funding pursuant to P.L. 110-161 <sup>v</sup>                         | ---                        | ---                | ---                                       | [9,584]            | ---             | ---                | ---                                      | [9,584]          | ---             | [9,584]          | ---                 | ---              |     |
| Rescission of DHS start-up balances pursuant to P.L. 110-161                                   | ---                        | ---                | ---                                       | 4,815              | ---             | ---                | ---                                      | (4,815)          | ---             | (4,815)          | ---                 | ---              |     |
| Rescission of prior year NAIS funding pursuant to P.L. 109-90                                  | ---                        | (4,100)            | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Rescission Unobligated Balances pursuant to P.L. 109-90  | ---                        | [25,596]           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Reappointment of unobligated balances in Retired Pay pursuant to P.L. 110-28                   | ---                        | (30,000)           | ---                                       | ---                | ---             | ---                | ---                                      | ---              | ---             | ---              | ---                 | ---              |     |
| Net, Enacted Appropriations and Budget Estimates   | <b>47,644</b>              | <b>\$8,595,268</b> | <b>48,558</b>                             | <b>\$8,934,417</b> | <b>48,930</b>   | <b>\$9,346,022</b> | <b>372</b>                               | <b>\$411,605</b> | <b>237</b>      | <b>\$212,617</b> | <b>135</b>          | <b>\$198,988</b> |     |

<sup>v</sup> For comparability purposes, FY08 excludes \$9,584M Rescission of unobligated balances from section 505 of P.L. 109-295 pursuant to P.L. 110-161.

ii. Homeland and Non-Homeland Allocation

Department of Homeland Security  
U.S. Coast Guard  
Homeland and Non-Homeland Allocation by Strategic Goals  
(Dollars in Thousands)

| Budget Activity                                   | 2007<br>Actual Budget Authority (BA) |             |              |             |        |             | 2008<br>Enacted (Includes Emergency Funds) |             |              |           |        |             | 2009<br>Request |           |              |           |        |             |
|---|--------------------------------------|-------------|--------------|-------------|--------|-------------|--|-------------|--------------|-----------|--------|-------------|-----------------|-----------|--------------|-----------|--------|-------------|
|   | Homeland                             |             | Non-Homeland |             | Total  |             | Homeland                                   |             | Non-Homeland |           | Total  |             | Homeland        |           | Non-Homeland |           | Total  |             |
|   | FTE                                  | Amount      | FTE          | Amount      | FTE    | Amount      | FTE  | Amount      | FTE          | Amount    | FTE    | Amount      | FTE             | Amount    | FTE          | Amount    | FTE    | Amount      |
| <b>Operating Expenses</b>                         | 15,713                               | \$1,929,657 | 30,647       | \$3,763,925 | 46,360 | \$5,693,582 | 19,522                                     | \$2,362,887 | 27,714       | 3,638,460 | 47,236 | \$6,001,347 | 20,625          | 2,664,861 | 27,635       | 3,548,541 | 48,260 | \$6,213,402 |
| - Maritime Safety                                 |                                      |             | 8,892        | 1,092,004   | 8,892  | 1,092,004   |  |             | 8,466        | 1,062,696 | 8,466  | 1,062,696   |                 |           | 8,513        | 1,099,387 | 8,513  | 1,099,387   |
| - Maritime Mobility                               |                                      |             | 9,270        | 1,138,566   | 9,270  | 1,138,566   |  |             | 7,986        | 1,084,689 | 7,986  | 1,084,689   |                 |           | 7,956        | 1,036,618 | 7,956  | 1,036,618   |
| - Protection of Natural Resources                 |                                      |             | 5,826        | 715,377     | 5,826  | 715,377     |  |             | 4,900        | 639,763   | 4,900  | 639,763     |                 |           | 4,878        | 619,998   | 4,878  | 619,998     |
| - Maritime Security                               | 11,769                               | 1,445,429   | 6,659        | 817,778     | 18,428 | 2,263,207   | 15,966                                     | 1,802,034   | 6,362        | 851,312   | 22,328 | 2,653,346   | 17,244          | 2,229,351 | 6,288        | 792,558   | 23,532 | 3,022,089   |
| - National Defense                                | 3,944                                | 484,228     |              |             | 3,944  | 484,228     | 3,556                                      | 560,853     |              |           | 3,556  | 560,853     | 3,381           | 435,310   |              |           | 3,381  | 435,310     |
| <b>Environmental Compliance and Restoration</b>   |                                      |             | 22           | 10,880      | 22     | 10,880      |  |             | 24           | 13,000    | 24     | 13,000      |                 |           | 24           | 12,315    | 24     | 12,315      |
| - Protection of Natural Resources                 |                                      |             | 22           | 10,880      | 22     | 10,880      |  |             | 24           | 13,000    | 24     | 13,000      |                 |           | 24           | 12,315    | 24     | 12,315      |
| <b>Reserve Training</b>                           | 187                                  | 41,499      | 360          | 80,949      | 547    | 122,448     | 206  | 48,520      | 330          | 78,363    | 536    | 126,883     | 230             | 55,970    | 306          | 74,531    | 536    | 130,501     |
| - Maritime Safety                                 |                                      |             | 105          | 23,484      | 105    | 23,484      |  |             | 96           | 22,887    | 96     | 22,887      |                 |           | 95           | 23,091    | 95     | 23,091      |
| - Maritime Mobility                               |                                      |             | 109          | 24,487      | 109    | 24,487      |  |             | 98           | 23,361    | 98     | 23,361      |                 |           | 90           | 21,773    | 90     | 21,773      |
| - Protection of Natural Resources                 |                                      |             | 68           | 15,391      | 68     | 15,391      |  |             | 58           | 13,779    | 58     | 13,779      |                 |           | 53           | 13,021    | 53     | 13,021      |
| - Maritime Security                               | 139                                  | 31,086      | 78           | 17,587      | 217    | 48,673      | 164  | 38,811      | 78           | 18,336    | 242    | 57,147      | 192             | 46,828    | 68           | 16,646    | 260    | 63,474      |
| - National Defense                                | 48                                   | 10,413      |              |             | 48     | 10,413      | 42   | 9,709       |              |           | 42     | 9,709       | 38              | 9,142     |              |           | 38     | 9,142       |
| <b>Acquisition, Construction and Improvements</b> | 229                                  | 497,118     | 390          | 839,027     | 619    | 1,336,145   | 245  | 374,362     | 407          | 613,457   | 652    | 987,819     |                 |           |              |           |        | 1,205,118   |
| - Maritime Safety                                 |                                      |             | 87           | 187,096     | 87     | 187,096     |  |             | 118          | 178,316   | 118    | 178,316     |                 |           |              |           |        | 169,728     |
| - Maritime Mobility                               |                                      |             | 14           | 28,927      | 14     | 28,927      |  |             | 37           | 53,629    | 37     | 53,629      |                 |           |              |           |        | 40,434      |
| - Protection of Natural Resources                 |                                      |             | 113          | 242,740     | 113    | 242,740     |  |             | 106          | 160,271   | 106    | 160,271     |                 |           |              |           |        | 225,759     |
| - Maritime Security                               | 186                                  | 402,380     | 176          | 380,264     | 362    | 782,644     | 202  | 307,024     | 146          | 221,241   | 348    | 528,265     |                 |           |              |           |        | 684,380     |
| - National Defense                                | 43                                   | 94,738      |              |             | 43     | 94,738      | 43   | 67,338      |              |           | 43     | 67,338      |                 |           |              |           |        | 84,817      |
| <b>Alteration of Bridges</b>                      |                                      |             |              | 16,000      |        | 16,000      |  |             |              |           |        | 16,000      |                 |           |              |           |        |             |
| - Maritime Mobility                               |                                      |             |              | 16,000      |        | 16,000      |  |             |              |           |        | 16,000      |                 |           |              |           |        |             |
| <b>Research, Development, Test and Evaluation</b> | 11                                   | 1,839       | 85           | 15,161      | 96     | 17,000      | 16   | 5,413       | 86           | 19,587    | 102    | 25,000      | 28              | 6,480     | 74           | 9,520     | 102    | 16,000      |
| - Maritime Safety                                 |                                      |             | 29           | 5,359       | 29     | 5,359       |  |             | 19           | 4,444     | 19     | 4,444       |                 |           | 19           | 2,672     | 19     | 2,672       |
| - Maritime Mobility                               |                                      |             | 10           | 1,598       | 10     | 1,598       |  |             | 19           | 4,321     | 19     | 4,321       |                 |           | 14           | 979       | 14     | 979         |
| - Protection of Natural Resources                 |                                      |             | 42           | 7,424       | 42     | 7,424       |  |             | 41           | 8,771     | 41     | 8,771       |                 |           | 24           | 3,837     | 24     | 3,837       |
| - Maritime Security                               | 8                                    | 1,378       | 4            | 780         | 12     | 2,158       | 13   | 4,351       | 7            | 2,051     | 20     | 6,402       | 25              | 6,069     | 17           | 2,032     | 42     | 8,101       |
| - National Defense                                | 3                                    | 461         |              |             | 3      | 461         | 3  | 1,062       |              |           | 3      | 1,062       | 3               | 411       |              |           | 3      | 411         |
| <b>Health Care Fund Contribution</b>              |                                      |             |              | 198,093     |        | 278,704     |  |             |              |           |        | 168,063     |                 |           |              |           |        | 257,305     |
| - Maritime Safety                                 |                                      |             |              | 59,454      |        | 59,454      |  |             |              |           |        | 49,084      |                 |           |              |           |        | 45,528      |
| - Maritime Mobility                               |                                      |             |              | 61,989      |        | 61,989      |  |             |              |           |        | 50,100      |                 |           |              |           |        | 42,927      |
| - Protection of Natural Resources                 |                                      |             |              | 37,637      |        | 37,637      |  |             |              |           |        | 29,549      |                 |           |              |           |        | 25,674      |
| - Maritime Security                               |                                      |             |              | 39,013      |        | 107,970     |  |             |              |           |        | 83,232      |                 |           |              |           |        | 125,149     |
| - National Defense                                |                                      |             |              | 11,654      |        | 11,654      |  |             |              |           |        | 20,826      |                 |           |              |           |        | 18,027      |

ii. Homeland and Non-Homeland Allocation

**Department of Homeland Security  
U.S. Coast Guard**  
Homeland and Non-Homeland Allocation by Strategic Goals  
(Dollars in Thousands)

| Budget Activity   | 2007                         |              |        |                                    |              |             | 2008     |              |           |             |              |             | 2009     |              |           |             |  |  |
|---|------------------------------|--------------|--------|------------------------------------|--------------|-------------|----------|--------------|-----------|-------------|--------------|-------------|----------|--------------|-----------|-------------|--|--|
|   | Actual Budget Authority (BA) |              |        | Enacted (Includes Emergency Funds) |              |             | Request  |              |           | Request     |              |             | Request  |              |           |             |  |  |
|   | Homeland                     | Non-Homeland | Total  | Homeland                           | Non-Homeland | Total       | Homeland | Non-Homeland | Total     | Homeland    | Non-Homeland | Total       | Homeland | Non-Homeland | Total     |             |  |  |
| FTE   | Amount                       | FTE          | Amount | FTE                                | Amount       | FTE         | Amount   | FTE          | Amount    | FTE         | Amount       | FTE         | Amount   | FTE          | Amount    |             |  |  |
| <b>Retired Pay</b>                                      | ---                          | 376,130      | ---    | 1,093,323                          | ---          | 462,235     | 722,885  | ---          | 1,184,720 | ---         | 509,570      | ---         | 727,175  | ---          | 1,236,745 |             |  |  |
| - Marine Safety   | ---                          | ---          | ---    | 199,164                            | ---          | ---         | 210,035  | ---          | 210,035   | ---         | ---          | ---         | 211,345  | ---          | 211,345   |             |  |  |
| - Maritime Mobility                                     | ---                          | ---          | ---    | 181,748                            | ---          | ---         | 193,658  | ---          | 193,658   | ---         | ---          | ---         | 179,506  | ---          | 179,506   |             |  |  |
| - Protection of Natural Resources                       | ---                          | ---          | ---    | 151,056                            | ---          | ---         | 138,387  | ---          | 138,387   | ---         | ---          | ---         | 142,802  | ---          | 142,802   |             |  |  |
| - Maritime Security                                     | ---                          | 286,313      | ---    | 471,538                            | ---          | 356,402     | 181,005  | ---          | 537,407   | ---         | 423,117      | ---         | 193,522  | ---          | 616,639   |             |  |  |
| - National Defense                                      | ---                          | 89,817       | ---    | 89,817                             | ---          | 105,833     | ---      | ---          | 105,833   | ---         | 86,453       | ---         | ---      | ---          | 86,453    |             |  |  |
| <b>Boat Safety</b>                                      | ---                          | ---          | ---    | 117,222                            | ---          | ---         | 132,923  | 8            | 132,923   | 8           | ---          | ---         | 125,461  | 8            | 125,461   |             |  |  |
| - Marine Safety   | ---                          | ---          | ---    | 117,222                            | ---          | ---         | 132,923  | 8            | 132,923   | 8           | ---          | ---         | 125,461  | 8            | 125,461   |             |  |  |
| <b>Oil Spill Recovery</b>                               | ---                          | ---          | ---    | 89,491                             | ---          | ---         | 147,270  | ---          | 147,270   | ---         | ---          | ---         | 149,095  | ---          | 149,095   |             |  |  |
| - Protection of Natural Resources                       | ---                          | ---          | ---    | 89,491                             | ---          | ---         | 147,270  | ---          | 147,270   | ---         | ---          | ---         | 149,095  | ---          | 149,095   |             |  |  |
| <b>Gift Fund</b>  | ---                          | 493          | ---    | 1,455                              | ---          | 30          | 50       | ---          | 80        | ---         | 34           | ---         | 46       | ---          | 80        |             |  |  |
| - Marine Safety   | ---                          | ---          | ---    | 279                                | ---          | ---         | 14       | ---          | 14        | ---         | ---          | ---         | 14       | ---          | 14        |             |  |  |
| - Maritime Mobility                                     | ---                          | ---          | ---    | 291                                | ---          | ---         | 15       | ---          | 15        | ---         | ---          | ---         | 13       | ---          | 13        |             |  |  |
| - Protection of Natural Resources                       | ---                          | ---          | ---    | 183                                | ---          | ---         | 9        | ---          | 9         | ---         | ---          | ---         | 9        | ---          | 9         |             |  |  |
| - Maritime Security                                     | ---                          | 369          | ---    | 578                                | ---          | 24          | 12       | ---          | 36        | ---         | 29           | ---         | 10       | ---          | 39        |             |  |  |
| - National Defense                                      | ---                          | 124          | ---    | 124                                | ---          | 6           | ---      | ---          | 6         | ---         | 5            | ---         | ---      | ---          | 5         |             |  |  |
| <b>Total Direct Appropriations and Budget Estimates</b> | 16,140                       | \$2,927,347  | 31,504 | \$8,776,250                        | 19,989       | \$3,357,505 | 28,569   | \$5,549,648  | 48,558    | \$8,907,153 | 20,883       | \$3,742,008 | 28,447   | \$5,604,014  | 48,930    | \$9,346,022 |  |  |
| <b>Fee Accounts</b>                                     | ---                          | ---          | ---    | 34,131                             | ---          | ---         | 40,797   | ---          | 40,797    | ---         | ---          | ---         | ---      | ---          | 52,173    |             |  |  |
| <b>Marine Safety Fees</b>                               | ---                          | ---          | ---    | 14,471                             | ---          | ---         | 19,892   | ---          | 19,892    | ---         | ---          | ---         | ---      | ---          | 19,173    |             |  |  |
| <b>Tonnage Duty Increases</b>                           | ---                          | ---          | ---    | 19,660                             | ---          | ---         | 20,905   | ---          | 20,905    | ---         | ---          | ---         | ---      | ---          | 33,000    |             |  |  |

*Explanation of Changes:*  
 Homeland Security activities include the following programs: Migrant Interdiction, Ports, Waterways and Coastal Security and Defense Readiness.  
 Non-Homeland activities include the following programs: Search and Rescue, Marine Safety, Aids to Navigation, Ice Operations, Marine Environmental Protection, Living Marine Resources, Drug Interdiction and Other Law Enforcement.  
 Funds account for all scorekeeping adjustments

iii. Status of Congressionally Requested Studies, Reports, and Evaluation

**Department of Homeland Security  
U. S. Coast Guard**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/ Citation</b>  | <b>Requirement</b>   | <b>Status</b>                                    |
|--------------------|-----------------|---|--|--|
| <b>2007, 2008</b>  | 10/15/07        | PL 110-28; Senate Report 110-84                                       | SEC. 6401 (4th Quarter FY07, 1st, 2nd, 3rd, 4th Quarter FY08). That within 45 days after the date of enactment of this Act, the United States Coast Guard shall submit to the Committees on Appropriations of the Senate and the House of Representatives the following: (1) a report on steps being taken to improve the accuracy of its estimates for the “Retired Pay” appropriation; and (2) quarterly reports on the use of unobligated balances made available by this Act to address the projected shortfall in the “Retired Pay” appropriation, as well as updated estimates for fiscal year 2008. | FY07 reports submitted; 1st Qtr FY08 in drafting |
| <b>2007, 2008</b>  | 10/15/07        | Senate Report 109-273, Senate Report 110-84                           | Mission Emphasis Quarterly (Abstract of Operations) (4th Quarter FY07, 1st, 2nd, 3rd, 4th Quarter FY08)- Continue to submit the quarterly acquisition and mission emphasis reports to the Committee consistent with the deadlines articulated under Section 360 of Division I of Public Law 108-7.   | FY07 reports submitted; 1st Qtr FY08 in drafting |
| <b>2007, 2008</b>  | 10/15/07        | Senate Report 109-273, Senate Report 110-84<br>FY08 Conference Report | Quarterly Acquisition Reports (4th Quarter FY07, 1st, 2nd, 3rd, 4th Quarter FY08) - USCG is directed to continue to submit the QARC to the committee consistent with the deadlines articulated under Section 360 of Division I of Public Law 108-7.  | FY07 reports submitted; 1st Qtr FY08 in drafting |

| Fiscal Year | Due Date | Reference/ Citation         | Requirement   | Status   |
|-------------|----------|-----------------------------|---|--|
| 2007        | 4/4/07   | Senate Report 109-273       | <p>The Committee further directs the Secretary, in consultation with the Secretary of Transportation, to submit a report to the Appropriations Committee and the Commerce Committee regarding the future of the LORAN system. The report shall include an analysis of the costs and benefits of the LORAN system, the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System. The report shall be submitted to the Committees within 180 days of enactment of this act.</p> | <p>Interim letters delivered to Congress on 4/2/07 indicating that the report will be delayed in order to capture and plan for the recommendations of the National Position Navigation and Timing (PNT) Executive Committee. 2nd interim letter delivered to Congress on 10/20/07 detailed plan to submit report NLT March 2008.</p> |
| 2007, 2008  | 1/25/08  | PL 110-28; HR 2638; S. 1644 | <p>Not later than 30 days after the date of enactment of this Act, the Commandant of the Coast Guard shall submit to the Committees on Appropriations of the Senate and the House of Representatives; the Committee on Commerce, Science and Transportation of the Senate; and the Committee on Transportation and Infrastructure of the House of Representatives: (i) a report on the resources (including training, staff, and expertise) required by the Coast Guard to provide appropriate management and oversight of the Integrated Deepwater Systems program.</p>                | <p>Report required in PL 110-28 was delivered on 8/31/07. USCG anticipates delivering FY08 mandated report NLT 1/25/08</p>   |

| Fiscal Year | Due Date  | Reference/ Citation         | Requirement   | Status  |
|-------------|-----------|-----------------------------|---|---|
| 2007, 2008  | 1/25/08   | PL 110-28; HR 2638; S. 1644 | Not later than 30 days after the date of enactment of this Act, the Commandant of the Coast Guard shall submit to the Committees on Appropriations of the Senate and the House of Representatives; the Committee on Commerce, Science and Transportation of the Senate; and the Committee on Transportation and Infrastructure of the House of Representatives:...(ii) a report on how the Coast Guard will utilize full and open competition for any contract that provides for the acquisition or modification of assets under, or in support of, the Integrated Deepwater Systems program, entered into after the date of enactment of this Act. | Report required in PL 110-28 was delivered on 8/31/07. USCG anticipates delivering FY08 mandated report NLT 1/25/08 |
| 2008        | 2/26/2008 | FY 2008 HR 2638, S. 1644    | "...\$400,000,000 of the funds provided for the Integrated Deepwater Systems program may not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure directly from the Coast Guard..."  |   |
| 2008        | 2/4/2008  | FY 2008 HR 2638, S. 1644    | "That the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives, in conjunction with the President's fiscal year 2009 budget, a review of the Revised Deepwater Implementation Plan..."  |   |
| 2008        | TBD       | FY 2008 HR 2638, S. 1644    | "... Provided further, that the Secretary shall submit to the Committees on Appropriations of the Senate and the House of Representatives a comprehensive review of the Revised Deepwater Implementation Plan every five years, beginning in fiscal year 2011, that includes a complete projection of the acquisition costs and schedule for the duration of the plan through fiscal year 2027:..."   |   |

| Fiscal Year | Due Date  | Reference/ Citation   | Requirement   | Status |
|-------------|-----------|---|---|--------|
|             |           | <p>FY 2008 House Report (110-181); Senate Report (110-84); Omnibus Report (</p> | <p>" The Committees on Appropriations provide \$60,000,000 for interagency port security operational centers as proposed by the Senate instead of no funding proposed by the House. This funding is provided to implement section 108 of the SAFE Port Act. Within the total, up to \$9,100,000 may be obligated for Command 21. Coast Guard-is directed to submit an expenditure plan for interagency operational centers as detailed by the Senate. Further, the Commandant of the Coast Guard is directed to submit to the Committees on Appropriations a report on the implementation and use of interagency operational centers for port security under section 70107A of title 6, United States Code.</p> |        |
| 2008        | 3/26/2008 | <p>FY08 Senate Report (110-84)<br/>FY08 Conference Report</p>                   | <p>" ...Therefore, the Committee recommends an additional \$15,000,000 to enhance the Coast Guard's ability to enforce security zones, protect critical infrastructure, and provide high interest vessel escorts and boardings, especially considering the growing demand for Liquefied Natural Gas carriers and ports... Within 90 days after the date of enactment of this act, the Coast Guard shall provide an expenditure plan to the Committee for these funds."</p>  |        |

| Fiscal Year | Due Date  | Reference/ Citation                                   | Requirement  | Status |
|-------------|-----------|---|--|--------|
| 2008        | 3/26/2008 | FY08 Senate Report (110-84)<br>FY08 Conference Report | <p>“The Committee includes a base funding re-allocation to reflect the realignment of the Coast Guard’s deployable, specialized units and teams under a single unified command. Under this unified command, deployable units, such as maritime safety and security teams, port security units, tactical law enforcement teams, national strike force teams, and the maritime security response team, will be better coordinated to fulfill existing maritime safety and security missions. The Committee notes that this reorganization is just 1 of 10 major realignment and transformation orders (i.e., Commandant Intent Action Orders) planned by the Coast Guard. No later than 90 days after the date of enactment of this act, the Commandant of the Coast Guard shall submit a report to the Committee describing and assessing each of the 10 orders...”</p> |        |
| 2008        | 2/5/2008  | FY08 Senate Report (110-84)<br>FY08 Conference Report | <p>“The Coast Guard shall submit a report no later than February 5, 2008, to the Committee on the current condition and the future intentions with respect to repair/replacement of the pier used to winter-berth the USCGC Eagle at the U.S. Coast Guard Academy...”</p>  |        |
| 2008        | 2/5/2008  | FY08 Senate Report (110-84)<br>FY08 Conference Report | <p>“... Therefore, the Commandant shall report to the Committee, no later than February 5, 2008, on the Coast Guard’s current Maritime Domain Awareness capacity for the remote and western Pacific Ocean, including an assessment of additional remote sensing technology necessary to enhance this capacity.”</p>  |        |

| Fiscal Year | Due Date  | Reference/ Citation    | Requirement   | Status |
|-------------|-----------|------------------------|---|--------|
| 2008        | 5/26/2008 | FY08 Conference Report | <p>"...Therefore, the Commandant is directed to submit a comprehensive polar operations report that fully assesses the Coast Guard's ability to meet current and projected polar mission requirements and includes an evaluation of how Coast Guard's current capabilities and resources must be adapted or enhanced to account for changing environmental conditions and increased activity in the polar regions. This report is to include an analysis of the need for any permanent, forward operating presence in the polar regions in order to meet mission requirements and an assessment of the Coast Guard's ability to meet the requirements of partner agencies operating in the polar regions, such as the National Science Foundation(NSF) and the Departments of Commerce and Defense, under current and projected environmental conditions. Finally, this report should include an appraisal of the sustainability of the current operations and maintenance cost sharing arrangement between the Coast Guard and NSF to support both current and projected polar icebreaker operations."</p> |        |

iv: Schedule of Authorized/Unauthorized Appropriations by PPA

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity**  
**(Dollars in Thousands)**

| Budget Activity                                 | Last Year of  | Authorized       | Appropriation in Last | FY 2009          |
|---|---------------|------------------|-----------------------|------------------|
|   | Authorization | Level            | Year of Authorization | Request          |
|   | Fiscal Year   | Amount           | Amount                | Amount           |
| <b>Operating Expenses</b>                       | FY 2006       | 5,633,900        | 5,492,331             | 6,213,402        |
| <b>Acquisition, Const, &amp; Impr.</b>          | FY 2006       | 1,903,821        | 1,141,800             | 1,205,118        |
| <b>Research &amp; Development</b>               | FY 2006       | 24,000           | 17,750                | 16,000           |
| <b>Retired Pay</b>                              | FY 2006       | 1,014,080        | 1,014,080             | 1,236,745        |
| <b>Bridge Alteration &amp; Removal</b>          | FY 2006       | 38,400           | 15,000                | 0                |
| <b>Environmental Compliance</b>                 | FY 2006       | 12,000           | 12,000                | 12,315           |
| <b>Reserve Training</b>                         | FY 2006       | 119,000          | 119,000               | 130,322          |
| <b>Boat Safety</b>                              | FY 2006       | 113,401          | 113,401               | 125,461          |
| <b>Oil Spill Recovery</b>                       | FY 2006       | 139,442          | 139,442               | 149,095          |
| <b>Gift Fund</b>                                | FY 2006       | 1,563            | 1,563                 | 80               |
| <b>Health Care Fund</b>                         | FY 2006       | 260,533          | 260,533               | 257,305          |
| <b>Total Direct Authorization/Appropriation</b> |               | <b>9,260,140</b> | <b>8,326,900</b>      | <b>9,345,843</b> |
| <b>Fee Accounts</b>                             |               |                  |                       |                  |

# Department of Homeland Security

*United States Coast Guard*

*Operating Expenses*

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Fiscal Year 2009

Congressional Justification



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# U. S. Coast Guard

## Operating Expenses

### I. Appropriation Overview

#### **A. Mission Statement for Operating Expenses:**

The Coast Guard requests \$6.213 billion and 48,260 FTE in FY 2009, an increase of \$212.055 million and 1,024 FTE compared to the \$6.001 billion and 47,236 FTE enacted in FY 2008. The Coast Guard's Operating Expenses (OE) budget request seeks funding for the annualization of prior-year, part-year funding, pay cost of living increases, and operating and maintenance funding for prior-year Administration and Congressional initiatives. The OE funding request supports all 11 statutorily-mandated Coast Guard mission-programs. These mission-programs in turn directly support the Coast Guard's role as the nation's principal Federal agency charged with ensuring maritime **safety, security and stewardship** and supporting the Department of Homeland Security (DHS) strategic goals and objectives.

#### **B. Budget Activities:**

Operating Expenses provide direct support to all Coast Guard missions, including: Search and Rescue (SAR); Marine Safety; Aids to Navigation (AtoN); Ice Operations; Marine Environmental Protection (MEP); Living Marine Resources (LMR); Drug Interdiction; Migrant Interdiction; Other Law Enforcement; Ports, Waterways and Coastal Security (PWCS); and Defense Readiness.

#### **C. Budget Request Summary:**

The Coast Guard requests \$6.213 billion and 48,260 FTE in FY 2009. Excluding emergency funding provided in P.L. 110-161, the total adjustments-to-base are \$235.847 million and 1,073 FTE. The program increases include 469 positions, 237 FTE and \$46.508 million to maintain the Service's current level of performance, enhance marine inspection capacity, command and control and intelligence capabilities, maritime domain awareness and rulemaking functions. In particular, funding supports the mandatory pay increase (3.4% military and 2.9% civilian); non-pay COLA, GSA rent and security charge increases; depot level and emergency maintenance; and the operation, maintenance and crewing of Deepwater assets. Funding also supports costs associated with assuming operational control of the Massachusetts Military Reservation airfield (Coast Guard Air Station Cape Cod) in FY09 as a result of the Base Realignment and Closure Commission (BRAC).

The OE appropriation also seeks funding for the operational and maintenance costs associated with non-Deepwater programs such as Rescue-21 National Distress Response System, the Nationwide Automatic Identification System (NAIS), Response Boat – Medium (RB-M) assets, four new 87-ft Coastal Patrol Boats and Inland Rivertenders' Emergency Subsystem Sustainment. Moreover, it provides additional personnel to address the Coast Guard's backlog of some 100 rulemaking projects.

Efficiencies totaling \$103.165 million are identified to allow for the re-allocation of resources to critical DHS and Coast Guard priorities. These efficiencies include decommissioning of four cutters and six aircraft in accordance with the Deepwater decommissioning plan.

Of the 48,649 positions, 48,260 FTE, and \$6.213 billion requested in this budget, an increase of 1,072 positions, 1,024 FTE and \$212.055 million is reflected in this account.

Base adjustments include:

- Transfer of AC&I funding for leased space for acquisition personnel – \$3.859 million
- Personnel Transfer from Acquisition, Construction & Improvements to OE – \$82.215 million
- Transfer of the LORAN-C program funding to NPPD – (\$34.500 million)
- Annualizations of prior-year funding – \$39.016 million
- Annualizations of FY 2008 Emergency Spending – \$32.108 million
- FY 2009 pay raise and annualization of FY 2008 pay raise for both military and civilian members – \$73.703 million
- Parity with DOD Military Entitlement Initiatives – \$29.366 million
- Operational Adjustment Increases (which include GSA rent and security charges, Depot Level (4X) and Emergency Maintenance, Government services, Mission and Business system licenses, Intra-Government services, Navy Flight Training, Inland Rivertenders' Emergency Subsystem Sustainment) – \$63.216 million
- Operating and Maintenance funds for new assets (to include follow-on costs related to Deepwater assets, Rescue 21, Response Boat-Medium, Nationwide Differential Global Positioning System, Nationwide Automatic Identification System, Defense Messaging System, Aids to Navigation Modernization, Air Station Cape Cod Operations, (4) 87-ft Coastal Patrol Boats, and additional Acquisition personnel and a Polar High Latitude Study) – \$91.861 million

Program change decreases include:

- Termination of one-time costs – (\$36.211 million)
- Annualization of FY 2008 management efficiencies – (\$3.070 million)
- FY 2009 Management efficiencies – (\$68.177 million)
- Decommissioning of two PC-179 Patrol Boats – (\$6.754 million)
- Decommissioning of USCG Cutter ACUSHNET – (\$2.568 million)
- Decommissioning of USCG Cutter BLACKBERRY – (\$214,000)
- Decommissioning of four HC-130H Aircraft – (\$18.534 million)
- Decommissioning of two HU-25 Aircraft – (\$3.848 million)

Program change increases include:

- Situation Unit Watchstanders – \$6.290 million
- Marine Inspection Program – \$20.000 million
- Maritime Awareness Global Network (MAGNet) and Intelligence Integration – \$12.281 million
- Counter-Intelligence (CI) Service Initiative – \$2.000 million
- Cryptologic Service Group and Direct Support – \$3.337 million
- Department of Homeland Security Regulatory Program – \$2.600 million

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses**

**Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                     | FY 2007 Actual |                     | FY 2008 Enacted |                     | FY 2009 Request |                     | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                  |                     |                   |
|--|----------------|---------------------|-----------------|---------------------|-----------------|---------------------|--|-------------------|-----------------|------------------|---------------------|-------------------|
|  | FTE            | AMOUNT              | FTE             | AMOUNT              | FTE             | AMOUNT              | Total Changes                            |                   | Program Changes |                  | Adjustments-to-base |                   |
|  |                |                     |                 |                     |                 |                     | FTE                                      | AMOUNT            | FTE             | AMOUNT           | FTE                 | AMOUNT            |
| I. Military Pay and Allowances                               | 40,138         | \$ 2,849,317        | 40,901          | \$ 2,921,673        | 41,403          | \$ 3,076,837        | 502                                      | \$ 155,164        | 181             | \$ 16,874        | 321                 | \$ 138,290        |
| II. Civilian Pay and Benefits                                | 6,222          | \$ 570,921          | 6,049           | \$ 594,803          | 6,857           | \$ 692,859          | 808                                      | \$ 98,056         | 56              | \$ 5,942         | 752                 | \$ 92,114         |
| III. Training and Recruiting                                 | -              | \$ 184,128          | -               | \$ 185,604          | -               | \$ 196,063          | -  | \$ 10,459         | -               | \$ 2,327         | -                   | \$ 8,132          |
| IV. Operating Funds and Unit Level Maintenance               | -              | \$ 1,201,010        | -               | \$ 1,134,881        | -               | \$ 1,169,942        | -  | \$ 35,061         | -               | \$ 18,880        | -                   | \$ 16,181         |
| V. Centrally Managed Accounts                                | -              | \$ 215,804          | -               | \$ 229,896          | -               | \$ 262,795          | -  | \$ 32,899         | -               | \$ 2,402         | -                   | \$ 30,497         |
| VI. Depot Level Maintenance                                  | -              | \$ 742,150          | -               | \$ 754,190          | -               | \$ 814,906          | -  | \$ 60,716         | -               | \$ 83            | -                   | \$ 60,633         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>46,360</b>  | <b>\$ 5,763,330</b> | <b>46,950</b>   | <b>\$ 5,821,047</b> | <b>48,260</b>   | <b>\$ 6,213,402</b> | <b>1,310</b>                             | <b>\$ 392,355</b> | <b>237</b>      | <b>\$ 46,508</b> | <b>1,073</b>        | <b>\$ 345,847</b> |
| <b>Adjustments for Other Funding Sources:</b>                |                |                     |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| OSL/IF Contribution  |                | [\$ 24,255]         |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| Katrina Supp. (P.L. 109-234)                                 |                | [\$ 88,233]         |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer Iraqi Freedom Fund (P.L. 110-28)                |                | [\$ 120,293]        |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer (P.L. 109-289)                                  |                | [\$90,000]          |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| ONDCP Transfer   |                | [\$ 32]             |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| Lighthouse Sale  |                | [\$ 683]            |                 |                     |                 |                     |  |                   |                 |                  |                     |                   |
| FY08 Emergency Spending (P.L. 110-161)                       |                |                     | 286             | \$ 70,300           |                 |                     |  |                   |                 |                  |                     |                   |
| FY08 Recission (DHS Appropriations Act 2008)                 |                |                     |                 | [-\$9,584]          |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer FY 2008   |                |                     |                 | \$ 110,000          |                 | \$ -                |  | \$ (110,000)      |                 | \$ -             |                     | \$ (110,000)      |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>46,360</b>  | <b>\$ 5,763,330</b> | <b>47,236</b>   | <b>\$ 6,001,347</b> | <b>48,260</b>   | <b>\$ 6,213,402</b> | <b>1,310</b>                             | <b>\$ 282,355</b> | <b>237</b>      | <b>\$ 46,508</b> | <b>1,073</b>        | <b>\$ 235,847</b> |

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses**

**Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                     | FY 2007 Actual |                     | FY 2008 Enacted Including Emergency Funding |                     | FY 2009 Request |                     | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                  |                     |                   |
|--|----------------|---------------------|---|---------------------|-----------------|---------------------|--|-------------------|-----------------|------------------|---------------------|-------------------|
|  | FTE            | AMOUNT              | FTE   | AMOUNT              | FTE             | AMOUNT              | Total Changes                            |                   | Program Changes |                  | Adjustments-to-base |                   |
|  |                |                     |   |                     |                 |                     | FTE                                      | AMOUNT            | FTE             | AMOUNT           | FTE                 | AMOUNT            |
| I. Military Pay and Allowances                               | 40,138         | \$ 2,849,317        | 41,102                                      | \$ 2,938,835        | 41,403          | \$ 3,076,837        | 301                                      | \$ 138,002        | 181             | \$ 16,874        | 120                 | \$ 121,128        |
| II. Civilian Pay and Benefits                                | 6,222          | \$ 570,921          | 6,134                                       | \$ 604,421          | 6,857           | \$ 692,859          | 723                                      | \$ 88,438         | 56              | \$ 5,942         | 667                 | \$ 82,496         |
| III. Training and Recruiting                                 | -              | \$ 184,128          | -   | \$ 188,521          | -               | \$ 196,063          | -  | \$ 7,542          | -               | \$ 2,327         | -                   | \$ 5,215          |
| IV. Operating Funds and Unit Level Maintenance               | -              | \$ 1,201,010        | -   | \$ 1,164,427        | -               | \$ 1,169,942        | -  | \$ 5,515          | -               | \$ 18,880        | -                   | \$ (13,365)       |
| V. Centrally Managed Accounts                                | -              | \$ 215,804          | -   | \$ 232,727          | -               | \$ 262,795          | -  | \$ 30,068         | -               | \$ 2,402         | -                   | \$ 27,666         |
| VI. Depot Level Maintenance                                  | -              | \$ 742,150          | -   | \$ 762,416          | -               | \$ 814,906          | -  | \$ 52,490         | -               | \$ 83            | -                   | \$ 52,407         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>46,360</b>  | <b>\$ 5,763,330</b> | <b>47,236</b>                               | <b>\$ 5,891,347</b> | <b>48,260</b>   | <b>\$ 6,213,402</b> | <b>1,024</b>                             | <b>\$ 322,055</b> | <b>237</b>      | <b>\$ 46,508</b> | <b>787</b>          | <b>\$ 275,547</b> |
| <b>Adjustments for Other Funding Sources:</b>                |                |                     |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| OSL/IF Contribution  |                | [\$ 24,255]         |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| Katrina Supp. (P.L. 109-234)                                 |                | [\$ 88,233]         |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer Iraqi Freedom Fund (P.L. 110-28)                |                | [\$ 120,293]        |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer (P.L. 109-289)                                  |                | [\$90,000]          |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| ONDOP Transfer   |                | [\$ 32]             |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| Lighthouse Sale  |                | [\$ 683]            |   |                     |                 |                     |  |                   |                 |                  |                     |                   |
| FY08 Recission (DHS Appropriations Act 2008)                 |                |                     |   | [-\$9,584]          |                 |                     |  |                   |                 |                  |                     |                   |
| DOD Transfer FY 2008   |                |                     |   | \$ 110,000          |                 |                     |  | \$ (110,000)      |                 |                  |                     | \$ (110,000)      |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>46,360</b>  | <b>\$ 5,763,330</b> | <b>47,236</b>                               | <b>\$ 6,001,347</b> | <b>48,260</b>   | <b>\$ 6,213,402</b> | <b>1,024</b>                             | <b>\$ 212,055</b> | <b>237</b>      | <b>\$ 46,508</b> | <b>787</b>          | <b>\$ 165,547</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA I: MILITARY PAY AND ALLOWANCES

|                              | <b>Perm<br/>Pos</b> | <b>FTE<sup>1</sup></b> | <b>Amount</b>    |
|------------------------------|---------------------|------------------------|------------------|
| <b>2007 Actual</b>           | <b>40,144</b>       | <b>40,138</b>          | <b>2,849,317</b> |
| <b>2008 Enacted</b>          | <b>40,963</b>       | <b>41,102</b>          | <b>2,938,835</b> |
| 2009 Adjustments-to-Base     | -53                 | 113                    | 121,128          |
| <b>2009 Current Services</b> | <b>40,910</b>       | <b>41,215</b>          | <b>3,059,963</b> |
| 2009 Program Change          | 360                 | 181                    | 16,874           |
| <b>2009 Request</b>          | <b>41,270</b>       | <b>41,396</b>          | <b>3,076,837</b> |
| Total Change 2008-2009       | 307                 | 294                    | 138,002          |

The above table includes emergency funding of \$17.162 million provided in P.L. 110-161 for this activity. The Coast Guard's FY 2009 request is \$3.076 billion. Excluding emergency funds provided, the increase over FY 2008 enacted is \$155.164 million.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Requests funding for expenses related to compensation and benefits for active duty military personnel. This category includes pay, allowances, employer's share of FICA, Social Security credits and other expenses associated with compensating military personnel. Costs related to compensation are calculated by using the Coast Guard's Standard Personnel Cost (SPC) tables. These tables are updated annually and provide a detailed calculation for each billet, broken down by rank/rate, location – in the United States (INCONUS) or out of the country (OCONUS – which includes AK and HI), medical costs and permanent change of station (PCS) expenses. Calculations for medical cost estimates are the same for each billet. Calculations for PCS moves and base pay are based upon rank and location of billet. Pay estimates also take into consideration OMB published pay inflation factors for the fiscal year in question.

Significant accomplishments in FY 2007 include:

- Seized and removed 284,698 lbs of cocaine, and 10,385 lbs of marijuana.
- Interdicted 4,839 illegal migrants.
- Responded to 19,925 calls for assistance and saved the lives of 3,938 mariners in distress.
- Conducted a Spill of National Significance (SONS) exercise in the central United States to test national capability to respond to the environmental, economic, and human impacts associated with natural disasters.

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<sup>1</sup>The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

FY 2008 planned accomplishments include:

- Initiate a national assessment of the National Preparedness for Response Exercise Program (PREP), a robust preparedness exercise program in which oil facilities, tank vessels, freight ships and hazardous materials facilities exercise their associated response plans.
- Begin operating three fully-missionized HC-130J aircraft.
- Terminate the HITRON contract and begin operating the Atlantic Area Aviation Deployment Center.

In FY 2009 an investment in active duty military personnel will ensure the service remains “Semper Paratus” (Always Ready). The service was founded as a military, multi-mission, maritime service and continues to be ready, aware and responsive across the full range of the Coast Guard’s 11 mission-programs. As the Nation’s maritime first responder, the Coast Guard must not only be effective in its daily operations, but must also remain ready for emergencies and contingencies; it must be aware of maritime conditions and activities in order to detect, deter and defeat threats early; and when called it must be responsive with the right capabilities at the right time.

Dedicated Coast Guard personnel, as members of one of the Nation’s five Armed Services, conduct missions that protect the public, the environment and U. S. economic interests – in the Nation’s ports and waterways, along the coast, on international waters and in any maritime region required to support national security. The unique, multi-mission character of the Coast Guard forces Coast Guard personnel to serve as sailors, emergency responders, humanitarians, scholars, regulators, law enforcement personnel, stewards of the environment, diplomats and guardians of the coast – military, multi-mission and maritime. Coast Guard forces are flexible, rapidly deployable and able to respond to crises with a full range of capabilities. Coast Guard forces capitalize upon their multi-mission synergies to prevent maritime incidents, protect the U. S. Maritime Domain, and respond to and recover from incidents that may occur.

Funding requested will support the anticipated FY 2009 pay raise for all military service members (pay inflation rate is calculated at 3.4% for military) and annualize military average monthly end strength (roughly equivalent to FTE) introduced in FY 2008. Additionally, the funding will support military personnel for:

- Improved acquisition management and oversight.
- Improved information sharing and investigative capabilities.
- A counter-intelligence initiative.
- Operation of the CASA HC-144A.
- Operation of four new Coastal Patrol Boats.
- Enhancements to the Rescue 21 National Distress Response System.

PPA II: CIVILIAN PAY AND BENEFITS

|                              | <b>Perm</b>  |              |                |
|------------------------------|--------------|--------------|----------------|
|                              | <b>Pos</b>   | <b>FTE</b>   | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>6,649</b> | <b>6,222</b> | <b>570,921</b> |
| <b>2008 Enacted</b>          | <b>6,614</b> | <b>6,134</b> | <b>604,421</b> |
| 2009 Adjustments-to-Base     | 656          | 674          | 82,495         |
| <b>2009 Current Services</b> | <b>7,270</b> | <b>6,808</b> | <b>686,916</b> |
| 2009 Program Change          | 109          | 56           | 5,942          |
| <b>2009 Request</b>          | <b>7,379</b> | <b>6,864</b> | <b>692,858</b> |
| Total Change 2008-2009       | 765          | 730          | 88,437         |

The above table includes emergency funding of \$9.618 million provided in P.L. 110-161 for this activity. The Coast Guard's FY 2009 request is \$692.858 million. Excluding emergency funds provided, the increase over FY 2008 enacted is \$98.056 million.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Requests funding for expenses related to compensation and entitlements for federal civilian employees. The workforce is composed of General Schedule (GS) personnel, Administrative Law Judges (AL), Senior Executive Service (SES) personnel, personnel whose salaries are Administratively Determined (AD) (e.g., Coast Guard Academy civilian faculty members), Wage Grade (WG) positions employed in industrial operations and "Non-Ceiling" (NC) employees (e.g., cooperative education students, student aids, summer interns, and federal junior fellows). Costs related to compensation are calculated by using the Coast Guard's Standard Personnel Cost (SPC) tables. These annually updated tables provide a detailed calculation for each billet, broken down by pay grade, location – in the United States (INCONUS) or out of the country (OCONUS – which includes AK and HI). Calculations for base pay are based upon position and location of position, and also take into consideration OMB economic assumptions for the fiscal year in question.

Significant accomplishments in FY 2007 include:

- Seized and removed 284,698 lbs of cocaine, and 10,385 lbs of marijuana.
- Interdicted 4,839 illegal migrants.
- Responded to 19,925 calls for assistance and saved the lives of 3938 mariners in distress.
- Conducted a Spill of National Significance (SONS) exercise to test national capability to respond to the environmental, economic, and human impacts associated with a major earthquake.

FY 2008 planned accomplishments include:

- Initiate a national assessment of the National Preparedness for Response Exercise Program (PREP), a robust preparedness exercise program in which oil facilities, tank vessels, freight ships, and hazardous material facilities exercise their associated response plans.
- Begin operating three fully missionized HC-130J aircraft.
- Terminate the HITRON contract and begin operating the Atlantic Area Aviation Deployment Center.

In FY 2009, requested funding will provide dedicated civilian personnel who contribute daily across the full range of the Coast Guard's 11 mission-programs. Civilian personnel stand side-by-side military personnel in fulfilling the roles of this nation's maritime first responder. Civilian personnel help maintain daily mission effectiveness, help prepare for emergencies and contingencies and help to ensure maritime domain awareness. These dedicated personnel support and conduct the missions that protect the public, the environment and U. S. economic interests – in the nation's ports and waterways, along the coast, on international waters and in any maritime region required to support national security.

Funding requested will support the anticipated FY 2009 pay raise for all civilian personnel (pay inflation rate is calculated at 2.9%) and annualize civilian FTE introduced in FY 2008. Additionally, the funding will support civilian personnel for:

- Improved acquisition management and oversight.
- Improved information sharing and investigative capabilities.
- A counter-intelligence initiative.
- Increased rule-making capacity.
- Enhancements to the Rescue 21 National Distress Response System.

**PPA III: TRAINING AND RECRUITING**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>184,128</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>188,521</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | 5,215          |
| <b>2009 Current Services</b> | ...                 | ...        | <b>193,736</b> |
| 2009 Program Change          | ...                 | ...        | 2,327          |
| <b>2009 Request</b>          | ...                 | ...        | <b>196,063</b> |
| Total Change 2008-2009       | ...                 | ...        | 7,542          |

The above table includes emergency funding of \$2.917 million provided in P.L. 110-161 for this activity. The Coast Guard's FY 2009 request is \$196.063 million. Excluding emergency funds provided, the increase over FY 2008 enacted is \$10.459 million.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The training and recruiting PPA provides funding for the Coast Guard's professional training and education programs, as well as operation and maintenance of the seven major Coast Guard training centers and the Coast Guard Academy/Leadership Development Center.

Significant accomplishments in FY 2007 include:

- Accessing 4,250 recruits through recruit training, graduating 2,805 enlisted apprentices from our "A" schools, and commissioning 449 officers from the Coast Guard Academy, Officer Candidate School and Direct Commission Program.

- Training 1,416 members in advanced maritime law enforcement, training 1,483 members in counter terrorism activities, training 7,976 members in leadership skills, and training 40,834 members in other advanced Coast Guard courses.

FY 2008 planned accomplishments include:

- Accessing 4,200 recruits through recruit training, graduating 3,284 enlisted apprentices from our “A” school, and commissioning 461 officers from the Coast Guard Academy, Officer Candidate School and Direct Commission Program.
- Training 1,844 members in advanced maritime law enforcement, training 1,613 members in counter terrorism activities, training 8,180 members in leadership skills, and training 41,000 members in other advanced Coast Guard courses.

The FY 2009 request provides funding for all Coast Guard recruiting operations, given projected attrition and growth, to ensure sufficient numbers of qualified individuals for the military workforce. Coast Guard recruiting is a national endeavor; as such, recruiters cover broad geographic areas with diverse socio-economic demographics to compete for the best qualified candidates.

Additionally, this request includes funding for tuition, travel and per diem for formal training and education performed as temporary additional duty (TAD) by military service members and civilian personnel. It also ensures the training infrastructure is adequately resourced to provide Coast Guard personnel with the tools and competencies necessary for assigned missions. This training and education is usually conducted by dedicated resident staffs in classrooms, but may also include exportable training, correspondence courses and/or computer-based training, which follow a formal schedule with supporting lesson plans requiring interaction or evaluation of the students or participants.

From entry-level personnel through senior leadership, the Coast Guard focuses its training resources to embed those competencies that will maximize operational capabilities. The FY09 budget year will have an increase in the requirement for training and training aids related to Deepwater platforms. It also includes a \$7.700 million increase to the flight school training program due to the U.S. Navy’s trainer aircraft upgrade and operating overhead expense charges. A portion of legacy platform training will be reduced, but the infrastructure and travel for this legacy training will be required for continuous operation of aging platforms.

PPA IV: OPERATING FUNDS AND UNIT LEVEL MAINTENANCE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>1,201,010</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>1,164,427</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (13,364)         |
| <b>2009 Current Services</b> | ...                 | ...        | <b>1,151,063</b> |
| 2009 Program Change          | ...                 | ...        | 18,880           |
| <b>2009 Request</b>          | ...                 | ...        | <b>1,169,943</b> |
| Total Change 2008-2009       | ...                 | ...        | 5,516            |

The above table includes emergency funding of \$29.546 million provided in P.L. 110-161 for this activity. The Coast Guard's FY 2009 request is \$1.169 billion. Excluding emergency funds provided, the increase over FY 2008 enacted is \$35.061 million.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Requests funding to units, facilities and activities that are under the direct operational and administrative control of the Coast Guard's Headquarters, Atlantic Area or Pacific Area Commanders. These include Maintenance and Logistics Commands (MLCs), Integrated Support Commands (ISCs), High and Medium Endurance Cutters (WHECs/WMECs), Communication Stations, Maritime Safety and Security Teams (MSSTs), and Area Offices as applicable, for supplies, materials and services that allow the Coast Guard to sustain an operations tempo with an immediate response capability for Coast Guard missions. Maintenance of the cutters' hulls, mechanical systems, electrical equipment, and small boats; procurement of supplies and materials utilized for unit "housekeeping" and administration, spare parts, fuel and energy; funding of personnel support programs; and other materials consumed all contribute directly to mission effectiveness.

Significant accomplishments in FY 2007 include:

- Commencement of training and commissioning work-ups for the first National Security Cutter.
- Initiate training and evaluation of the first three of a planned fleet of 36 CASA Maritime Patrol Aircraft (MPA).
- Conduct a Spill of National Significance (SONS) exercise to test national capability to respond to the environmental, economic, and human impacts associated with a major earthquake.

FY 2008 planned accomplishments include:

- Deployable Operations Group (DOG) achieves Full Operational Capability (FOC).
- Initiate a national assessment of the National Preparedness for Response Exercise Program (PREP), a robust preparedness exercise program in which oil facilities, tank vessels, freight ships, and hazardous material facilities exercise their associated response plans.
- Begin operating three fully missionized HC-130J aircraft.
- Complete operational testing of three CASA MPAs.
- Activate Rescue 21 in 12 regions to include: Baltimore, Hampton Roads, Miami, Key West, New Orleans, Galveston/Houston, Corpus Christi, Astoria, North Bend, and Portland.

- Terminate the HITRON contract and begin operating the Atlantic Area Aviation Deployment Center.

The FY 2009 request will support the annualization of new operations introduced in FY 2008 and accounts for non-pay related inflation associated with maintenance and procurement of supplies and consumables. Follow-on funding is also provided for the operation and maintenance of HC-144 CASA aircraft # four, five, six, seven and eight, National Security Cutter (NSC) crew Charlie, (4) 87-ft Coastal Patrol Boats, Response Boat – Mediums and augmented watchstanders for the Rescue 21 National Distress System. These initiatives strongly support the Secretary’s priorities of Protecting our Nation from Dangerous People and Goods, Protecting Critical Infrastructure and Building a Nimble, Effective Emergency Response System.

PPA V: CENTRALLY MANAGED ACCOUNTS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>215,804</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>232,727</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | 27,666         |
| <b>2009 Current Services</b> | ...                 | ...        | <b>260,393</b> |
| 2009 Program Change          | ...                 | ...        | 2,402          |
| <b>2009 Request</b>          | ...                 | ...        | <b>262,795</b> |
| Total Change 2008-2009       | ...                 | ...        | 30,068         |

The above table includes emergency funding of \$2.831 million provided in P.L. 110-161 for this activity. The Coast Guard’s FY 2009 request is \$262.795 million. Excluding emergency funds provided, the increase over FY 2008 enacted is \$32.899 million.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

This Project, Program/Activity (PPA) represents centrally managed accounts at Coast Guard and DHS Headquarters, which provide service to the entire Coast Guard. Some of the larger central accounts include: the Federal Telephone System (FTS), Standard Workstation recapitalization, Coast Guard Data Network (CGDN), postal expenses, satellite communications, Government Services Administration (GSA) rent, ammunition replenishment, and the DHS Working Capital Fund.

Significant accomplishments in FY 2007 include:

- The expansion of satellite communications capabilities for underway platforms on the high seas and remote units.
- The implementation of Common Access Card (CAC) and CAC readers were phased in during FY 2007 to meet enhanced information security requirements of all government agencies.
- The modernization of the Coast Guard’s Local Area Network (LAN) to achieve the DHS One-Net project goal.

FY 2008 planned accomplishments include:

- Progress will be made on the movement towards "e-Coast Guard" both for administration and operations, through the implementation of enhanced voice and data communications.
- Sustainment of critical ammunition stores to ensure mission effectiveness, particularly for Coast Guard boarding officer and cutter combat team proficiency.
- Increased access and capabilities associated with operational databases such as the Marine Information for Safety and Law Enforcement (MISLE) and the Abstract of Operations (AOPS) systems.

The FY 2009 request provides funding to support critical staff elements in areas such as facility leases and associated physical security costs, mission and business system licenses, enterprise-class database management technology, postage services and radio frequency usage. In addition, new support infrastructure for the National Maritime Center (NMC) and expanded space for Coast Guard units in Corpus Christi, TX (Air Station and Sector Command Center space), Marine Safety Units (MSU) Chicago and Ketchikan, AK (office spaces), and Sector Anchorage, AK (Sector Command spaces) are requested. The Coast Guard's GSA rent increase for the Transpoint and the Jemal buildings in Washington, D.C., home of Coast Guard Headquarters, is also included.

The Coast Guard's share of the Department of Homeland Security's (DHS) Working Capital Fund (WCF) is also requested. The WCF includes services that are administered Department-wide, and include competitive sourcing, Chief Procurement Officer (CPO) shared reporting, Commodity Council endeavors and Ready Campaign (Ready.gov).

#### PPA VI: DEPOT LEVEL MAINTENANCE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>742,150</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>762,416</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | 52,407         |
| <b>2009 Current Services</b> | ...                 | ...        | <b>814,823</b> |
| 2009 Program Change          | ...                 | ...        | 83             |
| <b>2009 Request</b>          | ...                 | ...        | <b>814,906</b> |
| Total Change 2008-2009       | ...                 | ...        | 52,490         |

The above table includes emergency funding of \$8.226 million provided in P.L. 110-161 for this activity. The Coast Guard's FY 2009 request is \$814.906 million. Excluding emergency funds provided, the increase over FY 2008 enacted is \$60.716 million.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

This request provides service-wide funding for the Coast Guard's base level operating expense (OE) funded maintenance for the service's shore facilities, vessels and aircraft. The Coast Guard maintains its aircraft, vessels and shore infrastructure using organic maintenance and repair infrastructure primarily in conjunction with contracted depot-level maintenance activities. A mature project planning and execution program exists to provide routine unit-level and depot-level maintenance. Where expertise or infrastructure does not exist within the Service, the Coast Guard uses contracted resources to provide requisite support.

The Coast Guard's maintenance planning process involves every level of the organization including: (1) field level input provided in casualty, mishap and annual unit engineering reports; (2) engineering/support provider input in the form of regional maintenance data/trend analysis, observations of experienced support/engineering personnel and prioritization of issues/needs; and (3) Coast Guard Headquarters involvement in the collation of CG-wide data/trend analysis, input from the Atlantic and Pacific Area Commanders and their support providers, and development of corrective strategies.

Significant accomplishments in FY 2007 include:

- Program Depot Maintenance completed for: HC-130H (7); HH-60J (8); HH-65C (20); HU-25 (4).
- Executed more than 1,300 projects to support operational mission requirements at shore facilities nationwide, including: Unaccompanied Personnel Housing (UPH) improvements to ensure adequate quality-of-life for our most junior members; and sustainment projects for our most critical operational structures and facilities.
- Completed the following dry-docks: WPB 110 (7); WPB 87 (3); WMEC 270 (3); WLM 175 (1).

FY 2008 planned accomplishments include:

- Planned Program Depot Maintenance for: HC-130H (6); HH-60J (9); HH-65C (22); HU-25 (4).
- In addition to a continued effort to target deferred maintenance requirements, allocate funding to support diverse requirements including: mission-enabling shore facility projects; Aids-to-Navigation systems to support maritime mobility; Unaccompanied Personnel Housing (UPH); and maintaining standards necessary to execute Training Centers' vital missions to sustain service excellence.
- Complete the following dry-docks: WYTL 65 (4); WPB 87 (17); WPB 110 (3); WLR/WLIC (9); WTGB 140 (2); WLM 175 (3); WLB 225 (5); WMEC 210/270 (1); WHEC 378 (3); WAGB 399 (1); and WIX 295 EAGLE.

The FY 2009 planned accomplishments include:

**Aircraft.** Includes service-wide funding to support major maintenance of Coast Guard HC-130H, HH-60J, HH-65C, and HU-25 aircraft not appropriated in the Coast Guard Acquisition, Construction and Improvements (AC&I) appropriation. This category includes: materials, services and supplies necessary for depot-level repair, maintenance, modification and overhaul of aircraft and aircraft equipment, including associated avionics; transportation of aircraft and aeronautical materials and equipment; and procurement and overhaul of aircraft ground handling and support equipment. Scarce funding has historically been directed to the most critical depot maintenance which has resulted in a deferred component repair backlog and decreased aircraft availability as ready-for-issue components are unavailable when needed to repair operational aircraft. Request also includes funding for general expenses related to inventory and engineering design, alteration and modification services in support of Coast Guard aircraft.

This funding request also supports depot-level aircraft repair. Coast Guard rotary wing aircraft are continuously rotated out of operational service to allow for programmed depot maintenance (PDM) at the Coast Guard Aircraft Repair and Supply Center (ARSC) in Elizabeth City, NC.

This funding also provides for contractor support to conduct PDM on the service's HC-130Hs, as ARSC does not have this capacity. All PDM is based upon established service standards. The purpose of the aircraft PDM program is to (1) provide periodic inspection of areas of an aircraft which are not accessible without extensive disassembly, (2) perform heavy maintenance which is beyond the capability of operating units, and (3) incorporate changes and modifications which are too extensive to perform at the operating unit level.

**Vessels.** Includes service-wide funding to support the major maintenance and repair of Coast Guard vessels not appropriated in the Coast Guard Acquisition, Construction and Improvements (AC&I) appropriation. The request will fund casualty repairs (CASREP) that have plagued the aging Coast Guard cutter fleet. The funding will also support the procurement, installation, replacement and support of standard hull, mechanical, electrical and electronic systems. As an example, the request will fund maintenance on the Inland Rivertender fleet engine and drive train components, engine room ventilation, and associated abatement of asbestos, PCBs, lead paint, and other hazardous materials. Request also includes funding for general expenses related to inventory and engineering design, alteration and modification services in support of Coast Guard vessels.

Coast Guard vessels are regularly scheduled for programmed depot maintenance based upon established class maintenance plans (CMP). In addition to ship repair work provided by the Coast Guard Yard in Curtis Bay, MD, the Coast Guard routinely uses ship repair facilities/contractors to complete depot level maintenance via competitive contracts. The Coast Guard manages vessel base OE legacy asset maintenance funding using Standard Support Levels (SSLs) established for each vessel class of asset at the time of asset acquisition and adjusted annually for inflation. Actual expenditures vary from the SSL as the Coast Guard's maintenance managers shift resources to deal with their most immediate fleet maintenance challenges, often using funds from another vessel's SSL or outside sources to ensure availability of the most critical Coast Guard assets.

**Shore Infrastructure.** Includes service-wide funding for depot-level, nonrecurring facility maintenance to ensure the safety and integrity of the shore infrastructure, maximize facility economic life, and avoid large recapitalization expenses. This request includes funding for maintenance, repairs, code compliance, alterations, demolitions and other services provided by the Coast Guard's Civil Engineering program falling under the Coast Guard's AC&I appropriation threshold. This category includes support of: Coast Guard-owned land; buildings (e.g. replacement of roofs and mechanical systems); and structures (e.g. repairs to waterfront, communications and navigation system towers, roads and runways). It also includes: support for fixed Aids to Navigation (AtoN) structures (onshore and offshore); major non-consumable equipment used to support the shore plant (e.g. emergency generators, fuel systems, and pressure vessels). This shore OE funding also supports the Coast Guard's Unaccompanied Personnel Housing (i.e. barracks), family housing, clinics, and morale/well-being and recreational facilities.

**III. Current Services Program Description by PPA**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Program Performance Justification  
(Dollars in thousands)**

**Transfers to and from Other Accounts** **\$51,574**

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**A. Transfer from AC&I Systems Engineering and Integration to GSA Rent .....\$3,859**

Strategic Goal(s) & Objectives: 5.1

| <b>PPA Breakdown - Transfer from AC&amp;I Systems Engineering and Integration to GSA Rent</b> |                  | <b>Total<br/>(\$000)</b> |
|---|------------------|--------------------------|
| <b>PPA V: Centrally Managed Accounts</b>  |                  |                          |
|   | Central Accounts | 3,859                    |
|   |                  | <b>3,859</b>             |

The transfer of funds from the Systems Engineering and Integration PPA to the OE appropriation is necessary to accommodate the GSA lease payments associated with the Deepwater oversight reorganization. This reorganization is consistent with the revised Deepwater management strategy and Congressional communications to shift management and oversight responsibilities of Deepwater Program from the contractor (Integrated Coast Guard Systems) to the Coast Guard. All Deepwater personnel will be located in the Jemal Riverside Building. Benefits of the reorganization include:

- Provide a mechanism for increased program oversight
- Facilitate more effective CG communication and decision making
- Create synergies with other CG acquisition programs
- Leverage existing CG support infrastructure (IT, building management/security, etc.)
- Minimize disruptions due to travel between SIPO and Jemal/CGHQ

**B. Personnel Transfer from Acquisition, Construction & Improvements .....\$82,215**

Strategic Goal(s) & Objectives: 1.1, 1.4, 2.1, 2.4, 2.5, 3.1, 3.6, 4.1, 4.2, 4.3, 5.2, 6.3, 6.4

| <b>PPA Breakdown - Personnel Transfer from Acquisition, Construction &amp; Improvements</b> |                             | <b>Total (\$000)</b> |
|---|-----------------------------|----------------------|
| <b>PPA I: Military Personnel (373 FTP, 344 FTE)</b>   |                             |                      |
|   | Military Pay and Allowances | 34,332               |
|   | Military Health Care        | 2,392                |
|   | Permanent Change of Station | 1,662                |
| <b>PPA II: Civilian Personnel (355 FTP, 308 FTE)</b>  |                             |                      |
|   | Civilian Pay and Allowances | 40,605               |
| <b>PPA III: Training and Recruiting</b>   |                             |                      |
|   | Training and Education      | 960                  |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                                   |                             |                      |
|   | Atlantic Area               | 97                   |
|   | Pacific Area                | 66                   |
|   | 8th District                | 3                    |
|   | Headquarters Directorates   | 1,395                |
|   | Headquarters Units          | 703                  |
|   |                             | <b>82,215</b>        |

The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard’s ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to:

- Build institutional acquisition competencies by having the ability to move Operation and Support personnel into acquisitions. This will facilitate the training of more junior military personnel, better preparing them for future positions of higher responsibilities within acquisitions, and will allow the Coast Guard to grow acquisition competencies from within.
- Surge acquisition expertise to and from AC&I projects based on the projects’ appropriated funding levels, pace of execution and timing of key decision points. Under the current authority in the FY08 Consolidated Appropriations (H.R. 2764) when OE funding is transferred to AC&I, it can never be returned to the OE appropriation. Although this transfer authority is beneficial, the one way legislative check valve is too restrictive.
- Streamline human resource and financial management functions, which would provide the increased flexibility to optimally managing acquisition staffing. The transfer would also eliminate the complexity of overseeing the refund process between appropriations.
- Standardizing human resource polices within DHS. The Coast Guard is the only asset-intensive organizational element within DHS that has personnel tied to its acquisition appropriation. Maintaining budget consistency across all DHS is an important factor for building a more integrated and coherent Department human resource strategy.

Currently, all salaries, benefits, and support for the military and civilian personnel who administer AC&I contracts are funded by the AC&I appropriation, whereas 97 percent of the Coast Guard’s personnel is funded from the OE appropriation. The consolidation will provide the Coast Guard flexibility to address highest priority needs, while ensuring transparency to the Administration and Congress.

**C. Transfer LORAN-C Program to DHS NPPD .....(\$34,500)**

Strategic Goal(s) & Objectives: 5.1

| <b>PPA Breakdown - Transfer Program Funding to DHS NPPD</b> |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel</b>                            |  |                      |
|   | Military Pay and Allowances                            | (17,932)             |
|   | Military Health Care                                   | (2,099)              |
|   | Permanent Change of Station                            | (810)                |
| <b>PPA II: Civilian Personnel</b>                           |  |                      |
|   | Civilian Pay and Allowances                            | (868)                |
| <b>PPA III: Training and Recruiting</b>                     |  |                      |
|   | Training and Education                                 | (470)                |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>   |  |                      |
|   | 1st District   | (398)                |
|   | 5th District   | (141)                |
|   | 7th District   | (99)                 |
|   | 8th District   | (563)                |
|   | 9th District   | (302)                |
|   | 11th District  | (423)                |
|   | 13th District  | (212)                |
|   | 17th District  | (4,872)              |
|   | Headquarters Units                                     | (2,444)              |
| <b>PPA VI: Depot Level Maintenance</b>                      |  |                      |
|   | Electronics Maintenance                                | (628)                |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | (2,239)              |
|   |  | <b>(34,500)</b>      |

| <b>PPA Breakdown - Transfer Personnel to Reimbursable Account</b> |                             | <b>Total (\$000)</b> |
|---|-----------------------------|----------------------|
| <b>PPA I: Military Personnel (-284 FTP, -284 FTE)</b>             |                             |                      |
|   | Military Pay and Allowances | 0                    |
| <b>PPA II: Civilian Personnel (-10 FTP, -10 FTE)</b>              |                             |                      |
|   | Civilian Pay and Allowances | 0                    |
|   |                             | <b>0</b>             |

This initiative seeks a redirection within DHS of \$34.5 million from the Coast Guard to the National Preparedness and Programs Directorate, who will administer the LORAN program in 2009.

Reallocation includes funding for personnel and operations of all 24 Loran stations, the Loran Support Unit, and the Loran-related costs at the Navigation Center, Training Center Petaluma, Engineering Logistics Center, and Loran Station Administration Control Commands.

DHS is the Executive Agent for the development of national backup capability for critical infrastructure associated with position, navigation and timing. DHS has vested NPPD with the responsibility to develop this capability based on the transformation of LORAN-C system to Enhanced LORAN (eLORAN). Transfer of LORAN budget authority will provide NPPD with financial oversight and responsibility for the system and permit the Department to fund any planned upgrades to the system. In 2009, Coast Guard is expected to continue operation of the system on a reimbursable basis. Until then, Coast Guard will work with NPPD to develop a plan for transformation of LORAN-C to eLORAN.

**Increases**

**\$363,349**

**A. Annualization of Prior Year Funding**

**1. Annualization of FY 2008 Part-Year Funding.....\$39,016**

Strategic Goal(s) & Objectives: 1.1, 2.1, 2.2, 3.1, 3.2, 4.1

| <b>PPA Breakdown - Annualization of Prior Year Funding</b> |  | <b>Total (\$000)</b> |
|--|--|----------------------|
| <b>PPA I: Military Personnel (326 FTE)</b>                 |  |                      |
|  | Military Pay and Allowances                            | 12,705               |
|  | Military Health Care                                   | 886                  |
| <b>PPA II: Civilian Personnel (80 FTE)</b>                 |  |                      |
|  | Civilian Pay and Allowances                            | 199                  |
| <b>PPA III: Training and Recruiting</b>                    |  |                      |
|  | Training and Education                                 | 682                  |
|  | Recruiting and Training Centers                        | 310                  |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>  |  |                      |
|  | Atlantic Area  | 1,596                |
|  | Pacific Area   | 5,631                |
|  | 1st District   | 4                    |
|  | 5th District   | 27                   |
|  | 8th District   | 20                   |
|  | 11th District  | 4                    |
|  | 13th District  | 3                    |
|  | 17th District  | 3                    |
|  | Headquarters Directorates                              | 7,756                |
|  | Headquarters Units                                     | 65                   |
|  | Other Activities                                       | 21                   |
| <b>PPA V: Centrally Managed Accounts</b>                   |  |                      |
|  | Central Accounts                                       | 885                  |
| <b>PPA VI: Depot Level Maintenance</b>                     |  |                      |
|  | Aircraft Maintenance                                   | 1,717                |
|  | Electronics Maintenance                                | 1,654                |
|  | Civil/Ocean Engineering and Shore Facility Maintenance | 30                   |
|  | Vessel Maintenance                                     | 4,818                |
|  |  | <b>39,016</b>        |

Certain projects and programs for which resources were first provided in FY 2008 were funded for only part of the year. Additional funding and Full-Time Equivalents (FTE) are required to provide full year resources.

| <b>FY 2008 Line Items</b>  | <b>FTE<br/>(Mil)</b> | <b>FTE<br/>(Civ)</b> | <b>FY 2009 Funding<br/>(\$000)</b> |
|--|----------------------|----------------------|------------------------------------|
| Basic Allowance for Housing (BAH)                                | 0                    | 0                    | 4,427                              |
| Aids to Navigation (ATON) Modernization Follow-On                | 0                    | 0                    | 38                                 |
| High Frequency (HF) Recapitalization and Modernization Follow-On | 0                    | 0                    | 150                                |
| Response Boat - Medium (RB-M) Maintenance Follow-On              | 2                    | 0                    | 167                                |
| Rescue 21 Follow-On  | 1                    | 0                    | 2,804                              |
| Maritime Security Response Team (MSRT) Follow-On                 | 0                    | 0                    | 215                                |
| Surface and Air Asset Follow-On                                  | 125                  | 1                    | 31,215                             |
| <b>Total</b>   | <b>128</b>           | <b>1</b>             | <b>39,016</b>                      |

**2. Annualization of FY 2008 Emergency Spending .....\$32,108**

Strategic Goal(s) & Objectives: 1.1, 2.1, 2.2, 3.1, 3.2, 4.1

| <b>PPA Breakdown - Annualization of FY 2008 Emergency Spending</b> |  | <b>Total (\$000)</b> |
|--|--|----------------------|
| <b>PPA I: Military Personnel</b>                                   |  |                      |
|  | Military Pay and Allowances                            | 12,534               |
|  | Military Health Care                                   | 1,354                |
| <b>PPA II: Civilian Personnel</b>                                  |  |                      |
|  | Civilian Pay and Allowances                            | 9,619                |
| <b>PPA III: Training and Recruiting</b>                            |  |                      |
|  | Training and Education                                 | 510                  |
|  | Recruiting and Training Centers                        | 236                  |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>          |  |                      |
|  | Atlantic Area  | 298                  |
|  | Pacific Area   | 144                  |
|  | 1st District   | 25                   |
|  | 5th District   | 25                   |
|  | 7th District   | 261                  |
|  | 8th District   | 320                  |
|  | 9th District   | 29                   |
|  | 11th District  | 24                   |
|  | 13th District  | 21                   |
|  | 14th District  | 15                   |
|  | 17th District  | 10                   |
|  | Headquarters Directorates                              | 3,260                |
|  | Headquarters Units                                     | 101                  |
|  | Other Activities                                       | 33                   |
| <b>PPA V: Centrally Managed Accounts</b>                           |  |                      |
|  | Central Accounts                                       | 796                  |
| <b>PPA VI: Depot Level Maintenance</b>                             |  |                      |
|  | Electronics Maintenance                                | 134                  |
|  | Civil/Ocean Engineering and Shore Facility Maintenance | 64                   |
|  | Vessel Maintenance                                     | 2,295                |
|  |  | <b>32,108</b>        |

The FY 2008 emergency spending (\$70.300 million) for port and maritime security enhancements are annualized to provide full year resources.

| <b>FY 2008 Emergency Spending Line Items</b>                      | <b>FTE (Mil)</b> | <b>FTE (Civ)</b> | <b>FY 2009 Funding (\$000)</b> |
|---|------------------|------------------|--------------------------------|
| Liquefied Natural Gas and Dangerous Cargo Suitability Assessments | 0                | 2                | 878                            |
| Spot Check of MTSA Regulated Facilities                           | 15               | 0                | 1,336                          |
| Port Presence and Coastal Security                                | 113              | 5                | 10,243                         |
| Port Security Vulnerability Assessments                           | 0                | 0                | 667                            |
| SAFE Port Act - Port Security Exercise and Training Programs      | 0                | 11               | 1,543                          |
| SAFE Port Act - Salvage Response Plans in AMS Plans               | 0                | 14               | 1,667                          |
| SAFE Port Act - Additional Watchstander and Intelligence Officers | 48               | 29               | 8,635                          |
| SAFE Port Act - Rulemaking and Regulations                        | 0                | 15               | 2,428                          |
| Intensive Maintenance to Increase District 7 110' Op Hours        | 22               | 3                | 4,711                          |
| <b>Total</b>  | <b>198</b>       | <b>79</b>        | <b>32,108</b>                  |

**B. Mandatory Personnel Entitlements**

**1. Annualization of FY 2008 Pay Raise .....\$20,802**

Strategic Goal(s) & Objectives: 5.1

| <b>PPA Breakdown - Annualization of FY 2008 Pay Raise</b> |                             | <b>Total (\$000)</b> |
|---|-----------------------------|----------------------|
| <b>PPA I: Military Personnel</b>                          |                             |                      |
|   | Military Pay and Allowances | 15,688               |
|   | Military Health Care        | 185                  |
|   | Permanent Change of Station | 111                  |
| <b>PPA II: Civilian Personnel</b>                         |                             |                      |
|   | Civilian Pay and Allowances | 4,818                |
|   |                             | <b>20,802</b>        |

Request one quarter funding to annualize the FY 2008 military (3.5%) and civilian (3.5%) pay raise.

**2. FY 2009 Pay Increase .....\$52,901**

Strategic Goal(s) & Objectives: 5.0

| <b>PPA Breakdown - FY 2009 Pay Increase</b> |                             | <b>Total (\$000)</b> |
|---|-----------------------------|----------------------|
| <b>PPA I: Military Personnel</b>            |                             |                      |
|   | Military Pay and Allowances | 32,897               |
|   | Military Health Care        | 586                  |
|   | Permanent Change of Station | 332                  |
| <b>PPA II: Civilian Personnel</b>           |                             |                      |
|   | Civilian Pay and Allowances | 19,086               |
|   |                             | <b>52,901</b>        |

Request funds the FY 2009 military (3.4%) and civilian (2.9%) pay raise.

**3. Military Entitlements (DoD Parity) .....\$29,366**

Strategic Goal(s) & Objectives: 5.1

| <b>PPA Breakdown - Military Entitlements (DoD Parity)</b> |   | <b>Total (\$000)</b> |
|---|---|----------------------|
| <b>PPA I: Military Personnel</b>                          |   |                      |
|   | Military Pay and Allowances (Basic Allowance for Housing) | 13,285               |
|   | Permanent Change of Station                               | 16,081               |
|   |   | <b>29,366</b>        |

In order to maintain current services and ensure parity of military pay and allowances with the Department of Defense, the Coast Guard requests funding for the projected 2009 military Basic Allowance for Housing (BAH) increase, which is scheduled to go into effect on 1 January, 2009.

Funding is requested to cover the projected increase for military Permanent Change of Station move costs related to the implementation of the “Families First” Department of Defense (DOD) Personal Property Program. Families First is an initiative that DOD began implementing in 2005 in order to allow service members and their families a wider selection of moving carriers and to streamline the entire household goods moving process. The increase in options allows service members to move their items in a shorter period of time, which increases their ability to report and deploy sooner, but at a higher cost to the parent service. The projected cost increase associated with implementation of Phase III of the Families First program is primarily driven by the need to pay for full replacement insurance coverage versus the depreciated, or partial, insurance coverage that was formerly provided to service members.

**C. Non-Pay Adjustments**

**1. Non-Pay Inflation.....\$34,079**

Strategic Goal(s) & Objectives: 5.0

| <b>PPA Breakdown - Non-Pay Inflation</b>                  |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel</b>                          |  |                      |
|   | Military Health Care                                   | 6,962                |
|   | Permanent Change of Station                            | 2,285                |
| <b>PPA III: Training and Recruiting</b>                   |  |                      |
|   | Training and Education                                 | 1,743                |
|   | Recruiting and Training Centers                        | 2,027                |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |  |                      |
|   | Headquarters Directorates                              | 1,159                |
| <b>PPA V: Centrally Managed Accounts</b>                  |  |                      |
|   | Central Accounts                                       | 4,655                |
| <b>PPA VI: Depot Level Maintenance</b>                    |  |                      |
|   | Aircraft Maintenance                                   | 5,919                |
|   | Electronics Maintenance                                | 2,388                |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 3,445                |
|   | Vessel Maintenance                                     | 3,496                |
|   |  | <b>34,079</b>        |

Coast Guard operations rely heavily upon contract support for items such as capital asset maintenance, domestic services, cutter and aircraft deployment logistics, food services and procurement. Price escalation for goods and services during FY 2008 must be accommodated. Funding is requested at the non-pay inflation rate of 2.0% to ensure that maintenance and logistics contracts are adequately funded to maintain essential services and enable the Coast Guard to execute its statutory responsibilities for the American public in FY 2009.

**2. Operational Adjustments**

Strategic Goal(s) & Objectives: 1.1, 3.1, 3.2, 4.1, 5.1

**a) GSA Rent and Security Charges Increase .....\$19,417**

| <b>PPA Breakdown - GSA Rent and Security Charges Increase</b> |                  | <b>Total (\$000)</b> |
|---|------------------|----------------------|
| <b>PPA V: Centrally Managed Accounts</b>                      |                  |                      |
|   | Central Accounts | 19,417               |
|   |                  | <b>19,417</b>        |

This request provides funding for General Services Administration (GSA) leased expenses associated with rental, operating and security costs increasing more rapidly than COLA. Of the \$19.417 million

requested, \$13.300 million is attributed to an increase for Coast Guard Headquarters (Transpoint Building) as authorized by OMB and Congress. Request levels are based on estimates provided by GSA, determined by costs (including associated inflation) resulting from occupancy agreements established with GSA to meet specific shore facility space requirements.

**b) Depot Level (4X) and Emergency Maintenance .....\$29,217**

| <b>PPA Breakdown - Depot Level (4X) and Emergency Maintenance</b> |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA VI: Depot Level Maintenance</b>                            |  |                      |
|   | Aircraft Maintenance                                   | 13,950               |
|   | Electronics Maintenance                                | 1,628                |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 5,730                |
|   | Vessel Maintenance                                     | 7,909                |
|   |  | <b>29,217</b>        |

This request seeks funding for urgent extraordinary maintenance requirements including the following: Urgent Crew Safety on Cutters; funds overhauls of habitability, sanitary, electrical, fire/flooding alarm systems and asbestos/lead remediation. Emergency Maintenance; restores required cutter dockside maintenance scope and intervals, restores aircraft repair intervals and funds required spare parts replenishment. Post-Casualty Maintenance; funds unanticipated repairs on legacy cutters and aircraft, unscheduled drydocks/dockside availabilities and fire damage remediation.

As with the Department of Defense, inflation for aviation, ship, electronics and shore facility maintenance exceeding 2.0% non-pay Cost of Living Allowance (COLA) rate is a major cost driver for maintenance activities. Inflation estimates, which vary between each type of resource/facility, are based on standard rates of inflation published by the Department of Labor and Statistics. The observed construction inflation rate, as published in the Engineering News Record, is used for Civil/Ocean Engineering and Shore Facility Maintenance projects. In all cases, inflation is a significant driver of real purchasing power for critical maintenance activities.

**c) Government Services Increase .....\$359**

| <b>PPA Breakdown - Government Services Increase</b> |                  | <b>Total (\$000)</b> |
|---|------------------|----------------------|
| <b>PPA V: Centrally Managed Accounts</b>            |                  |                      |
|   | Central Accounts | 359                  |
|   |                  | <b>359</b>           |

This request will provide funding for the Coast Guard to reimburse the National Telecommunication and Information Administration (NTIA), Office of Spectrum Management, for increased operating expenses incurred for the management of approximately 17,000 radio frequency assignments. The payment of this fee allows the Coast Guard to maintain frequency authority on its assigned frequencies. It will also fund anticipated postal increases. As part of the new postal reforms, the U.S. Postal Service is proposing to increase rates on a more regular basis. The proposal is to effect major increases every other year, with a minor increase in between. The increase in FY 2009 is estimated at 5%.

**d) Mission & Business Systems Licenses .....\$1,244**

| <b>PPA Breakdown - Mission &amp; Business Systems Licenses</b> |                  | <b>Total (\$000)</b> |
|--|------------------|----------------------|
| <b>PPA V: Centrally Managed Accounts</b>                       |                  |                      |
|  | Central Accounts | 1,244                |
|  |                  | <b>1,244</b>         |

This request will fund incremental costs for licenses, maintenance, and support of enterprise class database management technology and related products. These products are the foundation for Coast Guard systems supporting operational and administrative functions.

**e) Intra-Government Services.....\$1,266**

| <b>PPA Breakdown - Intra-Government Services</b>          |                           | <b>Total (\$000)</b> |
|---|---------------------------|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                           |                      |
|   | Headquarters Directorates | 1,266                |
|   |                           | <b>1,266</b>         |

Funding is requested to pay for increased costs of prisoner escort and transportation for Coast Guard prisoners housed at Navy brig, increased IT equipment and hosting charges for the Real Time Automated Personnel Identification System (RAPIDS), increased National Archive and Records Administration (NARA) charges for federal records storage, and increased charges for the Coast Guard’s drug testing program. This request is based on cost projections from the agencies which provide these services to the Coast Guard on a reimbursable basis.

**f) Flight Training Funding Gap.....\$7,713**

| <b>PPA Breakdown - Flight Training Funding Gap</b> |                        | <b>Total (\$000)</b> |
|--|------------------------|----------------------|
| <b>PPA III: Training and Recruiting</b>            |                        |                      |
|  | Training and Education | 7,713                |
|  |                        | <b>7,713</b>         |

The U. S. Coast Guard’s flight training program at NAS Pensacola consists of student training in primary and advanced aircraft. The U. S. Navy training aircraft include the T-34 for primary training and either the T-44 aircraft or the T-57 helicopter for advanced flight training. Costs are based on an hourly rate per aircraft multiplied by the total student hours. In FY 2009, the U. S. Navy will replace the T-34 aircraft with the T-6 aircraft. This replacement aircraft will cost more to operate. This funding is required to offset operating cost increases as well as a new charge of overhead costs by the U. S. Navy for Coast Guard flight training.

**g) Inland Rivertenders' Emergency Subsystem Sustainment.....\$4,000**

Strategic Goal(s) & Objectives: 3.1, 3.2

| <b>PPA Breakdown - Inland Rivertenders' Emergency Subsystem Sustainment</b> |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (2 FTP, 1 FTE)</b>                             |                                 |                      |
|   | Military Pay and Allowances     | 89                   |
|   | Military Health Care            | 7                    |
|   | Permanent Change of Station     | 13                   |
| <b>PPA II: Civilian Personnel (2 FTP, 1 FTE)</b>                            |                                 |                      |
|   | Civilian Pay and Allowances     | 115                  |
| <b>PPA III: Training and Recruiting</b>                                     |                                 |                      |
|   | Training and Education          | 8                    |
|   | Recruiting and Training Centers | 1                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                   |                                 |                      |
|   | Atlantic Area                   | 2                    |
|   | Headquarters Directorates       | 2                    |
|   | Headquarters Units              | 4                    |
| <b>PPA V: Centrally Managed Accounts</b>                                    |                                 |                      |
|   | Central Accounts                | 24                   |
| <b>PPA VI: Depot Level Maintenance</b>                                      |                                 |                      |
|   | Vessel Maintenance              | 3,735                |
|   |                                 | <b>4,000</b>         |

This initiative provides funding to address the deteriorating materiel condition and safety of three different classes of Aids to Navigation (AtoN) cutters, the sole federal presence on the inland waterways in many cases, by increasing their AFC-45 OE maintenance funding. This project, a partial renovation focused on repairing critical subsystems, will serve as a bridging strategy until the requirements for recapitalization are determined. Although originally designed specifically for AtoN work, many of these vessels are a critical federal presence on the inland waterways and now meet important multi-mission needs in the region. These needs include rapid restoration of waterways following disasters and assisting in recovery of critical port operations. While the Coast Guard studies and validates present and future inland waterways needs, maintaining current capabilities is critically important. Results will directly inform future proposals for a multi-mission federal presence platform on the inland waterways and lead to a balanced, integrated, and cost-effective solution for the region. Until that solution is identified, the Coast Guard needs to meet its safety, security, and stewardship requirements on the inland waterways by maintaining current capabilities.

**D. Operating and Maintenance Funds for New Assets**

**1. Shore Facility Follow-On .....\$1,438**

Strategic Goal(s) & Objectives: 3.1, 3.2, 4.1

| <b>PPA Breakdown - Shore Facility Follow-On</b>           |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |  |                      |
|   | Atlantic Area  | 466                  |
|   | Headquarters Directorates                              | 137                  |
| <b>PPA VI: Depot Level Maintenance</b>                    |  |                      |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 835                  |
|   |  | <b>1,438</b>         |

This request will provide funding for the operation and maintenance of shore facility projects scheduled for completion prior to FY 2010. Funding is required for day-to-day operation costs, routine repairs and housekeeping. Funding also supports major maintenance and repairs (i.e. rebuilding, improvement, rehabilitation, etc.) anticipated throughout the life of the facility. Facilities include:

- Cordova Housing Infrastructure
- Station Washington Duty Berthing and Boat Maintenance Bay
- Air Station Atlantic City National Capital Region Air Defense Facilities
- Aviation Technical Training Center Rescue Swimmer Training Facility

**2. Aids to Navigation (ATON) Modernization Follow-On .....\$95**

Strategic Goal(s) & Objectives: 3.1, 3.2

| <b>PPA Breakdown - Aids to Navigation (ATON) Modernization Follow-On</b> |  | <b>Total (\$000)</b> |
|--|--|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                |  |                      |
|  | 5th District   | 47                   |
|  | 9th District   | 14                   |
| <b>PPA V: Centrally Managed Accounts</b>                                 |  |                      |
|  | Central Accounts                                       | 15                   |
| <b>PPA VI: Depot Level Maintenance</b>                                   |  |                      |
|  | Electronics Maintenance                                | 8                    |
|  | Civil/Ocean Engineering and Shore Facility Maintenance | 11                   |
|  |  | <b>95</b>            |

This initiative provides follow-on funding to operate and maintain the Aids to Navigation acquired within the Coast Guard’s FY 2008 Acquisition, Construction and Improvements appropriation. Funding helps reduce the most critical items in the infrastructure project backlog and will lead to concrete improvements in the Maritime Transportation System (MTS).

**3. Air Station Cape Cod (ASCC) Operations Follow-On.....\$3,493**

Strategic Goal(s) & Objectives: 1.1, 3.1, 3.2, 4.1

| <b>PPA Breakdown - Air Station Cape Cod (ASCC) Operations Follow-On</b> |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel (3 FTP, 2 FTE)</b>                         |  |                      |
|   | Military Pay and Allowances                            | 91                   |
|   | Military Health Care                                   | 11                   |
|   | Permanent Change of Station                            | 19                   |
| <b>PPA II: Civilian Personnel (23 FTP, 11 FTE)</b>                      |  |                      |
|   | Civilian Pay and Allowances                            | 884                  |
| <b>PPA III: Training and Recruiting</b>                                 |  |                      |
|   | Training and Education                                 | 23                   |
|   | Recruiting and Training Centers                        | 2                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>               |  |                      |
|   | 1st District   | 1,362                |
|   | Headquarters Directorates                              | 191                  |
| <b>PPA V: Centrally Managed Accounts</b>                                |  |                      |
|   | Central Accounts                                       | 61                   |
| <b>PPA VI: Depot Level Maintenance</b>                                  |  |                      |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 849                  |
|   |  | <b>3,493</b>         |

The Massachusetts Air National Guard 102nd Fighter Wing operates the airfield, utilities, and emergency services at the Otis Air National Guard Base in Massachusetts. Coast Guard Air Station Cape Cod (ASCC) operates from this facility and utilizes services provided by the 102nd Fighter Wing. As a result of the BRAC 2005 base realignment, the Massachusetts Air National Guard 102nd Fighter Wing will move to Barnes Massachusetts Air National Guard Base in September 2008 and discontinue operations and services at Otis. Coast Guard economic studies for continuing operations at Otis (renamed the Massachusetts Military Reservation (MMR) after the 102nd Fighter Wing's departure) or moving to an alternate location have determined that remaining at Otis and operating the airfield is the most economically viable option. In practical terms, other tenants of the MMR will share in responsibility. While the Coast Guard will assume responsibility for airfield operations, the State of Massachusetts will operate the emergency services, and the National Guard Bureau will be responsible for utilities. This initiative will ensure ASCC has the resources to continue current operations at a strategically critical location along the U.S. northeast coastline. Additional benefits include the uninterrupted support of 6 tenant Coast Guard commands and 467 Coast Guard housing units. Of the 26 new positions associated with this request, 20 will be classified as Status C (suitable for a streamlined or standard competition) in the Agency's Fair Act Inventory.

**4. Nationwide Differential Global Positioning System Follow-On .....\$544**

Strategic Goal(s) & Objectives: 3.1, 3.2

| <b>PPA Breakdown - Nationwide Differential Global Positioning System Follow-On</b> |                           | <b>Total (\$000)</b> |
|--|---------------------------|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                          |                           |                      |
|  | Headquarters Directorates | 544                  |
|  |                           | <b>544</b>           |

This request provides operating and maintenance funding for 12 unmanned Differential GPS transmitting sites which provide highly accurate signals used for positioning and navigation for military, governmental, and civil use. These sites include eight coastal and six inland Military Economic Strategic (MES) ports, including LNG terminals. The Federal Railroad Administration (FRA) is no longer the federal sponsor for NDGPS. Responsibility for NDGPS shifted to the U.S. Department of Transportation's (DOT) Research and Innovative Technology Administration (RITA) on an interim basis. RITA included \$5.000 million for NDGPS in the President's request for FY 2008, but funding support for FY 2009 and beyond is uncertain. RITA is preparing an assessment of the inland component of NDGPS. RITA asserted that if no transportation requirements are identified during the assessment, they intend to terminate support for NDGPS at the end of FY 2008.

**5. Response Boat - Medium (RB-M) Maintenance Follow-On .....\$154**

Strategic Goal(s) & Objectives: 1.1, 3.1, 3.2, 4.1

| <b>PPA Breakdown - Response Boat - Medium (RB-M) Maintenance Follow-On</b> |                                 | <b>Total (\$000)</b> |
|--|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (3 FTP, 2 FTE)</b>                            |                                 |                      |
|  | Military Pay and Allowances     | 85                   |
|  | Military Health Care            | 11                   |
|  | Permanent Change of Station     | 18                   |
| <b>PPA III: Training and Recruiting</b>                                    |                                 |                      |
|  | Training and Education          | 17                   |
|  | Recruiting and Training Centers | 2                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                  |                                 |                      |
|  | 1st District                    | 2                    |
|  | 5th District                    | 2                    |
|  | 7th District                    | 2                    |
|  | Headquarters Directorates       | 1                    |
| <b>PPA V: Centrally Managed Accounts</b>                                   |                                 |                      |
|  | Central Accounts                | 14                   |
|  |                                 | <b>154</b>           |

This request provides funding for additional maintenance personnel to support Response Boat – Mediums (RB-M) acquired with funding provided in FY 2008. The RB-M standardizes the Coast Guard's boat forces by replacing the aging 41-foot Utility Boat (UTB) fleet, which has approached its 25-year service life, and all other medium-sized Non-Standard Boats (NSB) at multi-mission stations.

Increased small boat capacity directly supports the Commandant's Ports, Waterways, and Coastal Security Plan and enhances the Coast Guard's Search and Rescue and Law Enforcement missions.

**6. Coastal Patrol Boat Follow-On.....\$9,035**

Strategic Goal(s) & Objectives: 3.1, 3.2, 4.1

| <b>PPA Breakdown - Coastal Patrol Boat Follow-On</b>      |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel (59 FTP, 59 FTE)</b>         |  |                      |
|   | Military Pay and Allowances                            | 3,395                |
|   | Military Health Care                                   | 436                  |
|   | Permanent Change of Station                            | 352                  |
| <b>PPA II: Civilian Personnel (1 FTP, 1 FTE)</b>          |  |                      |
|   | Civilian Pay and Allowances                            | 104                  |
| <b>PPA III: Training and Recruiting</b>                   |  |                      |
|   | Training and Education                                 | 398                  |
|   | Recruiting and Training Centers                        | 63                   |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |  |                      |
|   | Atlantic Area  | 14                   |
|   | 7th District   | 706                  |
|   | Headquarters Directorates                              | 1,191                |
|   | Headquarters Units                                     | 3                    |
|   | Other Activities                                       | 9                    |
| <b>PPA V: Centrally Managed Accounts</b>                  |  |                      |
|   | Central Accounts                                       | 350                  |
| <b>PPA VI: Depot Level Maintenance</b>                    |  |                      |
|   | Electronics Maintenance                                | 40                   |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 30                   |
|   | Vessel Maintenance                                     | 1,944                |
|   |  | <b>9,035</b>         |

The addition of four 87 ft CPBs will provide 7,200 annual programmed hours. As multi-mission capable assets, the new CPBs will perform duties including Maritime Law Enforcement (Alien Migrant Interdiction Operations, Counterdrug, and Living Marine Resources Enforcement), Search and Rescue, and Ports, Waterways and Coastal Security (PWCS). The cutters will partially relieve the burden on existing patrol boats pending the arrival of the FRC (B) class of vessels. The 7,200 operational hours gained would be targeted to District 7 so as to have the most direct mitigating impact on the operational hour gap experienced in southern Florida.

**7. Rescue 21 Follow-On .....\$14,666**

Strategic Goal(s) & Objectives: 3.2, 4.1

| <b>PPA Breakdown - Rescue 21 Follow-On</b>                |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (94 FTP, 47 FTE)</b>         |                                 |                      |
|   | Military Pay and Allowances     | 2,331                |
|   | Military Health Care            | 348                  |
|   | Permanent Change of Station     | 494                  |
| <b>PPA II: Civilian Personnel (3 FTP, 2 FTE)</b>          |                                 |                      |
|   | Civilian Pay and Allowances     | 184                  |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | 520                  |
|   | Recruiting and Training Centers | 72                   |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | Atlantic Area                   | 129                  |
|   | Pacific Area                    | 121                  |
|   | 1st District                    | 16                   |
|   | 5th District                    | 8                    |
|   | 7th District                    | 41                   |
|   | 8th District                    | 32                   |
|   | 11th District                   | 8                    |
|   | 13th District                   | 16                   |
|   | Headquarters Directorates       | 9,815                |
|   | Headquarters Units              | 80                   |
|   | Other Activities                | 7                    |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | 159                  |
| <b>PPA VI: Depot Level Maintenance</b>                    |                                 |                      |
|   | Electronics Maintenance         | 285                  |
|   |                                 | <b>14,666</b>        |

This request provides equipment operation and maintenance, circuit connectivity, property (leases) and power, training, and technology upgrade funding for the National Distress System Modernization Project (Rescue 21). This request also includes funding for one additional watch section (five persons) at 15 Sector Command Centers (SCCs) receiving the most rescue traffic, and supports Phase One of a rollout plan to augment SCCs with the highest workload.

Rescue 21 is the Coast Guard's primary system to perform the functional tasks of command, control and communications (C3) in the inland and coastal zones for Coast Guard operations involving search and rescue and homeland security activities. Rescue 21 will meet safety requirements for growing marine traffic and the International Convention for the Safety of Life at Sea (SOLAS) treaty.

This new C3 system is more robust, reliable, and capable than the legacy system, allowing watchstanders greater access to a wider array of actionable operational and planning data. However, this

increased capability has greatly increased the watchstanders' workload. Rather than monitoring 1-2 circuits per tower, watchstanders now monitor 5 circuits per tower with greater sensitivity/receptions than the legacy National Disaster System (NDS). The additional watchstanders included in this request are needed to fully support and utilize the increased capability Rescue 21 provides.

This funding request aligns with the multi-year build out of the Rescue 21 acquisition project. By the end of FY 2008, 20 regions (Sectors or Air Stations) are planned to be built and operational, requiring OE funding and watch augmentation in FY 2009.

**8. Nationwide Automatic Identification System (NAIS) Follow-On .....\$10,902**

Strategic Goal(s) & Objectives: 1.1, 3.1, 3.2

| <b>PPA Breakdown - Nationwide Automatic Identification System (NAIS) Follow-On</b> |                                 | <b>Total (\$000)</b> |
|--|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (6 FTP, 3 FTE)</b>                                    |                                 |                      |
|  | Military Pay and Allowances     | 321                  |
|  | Military Health Care            | 22                   |
|  | Permanent Change of Station     | 49                   |
| <b>PPA II: Civilian Personnel (4 FTP, 2 FTE)</b>                                   |                                 |                      |
|  | Civilian Pay and Allowances     | 216                  |
| <b>PPA III: Training and Recruiting</b>  |                                 |                      |
|  | Training and Education          | 79                   |
|  | Recruiting and Training Centers | 2                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                          |                                 |                      |
|  | Atlantic Area                   | 3                    |
|  | Pacific Area                    | 5                    |
|  | Headquarters Directorates       | 6,906                |
|  | Headquarters Units              | 6                    |
| <b>PPA V: Centrally Managed Accounts</b>   |                                 |                      |
|  | Central Accounts                | 47                   |
| <b>PPA VI: Depot Level Maintenance</b>   |                                 |                      |
|  | Electronics Maintenance         | 3,246                |
|  |                                 | <b>10,902</b>        |

This request provides network operating and maintenance service funding for the Nationwide Automatic Information System (NAIS). NAIS Increment 1 will be operating in receive-only mode in 55 critical ports and nine coastal areas. AIS data will be validated, stored and transferred from Sector Command Centers to a central data processing center where it will feed the maritime Common Operational Picture, as well as Coast Guard and intelligence community partners in support of the National Strategy for Maritime Security and its eight supporting plans.

**9. Defense Messaging System Follow-On.....\$1,463**

Strategic Goal(s) & Objectives: 3.1, 3.2, 4.1

| <b>PPA Breakdown - Defense Messaging System Follow-On</b> |                           | <b>Total (\$000)</b> |
|---|---------------------------|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                           |                      |
|   | Headquarters Directorates | 263                  |
|   | Headquarters Units        | 880                  |
| <b>PPA V: Centrally Managed Accounts</b>                  |                           |                      |
|   | Central Accounts          | 138                  |
| <b>PPA VI: Depot Level Maintenance</b>                    |                           |                      |
|   | Electronics Maintenance   | 182                  |
|   |                           | <b>1,463</b>         |

This request provides funding to support web-based Defense Messaging System (DMS) to all 30,000 Coast Guard military messaging users, tactical DMS to over 30 cutters and 24x7 Local Control Center (LCC) operations. In addition, it funds DMS component hardware/software and additional circuit costs and hardware/software upgrades required at the LCC to support DMS users both shore-side and afloat. The Coast Guard has begun implementation of DMS in order to remain interoperable with DOD and other government agencies and Allied military forces for secure record messaging. DMS is a DOD mandated program that will replace the antiquated Automated Digital Network (AUTODIN) record message system.

**10. Counter-Terrorism (CT) Training Infrastructure - Shoot House Follow-On .....\$721**

Strategic Goal(s) & Objectives: 1.1, 2.1, 2.2, 3.1, 3.2

| <b>PPA Breakdown - Counter-Terrorism (CT) Training Infrastructure - Shoot House Follow-On</b> |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA III: Training and Recruiting</b>   |                                 |                      |
|   | Recruiting and Training Centers | 676                  |
| <b>PPA V: Centrally Managed Accounts</b>  |                                 |                      |
|   | Central Accounts                | 45                   |
|   |                                 | <b>721</b>           |

This request provides the operational funding for the Counter-Terrorism Shoot house funded in FY 2008 to train the Coast Guard’s Deployable Forces. Specifically it will meet the training requirements for the Maritime Security Response Team (MSRT), the twelve Maritime Security and Safety Teams (MSST) and twenty Law Enforcement Detachments (LEDET). Without this funding, approximately 500 Coast Guard operators from the MSRT, MSSTs and LEDETs will be unable to train in counter-terrorism close quarter combat (CQC) live fire exercises as frequently as required. This request directly supports DHS strategic goals of protecting our Nation from dangerous people, dangerous goods and protecting critical infrastructure by training and equipping personnel with the necessary skills to secure our borders against terrorists, protect the public and marine environment from acts of terrorism and reduce the loss of life and property by strengthening nationwide response readiness.

**11. Surface and Air Asset Follow-On.....\$40,152**

Strategic Goal(s) & Objectives: 1.1, 2.1, 2.2, 3.1, 3.2, 4.1

| <b>PPA Breakdown - Surface and Air Asset Follow-On</b>    |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (188 FTP, 87 FTE)</b>        |                                 |                      |
|   | Military Pay and Allowances     | 5,751                |
|   | Military Health Care            | 635                  |
|   | Permanent Change of Station     | 1,287                |
| <b>PPA II: Civilian Personnel (11 FTP, 6 FTE)</b>         |                                 |                      |
|   | Civilian Pay and Allowances     | 601                  |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | 3,672                |
|   | Recruiting and Training Centers | 2,799                |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | Atlantic Area                   | 409                  |
|   | Pacific Area                    | 48                   |
|   | 7th District                    | 8                    |
|   | Headquarters Directorates       | 12,944               |
|   | Headquarters Units              | 1                    |
|   | Other Activities                | 13                   |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | 3,181                |
| <b>PPA VI: Depot Level Maintenance</b>                    |                                 |                      |
|   | Aircraft Maintenance            | 8,803                |
|   |                                 | <b>40,152</b>        |

**CASA HC-144A Aircraft Operations and Crew Follow-On - \$24,023:** In accordance with the Deepwater Implementation Plan, the total number of CASA HC-144A aircraft in the U. S. Coast Guard’s inventory will increase from 0 to 36 between FY 2008 and FY 2022. This initiative will provide funding for personnel, operations and maintenance for aircraft #4 through #7. The operational impact associated with the commissioning of these four HC-144A aircraft will be the addition of 4,800 flight hours per year (1,200 flight hours per aircraft). This flight hour increase will mitigate the decommissioning of HC-130H and HU-25 aircraft from the U. S. Coast Guard’s inventory in FY 2009. In addition, this proposal will fund the operation of Commercial Satellite (COMSAT) Communications equipment for CASA HC-144A aircraft #1 through #7, providing full COMSAT operational capability and global coverage of high speed data and voice connectivity.

**Armed Helicopter Follow-On - \$767:** This proposal provides recurring funds to recapitalize deployable Armed Helicopter AUF Kit “A” equipment. Additionally, increased funding is required to support the two additional helicopters the Area Deployment Center operates (i.e. 10) over the eight airframes operated by HITRON.

**NSC Crew Rotation Concept (CRC) and General Defense Operation (GDO) Crew - \$5,586:** This funding and personnel establish phase III of the oversight and support personnel to implement the CRC concept on the NSC fleet in Alameda. Funding of this request will allow the Coast Guard to implement

the Crew Rotation Concept (CRC) on the first two NSCs by establishing essential maintenance personnel to assist the crew by providing shore side maintenance support that will allow each hull to deploy for 230 DAFHP vice 185 DAFHP despite reduced import maintenance periods. In addition this request provides General Defense Operations (GDO) personnel to supplement the crew of a NSC while deployed out of hemisphere.

The request provides the necessary funding for a training system capable of producing highly competent NSC crews. The funding will provide the instructors, shore side maintenance support and training aids necessary to meet performance-based training needs and ensure the readiness of Deepwater crews. The purchase of the training aids could save the Coast Guard over \$4.000 million during the NSC life cycle by removing the need to procure more expensive non-Coast Guard training.

**FRC Patrol Boat Crew - \$1,181:** Provides personnel to operate and maintain the first Fast Response Cutter (FRC-B) scheduled for delivery in 2010. Advance arrival of the crew is critical to ensure appropriate training is conducted prior to delivery.

**Deepwater C4ISR Follow-On - \$7,146:** This request provides personnel and operating expenses to support C4ISR hardware, software, and firmware for equipment acquired or upgraded through Deepwater acquisition. These assets include cutters, aircraft, Air Stations, Communications Area Master Stations, and Operations Centers. Support includes logistics infrastructure, Logistics Information Management System (LIMS) software licenses and upgrades, and contractor technical representatives. The personnel include five Operations Center and one Intelligence Coordination Center Coast Guard Civilian (GS) support billets as well as training and travel funds for C4ISR system support.

**FRC Primary Crew Assembly Facility (PCAF) (Phase II) - \$1,449:** Provides personnel and funding to coordinate the training and arrival of the personnel assigned to crew the FRC Bs, the new patrol boat scheduled for delivery in 2010.

**12. Coast Guard Acquisitions Directorate Personnel Increase .....\$8,998**

Strategic Goal(s) & Objectives: 5.0

| <b>PPA Breakdown - Coast Guard Acquisitions Directorate Personnel Increase</b> |                                 | <b>Total (\$000)</b> |
|--|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (12 FTP, 12 FTE)</b>                              |                                 |                      |
|  | Military Pay and Allowances     | 1,183                |
|  | Military Health Care            | 89                   |
|  | Permanent Change of Station     | 96                   |
| <b>PPA II: Civilian Personnel (53 FTP, 53 FTE)</b>                             |                                 |                      |
|  | Civilian Pay and Allowances     | 6,933                |
| <b>PPA III: Training and Recruiting</b>  |                                 |                      |
|  | Training and Education          | 86                   |
|  | Recruiting and Training Centers | 8                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                      |                                 |                      |
|  | Headquarters Directorates       | 213                  |
|  | Other Activities                | 1                    |
| <b>PPA V: Centrally Managed Accounts</b>                                       |                                 |                      |
|  | Central Accounts                | 389                  |
|  |                                 | <b>8,998</b>         |

This request provides funding for personnel to perform the system integrator role for the Integrated Deepwater Program and to execute the traditional acquisition projects. The Coast Guard is currently consolidating the Integrated Deepwater System (IDS), the existing Acquisition Directorate (G-A), the Head of Contracting Activity (HCA), and the procurement policy staff into a combined Acquisition Directorate (CG-9). The Coast Guard is committed to addressing the staffing and training needs of Deepwater as we move forward in our role as Lead System Integrator for the IDS program. In support of this initiative the Coast Guard has identified requirements for new positions to address immediate and critical acquisition project management needs. These 65 positions require a variety of skill sets, including program management, and contracting professionals, to be used in direct support of reforming major system acquisition management and strengthening governmental oversight of the IDS program. The additional personnel will enable the Coast Guard to reduce potential cost/schedule overruns and to mitigate technical risks associated with major system acquisitions by providing:

- Increased oversight of contractor performance,
- Increased government leadership and administration of integrated project teams, and
- More timely and thorough review of contractor deliverables for technical sufficiency and contract compliance.
- Coordination and liaison for external (Congressional/OMB/DHS) inquiries and reports.

**13. POLAR High Latitude Study .....\$200**

Strategic Goal(s) & Objectives: 3.1, 3.2, 4.2

| <b>PPA Breakdown - POLAR High Latitude Study</b>          |                           | <b>Total (\$000)</b> |
|---|---------------------------|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                           |                      |
|   | Headquarters Directorates | 200                  |
|   |                           | <b>200</b>           |

The purpose of this study is to conduct an analysis of national mission needs in the high latitude regions to inform the national polar policy debate. The study will examine how the mission needs pertain to national maritime safety and security and the subsequent role of the Coast Guard.

**E. Base Re-Allocations (Non-Add)**

**1. Military FTP and FTE Transfer to Civilian.....\$0**

| <b>PPA Breakdown - Military FTP and FTE Transfer to Civilian</b> |                             | <b>Total (\$000)</b> |
|--|-----------------------------|----------------------|
| <b>PPA I: Military Personnel (-213 FTP, -213 FTE)</b>            |                             |                      |
|  | Military Pay and Allowances | 0                    |
| <b>PPA II: Civilian Personnel (213 FTP, 213 FTE)</b>             |                             |                      |
|  | Civilian Pay and Allowances | 0                    |
|  |                             | <b>0</b>             |

Request the transfer of 213 military FTP/FTE to civilian FTP/FTE (206 OE and 7 AC&I). This request is based upon the conversion of military positions to civilian positions. These conversions are in accordance with GAO guidance to change military positions funded in PPA I (Military Pay and Allowances) with inherently civilian job functions to civilian positions funded in PPA II (Civilian Pay and Allowances).

The funding associated with these conversions was transferred from PPA I to PPA II in P.L. 109-295 (the Department of Homeland Security Appropriations Act of 2007); however the FTP/FTE was not transferred. Approval of this request will properly align FTP/FTE with previous position conversions and the FY07 funding transfer.

**2. PPA Funding Technical Transfers (\$15.691 million base re-allocation) .....[\$15,691]**

| <b>PPA Breakdown - PPA Funding Technical Transfers (\$15.691 million base re-allocation)</b> |                                 | <b>Total (\$000)</b> |
|--|---------------------------------|----------------------|
| <b>PPA I: Military Personnel</b>   |                                 |                      |
|  | Military Pay and Allowances     | 918                  |
| <b>PPA III: Training and Recruiting</b>  |                                 |                      |
|  | Training and Education          | (760)                |
|  | Recruiting and Training Centers | 4,477                |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                                    |                                 |                      |
|  | Atlantic Area                   | (403)                |
|  | Pacific Area                    | (1,265)              |
|  | 1st District                    | (7)                  |
|  | 7th District                    | (12)                 |
|  | 8th District                    | (12)                 |
|  | 14th District                   | (5)                  |
|  | Headquarters Directorates       | (11,536)             |
| <b>PPA V: Centrally Managed Accounts</b>   |                                 |                      |
|  | Central Accounts                | 2,595                |
| <b>PPA VI: Depot Level Maintenance</b>   |                                 |                      |
|  | Aircraft Maintenance            | (1,691)              |
|  | Electronics Maintenance         | 7,600                |
|  | Vessel Maintenance              | 101                  |
|  |                                 | <b>0</b>             |

Request recurring technical base adjustments to move funding to the appropriate PPA for compliance with Coast Guard financial policy. All requested adjustments retain the original intent and purpose of the funding appropriated; however, the PPA to properly execute these items is different than originally appropriated. Requested adjustments include moving funding from the Unit Level Maintenance PPA (PPA 4) to the Depot Level Maintenance PPA (PPA 6) in order for the Coast Guard to centralize a portion its maintenance program. This will reduce the workload of field unit personnel and facilitate service-wide standardization.

Request also includes transferring funding for the maintenance costs of the Coast Guard Academy’s shipboard simulator and associated IT costs from PPA 4 to the Training and Recruiting PPA (PPA 3), transferring funds from PPA 4 to the Centrally Managed Accounts PPA (PPA 5) to fund service-wide contracts and transferring funding from PPA 3 to the Military Pay and Allowances PPA (PPA 1) to fund Coast Guard galley contracts. All of the requested transfers are consistent with Coast Guard policy, the intent/purpose of the appropriated funding and will better allow the Coast Guard to execute its budget authority.

Decreases

**(\$249,376)**

**A. Termination of One Time Costs .....(\$36,211)**

| <b>PPA Breakdown - Termination of One Time Costs</b>      |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel</b>                          |  |                      |
|   | Permanent Change of Station                            | (3,430)              |
| <b>PPA III: Training and Recruiting</b>                   |  |                      |
|   | Training and Education                                 | (4,839)              |
|   | Recruiting and Training Centers                        | (103)                |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |  |                      |
|   | Atlantic Area  | (144)                |
|   | Pacific Area   | (1,903)              |
|   | 5th District   | (98)                 |
|   | 7th District   | (704)                |
|   | 8th District   | (5)                  |
|   | Headquarters Directorates                              | (12,501)             |
|   | Headquarters Units                                     | (4,116)              |
| <b>PPA V: Centrally Managed Accounts</b>                  |  |                      |
|   | Central Accounts                                       | (5,538)              |
| <b>PPA VI: Depot Level Maintenance</b>                    |  |                      |
|   | Aircraft Maintenance                                   | (944)                |
|   | Electronics Maintenance                                | (400)                |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | (1,486)              |
|   |  | <b>(36,211)</b>      |

This item reflects FY 2009 savings associated with the termination of one-time costs for program start-up and exit transactions funded in FY 2008.

| <b>FY 2008 Line Items</b>   | <b>Non-Recurring Amount<br/>(\$000)</b> |
|---|---|
| Response Boat - Medium (RB-M) Maintenance Follow-On               | (44)                                    |
| Rescue 21 Follow-On   | (30)                                    |
| Special Purpose Craft - Law Enforcement (SPC-LE) Boat Follow-On   | (367)                                   |
| Counterintelligence Service Follow-On                             | (70)                                    |
| Surface and Air Asset Follow-On                                   | (9,267)                                 |
| Hitron Lease Termination  | (556)                                   |
| Liquefied Natural Gas and Dangerous Cargo Suitability Assessments | (11)                                    |
| Spot Check of MTSA Regulated Facilities                           | (352)                                   |
| Port Presence and Coastal Security                                | (14,992)                                |
| Long Range Identification and Tracking                            | (4,100)                                 |
| SAFE Port Act - Port Security Exercise and Training Programs      | (51)                                    |
| SAFE Port Act - Salvage Response Plans in AMS Plans               | (64)                                    |
| SAFE Port Act - Additional Watchstander and Intelligence Officers | (1,354)                                 |
| SAFE Port Act - Rulemaking and Regulations                        | (86)                                    |
| Intensive Maintenance to Increase District 7 110' Op Hours        | (1,267)                                 |
| Operations System Center Expansion - Planning and Design          | (3,600)                                 |
| <b>Total</b>  | <b>(36,211)</b>                         |

## B. Management and Technology Efficiencies

### 1. Annualization of FY 2008 Management and Technology Efficiencies .....(\$3,070)

| <b>PPA Breakdown - Annualization of FY 2008 Management and Technology Efficiencies</b> |                                 | <b>Total<br/>(\$000)</b> |
|--|---------------------------------|--------------------------|
| <b>PPA I: Military Personnel (-33 FTE)</b>   |                                 |                          |
|  | Military Pay and Allowances     | (2,157)                  |
|  | Military Health Care            | (226)                    |
|  | Permanent Change of Station     | (404)                    |
| <b>PPA III: Training and Recruiting</b>  |                                 |                          |
|  | Training and Education          | (98)                     |
|  | Recruiting and Training Centers | (31)                     |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                              |                                 |                          |
|  | Atlantic Area                   | (64)                     |
|  | 1st District                    | (2)                      |
|  | 5th District                    | (7)                      |
|  | 7th District                    | (3)                      |
|  | 8th District                    | (3)                      |
|  | 11th District                   | (6)                      |
|  | 13th District                   | (6)                      |
|  | 17th District                   | (4)                      |
|  | Other Activities                | (6)                      |
| <b>PPA V: Centrally Managed Accounts</b>   |                                 |                          |
|  | Central Accounts                | (53)                     |
|  |                                 | <b>(3,070)</b>           |

This item annualizes FY 2008 part-year reductions from the HITRON lease expiration and from Surface and Air Asset Follow-On personnel reductions.

| <b>FY 2008 Line Items</b>       | <b>FTE (Mil)</b> | <b>FTE (Civ)</b> | <b>Recurring Amount Annualized (\$000)</b> |
|---------------------------------|------------------|------------------|--|
| Surface and Air Asset Follow-On | (14)             | 0                | (1,027)                                    |
| Hitron Lease Termination        | (19)             | 0                | (2,043)                                    |
| <b>Total</b>                    | <b>(33)</b>      | <b>0</b>         | <b>(3,070)</b>                             |

**2. FY 2009 Management Efficiencies .....(\$68,177)**

| <b>PPA Breakdown - FY 2009 Management Efficiencies</b>    |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel</b>                          |  |                      |
|   | Military Health Care                                   | (6,962)              |
|   | Permanent Change of Station                            | (2,285)              |
| <b>PPA III: Training and Recruiting</b>                   |  |                      |
|   | Training and Education                                 | (1,743)              |
|   | Recruiting and Training Centers                        | (12,027)             |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |  |                      |
|   | Atlantic Area  | (4,030)              |
|   | Pacific Area   | (4,069)              |
|   | 1st District   | (1,103)              |
|   | 7th District   | (1,609)              |
|   | 8th District   | (1,020)              |
|   | 9th District   | (661)                |
|   | 13th District  | (462)                |
|   | 14th District  | (400)                |
|   | 17th District  | (696)                |
|   | Headquarters Directorates                              | (7,142)              |
|   | Headquarters Units                                     | (4,065)              |
| <b>PPA V: Centrally Managed Accounts</b>                  |  |                      |
|   | Central Accounts                                       | (4,655)              |
| <b>PPA VI: Depot Level Maintenance</b>                    |  |                      |
|   | Aircraft Maintenance                                   | (5,919)              |
|   | Electronics Maintenance                                | (2,388)              |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | (3,445)              |
|   | Vessel Maintenance                                     | (3,496)              |
|   |  | <b>(68,177)</b>      |

Fiscal liability for Coast Guard contracted dining facilities was shifted from the Training and Recruiting PPA (PPA III) to the Military Pay and Allowance PPA (PPA I) to better align with internal Coast Guard policy and the purpose/intent of the appropriation. As a result of moving the obligation out of PPA III, a \$10 million surplus has been identified and is available for a reduction as a management efficiency.

In order to fund annualization costs associated with FY08 emergency port and maritime security enhancements, as well as a portion of the FY09 pay increase, the Coast Guard will leverage operational

efficiencies across Headquarters Units', Areas', Districts' and Sectors' operating and maintenance accounts (AFC-30).

**3. Decommission USCGC ACUSHNET.....(\$2,568)**

| <b>PPA Breakdown - Decommission USCGC ACUSHNET</b>        |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (-86 FTP, -43 FTE)</b>       |                                 |                      |
|   | Military Pay and Allowances     | (2,436)              |
|   | Military Health Care            | (318)                |
|   | Permanent Change of Station     | 300                  |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | (73)                 |
|   | Recruiting and Training Centers | (46)                 |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | Pacific Area                    | (218)                |
|   | Headquarters Directorates       | 609                  |
|   | Other Activities                | (6)                  |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | (50)                 |
| <b>PPA VI: Depot Level Maintenance</b>                    |                                 |                      |
|   | Electronics Maintenance         | (8)                  |
|   | Vessel Maintenance              | (322)                |
|   |                                 | <b>(2,568)</b>       |

USCGC ACUSHNET will be decommissioned as part of the Deepwater Implementation Plan. Commissioned 05 Feb 1944, ACUSHNET is the oldest and least capable major cutter. It has limited operational capabilities including a lack of speed, a flight deck and modern equipment. ACUSHNET is also well past its useful service life.

**4. Decommission USCGC BLACKBERRY..... (\$214)**

| <b>PPA Breakdown - Decommission USCGC BLACKBERRY</b>      |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (-7 FTP, -7 FTE)</b>         |                                 |                      |
|   | Military Pay and Allowances     | (361)                |
|   | Military Health Care            | (52)                 |
|   | Permanent Change of Station     | 25                   |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | (11)                 |
|   | Recruiting and Training Centers | (8)                  |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | 5th District                    | (55)                 |
|   | Headquarters Directorates       | 107                  |
|   | Other Activities                | (1)                  |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | (8)                  |
| <b>PPA VI: Depot Level Maintenance</b>                    |                                 |                      |
|   | Electronics Maintenance         | (5)                  |
|   | Vessel Maintenance              | 155                  |
|   |                                 | <b>(214)</b>         |

USCGC BLACKBERRY will be decommissioned and replaced by another WLI class cutter from Coast Guard District 13, the USCGC BAYBERRY. A portion of the savings from the BLACKBERRY decommissioning will be reinvested into three permanently reprogrammed billets to support the AtoN mission in District 13. The success of District 13 being able to absorb BAYBERRY's AtoN responsibilities is dependent upon increasing personnel at ANT Puget Sound. Without the added personnel the unit would be unable to cover BAYBERRY's assigned area of responsibility. Commissioned in 1946, BLACKBERRY, in its current state, is limited in capability and past its useful service life, whereas BAYBERRY is newer and has significant operational advantages. Commissioned in 1954, BAYBERRY has a more advanced engineering plant and provides an improvement in ship handling and safety over BLACKBERRY.

**5. Decommission Two (2) HU-25 Aircraft ..... (\$3,848)**

| <b>PPA Breakdown - Decommission Two (2) HU-25 Aircraft</b> |                                 | <b>Total (\$000)</b> |
|--|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (-39 FTP, -20 FTE)</b>        |                                 |                      |
|  | Military Pay and Allowances     | (1,337)              |
|  | Military Health Care            | (144)                |
|  | Permanent Change of Station     | 167                  |
| <b>PPA III: Training and Recruiting</b>                    |                                 |                      |
|  | Training and Education          | (57)                 |
|  | Recruiting and Training Centers | (75)                 |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>  |                                 |                      |
|  | Headquarters Directorates       | (689)                |
|  | Other Activities                | (3)                  |
| <b>PPA V: Centrally Managed Accounts</b>                   |                                 |                      |
|  | Central Accounts                | (23)                 |
| <b>PPA VI: Depot Level Maintenance</b>                     |                                 |                      |
|  | Aircraft Maintenance            | (1,687)              |
|  |                                 | <b>(3,848)</b>       |

In accordance with the Deepwater Implementation Plan, the total number of HU-25 aircraft in the U.S. Coast Guard's inventory will decrease from 20 to 0 between FY 2009 and FY 2014. This initiative is for decommissioning of aircraft #1 and #2. The operational impact associated with decommissioning two HU-25 aircraft will be the loss of 1,600 flight hours per year. This flight hour deficit will be mitigated with the introduction of CASA HC-144A aircraft in the Coast Guard's inventory.

**6. Decommission Four (4) HC-130H Aircraft ..... (\$18,534)**

| <b>PPA Breakdown - Decommission Four (4) HC-130H Aircraft</b> |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (-86 FTP, -86 FTE)</b>           |                                 |                      |
|   | Military Pay and Allowances     | (5,370)              |
|   | Military Health Care            | (636)                |
|   | Permanent Change of Station     | 335                  |
| <b>PPA III: Training and Recruiting</b>                       |                                 |                      |
|   | Training and Education          | (1,227)              |
|   | Recruiting and Training Centers | (91)                 |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>     |                                 |                      |
|   | 5th District                    | (557)                |
|   | 17th District                   | (156)                |
|   | Headquarters Directorates       | (4,778)              |
|   | Other Activities                | (12)                 |
| <b>PPA V: Centrally Managed Accounts</b>                      |                                 |                      |
|   | Central Accounts                | (151)                |
| <b>PPA VI: Depot Level Maintenance</b>                        |                                 |                      |
|   | Aircraft Maintenance            | (5,891)              |
|   |                                 | <b>(18,534)</b>      |

In accordance with the Deepwater Implementation Plan, the total number of HC-130H aircraft in the U.S. Coast Guard's inventory will decrease from 27 to 16 between FY 2009 and FY 2016. This initiative is for decommissioning of aircraft #1 through #4. The operational impact associated with decommissioning three HC-130H operational and one support aircraft will be the loss of 2,400 flight hours per year. This flight hour deficit will be mitigated with the introduction of five operationally missionized HC-130J aircraft in FY 2008.

**7. Decommission Two (2) PC-179 Patrol Boats.....(\$6,754)**

| <b>PPA Breakdown - DOD Transfer (Operation Iraqi Freedom)</b> |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel (-77 FTP, -77 FTE)</b>           |  |                      |
|   | Military Pay and Allowances                            | (4,808)              |
|   | Military Health Care                                   | (569)                |
|   | Permanent Change of Station                            | 309                  |
| <b>PPA III: Training and Recruiting</b>                       |  |                      |
|   | Training and Education                                 | (129)                |
|   | Recruiting and Training Centers                        | (83)                 |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>     |  |                      |
|   | Atlantic Area  | (88)                 |
|   | Pacific Area   | (1,615)              |
|   | Headquarters Directorates                              | 374                  |
|   | Other Activities                                       | (11)                 |
| <b>PPA V: Centrally Managed Accounts</b>                      |  |                      |
|   | Central Accounts                                       | (89)                 |
| <b>PPA VI: Depot Level Maintenance</b>                        |  |                      |
|   | Electronics Maintenance                                | (40)                 |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | (5)                  |
|   |  | <b>(6,754)</b>       |

The Coast Guard and Navy entered into a four year Inter-service Transfer agreement for five Cyclone Class Patrol Coastal (PC) boats on August 11th, 2004. The five PCs provide the Coast Guard with an additional 12,500 patrol boat operating hours annually, with primary emphasis on Counter Drug Law Enforcement, Migrant Interdiction Operations and Ports, Waterways, and Coastal Security (PWCS). The current agreement runs through the end of FY 2008. An Addendum to the original agreement keeps three of the five PCs under Coast Guard operational control and returns two PCs back to the Navy at the end of FY 2008. USCGCs MONSOON and TEMPEST will be returned to the Navy. The crew billets and associated operating and maintenance funds, along with the associated Pacific Area maintenance support billets, are being eliminated.

**IV. Program Justification of Changes**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Justification of Program Changes  
(Dollars in thousands)**

**Program Changes** **\$46,508**

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**A. Situation Unit Watchstanders.....\$6,290**

Strategic Goal(s) & Objectives: 1.1, 3.2, 4.1

| <b>PPA Breakdown - Situation Unit Watchstanders</b>       |                                 | <b>Total<br/>(\$000)</b> |
|---|---------------------------------|--------------------------|
| <b>PPA I: Military Personnel (77 FTP, 39 FTE)</b>         |                                 |                          |
|   | Military Pay and Allowances     | 2,450                    |
|   | Military Health Care            | 285                      |
|   | Permanent Change of Station     | 537                      |
| <b>PPA II: Civilian Personnel (24 FTP, 12 FTE)</b>        |                                 |                          |
|   | Civilian Pay and Allowances     | 1,248                    |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                          |
|   | Training and Education          | 432                      |
|   | Recruiting and Training Centers | 61                       |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                          |
|   | 1st District                    | 17                       |
|   | 5th District                    | 3                        |
|   | 7th District                    | 23                       |
|   | 8th District                    | 17                       |
|   | 9th District                    | 17                       |
|   | 11th District                   | 18                       |
|   | 13th District                   | 15                       |
|   | 14th District                   | 9                        |
|   | 17th District                   | 25                       |
|   | Headquarters Directorates       | 478                      |
|   | Headquarters Units              | 93                       |
|   | Other Activities                | 5                        |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                          |
|   | Central Accounts                | 557                      |
|   |                                 | <b>6,290</b>             |

## Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE       | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0         | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 101             | 51        | 6,290           |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>101</b>      | <b>51</b> | <b>6,290</b>    |

### Description of Item

The requested funding supports the first phase of a multi-year initiative to provide additional watchstanders to meet increased operational demands and to increase situational awareness and information-sharing in all Coast Guard command centers. This initiative will help to properly staff Sectors, Districts, Areas, and Headquarters command centers by increasing staffing by approximately one additional 24-hour watch position per command center. The Situation Unit Watchstander enables the Command Centers to sustain a higher operational tempo and meet the increasing demand for data and information in support of a robust common operational picture and integrated interagency tactical operations at the local, tribal, state, regional, and national levels. This initiative also supports development of a coordinated architecture for the Coast Guard's command and control systems and common operating picture that collects, integrates and analyzes information concerning vessels operating on or bound for U.S. waters.

### Justification

This initiative supports NSPD-41/HSPD-13, the National Strategy for Maritime Security, the Plan to Achieve Maritime Domain Awareness, the Maritime Transportation Security Act (MTSA) of 2002 and the Safety and Accountability of Every (SAFE) Port Act of 2006 by greatly increasing the information collection, monitoring and sharing capability and capacity at Sector, District, Area and Headquarters Command Centers. The additional watchstanders will allow the Coast Guard to more fully exploit the increased capability provided by the integrated sensors, port and waterway monitoring capacity and information sharing provided by the Command 21 project and the Common Operating Picture (COP). The additional watchstanders will also support interagency operations center capability at our Sector command centers.

### Impact of Performance

The requested funding for Situation Unit Watchstanders supports the national goals and objectives of achieving effective control of our borders, ensuring the protection of all transportation modes and ensuring all levels of government can respond to catastrophic events (1.1, 3.2 and 4.1 respectively). In addition to leveraging the technology and increased capability provided by the Command 21 project, the Situation Unit Watchstanders will maintain a constant, vigilant watch over all Coast Guard missions in command centers and support interagency operations centers to ensure the Coast Guard is properly positioned to monitor and detect emerging, all-hazards threats and is ready to coordinate with port partners and other national-level resources to provide a rapid, targeted response. The additional watchstanders will not only increase the Coast Guard's capability to monitor, analyze, collect, integrate and share the increased maritime domain awareness information provided through the COP, but they will also provide critically needed augmentation to high operating tempo command centers; improving operational readiness, workload management and quality of life for Coast Guard members.

Failure to adequately fund Situational Unit Watchstanders limits the Coast Guard’s ability to fully utilize the capabilities provided by the Command 21 project. It also limits our ability to effectively and efficiently coordinate with our port partners in response to all-hazards emergencies and contingency operations.

**B. Marine Inspection Program .....\$20,000**

Strategic Goal(s) & Objectives: 1.1, 3.1, 3.2, 4.2

| <b>PPA Breakdown - Marine Inspection Program</b>          |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (207 FTP, 104 FTE)</b>       |                                 |                      |
|   | Military Pay and Allowances     | 7,840                |
|   | Military Health Care            | 765                  |
|   | Permanent Change of Station     | 1,487                |
| <b>PPA II: Civilian Personnel (69 FTP, 35 FTE)</b>        |                                 |                      |
|   | Civilian Pay and Allowances     | 3,784                |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | 921                  |
|   | Recruiting and Training Centers | 153                  |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | Atlantic Area                   | 36                   |
|   | Pacific Area                    | 36                   |
|   | 1st District                    | 127                  |
|   | 5th District                    | 118                  |
|   | 7th District                    | 156                  |
|   | 8th District                    | 873                  |
|   | 9th District                    | 83                   |
|   | 11th District                   | 99                   |
|   | 13th District                   | 63                   |
|   | 14th District                   | 37                   |
|   | 17th District                   | 53                   |
|   | Headquarters Directorates       | 1,811                |
|   | Other Activities                | 15                   |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | 1,507                |
| <b>PPA VI: Depot Level Maintenance</b>                    |                                 |                      |
|   | Electronics Maintenance         | 36                   |
|   |                                 | <b>20,000</b>        |

## Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |            |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|------------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE        | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0          | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 276             | 139        | 20,000          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>276</b>      | <b>139</b> | <b>20,000</b>   |

### Description of Item

This initiative will provide the necessary resources to expand the Coast Guard marine inspection program to meet growing demand for new safety and environmental protection standards and initiate new inspections on approximately 5,200 United States towing vessels as mandated by the FY04 Coast Guard Authorization Act.

### Justification

Marine inspectors will be utilized for inspection of the United States fleet, development and execution of safety and security standards (ballast water management, engine combustion standards, alternate drydocking capabilities, high speed ferries, Alternate Compliance Program oversight, Voluntary Model Audit Scheme, etc.), as well as the requirement for the Coast Guard to inspect United States-flagged towing vessels. Specifically, Section 415 of the Coast Guard's Authorization Act of FY04 amended 46 USC 3301 to require Coast Guard inspection of United States towing vessels.

### Impact of Performance

Additional full-time positions will be used to meet anticipated growth in maritime commerce and significant expansion of the regulated fleet. Inspection and investigation work will increase as a result of additional Liquefied Natural Gas (LNG) ships and facilities, towing vessel examinations, non-tank vessel response plan reviews, ballast water management oversight, and regulatory development. Approximately 5,200 United States towing vessels will require inspection as a result of new requirements. Personnel with engineering technical knowledge will conduct plan review of non-tank vessels. Personnel will also provide policy guidance and technical support to the field regarding non-tank vessels.

**C. MAGNet 2.0 - Intel Integration .....\$12,281**

Strategic Goal(s) & Objectives: 1.1, 1.2, 1.3, 2.1, 2.2, 3.1, 3.2, 5.0

| <b>PPA Breakdown - MAGNet 2.0 - Intel Integration</b>     |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (12 FTP, 6 FTE)</b>          |                                 |                      |
|   | Military Pay and Allowances     | 562                  |
|   | Military Health Care            | 44                   |
|   | Permanent Change of Station     | 85                   |
| <b>PPA II: Civilian Personnel (5 FTP, 3 FTE)</b>          |                                 |                      |
|   | Civilian Pay and Allowances     | 277                  |
| <b>PPA III: Training and Recruiting</b>                   |                                 |                      |
|   | Training and Education          | 110                  |
|   | Recruiting and Training Centers | 5                    |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b> |                                 |                      |
|   | Headquarters Directorates       | 11,109               |
|   | Headquarters Units              | 13                   |
|   | Other Activities                | 1                    |
| <b>PPA V: Centrally Managed Accounts</b>                  |                                 |                      |
|   | Central Accounts                | 75                   |
|   |                                 | <b>12,281</b>        |

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 17              | 9        | 12,281          |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>17</b>       | <b>9</b> | <b>12,281</b>   |

Description of Item

The \$12.281 million requested for Maritime Awareness Global Network (MAGNet) 2.0 provides the information technology intelligence capability that serves as a data repository, fusion platform and enterprise sharing device to consolidate information from 20 separate national level sources and provide timely intelligence and maritime related information to operators, analysts and operational commanders as well as interagency and port partners. MAGNET provides intelligence information to decision makers to make informed tactical and operational decisions to protect America’s maritime domain. The Global Maritime Intelligence and Integration (GMII) initiative provides the Coast Guard’s Intelligence Coordination Center the personnel to meet the analytical, collection, IT and management requirements associated with receiving increased intelligence information.

Justification

MAGNET is vital because it has proven to be the most successful collaborative method for federal agencies to share data; integrated into one seamless user platform. The MAGNET and GMII initiatives arise out of the National Strategy for Maritime Security, National Security Presidential Directive 41, and

Homeland Security Presidential Directive 13. These directives instruct the following regarding Global Maritime Intelligence Integration: “...to use existing intelligence capabilities to integrate all available intelligence on a global basis regarding the location, identity, and operational capabilities and intentions of potential threats to U. S. interests in the Maritime Domain.”

The Coast Guard Intelligence Coordination Center (ICC) is co-located with the Office of Naval Intelligence (ONI) and comprises the National Maritime Intelligence Center (NMIC). ICC and ONI comprise the “core element” of the Global Maritime Intelligence Integration Community of Interest. Global Maritime Intelligence Integration (GMII) is the President’s directive to integrate all available intelligence “...of potential threat to U.S. interests in the Maritime Domain”. Although ICC is a “core element” of GMII plan, ICC lacks the capacity required to implement the plan. This funding will enable the ICC to integrate information and intelligence in the maritime domain obtained from DOD, DOJ, DHS, DOE, NGA, US domestic law enforcement agencies, foreign Allies and Coalition partners.

Failure to fund this request will require the Coast Guard to delay the initial phase to integrate the capabilities of the maritime intelligence community of interest. This delay will allow known intelligence gaps, signified by NSPD 41/HSPD 13, to continue, resulting in greater risk in the maritime environment.

### **Impact of Performance**

The maritime intelligence community of interest includes DOD, DOJ, DHS, DOE, NGA, U. S. domestic law enforcement agencies, and foreign Allies and Coalition partners. GMII & MAGNET integrate the information and intelligence obtained from the community and improves the access to intelligence by deploying a proven robust intelligence sharing architecture. This connectivity increase will have a corresponding positive impact on DHS priorities to:

- Continue to protect our nation from dangerous people;
- Continue to protect our nation from dangerous goods;
- Protect critical infrastructure;
- Strengthen and unify DHS operations and management.

**D. Counter-Intelligence (CI) Service Initiative .....\$2,000**

Strategic Goal(s) & Objectives: 1.1, 1.2, 1.3, 2.1, 2.2, 3.1, 3.2, 5.0

| <b>PPA Breakdown - Counter-Intelligence (CI) Service Initiative</b> |                                 | <b>Total (\$000)</b> |
|---|---------------------------------|----------------------|
| <b>PPA I: Military Personnel (18 FTP, 9 FTE)</b>                    |                                 |                      |
|   | Military Pay and Allowances     | 668                  |
|   | Military Health Care            | 67                   |
|   | Permanent Change of Station     | 147                  |
| <b>PPA II: Civilian Personnel (11 FTP, 6 FTE)</b>                   |                                 |                      |
|   | Civilian Pay and Allowances     | 633                  |
| <b>PPA III: Training and Recruiting</b>                             |                                 |                      |
|   | Training and Education          | 90                   |
|   | Recruiting and Training Centers | 14                   |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>           |                                 |                      |
|   | Headquarters Directorates       | 256                  |
|   | Other Activities                | 2                    |
| <b>PPA V: Centrally Managed Accounts</b>                            |                                 |                      |
|   | Central Accounts                | 123                  |
|   |                                 | <b>2,000</b>         |

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE       | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0         | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 29              | 15        | 2,000           |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>29</b>       | <b>15</b> | <b>2,000</b>    |

Description of Item

The \$2.000 million requested for this initiative provides personnel for the Coast Guard’s Counter-intelligence Service (CGCIS) to bring it to a minimum staffing level necessary to carry out counter-intelligence activities. A functional counter-intelligence service will preserve the operational integrity of the Coast Guard by shielding its operations, personnel, systems, facilities, and information from the intelligence activities of foreign powers, terrorist groups and criminal organizations. CGCIS will perform this role through counter-intelligence investigations, operations, collection, analysis and production. CGCIS will also provide support to anti-terrorism/force protection; research and technology protection; and infrastructure protection/information operations.

Justification

Each of the major challenges confronting the Coast Guard's role in our nation’s security – defeating global terrorism, countering weapons of mass destruction, ensuring the security of the homeland, transforming Coast Guard defense capabilities, fostering cooperation with foreign navies and coast guards, and promoting global economic growth - has an embedded counter-intelligence imperative. Specifically, terrorists, foreign adversaries and economic competitors engage in a wide range of

intelligence activities in order to advance their interests and/or defeat U. S. objectives. Counter-intelligence is a prime contributor to overall maritime domain awareness and countering the threats described in the *National Strategy for Maritime Security*. The pre-operational planning/surveillance activities leading to a terrorist attack (e.g. small boat Vessel-Borne Improvised Explosive Device or transfer of a Weapon of Mass Destruction) can be countered by the same skill set used by counter-intelligence specialists to identify foreign collection activities by the host of adversaries we face.

The new personnel proposed in this initiative are immediate impact positions instituting counter-intelligence in locations and operations that have not been served or are currently underserved. Failure to fund this request increases Coast Guard and DHS vulnerability to hostile intelligence and terrorist threats.

**Impact of Performance**

This request supports DHS and Coast Guard goals by protecting and preserving the Coast Guard’s operational integrity and in turn maximizing risk-reduction return on investment. Through reducing the threat and impact from hostile intelligence and terrorist threats, this initiative directly supports the DHS goals and objectives to:

- Continue to protect our nation from dangerous people;
- Continue to protect our nation from dangerous goods;
- Protect critical infrastructure;
- Strengthen and unify DHS operations and management.

**E. Cryptologic Service Group and Direct Support.....\$3,337**

Strategic Goal(s) & Objectives: 1.1, 1.2, 1.3, 2.1, 2.2, 3.1, 3.2, 5.0

| <b>PPA Breakdown - Cryptologic Service Group and Direct Support</b> |  | <b>Total (\$000)</b> |
|---|--|----------------------|
| <b>PPA I: Military Personnel (46 FTP, 23 FTE)</b>                   |  |                      |
|   | Military Pay and Allowances                            | 1,442                |
|   | Military Health Care                                   | 170                  |
|   | Permanent Change of Station                            | 325                  |
| <b>PPA III: Training and Recruiting</b>                             |  |                      |
|   | Training and Education                                 | 500                  |
|   | Recruiting and Training Centers                        | 41                   |
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>           |  |                      |
|   | Headquarters Directorates                              | 669                  |
|   | Other Activities                                       | 3                    |
| <b>PPA V: Centrally Managed Accounts</b>                            |  |                      |
|   | Central Accounts                                       | 140                  |
| <b>PPA VI: Depot Level Maintenance</b>                              |  |                      |
|   | Civil/Ocean Engineering and Shore Facility Maintenance | 47                   |
|   |  | <b>3,337</b>         |

## Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE       | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0         | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 46              | 23        | 3,337           |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>46</b>       | <b>23</b> | <b>3,337</b>    |

### Description of Item

This request for \$3.337 million establishes three, seven-person Coast Guard Cryptologic Service Groups and five, five-person Direct Support Teams for deployment on legacy cutters. It also provides organic Signals Intelligence (SIGINT) to support Coast Guard operational forces. Cryptologic capabilities greatly contribute to the number of successful security and intelligence related missions at-sea, including security and law enforcement interceptions, Homeland Security vessel boardings, and drug and migrant interdictions. Currently, DOD provides personnel to support the Coast Guard's SIGINT needs; however, those positions are scheduled to terminate in FY 2009.

### Justification

This proposal directly supports the President's National Maritime Security Strategy (NSPD 41/HSPD 13), in particular the supporting plan for Global Maritime Intelligence Integration (GMII) which calls for integrating all available intelligence regarding potential threats to U. S. interests in the maritime domain. The Coast Guard Cryptologic Services Groups and Direct Support Teams are a Tactical Cryptologic Element (TCE) that is a critical capability for Maritime Domain Awareness (MDA) as it will support vessel tracking, provide input to the common operational picture, aid in port and coastal surveillance and promote interagency information sharing. Additionally, TCE is a cornerstone of the GMII effort; as it will support fusion efforts and significantly increase the Department's and Coast Guard's organic collection capabilities.

If this request is not funded, the Coast Guard will lose critical cryptologic capability and access to the National Cryptology System at a time when the role of Signals Intelligence (SIGINT) is becoming increasingly important to the success of securing the nation's maritime borders. The net result may be significantly fewer successful security and law enforcement interceptions, Homeland Security boardings, and drug and migrant interdictions.

### Impact of Performance

SIGINT capability reduces our nation's maritime vulnerabilities by enhancing the Department's and Coast Guard's capabilities to detect threats before reaching our ports and shores. Maintaining our SIGINT capability is critical to our maritime security since it enhances situational awareness for operational commanders, effectively pushing the nation's maritime borders out and in turn reducing our vulnerabilities. Investment in the TCE will directly support information sharing among DHS agencies and port partners by enhancing DHS goals and objectives to:

- Continue to protect our nation from dangerous people;
- Continue to protect our nation from dangerous goods;
- Protect critical infrastructure;
- Strengthen and unify DHS operations and management.

**F. Department of Homeland Security Regulatory Program.....\$2,600**

Strategic Goal(s) & Objectives: 5.0

| <b>PPA Breakdown - Department of Homeland Security Regulatory Program</b> |                           | <b>Total (\$000)</b> |
|---|---------------------------|----------------------|
| <b>PPA IV: Operating Funds and Unit Level Maintenance</b>                 |                           |                      |
|   | Headquarters Directorates | 2,600                |
|   |                           | <b>2,600</b>         |

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos.           | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) | Pos.            | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | 0               |
| Program Increase       |                |          |                 |                 |          |                 | 0               | 0        | 2,600           |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>2,600</b>    |

Description of Item

This request includes resource enhancements for both the Coast Guard Office of Standards Evaluation and Development (CG-5231) and the Office of Regulations and Administrative Law (CG-0943). The requested funding will provide for contracted technical writers and regulatory and environmental analyses required to complete rulemakings in an efficient manner.

Justification

This initiative supports the resource enhancements necessary to meet the growing demands for rulemaking development. Rulemaking development is achieved through the use of multi-disciplinary teams consisting of regulatory development managers, project counsels, economists, NEPA specialists and technical writers. This request will complement existing resources to allow balanced skill-sets within teams, specifically providing for on-site, contract technical writers. Funds will also be used for contracted study support for regulatory and environmental analyses.

Impact of Performance

The Coast Guard lacks the necessary resources to address the rulemaking requirements of current and new legislative requirements. There are currently between 95 and 100 rulemaking projects outstanding at any given time with a net increase of six new projects per year. Without these resources, the regulatory backlog will continue to grow; thereby failing public, Congressional and industry expectations for a responsible regulatory regime.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Justification of Proposed Changes in Operating Expenses**  
**Appropriation Language**

For necessary expenses for the operation and maintenance of the U.S. Coast Guard, not otherwise provided for; purchase or lease of not to exceed 25 passenger motor vehicles, which shall be for replacement only; minor shore construction projects not exceeding \$1,000,000 in total cost at any location; payments pursuant to section 156 of Public Law 97-377 (42 U.S.C. 402 note; 96 Stat. 1920); and recreation and welfare; [5,891,347] **\$6,213,402,000** of which \$340,000,000 shall be for defense-related activities; of which [24,255,000] **\$24,500,000** shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990; (33 U.S.C. 2712(a)(5)); and of which not to exceed \$20,000 shall be for official reception and representation expenses: *Provided*, That none of the funds made available by this Act shall be for expenses incurred for recreational vessels under section 12114 of title 46, United States Code, except to the extent fees are collected from yacht owners and credited to this appropriation: (*Department of Homeland Security Appropriations Act, 2008.*)

#### **Explanation of Changes:**

No substantive changes proposed.

## B. FY 2008 to FY 2009 Budget

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>   | <u>FTE</u>    | <u>Amount</u>    |
|--|---------------|---------------|------------------|
| <b>2007 Actual</b>   | <b>46,793</b> | <b>46,360</b> | <b>5,763,330</b> |
| <b>2008 Enacted*</b>   | <b>47,577</b> | <b>47,236</b> | <b>6,001,347</b> |
| <b>Adjustments-to-Base</b>   |               |               |                  |
| Transfers to and from Other Accounts                                       |               |               |                  |
| A. Transfer from AC&I Systems Engineering and Integration to GSA Rent      | -             | -             | 3,859            |
| B. Personnel Transfer from Acquisition, Construction & Improvements        | 728           | 652           | 82,215           |
| C. Transfer LORAN-C Program to DHS NPPD                                    |               |               |                  |
| 1. Transfer Program Funding to DHS NPPD                                    | -             | -             | (34,500)         |
| 2. Transfer Personnel to Reimbursable Account                              | (294)         | (294)         | -                |
| Total Transfers  | <u>434</u>    | <u>358</u>    | <u>51,574</u>    |
| Increases  |               |               |                  |
| A. Annualization of Prior Year Funding                                     |               |               |                  |
| 1. Annualization of FY 2008 Part-Year Funding                              | -             | 129           | 39,016           |
| 2. Annualization of FY 2008 Emergency Spending                             | -             | 277           | 32,108           |
| B. Mandatory Personnel Entitlements  |               |               |                  |
| 1. Annualization of FY 2008 Pay Raise                                      | -             | -             | 20,802           |
| 2. FY 2009 Pay Increase**  | -             | -             | 52,901           |
| 3. Military Entitlements (DoD Parity)                                      | -             | -             | 29,366           |
| C. Non-Pay Adjustments   |               |               |                  |
| 1. Non-Pay Inflation   | -             | -             | 34,079           |
| 2. Operational Adjustments   |               |               |                  |
| a) GSA Rent and Security Charges Increase                                  | -             | -             | 19,417           |
| b) Depot Level (4X) and Emergency Maintenance                              | -             | -             | 29,217           |
| c) Government Services Increase  | -             | -             | 359              |
| d) Mission & Business Systems Licenses                                     | -             | -             | 1,244            |
| e) Intra-Government Services   | -             | -             | 1,266            |
| f) Flight Training Funding Gap   | -             | -             | 7,713            |
| g) Inland Rivertenders' Emergency Subsystem Sustainment                    | 4             | 2             | 4,000            |
| D. Operating and Maintenance Funds for New Assets                          |               |               |                  |
| 1. Shore Facility Follow-On  | -             | -             | 1,438            |
| 2. Aids to Navigation (ATON) Modernization Follow-On                       | -             | -             | 95               |
| 3. Air Station Cape Cod (ASCC) Operations Follow-On                        | 26            | 13            | 3,493            |
| 4. Nationwide Differential Global Positioning System Follow-On             | -             | -             | 544              |
| 5. Response Boat - Medium (RB-M) Maintenance Follow-On                     | 3             | 2             | 154              |
| 6. Coastal Patrol Boat Follow-On   | 60            | 60            | 9,035            |
| 7. Rescue 21 Follow-On   | 97            | 49            | 14,666           |
| 8. Nationwide Automatic Identification System (NAIS) Follow-On             | 10            | 5             | 10,902           |
| 9. Defense Messaging System Follow-On                                      | -             | -             | 1,463            |
| 10. Counter-Terrorism (CT) Training Infrastructure - Shoot House Follow-On | -             | -             | 721              |
| 11. Surface and Air Asset Follow-On  | 199           | 93            | 40,152           |
| 12. Coast Guard Acquisitions Directorate Personnel Increase                | 65            | 65            | 8,998            |
| 13. POLAR High Latitude Study  | -             | -             | 200              |

## B. FY 2008 to FY 2009 Budget

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>          | <u>FTE</u>           | <u>Amount</u>           |
|--|----------------------|----------------------|-------------------------|
| E. Base Re-Allocations (Non-Add)   |                      |                      |                         |
| 1. Military FTP and FTE Transfer to Civilian                             | [213]                | [213]                | -                       |
| 2. PPA Funding Technical Transfers (\$15.691 million base re-allocation) | -                    | -                    | [15,691]                |
| Total Increases  | <u>464</u>           | <u>695</u>           | <u>363,349</u>          |
| Decreases  |                      |                      |                         |
| A. Termination of One Time Costs   | -                    | -                    | (36,211)                |
| B. Management and Technology Efficiencies                                |                      |                      |                         |
| 1. Annualization of FY 2008 Management and Technology Efficiencies       | -                    | (33)                 | (3,070)                 |
| 2. FY 2009 Management Efficiencies                                       | -                    | -                    | (68,177)                |
| 3. Decommission USCGC ACUSHNET   | (86)                 | (43)                 | (2,568)                 |
| 4. Decommission USCGC BLACKBERRY   | (7)                  | (7)                  | (214)                   |
| 5. Decommission Two (2) HU-25 Aircraft                                   | (39)                 | (20)                 | (3,848)                 |
| 6. Decommission Four (4) HC-130H Aircraft                                | (86)                 | (86)                 | (18,534)                |
| 7. Decommission Two (2) PC-179 Patrol Boats                              | (77)                 | (77)                 | (6,754)                 |
| 8. DOD Transfer (Operation Iraqi Freedom)                                |                      |                      | (110,000)               |
| Total Decreases  | <u>(295)</u>         | <u>(266)</u>         | <u>(249,376)</u>        |
| <b>Total Adjustments-to-Base</b>   | <b><u>603</u></b>    | <b><u>787</u></b>    | <b><u>165,547</u></b>   |
| <b>2009 Current Services</b>   | <b><u>48,180</u></b> | <b><u>48,023</u></b> | <b><u>6,166,894</u></b> |
| <b>Program Changes</b>   |                      |                      |                         |
| Program Increases / (Decreases)  |                      |                      |                         |
| A. Situation Unit Watchstanders  | 101                  | 51                   | 6,290                   |
| B. Marine Inspection Program   | 276                  | 139                  | 20,000                  |
| C. MAGNet 2.0 - Intel Integration  | 17                   | 9                    | 12,281                  |
| D. Counter-Intelligence (CI) Service Initiative                          | 29                   | 15                   | 2,000                   |
| E. Cryptologic Service Group and Direct Support                          | 46                   | 23                   | 3,337                   |
| F. Department of Homeland Security Regulatory Program                    | -                    | -                    | 2,600                   |
| <b>Total Program Changes</b>   | <b><u>469</u></b>    | <b><u>237</u></b>    | <b><u>46,508</u></b>    |
| <b>2009 Request</b>  | <b><u>48,649</u></b> | <b><u>48,260</u></b> | <b><u>6,213,402</u></b> |
| <b>2008 to 2009 Total Change</b>   | <b><u>1,072</u></b>  | <b><u>1,024</u></b>  | <b><u>212,055</u></b>   |

\* The FY 2008 enacted level includes \$70.300 million in emergency funding provided in P.L. 110-161.

\*\* The FY 2009 pay increase represents a partial request of the projected 3.4% military and 2.9% civilian pay increase to re-size the Coast Guard's PPA I and II accounts.



**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Summary of Reimbursable Resources**  
(Dollars in Thousands)

| Collection by Source                            | FY 2007 Actual |                | 2008 Revised Estimate |                | 2009 Estimate |                | Increase/Decrease |               |
|---|----------------|----------------|-----------------------|----------------|---------------|----------------|-------------------|---------------|
|   | Pos.           | FTE Amount     | Pos.                  | FTE Amount     | Pos.          | FTE Amount     | Pos.              | FTE Amount    |
| Agency 1<br>Department of Homeland Security     |                | 26,896         |                       | 27,703         |               | 63,034         |                   | 35,331        |
| Agency 2<br>Department of Defense               |                | 73,392         |                       | 75,594         |               | 77,862         |                   | 2,268         |
| Agency 3<br>Department of Transportation        |                | 8,916          |                       | 9,183          |               | 9,459          |                   | 276           |
| Agency 4<br>Department of Treasury              |                | -              |                       | -              |               | -              |                   | -             |
| Agency 5<br>Department of Commerce              |                | 1,787          |                       | 1,841          |               | 1,896          |                   | 55            |
| Agency 6<br>Department of State                 |                | 8,812          |                       | 9,076          |               | 9,349          |                   | 272           |
| Agency 7<br>Department of Justice               |                | 1,760          |                       | 1,813          |               | 1,867          |                   | 54            |
| Agency 8<br>Federal Emergency Management Agency |                | 209,000        |                       | 215,270        |               | 221,728        |                   | 6,458         |
| Agency 9<br>Environmental Protection Agency     |                | 4,713          |                       | 4,854          |               | 5,000          |                   | 146           |
| Agency 10<br>Central Intelligence Agency        |                | 166            |                       | 171            |               | 176            |                   | 5             |
| Miscellaneous                                   |                |                |                       |                |               |                |                   |               |
| - Panama Canal Authority                        |                | 305            |                       | 314            |               | 324            |                   | 9             |
| - National Science Foundation                   |                | 53             |                       | 55             |               | 56             |                   | 2             |
| Other Anticipated Reimbursables General         |                | 61,933         |                       | 63,791         |               | 65,705         |                   | 1,914         |
| <b>Total Budgetary Resources</b>                | <b>901</b>     | <b>397,733</b> | <b>925</b>            | <b>409,665</b> | <b>1,219</b>  | <b>456,455</b> | <b>294</b>        | <b>46,790</b> |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                               |  | 2007<br>Actual      | 2008<br>Enacted     | 2009<br>Request     | 2008 - 2009<br>Change |
|--|--|---------------------|---------------------|---------------------|-----------------------|
| 11.1   | Full-time permanent                            | 398,939             | 407,131             | 470,288             | 63,157                |
| 11.3   | Other than full-time permanent                 | 6,208               | 6,192               | 7,175               | 983                   |
| 11.5   | Other personnel compensation                   | 16,040              | 14,611              | 17,150              | 2,539                 |
| 11.7   | Military personnel                             | 2,131,323           | 2,151,444           | 2,241,296           | 89,852                |
| 11.8   | Special service pay                            | 30,982              | 30,870              | 32,197              | 1,327                 |
| 12.1   | Civilian personnel benefits                    | 135,046             | 128,739             | 150,119             | 21,380                |
| 12.2   | Military personnel benefits                    | 521,926             | 490,421             | 511,229             | 20,808                |
| 13.0   | Benefits-former                                | 18,266              | 23,763              | 24,589              | 826                   |
| <b>Total, Personnel Comp. &amp; Benefits</b> |  | <b>\$ 3,258,730</b> | <b>\$ 3,253,171</b> | <b>\$ 3,454,043</b> | <b>\$ 200,872</b>     |
| Other Objects Classes:                       |  |                     |                     |                     |                       |
| 21.0   | Travel   | 291,292             | 274,735             | 276,171             | 1,436                 |
| 22.0   | Transportation of things                       | 52,161              | 53,064              | 71,572              | 18,508                |
| 23.1   | GSA rent                                       | 63,744              | 74,092              | 94,041              | 19,949                |
| 23.2   | Other rent                                     | 23,633              | 10,024              | 12,409              | 2,385                 |
| 23.3   | Communication, utilities, and misc charges     | 148,740             | 274,830             | 257,700             | (17,130)              |
| 24.0   | Printing and reproduction                      | 5,919               | 4,752               | 4,740               | (12)                  |
| 25.1   | Advisory and assistance services               | 87,055              | 64,554              | 53,721              | (10,833)              |
| 25.2   | Other services                                 | 287,325             | 207,665             | 211,532             | 3,867                 |
| 25.3   | Purchases of goods & svcs. from gov't accounts | 63,506              | 56,058              | 64,556              | 8,498                 |
| 25.4   | Operation & maintenance of facilities          | 151,630             | 236,526             | 200,896             | (35,630)              |
| 25.5   | Research and development                       | -                   | -                   | -                   | -                     |
| 25.6   | Medical care                                   | 316,280             | 301,957             | 305,611             | 3,654                 |
| 25.7   | Operation and maintenance of equipment         | 253,252             | 327,812             | 350,415             | 22,603                |
| 25.8   | Subsistence and support of persons             | 8,936               | 8,476               | 8,547               | 71                    |
| 26.0   | Supplies and materials                         | 611,702             | 648,194             | 645,779             | (2,415)               |
| 31.0   | Equipment                                      | 115,211             | 157,361             | 152,672             | (4,689)               |
| 32.0   | Land and structures                            | 21,380              | 26,734              | 27,575              | 841                   |
| 41.0   | Grants, subsidies and contributions            | -                   | -                   | -                   | -                     |
| 42.0   | Insurance claims and indemnity                 | 2,834               | 21,342              | 21,422              | 80                    |
| <b>Total, Other Object Classes</b>           |  | <b>\$ 2,504,600</b> | <b>\$ 2,748,176</b> | <b>\$ 2,759,359</b> | <b>\$ 11,183</b>      |
| <b>Total Direct Obligations</b>              |  | <b>\$ 5,763,330</b> | <b>\$ 6,001,347</b> | <b>\$ 6,213,402</b> | <b>\$ 212,055</b>     |
| Unobligated balance, start of year           |  | 88,233              | -                   | -                   |                       |
| Unobligated balance, end of year             |  | 19,167              | -                   | -                   |                       |
| <b>Total Requirements</b>                    |  | <b>\$ 5,694,264</b> | <b>\$ 6,001,347</b> | <b>\$ 6,213,402</b> |                       |

## F. Permanent Positions by Grade

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Operations and Support - Military  
Permanent Positions by Grade**

| Grade                                       | 2007               | 2008               | 2009               | 2008 - 2009       |
|---|--------------------|--------------------|--------------------|-------------------|
|   | Actual<br>Pos.     | Enacted<br>Pos.    | Request<br>Pos.    | Change<br>Pos.    |
| O-10  | 1                  | 1                  | 1                  | -                 |
| O-9   | 4                  | 4                  | 4                  | -                 |
| O-8   | 26                 | 25                 | 25                 | -                 |
| O-7   | 7                  | 6                  | 6                  | -                 |
| O-6   | 375                | 362                | 362                | -                 |
| O-5   | 823                | 801                | 800                | (1)               |
| O-4   | 1,224              | 1,250              | 1,254              | 4                 |
| O-3   | 2,142              | 2,187              | 2,208              | 21                |
| O-2   | 1,395              | 1,447              | 1,436              | (11)              |
| O-1   | 157                | 164                | 162                | (2)               |
| CWO   | 1,420              | 1,461              | 1,504              | 43                |
| Cadet/OC                                    | 892                | 852                | 852                | -                 |
| E-10  | 1                  | 1                  | 1                  | -                 |
| E-9   | 293                | 285                | 285                | -                 |
| E-8   | 638                | 635                | 631                | (4)               |
| E-7   | 3,184              | 3,226              | 3,210              | (16)              |
| E-6   | 6,471              | 6,600              | 6,636              | 36                |
| E-5   | 7,772              | 8,022              | 8,044              | 22                |
| E-4   | 7,094              | 7,276              | 7,237              | (39)              |
| E-3   | 4,166              | 4,045              | 4,020              | (25)              |
| E-2   | 1,369              | 1,623              | 1,525              | (98)              |
| E-1   | 690                | 690                | 690                | -                 |
| Other Graded Positions                      | -                  | -                  | -                  | -                 |
| Ungraded Positions                          | -                  | -                  | -                  | -                 |
| <b>Total Permanent Positions</b>            | <b>40,144</b>      | <b>40,963</b>      | <b>40,893</b>      | <b>(70)</b>       |
| Unfilled Positions EOY                      | -                  | -                  | -                  | -                 |
| Total Perm. Employment EOY                  | 40,144             | 40,963             | 40,893             | (70)              |
| <b>FTE*</b>                                 | <b>40,138</b>      | <b>41,102</b>      | <b>41,054</b>      | <b>(48)</b>       |
| Headquarters                                | 1,198              | 1,062              | 1,133              | 71                |
| U.S. Field                                  | 38,837             | 39,761             | 39,620             | (141)             |
| Foreign Field                               | 109                | 140                | 140                | -                 |
| <b>Total Permanent Positions</b>            | <b>40,144</b>      | <b>40,963</b>      | <b>40,893</b>      | <b>(70)</b>       |
| Position Data:                              |                    |                    |                    |                   |
| <b>Average Salary, Officer Positions**</b>  | <b>\$84,722.36</b> | <b>\$88,137.74</b> | <b>\$95,621.86</b> | <b>\$7,484.12</b> |
| <b>Average Grade, Officer Positions</b>     | <b>2.87</b>        | <b>2.87</b>        | <b>2.87</b>        | <b>0.00</b>       |
| <b>Average Salary, Enlisted Positions**</b> | <b>\$49,158.64</b> | <b>\$50,962.06</b> | <b>\$55,940.94</b> | <b>\$4,978.88</b> |
| <b>Average Grade, Enlisted Positions</b>    | <b>4.80</b>        | <b>4.79</b>        | <b>4.80</b>        | <b>0.01</b>       |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

## F. Permanent Positions by Grade

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Operations and Support - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | 13             | 12              | 13              | 1              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 146            | 144             | 156             | 12             |
| GS-14   | 459            | 429             | 461             | 32             |
| GS-13   | 1,003          | 1,017           | 1,102           | 85             |
| GS-12   | 1,262          | 1,319           | 1,429           | 110            |
| GS-11   | 828            | 795             | 805             | 10             |
| GS-10   | 27             | 29              | 29              | -              |
| GS-9  | 487            | 468             | 510             | 42             |
| GS-8  | 191            | 190             | 190             | -              |
| GS-7  | 683            | 639             | 673             | 34             |
| GS-6  | 250            | 300             | 300             | -              |
| GS-5  | 128            | 140             | 140             | -              |
| GS-4  | 29             | 31              | 30              | (1)            |
| GS-3  | 2              | 2               | 2               | -              |
| GS-2  | 6              | 5               | 5               | -              |
| Other Graded Positions                        | 1,135          | 1,094           | 1,118           | 24             |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>6,649</b>   | <b>6,614</b>    | <b>6,963</b>    | <b>349</b>     |
| Unfilled Positions EOY                        | 467            | 465             | 489             | 25             |
| Total Perm. Employment (Filled Positions) EOY | 6,182          | 6,149           | 6,474           | 324            |
| <b>FTE</b>                                    | <b>6,222</b>   | <b>6,134</b>    | <b>6,489</b>    | <b>355</b>     |
| Headquarters                                  | 1,119          | 1,170           | 1,206           | 36             |
| U.S. Field                                    | 5,530          | 5,444           | 5,757           | 313            |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>6,649</b>   | <b>6,614</b>    | <b>6,963</b>    | <b>349</b>     |
| Position Data:                                |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | \$194,000.00   | \$201,400.00    | \$206,400.00    | \$ 5,000       |
| <b>Average Personnel Costs, GS Positions</b>  | \$91,427.27    | \$95,143.17     | \$96,749.04     | \$ 1,606       |
| <b>Average Grade, GS Positions</b>            | 10.75          | 10.73           | 10.78           | 0.05           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

## F. Permanent Positions by Grade

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Acquisition - Military  
Permanent Positions by Grade**

| Grade                                       | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| O-10  | -              | -               | -               | -              |
| O-9   | -              | -               | -               | -              |
| O-8   | 2              | 2               | 2               | -              |
| O-7   | -              | -               | -               | -              |
| O-6   | 18             | 18              | 18              | -              |
| O-5   | 40             | 40              | 41              | 1              |
| O-4   | 80             | 79              | 78              | (1)            |
| O-3   | 90             | 90              | 92              | 2              |
| O-2   | 5              | 5               | 5               | -              |
| O-1   | -              | -               | -               | -              |
| CWO4  | 53             | 53              | 56              | 3              |
| Cadet                                       | -              | -               | -               | -              |
| E-10  | -              | -               | -               | -              |
| E-9   | 3              | 3               | 3               | -              |
| E-8   | 9              | 9               | 9               | -              |
| E-7   | 39             | 39              | 37              | (2)            |
| E-6   | 21             | 21              | 23              | 2              |
| E-5   | 8              | 8               | 8               | -              |
| E-4   | 5              | 5               | 5               | -              |
| E-3   | -              | -               | -               | -              |
| E-2   | -              | -               | -               | -              |
| E-1   | -              | -               | -               | -              |
| Other Graded Positions                      | -              | -               | -               | -              |
| Ungraded Positions                          | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | <b>373</b>     | <b>372</b>      | <b>377</b>      | <b>5</b>       |
| Unfilled Positions EOY                      | 28             | 28              | 28              | -              |
| Total Perm. Employment EOY                  | 345            | 344             | 349             | 5              |
| <b>FTE*</b>                                 | <b>321</b>     | <b>344</b>      | <b>349</b>      | <b>5</b>       |
| Headquarters                                | 176            | 175             | 180             | 5              |
| U.S. Field                                  | 197            | 197             | 197             | -              |
| Foreign Field                               | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | <b>373</b>     | <b>372</b>      | <b>377</b>      | <b>5</b>       |
| <u>Position Data:</u>                       |                |                 |                 |                |
| <b>Average Salary, Officer Positions**</b>  | \$102,067.23   | \$106,534.25    | \$111,244       | \$4,709.75     |
| <b>Average Grade, Officer Positions</b>     | 3.62           | 3.62            | 3.61            | -0.01          |
| <b>Average Salary, Enlisted Positions**</b> | \$65,148.04    | \$68,293.11     | \$75,045.00     | \$6,751.89     |
| <b>Average Grade, Enlisted Positions</b>    | 6.56           | 6.56            | 6.54            | -0.02          |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

## F. Permanent Positions by Grade

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Acquisition - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 24             | 24              | 29              | 5              |
| GS-14   | 94             | 94              | 109             | 15             |
| GS-13   | 148            | 149             | 189             | 40             |
| GS-12   | 51             | 51              | 51              | -              |
| GS-11   | 13             | 13              | 13              | -              |
| GS-10   | 2              | 2               | 2               | -              |
| GS-9  | 4              | 4               | 4               | -              |
| GS-8  | 9              | 9               | 9               | -              |
| GS-7  | 4              | 4               | 4               | -              |
| GS-6  | 4              | 4               | 4               | -              |
| GS-5  | 2              | 2               | 2               | -              |
| GS-4  | -              | -               | -               | -              |
| GS-3  | -              | -               | -               | -              |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | -              | -               | -               | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>355</b>     | <b>356</b>      | <b>416</b>      | <b>60</b>      |
| Unfilled Positions EOY                        | 54             | 48              | 38              | (10)           |
| Total Perm. Employment (Filled Positions) EOY | 302            | 308             | 378             | 70             |
| <b>FTE</b>                                    | <b>298</b>     | <b>308</b>      | <b>368</b>      | <b>60</b>      |
| Headquarters                                  | 217            | 218             | 278             | 60             |
| U.S. Field                                    | 138            | 138             | 138             | -              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>355</b>     | <b>356</b>      | <b>416</b>      | <b>60</b>      |
| <u>Position Data:</u>                         |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$115,564.33   | \$120,459.55    | \$123,678.00    | \$ 3,218       |
| <b>Average Grade, GS Positions</b>            | 12.80          | 12.80           | 12.89           | 0.09           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Reimbursables - Military  
Permanent Positions by Grade**

| Grade                                       | 2007           | 2008             | 2009             | 2008 - 2009    |
|---|----------------|------------------|------------------|----------------|
|   | Actual<br>Pos. | Estimate<br>Pos. | Estimate<br>Pos. | Change<br>Pos. |
| O-10  | -              | -                | -                | -              |
| O-9   | -              | -                | -                | -              |
| O-8   | -              | -                | -                | -              |
| O-7   | 1              | 1                | 1                | -              |
| O-6   | 8              | 8                | 8                | -              |
| O-5   | 26             | 28               | 28               | -              |
| O-4   | 46             | 48               | 51               | 3              |
| O-3   | 47             | 47               | 56               | 9              |
| O-2   | 14             | 16               | 16               | -              |
| O-1   | 3              | 3                | 3                | -              |
| CWO4  | 38             | 38               | 50               | 12             |
| Cadet                                       | -              | -                | -                | -              |
| E-10  | -              | -                | -                | -              |
| E-9   | 13             | 25               | 25               | -              |
| E-8   | 13             | -                | 5                | 5              |
| E-7   | 49             | 54               | 89               | 35             |
| E-6   | 96             | 104              | 183              | 79             |
| E-5   | 137            | 143              | 213              | 70             |
| E-4   | 89             | 89               | 142              | 53             |
| E-3   | 44             | 44               | 62               | 18             |
| E-2   | 21             | 21               | 21               | -              |
| E-1   | -              | -                | -                | -              |
| Other Graded Positions                      | -              | -                | -                | -              |
| Ungraded Positions                          | -              | -                | -                | -              |
| <b>Total Permanent Positions</b>            | <b>645</b>     | <b>669</b>       | <b>953</b>       | <b>284</b>     |
| Unfilled Positions EOY                      | -              | -                | -                | -              |
| Total Perm. Employment EOY                  | 645            | 669              | 953              | 284            |
| <b>FTE*</b>                                 | <b>295</b>     | <b>435</b>       | <b>719</b>       | <b>284</b>     |
| Headquarters                                | 118            | 118              | 118              | -              |
| U.S. Field                                  | 523            | 547              | 831              | 284            |
| Foreign Field                               | 4              | 4                | 4                | -              |
| <b>Total Permanent Positions</b>            | <b>645</b>     | <b>669</b>       | <b>953</b>       | <b>284</b>     |
| <u>Position Data:</u>                       |                |                  |                  |                |
| <b>Average Salary, Officer Positions**</b>  | \$95,231.31    | \$97,333.10      | \$101,723.39     | \$4,390.29     |
| <b>Average Grade, Officer Positions</b>     | 3.42           | 3.43             | 3.35             | -0.08          |
| <b>Average Salary, Enlisted Positions**</b> | \$50,151.03    | \$51,860.64      | \$54,716.38      | \$2,855.74     |
| <b>Average Grade, Enlisted Positions</b>    | 5.10           | 5.15             | 5.20             | 0.05           |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
Reimbursables - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008             | 2009             | 2008 - 2009    |
|---|----------------|------------------|------------------|----------------|
|   | Actual<br>Pos. | Estimate<br>Pos. | Estimate<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -                | -                | -              |
| Total, EX                                     | -              | -                | -                | -              |
| GS-15   | 2              | 2                | 2                | -              |
| GS-14   | 13             | 13               | 13               | -              |
| GS-13   | 32             | 32               | 34               | 2              |
| GS-12   | 44             | 44               | 46               | 2              |
| GS-11   | 29             | 29               | 31               | 2              |
| GS-10   | 2              | 2                | 2                | -              |
| GS-9  | 28             | 28               | 29               | 1              |
| GS-8  | 11             | 11               | 11               | -              |
| GS-7  | 51             | 51               | 51               | -              |
| GS-6  | 7              | 7                | 7                | -              |
| GS-5  | 35             | 35               | 35               | -              |
| GS-4  | -              | -                | 1                | 1              |
| GS-3  | -              | -                | -                | -              |
| GS-2  | -              | -                | -                | -              |
| Other Graded Positions                        | 2              | 2                | 4                | 2              |
| Ungraded Positions                            | -              | -                | -                | -              |
| <b>Total Permanent Positions</b>              | <b>256</b>     | <b>256</b>       | <b>266</b>       | <b>10</b>      |
| Unfilled Positions EOY                        | 27             | -                | -                | -              |
| Total Perm. Employment (Filled Positions) EOY | 229            | 256              | 266              | 10             |
| <b>FTE</b>                                    | <b>260</b>     | <b>260</b>       | <b>270</b>       | <b>10</b>      |
| Headquarters                                  | 29             | 29               | 30               | 1              |
| U.S. Field                                    | 227            | 227              | 236              | 9              |
| Foreign Field                                 | -              | -                | -                | -              |
| <b>Total Permanent Positions</b>              | <b>256</b>     | <b>256</b>       | <b>266</b>       | <b>10</b>      |
| <u>Position Data:</u>                         |                |                  |                  |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a              | n/a              | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$78,308.66    | \$81,100.00      | \$80,648.09      | \$ (452)       |
| <b>Average Grade, GS Positions</b>            | 9.48           | 9.48             | 9.52             | 0.03           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**PPA I: Military Personnel**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA I: Military Personnel        |  | 2007 *              | 2008                | 2009                | 2008 - 2009       |
|----------------------------------|--|---------------------|---------------------|---------------------|-------------------|
|                                  |  | Actual              | Enacted             | Request             | Change            |
| Object Classes                   |  |                     |                     |                     |                   |
| 11.1                             | Full-time permanent                            | -                   | -                   | -                   | -                 |
| 11.3                             | Other than full-time permanent                 | -                   | -                   | -                   | -                 |
| 11.5                             | Other personnel compensation                   | -                   | -                   | -                   | -                 |
| 11.7                             | Military personnel                             | 1,489,972           | 2,212,628           | 2,319,295           | 106,667           |
| 11.8                             | Special service pay                            | 30,937              | 5,886               | 5,886               | -                 |
| 12.1                             | Civilian personnel benefits                    | -                   | -                   | -                   | -                 |
| 12.2                             | Military personnel benefits                    | 711,388             | 189,516             | 196,681             | 7,165             |
| 13.0                             | Benefits-former                                | 18,060              | 22,134              | 22,134              | -                 |
| 21.0                             | Travel   | 106,083             | 109,102             | 110,503             | 1,401             |
| 22.0                             | Transportation of things                       | 5,030               | 26,114              | 44,302              | 18,188            |
| 23.1                             | GSA rent                                       | -                   | -                   | -                   | -                 |
| 23.2                             | Other rent                                     | 9,448               | 7,215               | 7,215               | -                 |
| 23.3                             | Communication, utilities, and misc charges     | -                   | -                   | -                   | -                 |
| 24.0                             | Printing and reproduction                      | -                   | -                   | -                   | -                 |
| 25.1                             | Advisory and assistance services               | 5                   | -                   | -                   | -                 |
| 25.2                             | Other services                                 | 14,969              | 1,591               | 1,591               | -                 |
| 25.3                             | Purchases of goods & svcs. from gov't accounts | 30,008              | -                   | -                   | -                 |
| 25.4                             | Operation & maintenance of facilities          | -                   | 11                  | 11                  | -                 |
| 25.5                             | Research and development                       | -                   | -                   | -                   | -                 |
| 25.6                             | Medical care                                   | 216,584             | 295,520             | 299,183             | 3,663             |
| 25.7                             | Operation and maintenance of equipment         | 72,075              | 2,503               | 2,503               | -                 |
| 25.8                             | Subsistence and support of persons             | 131,446             | 10,617              | 11,535              | 918               |
| 26.0                             | Supplies and materials                         | 8,286               | 36,374              | 36,374              | -                 |
| 31.0                             | Equipment                                      | 5,026               | 1,404               | 1,404               | -                 |
| 32.0                             | Land and structures                            | -                   | -                   | -                   | -                 |
| 41.0                             | Grants, subsidies and contributions            | -                   | -                   | -                   | -                 |
| 42.0                             | Insurance claims and indemnity                 | -                   | 18,220              | 18,220              | -                 |
| <b>Total, Military Personnel</b> |  | <b>\$ 2,849,317</b> | <b>\$ 2,938,835</b> | <b>\$ 3,076,837</b> | <b>\$ 138,002</b> |
| <b>Full Time Equivalents</b>     |  | <b>40,138</b>       | <b>41,102</b>       | <b>41,396</b>       | <b>294</b>        |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

This PPA requests funding for expenses related to compensation for active duty military personnel. This category also includes pay, allowances, employer's share of FICA, Social Security credits and other expenses associated with compensating military personnel. Requester funding will compensate our 40,929 Full-Time Military personnel as they serve as the Nation's First Responder across all of the Coast Guard's 11 missions.

### Summary Justification and Explanation of Changes

#### Salaries and Benefits

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 2,250,357   | \$ 2,430,164    | \$ 2,543,996    | \$ 113,832             |

Salaries and benefits funds provide for compensation directly related to duties performed for the Coast Guard by active duty military personnel. The FY 2009 request includes funding for the proposed pay raise (currently predicted at 3.4%), medical benefits, other mandatory personnel entitlements and program increases. Personnel increases are accounted for through the annualization of FTE introduced in FY 2008, as well as personnel for acquisition management and oversight, marine inspections, counter-intelligence, Rescue 21 and situation unit watchstanding, operation of the CASA HC-144A aircraft, four Coastal Patrol Boats and the first two National Security Cutters.

#### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 106,083     | \$ 109,102      | \$ 110,503      | \$ 1,401               |

Requested funds cover the travel costs of Coast Guard military service members, while in an authorized travel status, either directly or by reimbursing the traveler. The FY 2009 request reflects increases from inflation and an increase in the number of personnel required to support marine inspections, situation unit watchstanding, the first two National Security Cutters, Rescue 21 and the CASA HC-144A aircraft.

#### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 5,030       | \$ 26,114       | \$ 44,302       | \$ 18,188              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Funding primarily supports the shipment of military member's household goods in conjunction with Permanent Change of Station (PCS) moves. The FY 2009 request includes personnel for acquisition management and oversight, marines inspections, counter-intelligence, Rescue 21 and situation unit watchstanding, operation of the CASA HC-144A aircraft, four Coastal Patrol Boats and the first two National Security Cutters.

**Other rent**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | 9,448          | \$ | 7,215           | \$ | 7,215           | \$ | -                      |  |

The FY 2009 request has no change.

**Advisory and assistance services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | 5              | \$ | -               | \$ | -               | \$ | -                      |  |

The FY 2009 request has no change.

**Other services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | 14,969         | \$ | 1,591           | \$ | 1,591           | \$ | -                      |  |

The FY 2009 request has no change.

**Purchases of goods & svcs. from gov't accounts**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | 30,008         | \$ | -               | \$ | -               | \$ | -                      |  |

The FY 2009 request has no change.

**Operation & maintenance of facilities**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | -              | \$ | 11              | \$ | 11              | \$ | -                      |  |

The FY 2009 request has no change.

**Medical care**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |  |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|--|
| \$ | 216,584        | \$ | 295,520         | \$ | 299,183         | \$ | 3,663                  |  |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. Specifically, funding supports medical care costs for military service members. The FY 2009 request includes an adjustment for medical cost increases due to inflation and the increase in FTE.

**Operation and maintenance of equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 72,075 | \$ | 2,503   | \$ | 2,503   | \$ | -            |

The FY 2009 request has no change.

**Subsistence and support of persons**

|    | 2007    |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|---------|----|---------|----|---------|----|--------------|
|    | Actual  |    | Enacted |    | Request |    | Change       |
| \$ | 131,446 | \$ | 10,617  | \$ | 11,535  | \$ | 918          |

The FY 2009 request has no change.

**Supplies and materials**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 8,286  | \$ | 36,374  | \$ | 36,374  | \$ | -            |

The FY 2009 request has no change.

**Equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 5,026  | \$ | 1,404   | \$ | 1,404   | \$ | -            |

The FY 2009 request has no change.

**Insurance claims and indemnity**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | -      | \$ | 18,220  | \$ | 18,220  | \$ | -            |

The FY 2009 request has no change.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**PPA II: Civilian Personnel**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA II: Civilian Personnel       |  | 2007 *            | 2008              | 2009              | 2008 - 2009      |
|----------------------------------|--|-------------------|-------------------|-------------------|------------------|
|                                  |  | Actual            | Enacted           | Request           | Change           |
| <b>Object Classes</b>            |  |                   |                   |                   |                  |
| 11.1                             | Full-time permanent                            | 398,939           | 439,333           | 502,490           | 63,157           |
| 11.3                             | Other than full-time permanent                 | 6,208             | 6,680             | 7,663             | 983              |
| 11.5                             | Other personnel compensation                   | 16,040            | 15,758            | 18,297            | 2,539            |
| 11.7                             | Military personnel                             | -                 | -                 | -                 | -                |
| 11.8                             | Special service pay                            | -                 | -                 | -                 | -                |
| 12.1                             | Civilian personnel benefits                    | 135,046           | 138,875           | 160,255           | 21,380           |
| 12.2                             | Military personnel benefits                    | -                 | -                 | -                 | -                |
| 13.0                             | Benefits-former                                | 430               | 507               | 575               | 68               |
| 21.0                             | Travel   | 197               | 308               | 339               | 31               |
| 22.0                             | Transportation of things                       | 1,760             | 2,960             | 3,239             | 279              |
| 23.1                             | GSA rent                                       | -                 | -                 | -                 | -                |
| 23.2                             | Other rent                                     | -                 | -                 | -                 | -                |
| 23.3                             | Communication, utilities, and misc charges     | -                 | -                 | -                 | -                |
| 24.0                             | Printing and reproduction                      | -                 | -                 | -                 | -                |
| 25.1                             | Advisory and assistance services               | -                 | -                 | -                 | -                |
| 25.2                             | Other services                                 | -                 | -                 | -                 | -                |
| 25.3                             | Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                |
| 25.4                             | Operation & maintenance of facilities          | -                 | -                 | -                 | -                |
| 25.5                             | Research and development                       | -                 | -                 | -                 | -                |
| 25.6                             | Medical care                                   | -                 | -                 | -                 | -                |
| 25.7                             | Operation and maintenance of equipment         | -                 | -                 | -                 | -                |
| 25.8                             | Subsistence and support of persons             | -                 | -                 | -                 | -                |
| 26.0                             | Supplies and materials                         | -                 | -                 | -                 | -                |
| 31.0                             | Equipment                                      | -                 | -                 | -                 | -                |
| 32.0                             | Land and structures                            | -                 | -                 | -                 | -                |
| 41.0                             | Grants, subsidies and contributions            | -                 | -                 | -                 | -                |
| 42.0                             | Insurance claims and indemnity                 | -                 | -                 | -                 | -                |
| <b>Total, Civilian Personnel</b> |  | <b>\$ 558,620</b> | <b>\$ 604,421</b> | <b>\$ 692,858</b> | <b>\$ 88,437</b> |
| <b>Full Time Equivalents</b>     |  | <b>6,222</b>      | <b>6,134</b>      | <b>6,864</b>      | <b>730</b>       |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

This PPA requests funding for expenses related to compensation and entitlements for federal civilian employees. The workforce is composed of General Schedule (GS) personnel, Administrative Law Judges (AL), Senior Executive Service (SES) personnel, personnel whose salaries are Administratively Determined (AD) (e. g. Coast Guard Academy civilian faculty members), Wage Grade (WG) positions employed in industrial positions, and "Non-Ceiling" (NC) employees (e. g. cooperative education students, student aids, summer interns and federal junior fellows) and civilian employees not otherwise covered by other PPAs.

### Summary Justification and Explanation of Changes

#### Salaries and Benefits

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 556,663     | \$ 601,153      | \$ 689,280      | \$ 88,127              |

Salaries and benefits funds provide for compensation directly related to duties performed for the Coast Guard by Federal civilian employees. The FY 2009 request includes funding for the proposed pay raise (currently predicted at 2.9%), medical benefits, other mandatory personnel entitlements. This is the result of additional personnel for acquisitions management and oversight, marine inspections, counter-intelligence, Rescue 21 and situation unit watchstanders

#### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 197         | \$ 308          | \$ 339          | \$ 31                  |

Requested funds cover the travel costs of Coast Guard civilian employees, while in an authorized travel status, either directly or by reimbursing the traveler. The FY 2009 request reflects an increase from inflation, as well as an increase in the number of personnel for acquisition management and oversight, marine inspections, counter-intelligence, Rescue 21 and situation unit watchstanders.

#### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 1,760       | \$ 2,960        | \$ 3,239        | \$ 279                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Funding primarily supports the shipment of civilian personnel's household goods in conjunction with the acceptance of a new position. The FY 2009 increase is the result of additional personnel for acquisition management and oversight, marine inspections, counter-intelligence, Rescue 21 and situation unit watchstanders.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**PPA III: Training and Recruiting**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA III: Training and Recruiting      |  | 2007 *            | 2008              | 2009              | 2008 - 2009     |
|---------------------------------------|--|-------------------|-------------------|-------------------|-----------------|
|                                       |  | Actual            | Enacted           | Request           | Change          |
| <b>Object Classes</b>                 |  |                   |                   |                   |                 |
| 11.1                                  | Full-time permanent                            | -                 | -                 | -                 | -               |
| 11.3                                  | Other than full-time permanent                 | -                 | 2                 | 2                 | -               |
| 11.5                                  | Other personnel compensation                   | 2                 | -                 | -                 | -               |
| 11.7                                  | Military personnel                             | 72                | 29                | 29                | -               |
| 11.8                                  | Special service pay                            | -                 | 83                | 83                | -               |
| 12.1                                  | Civilian personnel benefits                    | -                 | 4                 | 4                 | -               |
| 12.2                                  | Military personnel benefits                    | 9                 | 9                 | 9                 | -               |
| 13.0                                  | Benefits-former                                | -                 | -                 | -                 | -               |
| 21.0                                  | Travel   | 38,117            | 34,621            | 35,899            | 1,278           |
| 22.0                                  | Transportation of things                       | 785               | 970               | 970               | -               |
| 23.1                                  | GSA rent                                       | -                 | -                 | -                 | -               |
| 23.2                                  | Other rent                                     | 5,169             | 5,496             | 5,496             | -               |
| 23.3                                  | Communication, utilities, and misc charges     | 8,904             | 10,401            | 10,401            | -               |
| 24.0                                  | Printing and reproduction                      | 327               | 448               | 448               | -               |
| 25.1                                  | Advisory and assistance services               | 25                | 1,551             | 3,162             | 1,611           |
| 25.2                                  | Other services                                 | 58,065            | 85,912            | 85,899            | (13)            |
| 25.3                                  | Purchases of goods & svcs. from gov't accounts | 8,711             | 2,461             | 9,304             | 6,843           |
| 25.4                                  | Operation & maintenance of facilities          | 3,398             | 14,594            | 4,782             | (9,812)         |
| 25.5                                  | Research and development                       | 484               | -                 | -                 | -               |
| 25.6                                  | Medical care                                   | 35,498            | 19                | 19                | -               |
| 25.7                                  | Operation and maintenance of equipment         | 130               | 2,188             | 2,919             | 731             |
| 25.8                                  | Subsistence and support of persons             | 1,711             | 925               | 924               | (1)             |
| 26.0                                  | Supplies and materials                         | 21,320            | 23,911            | 24,329            | 418             |
| 31.0                                  | Equipment                                      | 1,397             | 4,860             | 11,347            | 6,487           |
| 32.0                                  | Land and structures                            | 4                 | 37                | 37                | -               |
| 41.0                                  | Grants, subsidies and contributions            | -                 | -                 | -                 | -               |
| 42.0                                  | Insurance claims and indemnity                 | -                 | -                 | -                 | -               |
| <b>Total, Training and Recruiting</b> |  | <b>\$ 184,128</b> | <b>\$ 188,521</b> | <b>\$ 196,063</b> | <b>\$ 7,542</b> |
| <b>Full Time Equivalents</b>          |  | -                 | -                 | -                 | -               |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

Requests funding for the Coast Guard's professional training and education programs, and operation and maintenance of the six Coast Guard Training Centers and the Coast Guard Academy. Provides funding for tuition, travel and per diem for formal training and education performed as Temporary Assigned Duty (TAD) for military and civilian personnel. "Formal training and education" is defined as structured, curriculum-based instruction and applied exercises for the attainment and retention of skills and knowledge required to accomplish specific job tasks. Requested funding will ensure a level of capabilities and competencies commensurate with the response posture the Coast Guard has displayed in recent years, such as operational response to Hurricane Katrina, Operation Iraqi Freedom, 9/11 terrorist attacks and other events requiring a rapid response capability.

### Summary Justification and Explanation of Changes

#### Salaries and Benefits

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 83          | \$ 127          | \$ 127          | \$ -                   |

The FY 2009 request has no change.

#### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 38,117      | \$ 34,621       | \$ 35,899       | \$ 1,278               |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Increases in travel in FY 2009 are derived from additional training requirements resulting from additional personnel for HC-144A operations, situational unit watchstanders, marine inspectors and Rescue 21 watchstanding augmentation.

#### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 785         | \$ 970          | \$ 970          | \$ -                   |

The FY 2009 request has no change.

#### Other rent

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 5,169       | \$ 5,496        | \$ 5,496        | \$ -                   |

The FY 2009 request has no change.

**Communication, utilities, and misc charges**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 8,904  | \$ | 10,401  | \$ | 10,401  | \$ | -            |

The FY 2009 request has no change.

**Printing and reproduction**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 327    | \$ | 448     | \$ | 448     | \$ | -            |

The FY 2009 request has no change.

**Advisory and assistance services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 25     | \$ | 1,551   | \$ | 3,162   | \$ | 1,611        |

Advisory and assistance services include services acquired by contract from non-federal sources (e.g. private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. The FY 2009 increase is primarily the result of additional personnel for situation unit watchstanding, rule-making development, Rescue 21, marine inspections and nationwide automated identification system follow-on.

**Other services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 58,065 | \$ | 85,912  | \$ | 85,899  | \$ | (13)         |

Other services include report contractual services with non-federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. The FY 2009 decrease is the result of the LORAN transfer, termination of one time costs and technical adjustments.

**Purchases of goods & svcs. from gov't accounts**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 8,711          | \$ | 2,461           | \$ | 9,304           | \$ | 6,843                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. Specifically, funds support the purchase of goods and services from other government agencies including interagency service requirements. The FY 2009 increase is due to a rise in flight training costs stemming from U.S. Navy upgrades of the training aircraft fleet, Rescue 21 watchstanding augmentation and additional command center watchstanders.

**Operation & maintenance of facilities**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 3,398          | \$ | 14,594          | \$ | 4,782           | \$ | (9,812)                |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Specifically, funds support contracted janitorial, landscaping, security, and environmental services (e.g. hazardous materials disposal) associated with the operation of Coast Guard facilities. The FY09 decrease is the result management efficiencies to pay for FY08 annualizations costs and a portions of the FY09 pay raise.

**Research and development**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 484            | \$ | -               | \$ | -               | \$ | -                      |

The FY 2009 request has no change.

**Medical care**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 35,498         | \$ | 19              | \$ | 19              | \$ | -                      |

The FY 2009 request has no change.

**Operation and maintenance of equipment**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 130            | \$ | 2,188           | \$ | 2,919           | \$ | 731                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Specifically, funding supports contracted specialized maintenance and minor repair of Coast Guard operational assets (e.g. cutters, boats, and aircraft) and supporting systems. The FY 2009 request reflects funding increases to support the follow on costs for the counter-terrorism (CT) shoot-house training infrastructure and Gulf Coast primary crew assembly facility (PCAF) Phase II crew.

**Subsistence and support of persons**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 1,711       | \$ 925          | \$ 924          | \$ (1)                 |

The FY 2009 request a minor decrease for subsistence and support of persons.

**Supplies and materials**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 21,320      | \$ 23,911       | \$ 24,329       | \$ 418                 |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. The 2009 request reflects funding increases to support new marine inspections, Rescue 21 and the CASA HC-144A aircraft.

**Equipment**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 1,397       | \$ 4,860        | \$ 11,347       | \$ 6,487               |

This object class covers the purchase of capitalized and non-capitalized assets. For example, this object class enables the Coast Guard to purchase furniture for the cadets at the Coast Guard Academy and survival suits for the rescue swimmers deployed to the frigid waters of Alaska. The FY 2009 request includes training requirements related to the commissioning of the CASA HC-144A aircraft, surface Deepwater assets and technical adjustments.

**Land and structures**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 4           | \$ 37           | \$ 37           | \$ -                   |

The FY 2009 request has no change.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**PPA IV: Operation and Maintenance**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA IV: Operation and Maintenance       |  | 2007 *              | 2008                | 2009                | 2008 - 2009     |
|---|--|---------------------|---------------------|---------------------|-----------------|
|   |  | Actual              | Enacted             | Request             | Change          |
| Object Classes                          |  |                     |                     |                     |                 |
| 11.1                                    | Full-time permanent                            | 677                 | 12                  | 12                  | -               |
| 11.3                                    | Other than full-time permanent                 | 6                   | 3                   | 3                   | -               |
| 11.5                                    | Other personnel compensation                   | -                   | 586                 | 586                 | -               |
| 11.7                                    | Military personnel                             | 7,300               | 2,997               | 2,997               | -               |
| 11.8                                    | Special service pay                            | 345                 | 289                 | 289                 | -               |
| 12.1                                    | Civilian personnel benefits                    | 546                 | 445                 | 445                 | -               |
| 12.2                                    | Military personnel benefits                    | 2,361               | 1,323               | 1,323               | -               |
| 13.0                                    | Benefits-former                                | -                   | -                   | -                   | -               |
| 21.0                                    | Travel   | 159,660             | 95,492              | 95,267              | (225)           |
| 22.0                                    | Transportation of things                       | 28,662              | 16,552              | 16,614              | 62              |
| 23.1                                    | GSA rent                                       | 37                  | 4,040               | 4,129               | 89              |
| 23.2                                    | Other rent                                     | 13,560              | 4,299               | 4,711               | 412             |
| 23.3                                    | Communication, utilities, and misc charges     | 97,896              | 210,524             | 206,869             | (3,655)         |
| 24.0                                    | Printing and reproduction                      | 5,443               | 4,049               | 4,049               | -               |
| 25.1                                    | Advisory and assistance services               | 58,192              | 68,494              | 67,334              | (1,160)         |
| 25.2                                    | Other services                                 | 271,398             | 207,097             | 210,087             | 2,990           |
| 25.3                                    | Purchases of goods & svcs. from gov't accounts | 60,707              | 25,517              | 27,925              | 2,408           |
| 25.4                                    | Operation & maintenance of facilities          | 45,806              | 57,195              | 37,355              | (19,840)        |
| 25.5                                    | Research and development                       | -                   | 116                 | 116                 | -               |
| 25.6                                    | Medical care                                   | -                   | 713                 | 713                 | -               |
| 25.7                                    | Operation and maintenance of equipment         | 43,561              | 69,081              | 91,284              | 22,203          |
| 25.8                                    | Subsistence and support of persons             | -                   | 1,132               | 1,305               | 173             |
| 26.0                                    | Supplies and materials                         | 368,967             | 327,701             | 330,405             | 2,704           |
| 31.0                                    | Equipment                                      | 34,122              | 63,908              | 61,902              | (2,006)         |
| 32.0                                    | Land and structures                            | 446                 | 985                 | 2,346               | 1,361           |
| 41.0                                    | Grants, subsidies and contributions            | -                   | -                   | -                   | -               |
| 42.0                                    | Insurance claims and indemnity                 | 1,318               | 1,877               | 1,877               | -               |
| <b>Total, Operation and Maintenance</b> |  | <b>\$ 1,201,010</b> | <b>\$ 1,164,427</b> | <b>\$ 1,169,943</b> | <b>\$ 5,516</b> |
| <b>Full Time Equivalents</b>            |  | -                   | -                   | -                   | -               |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

Requests funding to units, facilities and activities that are under the direct operational and administrative control of the Coast Guard's Atlantic Area and Pacific Area Commanders. These include Maintenance and Logistics Commands (MLCs), Integrated Support Commands (ISCs), High Endurance Cutters (WHECs), Medium Endurance Cutters (WMECs), Polar Icebreakers, Communications Stations, Sector Commands, Stations, Marine Safety and Security Teams (MSSTs) and Area offices as applicable. Request includes funding to sustain normal operating costs that include energy, parts and supplies for routine maintenance of operational assets and shore facilities and administrative supplies.

### Summary Justification and Explanation of Changes

#### Salaries and Benefits

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 11,235      | \$ | 5,655           | \$ | 5,655           | \$ | -                      |

The FY 2009 request has no change.

#### Travel

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 159,660     | \$ | 95,492          | \$ | 95,267          | \$ | (225)                  |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Decrease in travel is the result of the termination of one-time costs and the transfer of Loran to DHS.

#### Transportation of things

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 28,662      | \$ | 16,552          | \$ | 16,614          | \$ | 62                     |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Funding primarily supports the shipment of military member's household goods in conjunction with Permanent Change of Station (PCS) moves. The FY 2009 request reflects an increase in funding due to the decommissioning of the Coast Guard Cutter ACUSHNET, two PC-179s and Nationwide Automatic Identification System (NAIS).

#### GSA rent

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 37          | \$ | 4,040           | \$ | 4,129           | \$ | 89                     |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request increase is the result of the annualization of FY08 part-year funding and leased facilities to support additional the FRC-B crew.

**Other rent**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 13,560 | \$ | 4,299   | \$ | 4,711   | \$ | 412          |

Other rent includes all payments to a non-federal source for rental space, land and structures. Funding supports lease renewals for facilities (e.g. office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.). The increase funding request in FY 2009 is a result of the leased space and structural requirements for the Nationwide Automatic Identification System (NAIS).

**Communication, utilities, and misc charges**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 97,896 | \$ | 210,524 | \$ | 206,869 | \$ | (3,655)      |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities, cutters, and aircraft, utility costs including shore facility utilities and cutter, boat and aircraft fuel requirements, and postal costs. The decrease is primarily the result of the HC-130H decommissioning, the transfer of Loran to DHS and technical adjustments.

**Printing and reproduction**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 5,443  | \$ | 4,049   | \$ | 4,049   | \$ | -            |

The FY 2009 request has no change.

**Advisory and assistance services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 58,192 | \$ | 68,494  | \$ | 67,334  | \$ | (1,160)      |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. The decrease is the result of the transfer of Loran to DHS.

**Other services**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 271,398     | \$ | 207,097         | \$ | 210,087         | \$ | 2,990                  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. The FY 2009 request reflects an increase due to rulemaking development, GMII and MAGNet, the costs associated with the annualization of surface and air asset follow-on, the addition of situation unit watchstanders and marine inspectors.

**Purchases of goods & svcs. from gov't accounts**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 60,707      | \$ | 25,517          | \$ | 27,925          | \$ | 2,408                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. Specifically, funds support the purchase of goods and services from other government agencies including interagency service requirements. The FY 2009 request increase is a result of intra-government service costs, military permanent change of station cost increases, and the implementation of the Defense Messaging System (DMS) to all 30,000 military messaging users and tactical DMS to 30 cutters.

**Operation & maintenance of facilities**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ 45,806      | \$ | 57,195          | \$ | 37,355          | \$ | (19,840)               |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Specifically, funds support contracted janitorial, landscaping, security, and environmental services (e.g. hazardous materials disposal) associated with the operation of Coast Guard facilities. The FY 2009 decrease is the result of management efficiencies to pay for FY08 annualization costs and a portion of the FY09 pay raise.

**Research and development**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|------------------------|
|  | \$ -           | \$ | 116             | \$ | 116             | \$ | -                      |

The FY 2009 request has no change.

**Medical care**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ -           | \$ 713          | \$ 713          | \$ -                   |

The FY 2009 request has no change.

**Operation and maintenance of equipment**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 43,561      | \$ 69,081       | \$ 91,284       | \$ 22,203              |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Specifically, funding supports contracted specialized maintenance and minor repair of Coast Guard operational assets (e.g. cutters, boats, and aircraft) and supporting systems. The FY 2009 increase includes a request for follow-on costs for Rescue 21, the CASA HC-144A, C4ISR, GMII and MAGNet, as well as support to airfield operations at the Massachusetts Military Reservation as a result of BRAC.

**Subsistence and support of persons**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ -           | \$ 1,132        | \$ 1,305        | \$ 173                 |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. Specifically, funding supports berthing and subsistence of Coast Guard personnel in support of temporary assigned duty (TAD). The FY 2009 increase is to support person in support to airfield operations at the Massachusetts Military Reservation as a result of BRAC.

**Supplies and materials**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 368,967     | \$ 327,701      | \$ 330,405      | \$ 2,704               |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. The FY 2009 increase reflects a funding request for the CASA HC-144A aircraft and four new 87-ft Coastal Patrol Boats.

**Equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 34,122 | \$ | 63,908  | \$ | 61,902  | \$ | (2,006)      |

This object class covers the purchase of capitalized and non-capitalized assets. The decrease is the result of the termination of one-time costs.

**Land and structures**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 446    | \$ | 985     | \$ | 2,346   | \$ | 1,361        |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 increase is the result of increases to the marine inspections program and Rescue 21 follow-on.

**Insurance claims and indemnity**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 to 2009 |
|----|--------|----|---------|----|---------|----|--------------|
|    | Actual |    | Enacted |    | Request |    | Change       |
| \$ | 1,318  | \$ | 1,877   | \$ | 1,877   | \$ | -            |

The FY 2009 request has no change.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Operating Expenses**  
**PPA V: Central Accounts**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA V: Central Accounts        |  | 2007 *            | 2008              | 2009              | 2008 - 2009      |
|--------------------------------|--|-------------------|-------------------|-------------------|------------------|
|                                |  | Actual            | Enacted           | Request           | Change           |
| Object Classes                 |  |                   |                   |                   |                  |
| 11.1                           | Full-time permanent                            | -                 | -                 | -                 | -                |
| 11.3                           | Other than full-time permanent                 | -                 | -                 | -                 | -                |
| 11.5                           | Other personnel compensation                   | -                 | -                 | -                 | -                |
| 11.7                           | Military personnel                             | -                 | -                 | -                 | -                |
| 11.8                           | Special service pay                            | -                 | -                 | -                 | -                |
| 12.1                           | Civilian personnel benefits                    | -                 | -                 | -                 | -                |
| 12.2                           | Military personnel benefits                    | -                 | -                 | -                 | -                |
| 13.0                           | Benefits-former                                | -                 | -                 | -                 | -                |
| 21.0                           | Travel   | 518               | 426               | 426               | -                |
| 22.0                           | Transportation of things                       | 373               | 797               | 797               | -                |
| 23.1                           | GSA rent                                       | 60,608            | 70,247            | 93,523            | 23,276           |
| 23.2                           | Other rent                                     | -                 | -                 | -                 | -                |
| 23.3                           | Communication, utilities, and misc charges     | 59,137            | 52,979            | 57,693            | 4,714            |
| 24.0                           | Printing and reproduction                      | -                 | 30                | 30                | -                |
| 25.1                           | Advisory and assistance services               | 923               | 5,821             | 2,221             | (3,600)          |
| 25.2                           | Other services                                 | 63,395            | 43,158            | 43,354            | 196              |
| 25.3                           | Purchases of goods & svcs. from gov't accounts | 221               | 2,273             | 2,723             | 450              |
| 25.4                           | Operation & maintenance of facilities          | 128               | 8                 | 8                 | -                |
| 25.5                           | Research and development                       | -                 | -                 | -                 | -                |
| 25.6                           | Medical care                                   | -                 | -                 | -                 | -                |
| 25.7                           | Operation and maintenance of equipment         | 3,616             | 3,036             | 5,036             | 2,000            |
| 25.8                           | Subsistence and support of persons             | -                 | 1,216             | 1,216             | -                |
| 26.0                           | Supplies and materials                         | 7,922             | 25,499            | 27,086            | 1,587            |
| 31.0                           | Equipment                                      | 18,960            | 26,752            | 28,197            | 1,445            |
| 32.0                           | Land and structures                            | 3                 | 2                 | 2                 | -                |
| 41.0                           | Grants, subsidies and contributions            | -                 | -                 | -                 | -                |
| 42.0                           | Insurance claims and indemnity                 | -                 | 483               | 483               | -                |
| <b>Total, Central Accounts</b> |  | <b>\$ 215,804</b> | <b>\$ 232,727</b> | <b>\$ 262,795</b> | <b>\$ 30,068</b> |
| <b>Full Time Equivalents</b>   |  | -                 | -                 | -                 | -                |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

This request provides funding for accounts centrally managed at Coast Guard Headquarters such as: Federal Telephone System (FTS) accounts, Standard Workstation recapitalization, ammunition replenishment, recapitalization of buoys, GSA Rent, postal expenses and Mass Transit benefits. Request ensures critical support elements are provided to the workforce, allowing them to execute their roles in supporting Coast Guard operations. Lease of adequate office space, effective communications (computers, phones, etc) and operational gear (ammunition) are all part of those critical support requirements.

### Summary Justification and Explanation of Changes

#### Travel

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 518            | \$ | 426             | \$ | 426             | \$ | -                      |

The FY 2009 request has no change.

#### Transportation of things

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 373            | \$ | 797             | \$ | 797             | \$ | -                      |

The FY 2009 request has no change.

#### GSA rent

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 60,608         | \$ | 70,247          | \$ | 93,523          | \$ | 23,276                 |

GSA Rent includes all payments to the General Services Administration (GSA) for rental of space and rent related services. The majority of FY 2009 increases are a result of changes in GSA rental costs and additional space requirements. Coast Guard Headquarters (Transpoint building) rent increased 50% in FY 2008. Additional space requirements for the National Strike Force Coordination Center and Coast Guard Headquarters (Jemal) building also contributed to this increase.

#### Communication, utilities, and misc charges

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 59,137         | \$ | 52,979          | \$ | 57,693          | \$ | 4,714                  |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities, cutters, and aircraft, utility costs including shore facility utilities and cutter, boat and aircraft fuel requirements, and postal costs. Increases in FY 2009 are due to non-pay inflation and the new operation of commercial satellite (COMSAT) communications equipment for CASA HC-144A aircraft #1 through #7, providing full COMSAT operational capability and global coverage of high speed data and voice connectivity.

**Printing and reproduction**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | -              | \$ | 30              | \$ | 30              | \$ | -                      |

The FY 2009 request has no change.

**Advisory and assistance services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 923            | \$ | 5,821           | \$ | 2,221           | \$ | (3,600)                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. The FY 2009 request is reduced due to the termination of one-time FY 2008 costs.

**Other services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 63,395         | \$ | 43,158          | \$ | 43,354          | \$ | 196                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. The FY 2009 increase includes the transition cost of developing coordinated architecture for Situation Unit watchstander command & control systems, including migration to the Net Enabled Command Capability (NECC) DOD initiative which will be incorporated into DHS.

**Purchases of goods & svcs. from gov't accounts**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 221            | \$ | 2,273           | \$ | 2,723           | \$ | 450                    |

Purchases from Government Accounts include costs for purchases from other Federal government agencies or accounts that are not otherwise classified. Specifically, funds support the purchase of goods and services from other government agencies including interagency service requirements (e.g. MIPR). The FY 2009 request provides funding for the Coast Guard to reimburse the National Telecommunications and Information Administration (NTIA), Office of Spectrum Management, for increased operating expenses for the management of approximately 17,000 radio frequency assignments.

**Operation & maintenance of facilities**

|  | 2007<br>Actual |     | 2008<br>Enacted |   | 2009<br>Request |   | 2008 to 2009<br>Change |
|--|----------------|-----|-----------------|---|-----------------|---|------------------------|
|  | \$             | 128 | \$              | 8 | \$              | 8 | \$ -                   |

The FY 2009 request has no change.

**Operation and maintenance of equipment**

|  | 2007<br>Actual |       | 2008<br>Enacted |       | 2009<br>Request |       | 2008 to 2009<br>Change |
|--|----------------|-------|-----------------|-------|-----------------|-------|------------------------|
|  | \$             | 3,616 | \$              | 3,036 | \$              | 5,036 | \$ 2,000               |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Specifically, funding supports contracted specialized maintenance and minor repair of Coast Guard operational assets (e.g. cutters, boats, and aircraft) and supporting systems. The FY 2009 request includes the annualization of FY 2008 funding and equipment costs associated with additional marine inspectors.

**Subsistence and support of persons**

|  | 2007<br>Actual |   | 2008<br>Enacted |       | 2009<br>Request |       | 2008 to 2009<br>Change |
|--|----------------|---|-----------------|-------|-----------------|-------|------------------------|
|  | \$             | - | \$              | 1,216 | \$              | 1,216 | \$ -                   |

The FY 2009 request has no change.

**Supplies and materials**

|  | 2007<br>Actual |       | 2008<br>Enacted |        | 2009<br>Request |        | 2008 to 2009<br>Change |
|--|----------------|-------|-----------------|--------|-----------------|--------|------------------------|
|  | \$             | 7,922 | \$              | 25,499 | \$              | 27,086 | \$ 1,587               |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. The FY 2009 includes annualization of FY 2008 funding for prior year initiatives and supplies and materials for Situation Unit watchstanders at Sector Command Centers.

**Equipment**

|  | 2007<br>Actual |        | 2008<br>Enacted |        | 2009<br>Request |        | 2008 to 2009<br>Change |
|--|----------------|--------|-----------------|--------|-----------------|--------|------------------------|
|  | \$             | 18,960 | \$              | 26,752 | \$              | 28,197 | \$ 1,445               |

This object class covers the purchase of capitalized and non-capitalized assets. For example, this object class enables the Coast Guard to purchase furniture for cadets at the Coast Guard Academy and survival suits for rescue swimmers deployed to the frigid waters of Alaska. The FY 2009 increase includes the procurement of work stations, servers and associated hardware and systems licenses for Sector Situation Unit Watchstanders, as well as funding for enterprise class database management products.

**Land and structures**

|  | 2007<br>Actual |   | 2008<br>Enacted |   | 2009<br>Request |   | 2008 to 2009<br>Change |   |
|--|----------------|---|-----------------|---|-----------------|---|------------------------|---|
|  | \$             | 3 | \$              | 2 | \$              | 2 | \$                     | - |

The FY 2009 request has no change.

**Insurance claims and indemnity**

|  | 2007<br>Actual |   | 2008<br>Enacted |     | 2009<br>Request |     | 2008 to 2009<br>Change |   |
|--|----------------|---|-----------------|-----|-----------------|-----|------------------------|---|
|  | \$             | - | \$              | 483 | \$              | 483 | \$                     | - |

The FY 2009 request has no change.

## H. PPA Budget Justifications

**Department of Homeland Security  
U. S. Coast Guard  
Operating Expenses  
PPA VI: Depot Level Maintenance  
Funding Schedule  
(Dollars in Thousands)**

| PPA VI: Depot Level Maintenance       |  | 2007 *            | 2008              | 2009              | 2008 - 2009      |
|---------------------------------------|--|-------------------|-------------------|-------------------|------------------|
|                                       |  | Actual            | Enacted           | Request           | Change           |
| Object Classes                        |  |                   |                   |                   |                  |
| 11.1                                  | Full-time permanent                            | -                 | -                 | -                 | -                |
| 11.3                                  | Other than full-time permanent                 | -                 | -                 | -                 | -                |
| 11.5                                  | Other personnel compensation                   | -                 | -                 | -                 | -                |
| 11.7                                  | Military personnel                             | 211               | -                 | -                 | -                |
| 11.8                                  | Special service pay                            | -                 | -                 | -                 | -                |
| 12.1                                  | Civilian personnel benefits                    | -                 | -                 | -                 | -                |
| 12.2                                  | Military personnel benefits                    | 4                 | -                 | -                 | -                |
| 13.0                                  | Benefits-former                                | -                 | -                 | -                 | -                |
| 21.0                                  | Travel   | 16,029            | 7,358             | 7,402             | 44               |
| 22.0                                  | Transportation of things                       | 3,347             | 3,056             | 3,056             | -                |
| 23.1                                  | GSA rent                                       | -                 | -                 | -                 | -                |
| 23.2                                  | Other rent                                     | 269               | 1,207             | 4,573             | 3,366            |
| 23.3                                  | Communication, utilities, and misc charges     | 4,370             | 10,033            | 17,233            | 7,200            |
| 24.0                                  | Printing and reproduction                      | 69                | 108               | 108               | -                |
| 25.1                                  | Advisory and assistance services               | 53,158            | 31,170            | 31,209            | 39               |
| 25.2                                  | Other services                                 | 71,443            | 45,998            | 43,893            | (2,105)          |
| 25.3                                  | Purchases of goods & svcs. from gov't accounts | 3,692             | 736               | -                 | (736)            |
| 25.4                                  | Operation & maintenance of facilities          | 115,168           | 208,937           | 218,981           | 10,044           |
| 25.5                                  | Research and development                       | -                 | 2,550             | 2,550             | -                |
| 25.6                                  | Medical care                                   | -                 | -                 | -                 | -                |
| 25.7                                  | Operation and maintenance of equipment         | 315,548           | 331,297           | 363,158           | 31,861           |
| 25.8                                  | Subsistence and support of persons             | 99                | 4                 | 4                 | -                |
| 26.0                                  | Supplies and materials                         | 75,904            | 27,179            | 22,348            | (4,831)          |
| 31.0                                  | Equipment                                      | 55,214            | 91,085            | 97,943            | 6,858            |
| 32.0                                  | Land and structures                            | 27,625            | 1,698             | 2,448             | 750              |
| 41.0                                  | Grants, subsidies and contributions            | -                 | -                 | -                 | -                |
| 42.0                                  | Insurance claims and indemnity                 | -                 | -                 | -                 | -                |
| <b>Total, Depot Level Maintenance</b> |  | <b>\$ 742,150</b> | <b>\$ 762,416</b> | <b>\$ 814,906</b> | <b>\$ 52,490</b> |
| <b>Full Time Equivalents</b>          |  | -                 | -                 | -                 | -                |

NOTE 1: The Coast Guard is aware that there are inaccuracies in the PPA Budget Justification displays which are being addressed by the Financial Management Transformation Team (FMTTF).

## PPA Mission Statement

Request provides service-wide funding to support the major maintenance and repair of Coast Guard aircraft not appropriated in the Coast Guard Acquisition, Construction & Improvements (AC&I) appropriation. This includes materials, services and supplies necessary for depot-level repair of buildings, structures, ground, towers, runways, aids to navigation, aircraft and aircraft equipment.

### Summary Justification and Explanation of Changes

#### Salaries and Benefits

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 215         | \$ -            | \$ -            | \$ -                   |

The FY 2009 request has no change.

#### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 16,029      | \$ 7,358        | \$ 7,402        | \$ 44                  |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. The FY 2009 increase is a result of travel associated with the Defense Messaging System (DMS) initiative. This initiative will bring web-based DMS to all 30,000 Coast Guard military messaging users and tactical DMS to over 30 cutters.

#### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 3,347       | \$ 3,056        | \$ 3,056        | \$ -                   |

The FY 2009 request has no change.

#### Other rent

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 269         | \$ 1,207        | \$ 4,573        | \$ 3,366               |

The FY 2009 increase includes rental costs associated with AIS follow-on and the decommissioning of four HC-130H aircraft.

#### Communication, utilities, and misc charges

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 4,370       | \$ 10,033       | \$ 17,233       | \$ 7,200               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities, cutters and aircraft, utility costs, postal costs and cutter, boat and aircraft fuel requirements. The FY 2009 increase includes a technical adjustment and the annualization of FY 2008 costs.

**Printing and reproduction**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 69             | \$ | 108             | \$ | 108             | \$ | -                      |

The FY 2009 request has no change.

**Advisory and assistance services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 53,158         | \$ | 31,170          | \$ | 31,209          | \$ | 39                     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. FY 2009 increase is a result of the annualization of FY 2008 costs.

**Other services**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 71,443         | \$ | 45,998          | \$ | 43,893          | \$ | (2,105)                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. The FY 2009 reduction is a result of the LORAN-C transfer to DHS.

**Purchases of goods & svcs. from gov't accounts**

|    | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 to 2009<br>Change |
|----|----------------|----|-----------------|----|-----------------|----|------------------------|
| \$ | 3,692          | \$ | 736             | \$ | -               | \$ | (736)                  |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. Specifically, funds support the purchase of goods and services from other government agencies including interagency service requirements (e.g. MIPR). The reduction in FY 2009 is from the termination of one time FY 2008 costs.

### Operation & maintenance of facilities

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 115,168     | \$ 208,937      | \$ 218,981      | \$ 10,044              |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Specifically, funds support contracted janitorial, landscaping, security, and environmental services (e.g. hazardous materials disposal) associated with the operation of Coast Guard facilities. The FY 2009 increase is due to funding for inflation exceeding non-pay COLA, calculated using industry standards, non-pay inflation and the annualization of part-year funding from FY 2008.

### Research and development

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ -           | \$ 2,550        | \$ 2,550        | \$ -                   |

The FY 2009 request has no change.

### Operation and maintenance of equipment

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 315,548     | \$ 331,297      | \$ 363,158      | \$ 31,861              |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Specifically, funding supports contracted specialized maintenance and minor repair of Coast Guard operational assets (e.g. cutters, boats and aircraft) and supporting systems. The FY 2009 increase includes inflation exceeding non-pay COLA for cutter and aircraft maintenance, non-pay inflation and the annualization of part-year funding from FY 2008.

### Subsistence and support of persons

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 99          | \$ 4            | \$ 4            | \$ -                   |

The FY 2009 request has no change.

### Supplies and materials

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------|-----------------|-----------------|------------------------|
| \$ 75,904      | \$ 27,179       | \$ 22,348       | \$ (4,831)             |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats and aircraft, supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. The FY 2009 reduction is primarily a result of supply savings gained through the decommissioning of four HC-130J aircraft.

**Equipment**

|  | <b>2007</b>   |    | <b>2008</b>    |    | <b>2009</b>    |    | <b>2008 to 2009</b> |
|--|---------------|----|----------------|----|----------------|----|---------------------|
|  | <b>Actual</b> |    | <b>Enacted</b> |    | <b>Request</b> |    | <b>Change</b>       |
|  | \$ 55,214     | \$ | 91,085         | \$ | 97,943         | \$ | 6,858               |

This object class covers the purchase of capitalized and non-capitalized assets. For example, this object class enables the Coast Guard to purchase furniture for the cadets at the Coast Guard Academy and survival suits for the rescue swimmers deployed to the frigid waters of Alaska. The FY 2009 request includes the procurement of equipment for four new CASA HC-144A aircraft. Also included are annualizations of part-year FY 2008 funding.

**Land and structures**

|  | <b>2007</b>   |    | <b>2008</b>    |    | <b>2009</b>    |    | <b>2008 to 2009</b> |
|--|---------------|----|----------------|----|----------------|----|---------------------|
|  | <b>Actual</b> |    | <b>Enacted</b> |    | <b>Request</b> |    | <b>Change</b>       |
|  | \$ 27,625     | \$ | 1,698          | \$ | 2,448          | \$ | 750                 |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. Specifically, the FY 2009 request includes additional funding for the Coast Guard's assumption of responsibility for airfield operations at Air Station Cape Cod (Otis Air National Guard Base) as a result of the departure of the Massachusetts Air National Guard 102nd Fighter Wing.

## I. Changes in Full-Time Equivalents

### Department of Homeland Security

#### U. S. Coast Guard

#### Operating Expenses

#### Changes in Full-Time Equivalents

Operations and Support -- includes both military and civilian FTE.\*

|   | FY 2007       | FY 2008       | FY 2009       |
|---|---------------|---------------|---------------|
| <b>BASE: Start of Year (SOY) FTE levels</b>   | <b>45,843</b> | <b>46,484</b> | <b>47,236</b> |
| <b>INCREASES</b>  |               |               |               |
| <b>Increase #1:</b> Air Station Cape Cod Operations Follow-on<br><b>Description:</b> Transfer in to CG from DOJ               | 0             | 0             | 13            |
| <b>Increase #2:</b> Personnel Transfer from AC&I<br><b>Description:</b> Transfer from AC&I appropriation                      | 0             | 0             | 652           |
| <b>Increase #3:</b> Annualization of part year funding<br><b>Description:</b> Annualization of prior year FTE                 | 502           | 330           | 406           |
| <b>Increase #4:</b> Defense Message System (DMS) follow-on<br><b>Description:</b> Upgrades and maintenance of system          | 1             | 0             | 0             |
| <b>Increase #5:</b> Response Boat Medium follow-on<br><b>Description:</b> Maintenance personnel to support RB-M               | 3             | 3             | 2             |
| <b>Increase #6:</b> Operate C-130J<br><b>Description:</b> Crewing and maintenance of new asset                                | 29            | 0             | 0             |
| <b>Increase #7:</b> Nationwide Automatic Identification System (NAIS) follow-on<br><b>Description:</b> AIS follow-on          | 8             | 0             | 5             |
| <b>Increase #8:</b> Airborne Data Communication System<br><b>Description:</b> Maintenance of new equipment                    | 2             | 0             | 0             |
| <b>Increase #9:</b> Surface and Air Asset follow-on<br><b>Description:</b> Crewing/Staffing/Support of Deepwater assets       | 141           | 169           | 93            |
| <b>Increase #10:</b> National Capital Region Air Defense<br><b>Description:</b> Standup of new mission and helicopter crewing | 61            | 0             | 0             |
| <b>Increase #11:</b> Maritime Safety and Security Teams<br><b>Description:</b> MSST enhancements                              | 30            | 0             | 0             |
| <b>Increase #12:</b> Coastal Patrol Boat Follow-on<br><b>Description:</b> Crewing, Operations & Maint, and shore-side support | 0             | 0             | 60            |
| <b>Increase #13:</b> Rescue 21 follow-on<br><b>Description:</b> Operation of Rescue 21  | 0             | 2             | 49            |

|   | FY 2007    | FY 2008    | FY 2009      |
|---|------------|------------|--------------|
| <b>Increase #14:</b> SPC-LE Boat follow-on<br><b>Description:</b> Operation of new small boat assets  | 0          | 31         | 0            |
| <b>Increase #15:</b> Enhance Port Security<br><b>Description:</b> Port inspections and risk assessments   | 101        | 0          | 0            |
| <b>Increase #16:</b> Counterintelligence Service follow-on<br><b>Description:</b> Counterintelligence program   | 0          | 11         | 0            |
| <b>Increase #17:</b> Inland River Emergency Subsystem Sustainment<br><b>Description:</b> Maintain legacy inland river fleet                           | 0          | 0          | 2            |
| <b>Increase #18:</b> Acquisitions Directorate Personnel Increase<br><b>Description:</b> Augment acquisition staff                                     | 0          | 0          | 65           |
| <b>Increase #19:</b> Situation Unit Watchstanders<br><b>Description:</b> Watchstanders for Command Centers  | 0          | 0          | 51           |
| <b>Increase #21:</b> MAGNet 2.0 - GMII Fusion<br><b>Description:</b> Improve ability to collect, correlate and fuse data                              | 0          | 0          | 9            |
| <b>Increase #22:</b> Counter-intelligence Service<br><b>Description:</b> Counter -intelligence Service initiative                                     | 0          | 0          | 15           |
| <b>Increase #23:</b> Cryptologic Service Group<br><b>Description:</b> Enhance cryptology capability   | 0          | 0          | 23           |
| <b>Increase #24:</b> Marine Inspectors<br><b>Description:</b> Marine Inspectors   | 0          | 0          | 139          |
| <b>Increase #25:</b> LNG and Dangerous Cargo Suitability Assessments<br><b>Description:</b> Suitability assessments                                   | 0          | 3          | 0            |
| <b>Increase #26:</b> Spot Check of MTSA Regulated Facilities<br><b>Description:</b> Spot Check of MTSA Regulated Facilities                           | 0          | 17         | 0            |
| <b>Increase #27:</b> Port Presence and Coastal Security<br><b>Description:</b> Port Presence and Coastal Security                                     | 0          | 120        | 0            |
| <b>Increase #28:</b> SAFE Port Act - Port Security Exercise and Training Programs<br><b>Description:</b> Port Security Exercise and Training Programs | 0          | 12         | 0            |
| <b>Increase #29:</b> Salvage Response Plans<br><b>Description:</b> Salvage Response Plans   | 0          | 15         | 0            |
| <b>Increase #30:</b> Additional Watchstander and Intelligence Officers<br><b>Description:</b> Watchstanders and Intelligence Officers                 | 0          | 77         | 0            |
| <b>Increase #31:</b> Rulemaking and Regulations<br><b>Description:</b> Rulemaking development   | 0          | 16         | 0            |
| <b>Increase #32:</b> Increase D7 110' OP Hours<br><b>Description:</b> Increase to D7 110' OP Hours  | 0          | 26         | 0            |
| <b>Subtotal, Increases:</b>   | <b>878</b> | <b>832</b> | <b>1,584</b> |

|  | FY 2007       | FY 2008       | FY 2009       |
|--|---------------|---------------|---------------|
| <b>DECREASES:</b>  |               |               |               |
| <b>Decrease #1:</b> Re-locate WHEC/Decommission USCGC STORIS<br><b>Description:</b> Re-locate WHEC/Decommission USCGC STORIS   | -44           | 0             | 0             |
| <b>Decrease #2:</b> Decommission USCGC ACUSHNET<br><b>Description:</b> Decommission USCGC ACUSHNET   | 0             | 0             | -43           |
| <b>Decrease #3:</b> Decommission USCGC BLACKBERRY<br><b>Description:</b> Decommission USCGC BLACKBERRY   | 0             | 0             | -7            |
| <b>Decrease #4:</b> Decommission two (2) HU-25 Aircraft<br><b>Description:</b> Decommission two (2) HU-25 Aircraft   | 0             | 0             | -20           |
| <b>Decrease #5:</b> Decommission USCGC GENTIAN<br><b>Description:</b> Decommission USCGC GENTIAN   | -37           | 0             | 0             |
| <b>Decrease #6:</b> Annualization & Management Savings<br><b>Description:</b> Annualization of management savings and management efficiencies, including competitive sourcing and workforce management | -106          | -22           | -33           |
| <b>Increase #7:</b> Transfer LORAN Personnel to Reimbursables<br><b>Description:</b> Transfer LORAN Personnel to Reimbursables   | 0             | 0             | -294          |
| <b>Decrease #8:</b> Personnel Efficiencies<br><b>Description:</b> Workforce management efficiencies  | -50           | 0             | 0             |
| <b>Decrease #9:</b> HITRON Lease Expiration<br><b>Description:</b> HITRON Lease Expiration   | 0             | -58           | 0             |
| <b>Decrease #10:</b> Decommission HC-130H Aircraft<br><b>Description:</b> Decommission HC-130H Aircraft  | 0             | 0             | -86           |
| <b>Decrease #11:</b> Decommission two (2) PC-179 Patrol Boats<br><b>Description:</b> Decommission two (2) PC-179 Patrol Boats  | 0             | 0             | -77           |
| <b>Subtotal, Decreases:</b>  | <b>-237</b>   | <b>-80</b>    | <b>-560</b>   |
| <b>Year-end Enacted / Estimated FTEs</b>   | <b>46,484</b> | <b>47,236</b> | <b>48,260</b> |
| <b>Net Change from prior year base to budget year estimate:</b>  |               |               | <b>1,024</b>  |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security**

**U. S. Coast Guard**

**Operating Expenses**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity

(Dollars in Thousands)

| Program/Project Activity                          | FY 2007          | FY 2008          | FY 2009          | Increase /        |
|---|------------------|------------------|------------------|-------------------|
|   | Actual           | Anticipated      | Anticipated      | Decrease for FY   |
|   | AMOUNT           | AMOUNT           | AMOUNT           | AMOUNT            |
| Consolidated Subscriptions (Library of Congress)  | \$ 632           | \$ 551           | \$ 527           | \$ (24)           |
| Financial Statement Audit                         | \$ 3,613         | \$ 3,286         | \$ 3,674         | \$ 388            |
| Internal Control Audit                            | \$ 247           | \$ 2,230         | \$ 760           | \$ (1,470)        |
| TIER  | \$ 48            | \$ 50            | \$ 51            | \$ 1              |
| NFC Payroll Services & Reporting                  | \$ 1,870         | \$ 1,441         | \$ 1,609         | \$ 168            |
| (HCBS) Payroll Service Ops                        | \$ 263           | \$ 433           | \$ 395           | \$ (38)           |
| Flexible Spending Plan                            | \$ 51            | \$ 94            | \$ 72            | \$ (22)           |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)               | \$ 11            | \$ 18            | \$ 23            | \$ 4              |
| CIO/DHS Infrastructure Transf Pgm                 | \$ 3,000         | \$ 6,880         | \$ 7,606         | \$ 726            |
| Software Enterprise Licenses - Microsoft          | \$ 9,685         | \$ 5,779         | \$ 5,900         | \$ 121            |
| Board of Contract Appeals                         | \$ -             | \$ 45            | \$ -             | \$ (45)           |
| Interagency Council Funding                       | \$ 179           | \$ 159           | \$ 169           | \$ 10             |
| Recruitment One-Stop                              | \$ 23            | \$ 19            | \$ 50            | \$ 31             |
| e-Training  | \$ 113           | \$ 1,422         | \$ 590           | \$ (832)          |
| Enterprise HR Integration (EHRI)                  | \$ 166           | \$ 106           | \$ 167           | \$ 60             |
| Business Gateway                                  | \$ 183           | \$ 97            | \$ 25            | \$ (71)           |
| e-Rulemaking                                      | \$ 217           | \$ 163           | \$ 174           | \$ 10             |
| e-Travel  | \$ -             | \$ -             | \$ 24            | \$ 24             |
| Case Management Line of Business                  | \$ 14            | \$ -             | \$ 14            | \$ 14             |
| e-Grants.gov                                      | \$ 6             | \$ 7             | \$ 7             | \$ 0              |
| e-Authentication                                  | \$ 47            | \$ 3             | \$ 3             | \$ (0)            |
| Human Resources Line of Business                  | \$ 14            | \$ 12            | \$ 12            | \$ (0)            |
| e-govBenefits                                     | \$ 7             | \$ 6             | \$ 17            | \$ 11             |
| Financial Management Line of Business             | \$ 21            | \$ 32            | \$ 33            | \$ 1              |
| Geospatial Line of Business                       | \$ -             | \$ -             | \$ 15            | \$ 15             |
| IT Infrastructure Line of Business                | \$ -             | \$ -             | \$ 37            | \$ 37             |
| Budget Formulation and Execution Line of Business | \$ -             | \$ -             | \$ 22            | \$ 22             |
| e-gov.Integrated Acquisition Environment          | \$ 340           | \$ 688           | \$ 612           | \$ (76)           |
| e-gov. Disaster Management (DisasterHelp.gov)     | \$ 1,798         | \$ 1,798         | \$ 1,798         | \$ -              |
| Capital Planning and Investment Control (CPIC)    | \$ 573           | \$ 651           | \$ 576           | \$ (74)           |
| Ready Campaign (Ready.gov)                        | \$ 155           | \$ 137           | \$ 146           | \$ 9              |
| Strategic Sourcing                                | \$ 138           | \$ 122           | \$ 109           | \$ (13)           |
| CPO Shared Reporting                              | \$ -             | \$ 820           | \$ 199           | \$ (621)          |
| Working Capital Fund Operations                   | \$ 54            | \$ 36            | \$ 61            | \$ 25             |
| <b>Total Working Capital Fund</b>                 | <b>\$ 23,469</b> | <b>\$ 27,084</b> | <b>\$ 25,476</b> | <b>\$ (1,608)</b> |

# Department of Homeland Security

*United States Coast Guard*

*Environmental Compliance and Restoration*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Environmental Compliance and Restoration**

**I. Appropriation Overview**

**A. Mission Statement for Environmental Compliance and Restoration:**

The Coast Guard requests \$12.315 million and 24 FTE in FY 2009, a decrease of \$685,000 over the FY 2008 enacted level. Environmental Compliance and Restoration (EC&R) provides for (1) environmental cleanup and restoration of current and formerly contaminated Coast Guard facilities, and (2) engineering fixes on Coast Guard assets for the purpose of complying with environmental laws to prevent contamination and environmental damage. The EC&R funding request supports all 11 statutorily mandated Coast Guard mission-programs. These mission-programs, in turn, directly support the Coast Guard's role as the principal Federal agency charged with ensuring maritime safety, security and stewardship.

EC&R funding ensures the Coast Guard maintains its leadership role in environmental stewardship with its partners. Failure to meet restoration or compliance responsibilities could subject the Coast Guard to fines, penalties or shutdown of operational assets by environmental regulators. Moreover, Coast Guard EC&R funding supports site investigation and remediation activities at older shore facilities slated for property divestiture or transfer. This predominantly involves divestiture of lighthouses under authority of the National Historic Lighthouse Preservation Act.

**B. Budget Activities:**

Environmental Compliance and Restoration activities support conventional missions including Marine Environmental Protection (MEP).

**C. Budget Request Summary:**

The Coast Guard requests 25 positions, 24 FTE, and \$12.315 million (\$9.105 million in project funding, \$3.210 million in personnel funding) in FY 2009 to provide for environmental remediation and restoration of Coast Guard facilities, including Kodiak, AK; Elizabeth City, NC; and Baltimore, MD. The total adjustment to the base is \$685,000.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                     | FY 2007<br>Actual Obligations |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Total Changes |                 | Increase (+) or Decrease (-) For FY 2009 |                 | Adjustments-to-base |                 |
|--|-------------------------------|------------------|--------------------|------------------|--------------------|------------------|---------------|-----------------|--|-----------------|---------------------|-----------------|
|  | FTE                           | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE           | AMOUNT          | FTE                                      | AMOUNT          | FTE                 | AMOUNT          |
| I. Environmental Compliance and Restoration                  | 22                            | \$ 11,161        | 24                 | \$ 13,000        | 24                 | \$ 12,315        | -             | \$ (685)        | -  | \$ (685)        | -                   | \$ (685)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>22</b>                     | <b>\$ 11,161</b> | <b>24</b>          | <b>\$ 13,000</b> | <b>24</b>          | <b>\$ 12,315</b> | <b>-</b>      | <b>\$ (685)</b> | <b>-</b>                                 | <b>\$ (685)</b> | <b>-</b>            | <b>\$ (685)</b> |
| <b>Less Adjustments for Other Funding Sources:</b>           |                               |                  |                    |                  |                    |                  |               |                 |  |                 |                     |                 |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>22</b>                     | <b>\$ 11,161</b> | <b>24</b>          | <b>\$ 13,000</b> | <b>24</b>          | <b>\$ 12,315</b> | <b>-</b>      | <b>\$ (685)</b> | <b>-</b>                                 | <b>\$ (685)</b> | <b>-</b>            | <b>\$ (685)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: ENVIRONMENTAL COMPLIANCE AND RESTORATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>25</b>           | <b>22</b>  | <b>11,161</b> |
| <b>2008 Enacted</b>          | <b>25</b>           | <b>24</b>  | <b>13,000</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | -685          |
| <b>2009 Current Services</b> | <b>25</b>           | <b>24</b>  | <b>12,315</b> |
| 2009 Program Change          | ...                 | ...        | ...           |
| <b>2009 Request</b>          | <b>25</b>           | <b>24</b>  | <b>12,315</b> |
| Total Change 2008-2009       | ...                 | ...        | -685          |

The Coast Guard requests \$12.315 million for this activity. This is a decrease of \$685,000 over FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

FY 2007 accomplishments include:

- Meet all legally mandated cleanup/remediation efforts in Kodiak, Alaska; Elizabeth City, North Carolina; and Baltimore, Maryland.
- Fund 93 projects ranging from site remediation on firing ranges to addressing lead, oil and other contaminants at lighthouses, stations and bases.

FY 2008 planned accomplishments include:

- Environmental cleanup and restoration of current and formerly contaminated Coast Guard facilities, as well as engineering fixes on Coast Guard assets for the purpose of complying with environmental laws to prevent contamination or preclude environmental damage from developing.
- Commence 78 projects that includes site investigation and remediation activities at older shore facilities slated for property divestiture or transfer actions; primarily divestiture of lighthouses in support of the National Historic Lighthouse Preservation Act.

FY 2009 planned accomplishments include:

- Fund Environmental Compliance and Restoration costs incurred as a result of decommissioning (1) 213' WMEC (ACUSHNET) and (1) 65' WLI (BLACKBERRY). Costs are calculated for disposal through transfer to MARAD reefing (i.e., sinking at sea), or ship-breaking (i.e., scrapping) which require the vessels to be thoroughly cleaned of all materials that could be released into the natural environment.

#### **IV. Program Justification of Changes**

**Not Applicable**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U. S. Coast Guard  
Justification of Proposed Changes in Environmental Compliance and Restoration  
Appropriation Language**

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under Chapter 19 of Title 14, United States Code, [\$13,000,000] **\$12,315,000**, to remain available until expended. (*Department of Homeland Security Appropriations Act, 2008*).

#### **Explanation of Changes:**

No substantive changes proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|--|-------------|------------|----------------|
| <b>2007 Actual</b>                                 | <b>25</b>   | <b>22</b>  | <b>11,161</b>  |
| <b>2008 Enacted</b>                                | <b>25</b>   | <b>24</b>  | <b>13,000</b>  |
| <b>Adjustments-to-Base</b>                         |             |            |                |
| Increases  |             |            |                |
| Annualization of FY 2008 Pay Raise                 | -           | -          | 21             |
| FY 2009 Pay Raise                                  | -           | -          | 216            |
| Non-Pay Inflation                                  | -           | -          | 187            |
| Operating and Maintenance Funds for New Facilities | -           | -          | -              |
| <b>Total Increases</b>                             | <b>-</b>    | <b>-</b>   | <b>424</b>     |
| Decreases  |             |            |                |
| Termination of one-time costs                      | -           | -          | (922)          |
| Management and Technology Efficiencies             | -           | -          | (187)          |
| <b>Total Decreases</b>                             | <b>-</b>    | <b>-</b>   | <b>(1,109)</b> |
| <b>Total Adjustments-to-Base</b>                   | <b>-</b>    | <b>-</b>   | <b>(685)</b>   |
| <b>2009 Current Services</b>                       | <b>25</b>   | <b>24</b>  | <b>12,315</b>  |
| <b>2009 Request</b>                                | <b>25</b>   | <b>24</b>  | <b>12,315</b>  |
| <b>2008 to 2009 Total Change</b>                   | <b>-</b>    | <b>-</b>   | <b>(685)</b>   |

**C. Summary of Requirements**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2008 Enacted |     | 2009 Request |     |
|--|--------------|-----|--------------|-----|
|  | Pos.         | FTE | Pos.         | FTE |
| <b>2007 Actual</b>   |              |     |              |     |
| <b>2008 Enacted</b>  | 25           | 24  | 25           | 24  |
|  |              |     |              |     |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |              |     |
| Transfers  |              |     |              |     |
| Increases  |              |     |              |     |
| Decreases  |              |     |              |     |
| Total Adjustments-to-Base  |              |     |              |     |
| <b>2009 Current Services</b>   | 25           | 24  | 25           | 24  |
|  |              |     |              |     |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              |     |              |     |
| <b>2009 Request</b>  | 25           | 24  | 25           | 24  |
| <b>2008 to 2009 Total Change</b>   |              |     |              |     |

| Estimates by Program/Project Activity       | 2008 Enacted |     | 2009 Adjustments-to-Base |     | 2009 Program Change |     | 2009 Request |     | 2008 to 2009 Total Change |     |
|---|--------------|-----|--------------------------|-----|---------------------|-----|--------------|-----|---------------------------|-----|
|   | Pos.         | FTE | Pos.                     | FTE | Pos.                | FTE | Pos.         | FTE | Pos.                      | FTE |
| I. Environmental Compliance and Restoration | 25           | 24  | -                        | -   | -                   | -   | 25           | 24  | -                         | -   |
|   |              |     |                          |     |                     |     |              |     |                           |     |
| <b>Total</b>                                | 25           | 24  | -                        | -   | -                   | -   | 25           | 24  | -                         | -   |

**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance & Restoration  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|------------------|------------------|------------------|-----------------------|
| 11.1 Full-time permanent                            | 1,906            | 2,023            | 2,204            | 181                   |
| 11.3 Other than full-time permanent                 | 4                | 4                | 4                | -                     |
| 11.5 Other personnel compensation                   | 32               | 34               | 37               | 3                     |
| 11.7 Military personnel                             | 101              | 105              | 109              | 4                     |
| 11.8 Special service pay                            | -                | -                | -                | -                     |
| 12.1 Civilian personnel benefits                    | 513              | 545              | 594              | 49                    |
| 12.2 Military personnel benefits                    | 7                | 7                | 7                | -                     |
| 13.0 Benefits-former                                | -                | -                | -                | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ 2,563</b>  | <b>\$ 2,718</b>  | <b>\$ 2,955</b>  | <b>\$ 237</b>         |
| Other Objects Classes:                              |                  |                  |                  |                       |
| 21.0 Travel   | 83               | 129              | 90               | (39)                  |
| 22.0 Transportation of things                       | -                | -                | -                | -                     |
| 23.1 GSA rent                                       | -                | -                | -                | -                     |
| 23.2 Other rent                                     | -                | -                | -                | -                     |
| 23.3 Communication, utilities, and misc charges     | -                | -                | -                | -                     |
| 24.0 Printing and reproduction                      | -                | -                | -                | -                     |
| 25.1 Advisory and assistance services               | -                | -                | -                | -                     |
| 25.2 Other services                                 | 8,286            | 12,835           | 9,022            | (3,813)               |
| 25.3 Purchases of goods & svcs. from gov't accounts | 94               | 146              | 102              | (44)                  |
| 25.4 Operation & maintenance of facilities          | 134              | 208              | 146              | (62)                  |
| 25.5 Research and development                       | -                | -                | -                | -                     |
| 25.6 Medical care                                   | -                | -                | -                | -                     |
| 25.7 Operation and maintenance of equipment         | -                | -                | -                | -                     |
| 25.8 Subsistence and support of persons             | -                | -                | -                | -                     |
| 26.0 Supplies and materials                         | -                | -                | -                | -                     |
| 31.0 Equipment                                      | -                | -                | -                | -                     |
| 32.0 Land and structures                            | -                | -                | -                | -                     |
| 41.0 Grants, subsidies and contributions            | -                | -                | -                | -                     |
| 42.0 Insurance claims and indemnity                 | -                | -                | -                | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ 8,597</b>  | <b>\$ 13,318</b> | <b>\$ 9,360</b>  | <b>\$ (3,958)</b>     |
| <b>Total Direct Obligations</b>                     | <b>\$ 11,160</b> | <b>\$ 16,036</b> | <b>\$ 12,315</b> | <b>\$ (3,721)</b>     |
| Unobligated balance, start of year                  | (3,316)          | (3,036)          | -                | 3,036                 |
| Unobligated balance, end of year                    | 3,036            | -                | -                | -                     |
| <b>Total Requirements</b>                           | <b>\$ 10,880</b> | <b>\$ 13,000</b> | <b>\$ 12,315</b> | <b>\$ -</b>           |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration - Military  
Permanent Positions by Grade**

| Grade                                      | 2007                | 2008                | 2009                | 2008 - 2009       |
|--|---------------------|---------------------|---------------------|-------------------|
|  | Actual<br>Pos.      | Enacted<br>Pos.     | Request<br>Pos.     | Change<br>Pos.    |
| O-10                                       | -                   | -                   | -                   | -                 |
| O-9  | -                   | -                   | -                   | -                 |
| O-8  | -                   | -                   | -                   | -                 |
| O-7  | -                   | -                   | -                   | -                 |
| O-6  | -                   | -                   | -                   | -                 |
| O-5  | -                   | -                   | -                   | -                 |
| O-4  | 1                   | 1                   | 1                   | -                 |
| O-3  | -                   | -                   | -                   | -                 |
| O-2  | -                   | -                   | -                   | -                 |
| O-1  | -                   | -                   | -                   | -                 |
| CWO4                                       | -                   | -                   | -                   | -                 |
| Cadet                                      | -                   | -                   | -                   | -                 |
| E-10                                       | -                   | -                   | -                   | -                 |
| E-9  | -                   | -                   | -                   | -                 |
| E-8  | -                   | -                   | -                   | -                 |
| E-7  | -                   | -                   | -                   | -                 |
| E-6  | -                   | -                   | -                   | -                 |
| E-5  | -                   | -                   | -                   | -                 |
| E-4  | -                   | -                   | -                   | -                 |
| E-3  | -                   | -                   | -                   | -                 |
| E-2  | -                   | -                   | -                   | -                 |
| E-1  | -                   | -                   | -                   | -                 |
| Other Graded Positions                     | -                   | -                   | -                   | -                 |
| Ungraded Positions                         | -                   | -                   | -                   | -                 |
| <b>Total Permanent Positions</b>           | <b>1</b>            | <b>1</b>            | <b>1</b>            | <b>-</b>          |
| Unfilled Positions EOY                     | -                   | -                   | -                   | -                 |
| Total Perm. Employment EOY                 | 1                   | 1                   | 1                   | -                 |
| <b>FTE*</b>                                | <b>1</b>            | <b>1</b>            | <b>1</b>            | <b>-</b>          |
| Headquarters                               | 1                   | 1                   | 1                   | -                 |
| U.S. Field                                 | -                   | -                   | -                   | -                 |
| Foreign Field                              | -                   | -                   | -                   | -                 |
| <b>Total Permanent Positions</b>           | <b>1</b>            | <b>1</b>            | <b>1</b>            | <b>-</b>          |
| Position Data:                             |                     |                     |                     |                   |
| <b>Average Salary, Officer Positions**</b> | <b>\$108,655.00</b> | <b>\$112,392.00</b> | <b>\$120,435.00</b> | <b>\$8,043.00</b> |
| <b>Average Grade, Officer Position</b>     | <b>4</b>            | <b>4</b>            | <b>4</b>            | <b>0</b>          |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance and Restoration - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 1              | 1               | 1               | -              |
| GS-14   | 2              | 2               | 2               | -              |
| GS-13   | 7              | 7               | 7               | -              |
| GS-12   | 14             | 14              | 14              | -              |
| GS-11   | -              | -               | -               | -              |
| GS-10   | -              | -               | -               | -              |
| GS-9  | -              | -               | -               | -              |
| GS-8  | -              | -               | -               | -              |
| GS-7  | -              | -               | -               | -              |
| GS-6  | -              | -               | -               | -              |
| GS-5  | -              | -               | -               | -              |
| GS-4  | -              | -               | -               | -              |
| GS-3  | -              | -               | -               | -              |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | -              | -               | -               | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | 24             | 24              | 24              | -              |
| Unfilled Positions EOY                        | 2              | 2               | 2               | -              |
| Total Perm. Employment (Filled Positions) EOY | 22             | 22              | 22              | -              |
| <b>FTE</b>                                    | 21             | 23              | 23              | -              |
| Headquarters                                  | 4              | 4               | 4               | -              |
| U.S. Field                                    | 20             | 20              | 20              | -              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | 24             | 24              | 24              | -              |
| Position Data:                                |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$108,583.33   | \$113,166.67    | \$114,813.00    | \$ 1,646.33    |
| <b>Average Grade, GS Positions</b>            | 12.58          | 12.58           | 12.58           | 0.00           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security  
U. S. Coast Guard  
Environmental Compliance & Restoration  
PPA I  
Funding Schedule  
(Dollars in Thousands)**

| Environmental Compliance & Restoration                 |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|--|--|------------------|------------------|------------------|-----------------------|
| <b>Object Classes</b>                                  |  |                  |                  |                  |                       |
| 11.1   | Full-time permanent                            | 1,906            | 2,023            | 2,204            | 181                   |
| 11.3   | Other than full-time permanent                 | 4                | 4                | 4                | -                     |
| 11.5   | Other personnel compensation                   | 32               | 34               | 37               | 3                     |
| 11.7   | Military personnel                             | 101              | 105              | 109              | 4                     |
| 11.8   | Special service pay                            | -                | -                | -                | -                     |
| 12.1   | Civilian personnel benefits                    | 513              | 545              | 594              | 49                    |
| 12.2   | Military personnel benefits                    | 7                | 7                | 7                | -                     |
| 13.0   | Benefits-former                                | -                | -                | -                | -                     |
| 21.0   | Travel   | 83               | 99               | 90               | (9)                   |
| 22.0   | Transportation of things                       | -                | -                | -                | -                     |
| 23.1   | GSA rent                                       | -                | -                | -                | -                     |
| 23.2   | Other rent                                     | -                | -                | -                | -                     |
| 23.3   | Communication, utilities, and misc charges     | -                | -                | -                | -                     |
| 24.0   | Printing and reproduction                      | -                | -                | -                | -                     |
| 25.1   | Advisory and assistance services               | -                | -                | -                | -                     |
| 25.2   | Other services                                 | 8,286            | 9,911            | 9,022            | (889)                 |
| 25.3   | Purchases of goods & svcs. from gov't accounts | 94               | 112              | 102              | (10)                  |
| 25.4   | Operation & maintenance of facilities          | 134              | 160              | 146              | (14)                  |
| 25.5   | Research and development                       | -                | -                | -                | -                     |
| 25.6   | Medical care                                   | -                | -                | -                | -                     |
| 25.7   | Operation and maintenance of equipment         | -                | -                | -                | -                     |
| 25.8   | Subsistence and support of persons             | -                | -                | -                | -                     |
| 26.0   | Supplies and materials                         | -                | -                | -                | -                     |
| 31.0   | Equipment                                      | -                | -                | -                | -                     |
| 32.0   | Land and structures                            | -                | -                | -                | -                     |
| 41.0   | Grants, subsidies and contributions            | -                | -                | -                | -                     |
| 42.0   | Insurance claims and indemnity                 | -                | -                | -                | -                     |
| <b>Total, Environmental Compliance and Restoration</b> |  | <b>\$ 11,160</b> | <b>\$ 13,000</b> | <b>\$ 12,315</b> | <b>\$ (685)</b>       |
| <b>Full Time Equivalents</b>                           |  | <b>22</b>        | <b>24</b>        | <b>24</b>        | <b>-</b>              |

### PPA Mission Statement

Environmental Compliance and Restoration (EC&R) will provide for (1) environmental cleanup and restoration of current and formerly contaminated Coast Guard facilities, and (2) engineering fixes on Coast Guard assets for the purpose of complying with environmental laws to prevent contamination or preclude environmental damage from developing. Failure to meet restoration or compliance responsibilities could subject the Coast Guard to fines, penalties, or shutdown of operational assets by environmental regulators. In addition, Coast Guard EC&R funding supports site investigation and remediation activities at older shore facilities slated for property divestiture or transfer actions; this primarily includes divestiture of lighthouses in support of the National Historic Lighthouse Preservation Act.

## Summary Justification and Explanation of Changes

### Salaries and Benefits

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 2,563       | \$ 2,718        | \$ 2,955        | \$ 237                |

Salaries and Benefits include costs for 24 FTE. The FY 2009 request includes an increase to account for inflation and planned internal personnel reprogramming issues.

### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 83          | \$ 99           | \$ 90           | \$ (9)                |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Change is due to increase in environmental remediation expenses.

### Other services

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 8,286       | \$ 9,911        | \$ 9,022        | \$ (889)              |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Change is due to increase in environmental remediation expenses. This includes the FY06 Hurricane Supplemental.

### Purchases of goods & svcs. from gov't accounts

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 94          | \$ 112          | \$ 102          | \$ (10)               |

Purchases from government accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. Specifically, funds support the purchase of goods and services from other government agencies. Change is due to increase in environmental remediation expenses.

**I. Changes in Full-Time Equivalents**

**Not Applicable**



# Department of Homeland Security

*United States Coast Guard*

*Reserve Training*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Reserve Training**

**I. Appropriation Overview**

**A. Mission Statement for Reserve Training:**

The Coast Guard requests \$130.501 million and 536 FTE in FY 2009, an increase of \$3.618 million over the FY 2008 enacted \$126.883 million. As the principal federal agency charged with maritime safety, security and stewardship, the Coast Guard protects vital economic and security interests of the United States from internal and external threats. Reserve Training is critical to allowing the Coast Guard to reach these goals through engagement in all 11 Coast Guard mission-programs. For example, Reserve Training provides trained units and qualified personnel for service in times of war or national emergency. In addition, the Coast Guard Reserve may be called upon to provide units and personnel to augment active Coast Guard forces during times of crisis.

**B. Budget Activities:**

Reserve forces contribute to all Coast Guard missions, including Search and Rescue (SAR); Marine Safety; Aids to Navigation (AtoN); Ice Operations; Marine Environmental Protection (MEP); Living Marine Resources (LMR); Drug Interdiction; Migrant Interdiction; Other Law Enforcement; Ports, Waterways and Coastal Security (PWCS); and Defense Readiness.

**C. Budget Request Summary:**

The Coast Guard requests 536 positions, 536 FTE, and \$130.501 million in FY 2009. This request provides necessary resources for the training, operation and administration of the Coast Guard Reserve Program while ensuring Reserve Component response readiness. The total adjustment to base is \$3.618 million.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training**

**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity  | FY 2007 Actual |                   | FY 2008 Enacted |                   | FY 2009 Request |                   | Total Changes |                 | Increase (+) or Decrease (-) For FY 2009 |                 | Adjustments-to-base |                 |
|---|----------------|-------------------|-----------------|-------------------|-----------------|-------------------|---------------|-----------------|--|-----------------|---------------------|-----------------|
|   | FTE            | AMOUNT            | FTE             | AMOUNT            | FTE             | AMOUNT            | FTE           | AMOUNT          | FTE                                      | AMOUNT          | FTE                 | AMOUNT          |
| I. Pay, Benefits and Allowances                                   | 536            | \$ 94,980         | 536             | \$ 97,801         | 536             | \$ 101,240        | -             | \$ 3,439        | -  | \$ 3,439        | -                   | \$ 3,439        |
| II. Operations, Maintenance and Administration                    | -              | \$ 25,536         | -               | \$ 29,082         | -               | \$ 29,261         | -             | \$ 179          | -  | \$ 179          | -                   | \$ 179          |
| <b>Less Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>536</b>     | <b>\$ 120,516</b> | <b>536</b>      | <b>\$ 126,883</b> | <b>536</b>      | <b>\$ 130,501</b> | <b>-</b>      | <b>\$ 3,618</b> | <b>-</b>                                 | <b>\$ 3,618</b> | <b>-</b>            | <b>\$ 3,618</b> |
| <b>Less Adjustments for Other Funding Sources:</b>                |                |                   |                 |                   |                 |                   |               |                 |  |                 |                     |                 |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>         | <b>536</b>     | <b>\$ 120,516</b> | <b>536</b>      | <b>\$ 126,883</b> | <b>536</b>      | <b>\$ 130,501</b> | <b>-</b>      | <b>\$ 3,618</b> | <b>-</b>                                 | <b>\$ 3,618</b> | <b>-</b>            | <b>\$ 3,618</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: PAY, BENEFITS AND ALLOWANCES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>536</b>          | <b>536</b> | <b>94,980</b>  |
| <b>2008 Enacted</b>          | <b>536</b>          | <b>536</b> | <b>97,801</b>  |
| 2009 Adjustments-to-Base     | ...                 | ...        | 3,439          |
| <b>2009 Current Services</b> | <b>536</b>          | <b>536</b> | <b>101,240</b> |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | <b>536</b>          | <b>536</b> | <b>101,240</b> |
| Total Change 2008-2009       | ...                 | ...        | 3,439          |

The Coast Guard requests \$101.240 million for this activity. This is an increase of \$3.439 million over FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

This request for Pay, Benefits and Allowances funds costs associated with salaries, benefits and other compensation for both full-time staffs supporting members of the Coast Guard's Selected Reserve, as well as for reservists who participate in training activities. The Coast Guard Reserve is the Coast Guard's surge-capacity military workforce and provides a cost-effective method of augmenting response to major contingencies, such as natural and man-made disasters, maritime homeland security, national security and other events.

The Coast Guard Reserve is a cornerstone of service readiness and pivotal to the success of daily mission execution. The Coast Guard Reserve was an invaluable contributor to the national responses to Hurricanes Katrina and Rita, and continues to support the Global War on Terror with deployed service to Operation Enduring Freedom and Operation Iraqi Freedom. Our Reservists provide an outstanding return on investment by providing a valuable augmentation of the active duty workforce through Inactive Duty Training and Active Duty Training periods.

Our request for funding supports 536 FTE representing both military and civilian members who manage all recruiting, formal training, personnel and resource/program oversight. No additional FTE are requested.

Significant accomplishments in FY 2007 include:

- Mobilized over 500 reservists who served on active duty under involuntary and voluntary Active Duty Special Work ADSW orders in support of contingency

operations. They performed functions such as seaport security, standing watches in command centers, law enforcement operations, anti-terrorism/force protection missions, inspections of commercial vessels, domestic military out load MOL security, and others.

- Activated over 260 reservists under voluntary ADSW in support of non-contingency operations within numerous mission areas throughout the Coast Guard.

FY 2008 planned accomplishments include:

- Serve an integral role during supplemental-funded contingency operations for the Global War on Terrorism, Operation Iraqi Freedom and Operation Enduring Freedom. These reservists will serve in the United States and overseas.

FY 2009 projected accomplishments include:

- Continue to serve an integral role during supplemental funded contingency operations for the Global War on Terrorism, Operation Iraqi Freedom and Operation Enduring Freedom.

**PPA II: OPERATIONS, MAINTENANCE AND ADMINISTRATION**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>25,536</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>29,082</b> |
| 2009 Adjustments to Base     | ...                 | ...        | ...           |
| <b>2009 Current Services</b> | ...                 | ...        | <b>29,261</b> |
| 2009 Program Change          | ...                 | ...        | ...           |
| <b>2009 Request</b>          | ...                 | ...        | <b>29,261</b> |
| Total Change 2008-2009       | ...                 | ...        | 179           |

The Coast Guard requests \$29.261 million for this activity. This is an increase of \$179,000 over FY 2008 enacted.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

This request for Operations, Maintenance and Administration funds the costs of services and facilities to train reservists, administer the Reserve program and portion of organizational costs shared by the Reserve Training appropriation operation and maintenance. For example, reservists attend many of the same classroom based training sessions as members of the active component, and the Reserve Training appropriation provides funding for the reservists for overhead and course-specific. Similar Reserve Training cost sharing applies in other arenas, as well.

By providing funding for enterprise-wide services used by reservists, the Reserve Training appropriation ensures equipment and facilities necessary to attract and maintain

a high-caliber reserve force without eroding the resource base necessary to perform these same tasks for the active duty military workforce. While they are not full time employees, Coast Guard reservists are boarding officers, small boat coxswains, contingency planners and marine inspectors. The Coast Guard Reserve is an extraordinary force multiplier upon which our nation can confidently rely in times of exceptional need, embodying the very essence of the Coast Guard's motto: Semper Paratus (Always Ready).

Significant accomplishments in FY 2007 include:

- Served an integral role during supplemental funded contingency operations for the Global War on Terrorism, Operation Iraqi Freedom and Operation Enduring Freedom continue.
- Evaluated and developed the organizational structure and business practices to optimally deliver training, readiness and operational support.

FY 2008 planned accomplishments include:

- Maintain readiness and hone their mobilization skills through class room training, mobilization exercises and on-the-job training alongside their active duty counterparts during routine and emergency operations. Over 85 percent of our 8,100 member Selected Reserve Force are assigned to operational Coast Guard shore units.
- Mobilize, train and maintain skills required to support defense operations throughout the world. The remaining 15 percent of our 8,100 member Selected Reserve Force are assigned to deployable PSU, Naval Coastal Warfare Squadrons and Naval Coastal Warfare groups.
- Implement organizational structure and business practices to optimally deliver training, readiness and operational support.

FY 2009 projected accomplishments include:

- Continue to maintain readiness and hone mobilization skills through training and exercises during routine and emergency operations.
- Continue to mobilize, train and maintain skills required to support defense operations throughout the world.
- Continue to optimize the delivery of training, readiness and operational support.

#### **IV. Program Justification of Changes**

**Not Applicable**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U. S. Coast Guard  
Justification of Proposed Changes in Reserve Training  
Appropriation Language**

For necessary expenses of the Coast Guard Reserve, as authorized by law; operations and maintenance of the reserve program; personnel and training costs; equipment and services; [\$126,883,000] **\$130,501,000.** (*Department of Homeland Security Appropriation Act, 2008.*)

#### **Explanation of Changes:**

No substantive changes proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>       |
|--|-------------|------------|---------------------|
| <b>2007 Actual</b>                     | <b>536</b>  | <b>536</b> | <b>120,516</b>      |
| <b>2008 Enacted</b>                    | <b>536</b>  | <b>536</b> | <b>126,883</b>      |
| <b>Adjustments-to-Base</b>             |             |            |                     |
| Increases                              |             |            |                     |
| Annualization of FY 2008 Pay Raise     | -           | -          | 794                 |
| FY 2009 Pay Raise                      | -           | -          | 2,824               |
| Non-Pay Inflation                      | -           | -          | 585                 |
| Total Increases                        | -           | -          | <u>4,203</u>        |
| Decreases                              |             |            |                     |
| Management and Technology Efficiencies | -           | -          | (585)               |
| Total Decreases                        | -           | -          | <u>(585)</u>        |
| <b>Total Adjustments-to-Base</b>       | <b>-</b>    | <b>-</b>   | <b><u>3,618</u></b> |
| <b>2009 Current Services</b>           | <b>536</b>  | <b>536</b> | <b>130,501</b>      |
| <b>2009 Request</b>                    | <b>536</b>  | <b>536</b> | <b>130,501</b>      |
| <b>2008 to 2009 Total Change</b>       | <b>-</b>    | <b>-</b>   | <b>3,618</b>        |

**C. Summary of Requirements**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |            |
|--|--------------|------------|
|  | Perm. Pos.   | FTE Amount |
| <b>2007 Actual</b>   | 536          | 120,516    |
| <b>2008 Enacted</b>  | 536          | 126,883    |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |            |
| Transfers  | -            | -          |
| Increases  | -            | 3,618      |
| Decreases  | -            | -          |
| Total Adjustments-to-Base  | -            | 3,618      |
| <b>2009 Current Services</b>   | 536          | 130,501    |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | -            | -          |
| <b>2009 Request</b>  | 536          | 130,501    |
| <b>2008 to 2009 Total Change</b>   | -            | 3,618      |

| Estimates by Program/Project Activity          | 2008 Enacted |            | 2009 Adjustments-to-Base |          | 2009 Program Change |          | 2009 Request |            | 2008 to 2009 Total Change |          |          |              |
|--|--------------|------------|--------------------------|----------|---------------------|----------|--------------|------------|---------------------------|----------|----------|--------------|
|  | Pos.         | FTE        | Amount                   | Pos.     | FTE                 | Amount   | Pos.         | FTE        | Amount                    | Pos.     | FTE      | Amount       |
| I. Pay, Benefits and Allowances                | 536          | 536        | 97,801                   | -        | -                   | -        | 536          | 536        | 101,240                   | -        | -        | 3,439        |
| II. Operations, Maintenance and Administration | -            | -          | 29,082                   | -        | -                   | -        | -            | -          | 29,261                    | -        | -        | 179          |
| <b>Total</b>                                   | <b>536</b>   | <b>536</b> | <b>126,883</b>           | <b>-</b> | <b>-</b>            | <b>-</b> | <b>536</b>   | <b>536</b> | <b>130,501</b>            | <b>-</b> | <b>-</b> | <b>3,618</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Reserve Training**  
**Summary of Reimbursable Resources**  
 (Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |            | 2008 Enacted |              | 2009 Estimate |              | Increase/Decrease |            |
|----------------------------------|----------------|------------|--------------|--------------|---------------|--------------|-------------------|------------|
|                                  | Pos.           | FTE Amount | Pos.         | FTE Amount   | Pos.          | FTE Amount   | Pos.              | FTE Amount |
| Selective Service                | -              | -          | 9            | 1,000        | 9             | 1,000        | -                 | -          |
| <b>Total Budgetary Resources</b> | -              | -          | <b>9</b>     | <b>1,000</b> | <b>9</b>      | <b>1,000</b> | -                 | -          |

| Obligations by Program/Project Activity | FY 2007 Actual |            | 2008 Enacted |              | 2009 Estimate |              | Increase/Decrease |            |
|---|----------------|------------|--------------|--------------|---------------|--------------|-------------------|------------|
|   | Pos.           | FTE Amount | Pos.         | FTE Amount   | Pos.          | FTE Amount   | Pos.              | FTE Amount |
| PPA 1                                   | -              | -          | 9            | 1,000        | 9             | 1,000        | -                 | -          |
| PPA 2                                   | -              | -          | -            | -            | -             | -            | -                 | -          |
| <b>Total Obligations</b>                | -              | -          | <b>9</b>     | <b>1,000</b> | <b>9</b>      | <b>1,000</b> | -                 | -          |

**Explanation of Increase/Decrease.**  
 Authorized 9 positions; utilized 0 in FY07.

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                 |  | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|--|--|-------------------|-------------------|-------------------|-----------------------|
| 11.1   | Full-time permanent                            | 5,007             | 5,270             | 5,679             | 409                   |
| 11.3   | Other than full-time permanent                 | 7                 | 7                 | 7                 | -                     |
| 11.5   | Other personnel compensation                   | 161               | 169               | 182               | 13                    |
| 11.7   | Military personnel                             | 76,502            | 78,634            | 81,136            | 2,502                 |
| 11.8   | Special service pay                            | -                 | -                 | -                 | -                     |
| 12.1   | Civilian personnel benefits                    | 1,347             | 1,417             | 1,527             | 110                   |
| 12.2   | Military personnel benefits                    | 11,956            | 12,304            | 12,709            | 405                   |
| 13.0   | Benefits-former                                | -                 | -                 | -                 | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>   |  | <b>\$ 94,980</b>  | <b>\$ 97,801</b>  | <b>\$ 101,240</b> | <b>\$ 3,439</b>       |
| Other Objects Classes:                         |  |                   |                   |                   |                       |
| 21.0   | Travel   | 5,080             | 5,843             | 5,880             | 37                    |
| 22.0   | Transportation of things                       | 39                | 45                | 45                | -                     |
| 23.1   | GSA rent                                       | -                 | -                 | -                 | -                     |
| 23.2   | Other rent                                     | -                 | -                 | -                 | -                     |
| 23.3   | Communication, utilities, and misc charges     | -                 | -                 | -                 | -                     |
| 24.0   | Printing and reproduction                      | 207               | 238               | 239               | 1                     |
| 25.1   | Advisory and assistance services               | -                 | -                 | -                 | -                     |
| 25.2   | Other services                                 | 20,005            | 10,895            | 10,962            | 67                    |
| 25.3   | Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                     |
| 25.4   | Operation & maintenance of facilities          | -                 | -                 | -                 | -                     |
| 25.5   | Research and development                       | -                 | -                 | -                 | -                     |
| 25.6   | Medical care                                   | -                 | 5,500             | 5,534             | 34                    |
| 25.7   | Operation and maintenance of equipment         | -                 | -                 | -                 | -                     |
| 25.8   | Subsistence and support of persons             | -                 | -                 | -                 | -                     |
| 26.0   | Supplies and materials                         | 187               | 6,540             | 6,580             | 40                    |
| 31.0   | Equipment                                      | 18                | 21                | 21                | -                     |
| 32.0   | Land and structures                            | -                 | -                 | -                 | -                     |
| 41.0   | Grants, subsidies and contributions            | -                 | -                 | -                 | -                     |
| 42.0   | Insurance claims and indemnity                 | -                 | -                 | -                 | -                     |
| <b>Total, Other Object Classes</b>             |  | <b>\$ 25,536</b>  | <b>\$ 29,082</b>  | <b>\$ 29,261</b>  | <b>\$ 179</b>         |
| <b>Total Direct Obligations</b>                |  | <b>\$ 120,516</b> | <b>\$ 126,883</b> | <b>\$ 130,501</b> | <b>\$ 3,618</b>       |
| Unobligated balance, start of year             |  | -                 | -                 | -                 | -                     |
| Unobligated balance, end of year <sup>71</sup> |  | 1,932             | -                 | -                 | -                     |
| <b>Total Requirements</b>                      |  | <b>\$ 122,448</b> | <b>\$ 126,883</b> | <b>\$ 130,501</b> |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training - Military  
Permanent Positions by Grade**

| Grade                                       | 2007               | 2008                | 2009                | 2008 - 2009       |
|---|--------------------|---------------------|---------------------|-------------------|
|   | Actual<br>Pos.     | Enacted<br>Pos.     | Request<br>Pos.     | Change<br>Pos.    |
| O-10  | -                  | -                   | -                   | -                 |
| O-9   | -                  | -                   | -                   | -                 |
| O-8   | 1                  | 1                   | 1                   | -                 |
| O-7   | -                  | -                   | -                   | -                 |
| O-6   | 7                  | 7                   | 7                   | -                 |
| O-5   | 12                 | 12                  | 12                  | -                 |
| O-4   | 21                 | 21                  | 21                  | -                 |
| O-3   | 49                 | 49                  | 49                  | -                 |
| O-2   | 12                 | 12                  | 12                  | -                 |
| O-1   | -                  | -                   | -                   | -                 |
| CWO   | 19                 | 19                  | 19                  | -                 |
| Cadet                                       | -                  | -                   | -                   | -                 |
| E-10  | -                  | -                   | -                   | -                 |
| E-9   | 6                  | 6                   | 6                   | -                 |
| E-8   | 9                  | 9                   | 9                   | -                 |
| E-7   | 39                 | 39                  | 39                  | -                 |
| E-6   | 121                | 121                 | 121                 | -                 |
| E-5   | 84                 | 84                  | 84                  | -                 |
| E-4   | 47                 | 47                  | 47                  | -                 |
| E-3   | 8                  | 8                   | 8                   | -                 |
| E-2   | 3                  | 3                   | 3                   | -                 |
| E-1   | -                  | -                   | -                   | -                 |
| Other Graded Positions                      | -                  | -                   | -                   | -                 |
| Ungraded Positions                          | -                  | -                   | -                   | -                 |
| <b>Total Permanent Positions</b>            | <b>438</b>         | <b>438</b>          | <b>438</b>          | <b>-</b>          |
| Unfilled Positions EOY                      | -                  | -                   | -                   | -                 |
| Total Perm. Employment EOY                  | 438                | 438                 | 438                 | -                 |
| <b>FTE*</b>                                 | <b>441</b>         | <b>441</b>          | <b>441</b>          | <b>-</b>          |
| Headquarters                                | 40                 | 40                  | 40                  | -                 |
| U.S. Field                                  | 398                | 398                 | 398                 | -                 |
| Foreign Field                               | -                  | -                   | -                   | -                 |
| <b>Total Permanent Positions</b>            | <b>438</b>         | <b>438</b>          | <b>438</b>          | <b>-</b>          |
| <u>Position Data:</u>                       |                    |                     |                     |                   |
| <b>Average Salary, Officer Positions**</b>  | <b>\$96,732.55</b> | <b>\$101,153.78</b> | <b>\$109,016.00</b> | <b>\$7,862.22</b> |
| <b>Average Grade, Officer Positions</b>     | <b>3.37</b>        | <b>3.37</b>         | <b>3.37</b>         | <b>0.00</b>       |
| <b>Average Salary, Enlisted Positions**</b> | <b>\$55,636.56</b> | <b>\$58,063.72</b>  | <b>\$63,535.00</b>  | <b>\$5,471.28</b> |
| <b>Average Grade, Enlisted Positions</b>    | <b>5.56</b>        | <b>5.56</b>         | <b>5.56</b>         | <b>0.00</b>       |

\*The Coast Guard manages the military workforce by end strength, not Full Time Equivalent (FTE). The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular pay grade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 1              | 1               | 1               | -              |
| GS-14   | 4              | 4               | 4               | -              |
| GS-13   | 4              | 4               | 4               | -              |
| GS-12   | 10             | 10              | 10              | -              |
| GS-11   | 8              | 8               | 8               | -              |
| GS-10   | -              | -               | -               | -              |
| GS-9  | 11             | 11              | 11              | -              |
| GS-8  | 5              | 5               | 5               | -              |
| GS-7  | 30             | 30              | 30              | -              |
| GS-6  | 14             | 14              | 14              | -              |
| GS-5  | 9              | 9               | 9               | -              |
| GS-4  | 1              | 1               | 1               | -              |
| GS-3  | -              | -               | -               | -              |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | 1              | 1               | 1               | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>98</b>      | <b>98</b>       | <b>98</b>       | <b>-</b>       |
| Unfilled Positions EOY                        | 3              | 3               | 3               | -              |
| Total Perm. Employment (Filled Positions) EOY | 95             | 95              | 95              | -              |
| <b>FTE</b>                                    | <b>95</b>      | <b>95</b>       | <b>95</b>       | <b>-</b>       |
| Headquarters                                  | 11             | 11              | 11              | -              |
| U.S. Field                                    | 87             | 87              | 87              | -              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>98</b>      | <b>98</b>       | <b>98</b>       | <b>-</b>       |
| <u>Position Data:</u>                         |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$71,568.04    | \$74,638.14     | \$74,875.00     | 236.86         |
| <b>Average Grade, GS Positions</b>            | 8.38           | 8.38            | 8.38            | 0.00           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holidays hazardous duty, reemployment annuitant and severance pays, night differential, non-foreign Cost-of-Living Allowance and premium compensation for firefighters.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security  
U. S. Coast Guard  
Reserve Training  
PPA I: Pay, Benefits and Allowances  
Funding Schedule  
(Dollars in Thousands)**

| PPA I: Pay, Benefits and Allowances        |  | 2007*            | 2008*            | 2009*             | 2008 to 2009    |
|--|--|------------------|------------------|-------------------|-----------------|
| Object Classes                             |  | Actual           | Enacted          | Request           | Change          |
| 11.1                                       | Full-time permanent                            | 5,007            | 5,270            | 5,679             | 409             |
| 11.3                                       | Other than full-time permanent                 | 7                | 7                | 7                 | -               |
| 11.5                                       | Other personnel compensation                   | 161              | 169              | 182               | 13              |
| 11.7                                       | Military personnel                             | 76,502           | 78,634           | 81,136            | 2,502           |
| 11.8                                       | Special service pay                            | -                | -                | -                 | -               |
| 12.1                                       | Civilian personnel benefits                    | 1,347            | 1,417            | 1,527             | 110             |
| 12.2                                       | Military personnel benefits                    | 11,956           | 12,304           | 12,709            | 405             |
| 13.0                                       | Benefits-former                                | -                | -                | -                 | -               |
| 21.0                                       | Travel   | -                | -                | -                 | -               |
| 22.0                                       | Transportation of things                       | -                | -                | -                 | -               |
| 23.1                                       | GSA rent                                       | -                | -                | -                 | -               |
| 23.2                                       | Other rent                                     | -                | -                | -                 | -               |
| 23.3                                       | Communication, utilities, and misc charges     | -                | -                | -                 | -               |
| 24.0                                       | Printing and reproduction                      | -                | -                | -                 | -               |
| 25.1                                       | Advisory and assistance services               | -                | -                | -                 | -               |
| 25.2                                       | Other services                                 | -                | -                | -                 | -               |
| 25.3                                       | Purchases of goods & svcs. from gov't accounts | -                | -                | -                 | -               |
| 25.4                                       | Operation & maintenance of facilities          | -                | -                | -                 | -               |
| 25.5                                       | Research and development                       | -                | -                | -                 | -               |
| 25.6                                       | Medical care                                   | -                | -                | -                 | -               |
| 25.7                                       | Operation and maintenance of equipment         | -                | -                | -                 | -               |
| 25.8                                       | Subsistence and support of persons             | -                | -                | -                 | -               |
| 26.0                                       | Supplies and materials                         | -                | -                | -                 | -               |
| 31.0                                       | Equipment                                      | -                | -                | -                 | -               |
| 32.0                                       | Land and structures                            | -                | -                | -                 | -               |
| 41.0                                       | Grants, subsidies and contributions            | -                | -                | -                 | -               |
| 42.0                                       | Insurance claims and indemnity                 | -                | -                | -                 | -               |
| <b>Total, Pay, Benefits and Allowances</b> |  | <b>\$ 94,980</b> | <b>\$ 97,801</b> | <b>\$ 101,240</b> | <b>\$ 3,439</b> |
| <b>Full Time Equivalents</b>               |  | <b>536</b>       | <b>536</b>       | <b>536</b>        | <b>-</b>        |

### PPA Mission Statement

This PPA request funds expenses for compensation of active duty military service members and civilian personnel who support the Reserve Training program. This category also includes pay, allowances, employer's share of FICA, Social Security credits and other expenses. Requested funding will compensate our 536 full-time personnel.

## Summary Justification and Explanation of Changes

### Salaries and Benefits

| 2007      | 2008      | 2009       | 2008 - 2009 |
|-----------|-----------|------------|-------------|
| Actual    | Enacted   | Request    | Change      |
| \$ 94,980 | \$ 97,801 | \$ 101,240 | \$ 3,439    |

Salaries and Benefits provides compensation directly related to Coast Guard active duty military and civilian personnel duties. This includes costs for 536 FTE. The increase in the FY09 request is due to the proposed pay raise (2.9% civ and 3.4% mil).

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Reserve Training**  
**PPA II: Operations, Maintenance and Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| PPA II: Operations, Maintenance and Administration       |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|--|--|------------------|------------------|------------------|------------------------|
| <b>Object Classes</b>                                    |  |                  |                  |                  |                        |
| 11.1   | Full-time permanent                            | -                | -                | -                | -                      |
| 11.3   | Other than full-time permanent                 | -                | -                | -                | -                      |
| 11.5   | Other personnel compensation                   | -                | -                | -                | -                      |
| 11.7   | Military personnel                             | -                | -                | -                | -                      |
| 11.8   | Special service pay                            | -                | -                | -                | -                      |
| 12.1   | Civilian personnel benefits                    | -                | -                | -                | -                      |
| 12.2   | Military personnel benefits                    | -                | -                | -                | -                      |
| 13.0   | Benefits-former                                | -                | -                | -                | -                      |
| 21.0   | Travel   | 5,080            | 5,843            | 5,880            | 37                     |
| 22.0   | Transportation of things                       | 39               | 45               | 45               | -                      |
| 23.1   | GSA rent                                       | -                | -                | -                | -                      |
| 23.2   | Other rent                                     | -                | -                | -                | -                      |
| 23.3   | Communication, utilities, and misc charges     | -                | -                | -                | -                      |
| 24.0   | Printing and reproduction                      | 207              | 238              | 239              | 1                      |
| 25.1   | Advisory and assistance services               | -                | -                | -                | -                      |
| 25.2   | Other services                                 | 20,005           | 10,895           | 10,962           | 67                     |
| 25.3   | Purchases of goods & svcs. from gov't accounts | -                | -                | -                | -                      |
| 25.4   | Operation & maintenance of facilities          | -                | -                | -                | -                      |
| 25.5   | Research and development                       | -                | -                | -                | -                      |
| 25.6   | Medical care                                   | -                | 5,500            | 5,534            | 34                     |
| 25.7   | Operation and maintenance of equipment         | -                | -                | -                | -                      |
| 25.8   | Subsistence and support of persons             | -                | -                | -                | -                      |
| 26.0   | Supplies and materials                         | 187              | 6,540            | 6,580            | 40                     |
| 31.0   | Equipment                                      | 18               | 21               | 21               | -                      |
| 32.0   | Land and structures                            | -                | -                | -                | -                      |
| 41.0   | Grants, subsidies and contributions            | -                | -                | -                | -                      |
| 42.0   | Insurance claims and indemnity                 | -                | -                | -                | -                      |
| <b>Total, Operations, Maintenance and Administration</b> |  | <b>\$ 25,536</b> | <b>\$ 29,082</b> | <b>\$ 29,261</b> | <b>\$ 179</b>          |
| <b>Full Time Equivalents</b>                             |  | -                | -                | -                | -                      |

## Summary Justification and Explanation of Changes

### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 5,080       | \$ 5,843        | \$ 5,880        | \$ 37                 |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Increase in FY09 is due to increased travel related expenses.

### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 39          | \$ 45           | \$ 45           | -                     |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The 2009 request has not change.

### Printing and reproduction

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 207         | \$ 238          | \$ 239          | \$ 1                  |

Printing includes all costs for printing and reproduction obtained from the private sector or other Federal entities. Funding includes charges associated with publication of Coast Guard training manuals, operational instructions, reports and other Coast Guard directives.

### Other services

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 20,005      | \$ 10,895       | \$ 10,962       | \$ 67                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Increase in FY09 is a result of of increased costs to coordinate new and enhanced Reserve Training program activities.

**Medical care**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ -           | \$ 5,500        | \$ 5,534        | \$ 34                 |

Payments to contractors for medical care include Medicare contractors, private hospitals, nursing homes, and carriers by the Employees and retired employee's health benefits and Tricare. Increase in FY09 is a result of increased costs of medical care.

**Supplies and materials**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 187         | \$ 6,540        | \$ 6,580        | \$ 40                 |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Increase in FY09 is due to an increase in the amount of consumables to conduct general Reserve administration.

**Equipment**

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 18          | \$ 21           | \$ 21           | -                     |

Include capitalized (depreciated) assest and non-capitalized assests. The FY 2009 request has no change.

**I. Changes in Full-Time Equivalents**

**Not Applicable**



# Department of Homeland Security

*United States Coast Guard*

*Acquisition, Construction and Improvements*

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Fiscal Year 2009

Congressional Justification



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# U. S. Coast Guard

## Acquisition, Construction and Improvements

### I. Appropriation Overview

#### **A. Mission Statement for Acquisition, Construction and Improvements:**

The Coast Guard requests \$1.205 billion in FY 2009, an increase of \$212.484 million above the \$992.634 million enacted level in FY 2008. The Acquisition, Construction and Improvements (AC&I) appropriation finances the acquisition of new capital assets, construction of new facilities and physical improvements to existing facilities and assets. The appropriation covers Coast Guard-owned and operated vessels, shore facilities and other equipment, such as computer and other systems.

The AC&I funding request supports all statutorily-mandated Coast Guard mission-programs. These mission-programs in turn directly support the Coast Guard's role as the nation's principal Federal agency responsible for maritime **safety, security, and stewardship**.

#### **B. Budget Activities:**

This funding supports all Coast Guard missions, including Search and Rescue (SAR); Marine Safety; Aids to Navigation (AtoN); Ice Operations; Marine Environmental Protection (MEP); Living Marine Resources (LMR); Drug Interdiction; Migrant Interdiction; Other Law Enforcement; Ports, Waterways and Coastal Security (PWCS); and Defense Readiness.

#### **C. Budget Request Summary:**

The Coast Guard requests \$1.205 billion in FY 2009 to support the following projects. Excluding emergency funding provided in P.L. 110-161, the program increases are \$261.909 million. The total adjustments-to-base reflects a decrease of \$86.074 million that includes a \$3.859 million transfer to the Operating Expenses appropriation to accommodate the GSA lease payments associated with the Coast Guard's acquisition personnel consolidation and Deepwater oversight reorganization:

- Response Boat-Medium - \$64.000 million
- Inland Rivertender - Survey and Design - \$5.000 million
- Deepwater - \$990.444 million
- Nationwide Automatic Identification System - \$14.600 million,
- Rescue 21 - \$73.000 million
- High Frequency recapitalization - \$2.500 million
- Command 21 (Port C4ISR) - \$1.000 million
- Defense Messaging System - \$4.074 million
- Shore facilities and aids to navigation - \$50.000 million
- AC&I personnel related support - \$500 thousand

**II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition, Construction and Improvements  
Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007    |                     | FY 2008    |                     | FY 2009  |                     | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |                    |
|--|------------|---------------------|------------|---------------------|----------|---------------------|--|-------------------|-----------------|-------------------|---------------------|--------------------|
|  | Actual     |                     | Enacted    |                     | Request  |                     | Total Changes                            |                   | Program Changes |                   | Adjustments-to-base |                    |
|  | FTE        | AMOUNT              | FTE        | AMOUNT              | FTE      | AMOUNT              | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT             |
| I. Vessels and Critical Infrastructure                       | -          | \$ 62,885           | -          | \$ 9,200            | -        | \$ 69,000           | -  | \$ 59,800         | -               | \$ 59,800         | -                   | \$ -               |
| II. Integrated Deepwater Systems                             | -          | \$ 1,259,418        | -          | \$ 783,266          | -        | \$ 990,444          | -  | \$ 207,178        | -               | \$ 211,037        | -                   | \$ (3,859)         |
| III. Other Equipment   | -          | \$ 99,911           | -          | \$ 113,100          | -        | \$ 95,174           | -  | \$ (17,926)       | -               | \$ (17,926)       | -                   | \$ -               |
| IV. Aircraft   | -          | \$ 5,385            | -          | \$ -                | -        | \$ -                | -  | \$ -              | -               | \$ -              | -                   | \$ -               |
| V. Shore Facilities and Aids to Navigation                   | -          | \$ 30,757           | -          | \$ 40,997           | -        | \$ 50,000           | -  | \$ 9,003          | -               | \$ 9,003          | -                   | \$ -               |
| VI. Personnel and Related Support                            | 619        | \$ 75,539           | 652        | \$ 82,720           | -        | \$ 500              | (652)                                    | \$ (82,220)       | -               | \$ (5)            | (652)               | \$ (82,215)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>619</b> | <b>\$ 1,533,895</b> | <b>652</b> | <b>\$ 1,029,283</b> | <b>-</b> | <b>\$ 1,205,118</b> | <b>(652)</b>                             | <b>\$ 175,835</b> | <b>-</b>        | <b>\$ 261,909</b> | <b>(652)</b>        | <b>\$ (86,074)</b> |
| <b>Adjustments for Other Funding Sources:</b>                |            |                     |            |                     |          |                     |  |                   |                 |                   |                     |                    |
| Rescission pursuant to P.L. 109-295                          |            | [78,694]            |            |                     |          |                     |  |                   |                 |                   |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 109-295  |            | [24,100]            |            |                     |          |                     |  |                   |                 |                   |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |            |                     |            | \$ (98,627)         |          |                     |  | \$ 98,627         |                 | \$ 98,627         |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |            |                     |            | \$ (33,822)         |          |                     |  | \$ 33,822         |                 | \$ 33,822         |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |            |                     |            | \$ (4,815)          |          |                     |  | \$ 4,815          |                 | \$ 4,815          |                     |                    |
| Emergency Appropriation pursuant to P.L. 110-161             |            |                     |            | \$ 95,800           |          |                     |  | \$ (95,800)       |                 | \$ (95,800)       |                     |                    |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>619</b> | <b>\$ 1,533,895</b> | <b>652</b> | <b>\$ 987,819</b>   | <b>-</b> | <b>\$ 1,205,118</b> | <b>(652)</b>                             | <b>\$ 217,299</b> | <b>-</b>        | <b>\$ 303,373</b> | <b>(652)</b>        | <b>\$ (86,074)</b> |

Note: Requesting the Acquisition, Construction and Improvement (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

**II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition, Construction and Improvements  
Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                     | FY 2008 Enacted Incl. Emergency Funds |                     | FY 2009 Request |                     | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |                    |
|--|----------------|---------------------|---------------------------------------|---------------------|-----------------|---------------------|--|-------------------|-----------------|-------------------|---------------------|--------------------|
|  | FTE            | AMOUNT              | FTE                                   | AMOUNT              | FTE             | AMOUNT              | Total Changes                            |                   | Program Changes |                   | Adjustments-to-base |                    |
|  |                |                     |                                       |                     |                 |                     | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT             |
| I. Vessels and Critical Infrastructure                       | -              | \$ 62,885           | -                                     | \$ 45,000           | -               | \$ 69,000           | -  | \$ 24,000         | -               | \$ 24,000         | -                   | \$ -               |
| II. Integrated Deepwater Systems                             | -              | \$ 1,259,418        | -                                     | \$ 783,266          | -               | \$ 990,444          | -  | \$ 207,178        | -               | \$ 211,037        | -                   | \$ (3,859)         |
| III. Other Equipment   | -              | \$ 99,911           | -                                     | \$ 173,100          | -               | \$ 95,174           | -  | \$ (77,926)       | -               | \$ (77,926)       | -                   | \$ -               |
| IV. Aircraft   | -              | \$ 5,385            | -                                     | \$ -                | -               | \$ -                | -  | \$ -              | -               | \$ -              | -                   | \$ -               |
| V. Shore Facilities and Aids to Navigation                   | -              | \$ 30,757           | -                                     | \$ 40,997           | -               | \$ 50,000           | -  | \$ 9,003          | -               | \$ 9,003          | -                   | \$ -               |
| VI. Personnel and Related Support                            | 619            | \$ 75,539           | 652                                   | \$ 82,720           | -               | \$ 500              | (652)                                    | \$ (82,220)       | -               | \$ (5)            | (652)               | \$ (82,215)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>619</b>     | <b>\$ 1,533,895</b> | <b>652</b>                            | <b>\$ 1,125,083</b> | <b>-</b>        | <b>\$ 1,205,118</b> | <b>(652)</b>                             | <b>\$ 80,035</b>  | <b>-</b>        | <b>\$ 166,109</b> | <b>(652)</b>        | <b>\$ (86,074)</b> |
| <b>Adjustments for Other Funding Sources:</b>                |                |                     |                                       |                     |                 |                     |  |                   |                 |                   |                     |                    |
| Rescission pursuant to P.L. 109-295                          |                | [78,694]            |                                       |                     |                 |                     |  |                   |                 |                   |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 109-295  |                | [24,100]            |                                       |                     |                 |                     |  |                   |                 |                   |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |                |                     |                                       | \$ (98,627)         |                 |                     |  | \$ 98,627         |                 | \$ 98,627         |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |                |                     |                                       | \$ (33,822)         |                 |                     |  | \$ 33,822         |                 | \$ 33,822         |                     |                    |
| Rescission of unobligated balances pursuant to P.L. 110-161  |                |                     |                                       | \$ (4,815)          |                 |                     |  | \$ 4,815          |                 | \$ 4,815          |                     |                    |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>619</b>     | <b>\$ 1,533,895</b> | <b>652</b>                            | <b>\$ 987,819</b>   | <b>-</b>        | <b>\$ 1,205,118</b> | <b>(652)</b>                             | <b>\$ 217,299</b> | <b>-</b>        | <b>\$ 303,373</b> | <b>(652)</b>        | <b>\$ (86,074)</b> |

Note: Requesting the Acquisition, Construction and Improvement (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition, Construction and Improvements  
Program Performance Justification  
(Dollars in thousands)**

#### PPA I: VESSELS AND CRITICAL INFRASTRUCTURE PROJECTS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$62,885</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>45,000</b>   |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...             |
| <b>2009 Current Services</b> | ...                 | ...        | <b>45,000</b>   |
| 2009 Program Change          | ...                 | ...        | 24,000          |
| <b>2009 Request</b>          | ...                 | ...        | <b>69,000</b>   |
| Total Change 2008-2009       | ...                 | ...        | 24,000          |

The above table includes emergency funding of \$35.800 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$69.000 million. Excluding Emergency funds provided, the increase over FY 2008 enacted is \$59.800 million.

#### **PROGRAM DESCRIPTION:**

##### **Primary operational resource supported: Surface assets, Command and Control**

Funding supports the initial acquisition, development or construction of any vessel costing more than \$1.000 million each, or \$8.000 million per project or cutter class/boat class. It also represents the improvement, renovation, upgrade, replacement or alteration of any vessel exceeding \$1.000 million per vessel or \$8.000 million per project or cutter class/boat class, or costing more than \$10.000 million regardless of the cost per vessel. Our primary projects for this funding in FY 2009 are the Response Boat-Medium (RB-M) project and Inland River - Survey and Design.

##### **Response Boat-Medium (RB-M)**

##### **Significant accomplishments in FY 2007 include:**

- Ordered six RB-Ms (hulls #7-12)
- Completed detailed design
- Began construction on the first RB-Ms with delivery scheduled in Q2 FY 2008

##### **FY 2008 planned accomplishments include:**

- Ordering 18 RB-Ms (hulls #13-30)
- Delivery and support for the first four RB-Ms (ordered Q4 FY 2006 with prior funding)
- Commencement of Operational Test and Evaluation (OT&E) on the first four RB-Ms

**FY 2009 planned accomplishments include:**

- Order 14 RB-Ms (hulls #31-44). Hulls #31-36 represent the final 6 LRIP hulls, and hulls #37-44 represent the first 8 production hulls.
- Delivery and support for an additional ten RB-Ms ordered with prior funding
- Complete Operational Test and Evaluation (OT&E) with the first six boats with prior funding

**Inland River - Survey and Design**

In FY 2009, funding will support future year cutter and boat renovation and acquisition programs focusing on the sustainment and/or replacement of the current Inland Rivertender fleet.

**PPA II: INTEGRATED DEEPWATER SYSTEMS**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$1,259,418</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>783,266</b>     |
| 2009 Adjustments-to-Base     | ...                 | ...        | -3,859             |
| <b>2009 Current Services</b> | ...                 | ...        | <b>779,407</b>     |
| 2009 Program Change          | ...                 | ...        | 211,037            |
| <b>2009 Request</b>          | ...                 | ...        | <b>990,444</b>     |
| Total Change 2008-2009       | ...                 | ...        | 207,178            |

The Coast Guard requests \$990.444 million for this activity. This is an increase of \$207.178 million above FY 2008 enacted.

**PROGRAM DESCRIPTION:**

**Primary operational resource supported: All**

To continue to address America's 21st century maritime threats and challenges, the Coast Guard initiated the Integrated Deepwater System (IDS) program, the largest and most innovative acquisition in Coast Guard history. At full implementation, IDS will be comprised of new cutters and their associated small boats, upgraded legacy cutters, a new fixed-wing manned aircraft fleet, an upgraded helicopters, and both cutter-based and land-based unmanned air vehicles. All of these highly capable assets will be linked with state-of-the-art Command, Control, Communications and Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) systems, and will be supported by an integrated logistics regime. Given its importance, depth and complexity, IDS is comprised of three separate sub-categories:

- Aircraft
- Surface
- Other

## **Significant accomplishments in FY 2007 include:**

### **AIRCRAFT**

- Maritime Patrol Aircraft (MPA)
  - First three aircraft completed production and delivered
  - Preliminary production test flights for first MPA complete
  - Pilot and technician training in progress
  - Placed aircraft #4-8 on contract
- C130-J Missionization
  - First aircraft inducted in Lockheed Greenville in December 2006 for on-aircraft integration
  - Second aircraft inducted in July 2007
- HH-65 Engine Conversion
  - To date, 93 HH-65B aircraft re-engined and designated HH-65C

### **SURFACE**

- NSC #1 (USCGC BERTHOLF) more than 90% complete at close of FY07
  - Resolved Consolidated Contracting Action (CCA) to close out all disputed costs for the NSCs #1-#3.
  - Placed NSC #3 on contract.
- NSC #2 (USCGC WAESCHE) more than 32% complete at close of FY07
- Fast Response Cutter (FRC-A) Business Case Analysis for the composite hull completed.
- FRC-A Business Case Analysis led to decision to proceed with a full and open competition for the FRC-B “parent craft” in May of 2007 with award expected in FY 2008.

### **OTHER**

- C4ISR
  - Increment 1 core capabilities demonstration done in October 2006
  - Hardware and software installations complete in November 2006
  - Shipboard Medium Frequency (MF) Digital Selective Calling prototypes installed by end of calendar year (CY) 2006
- Facilities
  - Aviation Training Center (ATC) Mobile, MPA hangar construction – completed mid December 2006
  - Communications Area Master Station Atlantic (CAMSLANT), new receiver/operations building addition – completed in March 2007
  - Training Center (TRACEN) Petaluma, Renovation of Building 500 & installation of NSC C4ISR training suite – completed in January 2007
    - NSC Off-Cycle Crew Support (OCCS) building initial design commenced FY 2007
- Award Term
  - Award Term RFP released 1 December 2006; Award Term 1 contract signed June 2007
    - Includes options for program management, systems engineering & integration, and studies & analysis. Additional DTO requirements for incremental release for proposal: MPA, C4ISR Integrated Logistics Systems (ILS) design and management, C4ISR core software and systems engineering, C4ISR Maritime Decision Awareness Center (MDAC)

operations and support, C4ISR sustainment, and Logistics Information Management System (LIMS)

- Non-Contract Government Incurred (NCGI) Accomplishments
  - AIR
    - HC-130H – APS-137 (surface search) radar replacement completed Developmental Testing and Evaluation (DT&E) July 2007
    - HH-60J Conversion – HH-60T Avionics upgrade prototype (CG 6027) successfully completed Electro-Magnetic Interference (EMI) and DT&E at NAVAIR, Patuxent River, MD, ensuring compliance with sponsor’s requirements. Selected Electro-Optic/Infrared (EO/IR) system vendor.

**FY 2008 planned accomplishments include:**

**AIRCRAFT**

- HC-130H - hold full and open competition for avionics upgrade project.
- HC-130H - APS-137 replacement project will install 10 of 16 units on operational aircraft
- Maritime Patrol Aircraft (MPA) – funds production of MPA numbers nine through twelve as well as missionization and logistics to outfit these aircraft for “mission ready” status
- HH-65 – provide a service-life extension to refurbish the airframe, tail drive shaft and fenestron anti-torque device; strengthen the landing gear; add new radar and new C4ISR suite; and install an integrated cockpit

**SURFACE**

- Contract will be awarded for FRC-B
- Begin construction of NSC #3
- Purchase Long Lead Time Material (LLTM) for NSC #4
- Complete the funding for NSC #3-#4 Government Furnished Equipment (GFE), certifications and logistics

**OTHER**

- Logistics Shore
  - Install LIMS at facilities where LIMS use is required, including Naval Engineering Support Unit (NESU) Boston, NESU Honolulu, Engineering Support Unit (ESU) Honolulu, ATC Mobile, Coast Guard Air Station (CGAS) Savannah, CGAS New Orleans, CGAS Miami, CGAS Cape Cod, CGAS, Borinquen, CGAS Barbers Point and CGAS Elizabeth City
- Facilities
  - Construct the OCCS building to support the new NSCs in Alameda, CA and the FRC office/storage building in Miami, FL

**FY 2009 planned accomplishments include:**

**AIRCRAFT**

- MPA – funds production of MPA #13 and #14 as well as missionization and logistics to outfit these aircraft for “mission ready” status

- HH-65 – continue a service-life extension to refurbish the airframe, wiring and components; adds new radar and new C4ISR suite; and install an integrated cockpit
- HH-60 – continue a service-life extension to refurbish the airframe, wiring, and components; add new radar and new C4ISR suite; and install an integrated cockpit
- HC-130H will fly first avionics upgrade prototype aircraft.

#### **SURFACE**

- Award production for NSC #4
- Continuing progress on Mission Effectiveness Project (MEP) for WMEC’s and WPB’s

#### **OTHER**

- Logistics Shore
  - Continuing installation of LIMS systems at facilities where LIMS use is required, including NESU Boston, NESU Honolulu, ESU Honolulu, Aviation Technical Training Center (ATTC) Mobile, Coast Guard Air Station (CGAS) Savannah, CGAS New Orleans, CGAS Miami, CGAS Cape Cod, CGAS, Borinquen, CGAS Barbers Point and CGAS Elizabeth City
  - Phase II construction of the Off-Cycle Crew Support (OCCS) building to support NSCs in Alameda, CA; facility upgrades at the first three FRC-B homeports; facility upgrades at the second NSC homeport; environmental assessments of Deepwater homeports and aviation sites; as well as detailed engineering evaluations of Deepwater sites.

#### **PPA III: OTHER EQUIPMENT**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$99,911</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>173,100</b>  |
| 2009 Adjustments-to-Base     | ...                 | ...        | ...             |
| <b>2009 Current Services</b> | ...                 | ...        | <b>173,100</b>  |
| 2009 Program Change          | ...                 | ...        | -77,926         |
| <b>2009 Request</b>          | ...                 | ...        | <b>95,174</b>   |
| Total Change 2008-2009       | ...                 | ...        | -77,926         |

The above table includes emergency funding of \$60.000 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$95.174 million. Excluding Emergency funds provided, the decrease below FY 2008 enacted is \$17.926 million.

#### **PROGRAM DESCRIPTION:**

##### **Primary operational resource supported: Command, Control, Communications, Computers and Information Technology**

Funding procures hardware and software, including the initial acquisition, development or construction of any system, software or equipment costing over \$1 million per usable segment or item, or \$10 million total project cost. It also includes the improvement, renovation, upgrade,

replacement or alteration of equipment or hardware that exceeds \$1 million per usable segment or item, or \$10 million total project cost, regardless of the cost per site.

### **Nationwide Automatic Identification System (NAIS)**

#### **Significant accomplishments in FY 2007 include:**

- Complete NAIS Increment 1, providing an AIS receive-only capability for tracking AIS equipped vessels in 55 critical ports and nine coastal areas and provide the track data to the USCG Maritime Common Operational Picture (COP) for use by all field and unit commanders
- Complete an equipment integration study to test the feasibility of using the R21 radio-frequency subsystem transmit and receive gateways to reduce the overall cost for additional towers, enclosures and antennas.

#### **FY 2008 planned accomplishments include:**

- Release the first NAIS Increment 2 Request for Proposal (RFP) for delivery of the receive and transmit AIS system design and Initial Operating Capability (IOC). Receive and transmit AIS is a crucial component of the National Strategy for Maritime Security and National Plan to Achieve Maritime Domain Awareness.
- Gather lessons learned from NAIS receive and transmit system design and IOC delivery to develop the second Increment 2 RFP for nationwide deployment.
- Provide additionally-required network services, a subset of all data processing requirements (including, at a minimum, verification of AIS data and consolidation of AIS position reports received from multiple AIS stations in a sector) and integration with end users' systems.
- Will allow each SCC to effectively transmit all standard AIS messages and will provide data to separate systems and organizations, which will include the maritime COP and the Intelligence Community via the Common Intelligence Picture and supporting systems [e.g., Maritime Awareness Global NETwork (MAGNET)].
- Launch a concept validation satellite with an AIS receiver to validate the capability to track AIS equipped vessels from space for the NAIS project's Increment 3 – Long-range AIS Receive

#### **In FY 2009, funds requested will:**

- Achieve Increment 2 Initial Operating Capability (IOC) which is defined as receive coverage within 50 nautical miles and transmit coverage within 24 nautical miles of the baseline (baseline is approximately equal to the coastline) and navigable inland waterways in at least two adjacent Coast Guard Sectors in one Coast Guard Area and one additional Coast Guard Sector in another Coast Guard Area.
- Provide additional-required network services, a subset of all data processing requirements (including, at a minimum, verification of AIS data and consolidation of AIS position reports received from multiple AIS stations in a sector) and integration with end users' systems.
- Continue operation and maintenance of Increment 1 capability in the 55 critical ports and nine coastal areas (not replaced by Increment 2 IOC capability).
- Continue implementation of Increment 3 to achieve Initial Operating Capability (IOC) for extended AIS receive capability of AIS messages out to 2000 nautical miles from the coast.

## **Rescue 21**

### **Significant accomplishments in FY 2007 include:**

- Acceptance of the remaining two LRIP regions, Sectors Seattle (WA) and Port Angeles (WA), occurred on December 18, 2006 resulting in an additional 500 nautical miles of coastline coverage
- Acceptance of Phase I of Sector New Orleans including the Rescue 21 tower in Venice (LA), the Sector Command Center and Station New Orleans (Q2 FY07)
- Conducted Integrated Baseline Review (IBR) on contracted deployment activities for the first 11 full-rate-production (FRP) regions 18 - 19 December 2006. Regions include Long Island Sound (NY), New York (NY), Key West (FL), Miami (FL), Jacksonville (FL), New Orleans (LA - Phase II), Galveston (TX), Corpus Christi (TX), Portland (OR), Astoria (OR), and North Bend (OR)
- Continued infrastructure preparation in the first 11 FRP regions. These regions are scheduled to be in operation and accepted by the Coast Guard by the end of CY 2008
- Acceptance of the first FRP region with Sector Long Island, (NY/CT) in Q4 FY 2007, and one a month thereafter.

### **FY 2008 planned accomplishments include:**

At the end of FY 2008, the following additional FRP regions are scheduled to be operational:

- Sector New York, NY
- Sector Delaware Bay
- Sector Hampton Roads, VA
- Sector Baltimore, MD
- Sector Key West, FL
- Sector Miami, FL
- Sector Jacksonville, FL
- Sector Portland, OR
- Group/Air Station Astoria, OR
- Group/Air Station North Bend, OR

### **Funds requested in FY 2009 will specifically accomplish the following work:**

*Rescue 21 Ground Subsystem (GSS) Deployment (partial) – Full Rate Production (FRP) Group III*

- Great Lakes and Outside Continental U.S. Islands
  - Sector Lake Michigan; Sector Sault Ste Marie, MI; Sector Detroit, MI; Sector Buffalo, NY
  - Sector Hawaii, Sector Guam, Sector San Juan, Puerto Rico

### **At the end of FY 2009, the following additional Sectors are scheduled to be operational:**

- Full Rate Production (FRP) Sectors
  - Sector Galveston, TX
  - Sector New Orleans, LA (Phase II)
  - Sector Charleston, SC
  - Sector North Carolina (Fort Macon and Cape Hatteras)
  - Sector Boston, MA
  - Sector San Diego, CA
  - Sector Humboldt Bay, CA

## **High Frequency (HF) Recapitalization**

### **Significant accomplishments in FY 2007 include:**

- Purchase and Replace 10 HF transmitters

### **FY 2008 planned accomplishments include:**

- Purchase and install 12 HF transmitters (\$200K per transmitter).

### **FY 2009 planned accomplishments include:**

- Purchase and install 12 additional HF transmitters (\$200K per transmitter).

## **Defense Messaging System (DMS)**

### **FY 2008 planned accomplishments include:**

- Implement DMS on 378' High Endurance Cutters, half the 270' Medium Endurance Cutters, TRACEN Petaluma, and at the Space and Warfare (SPAWAR) Lab in Charleston;
- Service and maintain DMS equipment onboard Coast Guard cutters by SPAWAR, eliminating follow-on costs associated with the FY 2008 request.

### **FY 2009 planned accomplishments include:**

- Implement DMS on the rest of the 270' Medium Endurance Cutters, 210' Medium Endurance Cutters and the Polar Class Ice Breakers and fully complete the project.

## **Command 21 (Port C4ISR Enhancements)**

### **FY 2008 planned accomplishments include:**

- Begin survey and Design work at high priority ports
- Develop requirements for WatchKeeper Software.

### **FY 2009 planned accomplishments include:**

- Develop WatchKeeper Software
- Continue survey and Design work at high priority ports

## PPA IV: AIRCRAFT

|                              | Perm<br>Pos | FTE | Amount       |
|------------------------------|-------------|-----|--------------|
| <b>2007 Actual</b>           | ...         | ... | <b>5,385</b> |
| <b>2008 Enacted</b>          | ...         | ... | ...          |
| 2009 Adjustments-to-Base     | ...         | ... | ...          |
| <b>2009 Current Services</b> | ...         | ... | ...          |
| 2009 Program Change          | ...         | ... | ...          |
| <b>2009 Request</b>          | ...         | ... | ...          |
| Total Change 2008-2009       | ...         | ... | ...          |

The Coast Guard does not request funding for this activity.

### Significant accomplishments in FY 2007 include:

- Will utilize funding to replace a lost Coast Guard HH-60J helicopter by converting a former U.S. Navy HH-60 to a Coast Guard HH-60

## PPA V: SHORE FACILITIES AND AIDS TO NAVIGATION

|                              | Perm<br>Pos | FTE | Amount          |
|------------------------------|-------------|-----|-----------------|
| <b>2007 Actual</b>           | ...         | ... | <b>\$30,757</b> |
| <b>2008 Enacted</b>          | ...         | ... | <b>40,997</b>   |
| 2009 Adjustments-to-Base     | ...         | ... | ...             |
| <b>2009 Current Services</b> | ...         | ... | <b>40,997</b>   |
| 2009 Program Change          | ...         | ... | 9,003           |
| <b>2009 Request</b>          | ...         | ... | <b>50,000</b>   |
| Total Change 2008-2009       | ...         | ... | 9,003           |

The Coast Guard requests \$50.000 million for this activity. This is an increase of \$ 9.003 million over FY 2008 enacted.

### PROGRAM DESCRIPTION:

#### **Primary operational resource supported: Shore units and Aids-to-Navigation (ATON)**

The AC&I shore facilities and ATON capital investment program provides funding for the acquisition, construction, rebuilding, and improvement of the Coast Guard's shore facilities, ATON, and related equipment.

### Significant accomplishments in FY 2007 include:

- Shore Facilities projects: Chase Hall Barracks Phase I completion; Sector Long Island Sound's multi-purpose building completion; Station Neah Bay breakwater; rebuilding Station and waterfront at Base Galveston Phase I; Integrated Sector Command (ISC) Seattle and Sector Puget Sound's shore operations building and command center Phase II; Station

Fire Island, NY waterfront rehabilitation; Cordova, AK housing recapitalization; ISC Honolulu's Small Arms Firing Range.

- Aids to Navigation work at the following sites: Bay-town-Houston Ship Channel, TX; Beverly Range, PA; Sharps Island Light, MD; Key West, FL; St Andrew Bay, FL; Portland Canal, AK

**FY 2008 planned accomplishments include:**

- Construct duty berthing and boat maintenance bay at Station Washington
- Rebuild multi-purpose facility and waterfront at Base Galveston Phase II.
- Build a Rescue Swimmer Training Facility at Aviation Technical Training Center (ATTC) Elizabeth City, NC.
- Construct a consolidated Station Marquette, MI facility.
- Construct eight additional housing units at Cordova, AK
- Begin facility renovations at Sector Buffalo
- Aids to Navigation work at the following sites: Delaware Bay and River, DE; Sharps Island Light, MD; Edgewater, PA; Lake St. Clair, MI.

**FY 2009 planned accomplishments include:**

- Complete initial survey and design for seven facilities/purposes.
- Commence Phase III of the Cordova, Alaska housing project which will complete 6 duplex units (12 housing units).
- Commence the recapitalization of Chase Hall's North Annex A.
- Commence the renovation of the run way lighting at Air Station Cape Cod (Massachusetts Military Reservation).
- Commence construction of the addition to the TISCOM Telecommunications Systems Directorate (TSD) building.
- Purchase housing for Station Montauk, NY.
- Commence construction of a 23,000 GSF consolidated Station, Aids to Navigation Team (ANT) and Coastal Patrol Boat (CPB) facilities for Station Cape May.

**PPA VI: PERSONNEL AND RELATED SUPPORT**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>728</b>          | <b>619</b> | <b>\$75,539</b> |
| <b>2008 Enacted</b>          | 728                 | 652        | <b>82,720</b>   |
| 2009 Adjustments-to-Base     | -728                | -652       | -82,215         |
| <b>2009 Current Services</b> | ...                 | ...        | <b>505</b>      |
| 2009 Program Change          | ...                 | ...        | -5              |
| <b>2009 Request</b>          | ...                 | ...        | <b>500</b>      |
| Total Change 2008-2009       | -728                | -652       | -82,220         |

The Coast Guard requests \$500 thousand for this activity. This is a decrease of \$82.220 million below FY 2008 enacted.

## **PROGRAM DESCRIPTION:**

### **Primary operational resource supported: All**

Beginning in FY 2009, the AC&I personnel account is expected to be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer). The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer AC&I contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

The \$500 thousand requested covers the costs associated with project overhead activities for major acquisition projects. The primary initiatives include contract support for financial management services, contracting support services, training and workforce certification. The funding allows the Coast Guard to maintain an effective acquisition process by providing AC&I resources that are not project-specific. Resources are needed to maintain core competencies and capabilities necessary to execute assigned workload while meeting various requirements established in the Chief Financial Officer Act, Clinger-Cohen Act, DHS certification level requirements and OMB Circular A-76.

**IV. Program Justification of Changes**

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition Construction and Improvements  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase:** Acquisition, Construction and Improvements

Strategic Goal(s) & Objective(s): 1.1, 1.3, 2.1, 2.2, 3.1, 3.2, 4.1, 4.2, 5.0,

PPA: Applies to all PPAs

Program Decrease/Increase: Positions -728 FTE -652 Dollars \$217,299

Funding Profile

|                           | FY 2007 Actual |            |                  | FY 2008 Enacted |            |                 | FY 2009 Request |          |                    |
|---------------------------|----------------|------------|------------------|-----------------|------------|-----------------|-----------------|----------|--------------------|
|                           | Pos            | FTE        | Dollars (\$000)  | Pos             | FTE        | Dollars (\$000) | Pos             | FTE      | Dollars (\$000)    |
| Current Services Level    | 728            | 619        | 1,533,895        | 728             | 652        | 987,819         | -               | -        | 987,819            |
| Program Increase/decrease |                |            |                  | -               | -          | -               | -               | -        | 217,299            |
| <b>Total Request</b>      | <b>728</b>     | <b>619</b> | <b>1,533,895</b> | <b>728</b>      | <b>652</b> | <b>987,819</b>  | <b>-</b>        | <b>-</b> | <b>\$1,205,118</b> |

Description of Item

*Please see the following budget displays for detailed information: Summary of Requirements and Capital Investments and Construction Initiative Listing.*

Note: Requesting the AC&I personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer AC&I contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Justification of Proposed Changes in Acquisition, Construction, and Improvements**  
**Appropriation Language**

[including rescission of funds]

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law; [\$1,125,083,000]**\$1,205,118,000**, of which \$20,000,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)); of which [\$45,000,000]**\$69,000,000** shall be available until September 30, [2012]**2013**, to acquire, repair, renovate, or improve vessels, small boats, and related equipment; of which [\$173,100,000]**\$95,174,000** shall be available until September 30, [2010]2011, for other equipment; of which [\$40,997,000]**\$50,000,000** shall be available until September 30, [2010]**2011**, for shore facilities and aids to navigation facilities; of which [\$82,720,000]**\$500,000** shall be available for personnel [compensation and benefits and ]related costs; and of which [\$783,266,000]**\$990,444,000** shall be available until September 30, [2012]**2013**, for the Integrated Deepwater Systems program]: *Provided*, That of the funds made available for the Integrated Deepwater Systems program, \$327,416,000 is for aircraft and \$243,400,000 is for surface ships: *Provided further*, That of the amount provided in the preceding proviso for aircraft, \$70,000,000 may not be obligated for the Maritime Patrol Aircraft until the Commandant of the Coast Guard certifies that the mission system pallet Developmental Test and Evaluation of the HC-144A CASA Maritime Patrol Aircraft is complete: *Provided further*, That no funds shall be available for procurements related to the acquisition of additional major assets as part of the Integrated Deepwater Systems program not already under contract until an alternatives analysis has been completed by an independent qualified third party: *Provided further*, That \$300,000,000 of the funds provided for the Integrated Deepwater Systems program may not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure directly from the Coast Guard that\_]

[(1) defines activities, milestones, yearly costs, and lifecycle costs for each procurement of a major asset, including an independent cost estimate for each;]

[(2) identifies lifecycle staffing and training needs of Coast Guard project managers and of procurement and contract staff;]

[(3) identifies competition to be conducted in each procurement;]

[(4) describes procurement plans that do not rely on a single industry entity or contract;]

[(5) includes a certification by the Chief Human Capital Officer of the Department that current human capital capabilities are sufficient to execute the plans discussed in the report;]

[(6) contains very limited indefinite delivery/indefinite quantity contracts and explains the need for any indefinite delivery/indefinite quantity contracts;]

[(7) identifies individual project balances by fiscal year, including planned carryover into fiscal year 2009 by project;]

[(8) identifies operational gaps by asset and explains how funds provided in this Act address the shortfalls between current operational capabilities and requirements;]

[(9) includes a listing of all open Government Accountability Office and Office of Inspector General recommendations related to the program and the status of Coast Guard actions to address the recommendations, including milestones for fully addressing them;]

[(10) includes a certification by the Chief Procurement Officer of the Department that the program has been reviewed and approved in accordance with the investment management process of the Department, and that the process fulfills all capital planning and investment control requirements and reviews established by the Office of Management and Budget, including Circular A-11, part 7;]

[(11) identifies use of the Defense Contract Auditing Agency;]

[(12) includes a certification by the head of contracting activity for the Coast Guard and the Chief Procurement Officer of the Department that the plans for the program comply with the Federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with plans for addressing these risks, and the status of their implementation;]

[(13) identifies the use of independent validation and verification; and]

[(14) is reviewed by the Government Accountability Office:]

*Provided further*, That the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives, in conjunction with the President's fiscal year 2009 budget, a review of the Revised Deepwater Implementation Plan that identifies any changes to the plan for the fiscal year; an annual performance comparison of Deepwater assets to pre-Deepwater legacy assets; a status report of legacy assets; a detailed explanation of how the costs of legacy assets are being accounted for within the Deepwater program; and the earned value management system gold card data for each Deepwater asset:

*Provided further*, That the Secretary shall submit to the Committees on Appropriations of the Senate and the House of Representatives a comprehensive review of the Revised Deepwater Implementation Plan every five years, beginning in fiscal year 2011, that includes a complete projection of the acquisition costs and schedule for the duration of the plan through fiscal year 2027: *Provided further*, That the Secretary shall annually submit to the Committees on Appropriations of the Senate and the House of Representatives, at the time that the President's budget is submitted under section 1105(a) of title 31, United States Code, a future-years capital investment plan for the Coast Guard that identifies for each capital budget line item\_]

[(1) the proposed appropriation included in that budget;]

[(2) the total estimated cost of completion;]

[(3) projected funding levels for each fiscal year for the next five fiscal years or until project completion, whichever is earlier;]

[(4) an estimated completion date at the projected funding levels; and]

[(5) changes, if any, in the total estimated cost of completion or estimated completion date from previous future-years capital investment plans submitted to the Committees on Appropriations of the Senate and the House of Representatives:]

*Provided further*, That the Secretary shall ensure that amounts specified in the future-years capital investment plan are consistent to the maximum extent practicable with proposed appropriations necessary to support the programs, projects, and activities of the Coast Guard in

the President's budget as submitted under section 1105(a) of title 31, United States Code, for that fiscal year: Provided further, That any inconsistencies between the capital investment plan and proposed appropriations shall be identified and justified: *Provided further*, That of amounts made available under this heading in Public Laws 108-334 and 109-90 for the Offshore Patrol Cutter, \$98,627,476 are rescinded: *Provided further*, That of amounts made available under this heading in Public Law 108-334 for VTOL unmanned aerial vehicles (VUAV), \$162,850 are rescinded: *Provided further*, That of amounts made available under this heading in Public Law 109-90 for unmanned air vehicles (UAVs), \$32,942,138 are rescinded: Provided further, That of amounts made available under this heading in Public Law 109-295 for VTOL unmanned aerial vehicles (UAVs), \$716,536 are rescinded: *Provided further*, That of the amount provided under this heading, \$95,800,000 is designated as described in section 5 (in the matter preceding division A of this consolidated Act)]. (*Department of Homeland Security Appropriations Act, 2008.*)

### **Explanation of Changes:**

The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to:

- Build institutional acquisition competencies by having the ability to move Operation and Support personnel into acquisitions. This will facilitate the training of more junior military personnel, better preparing them for future positions of higher responsibilities within acquisitions, and will allow the Coast Guard to grow acquisition competencies from within.
- Surge acquisition expertise to and from AC&I projects based on the projects' appropriated funding levels, pace of execution and timing of key decision points. Under the current authority in the FY08 Consolidated Appropriations (H.R. 2764) when OE funding is transferred to AC&I, it can never be returned to the OE appropriation. Although this transfer authority is beneficial, the one way legislative check valve is too restrictive.
- Streamline human resource and financial management functions, which would provide the increased flexibility to optimally managing acquisition staffing. The transfer would also eliminate the complexity of overseeing the refund process between appropriations.
- Standardize human resource polices within DHS. The Coast Guard is the only asset-intensive organizational element within DHS that has personnel tied to its acquisition appropriation. Maintaining budget consistency across all DHS is an important factor for building a more integrated and coherent Department human resource strategy.

Currently, all salaries, benefits, and support for the military and civilian personnel who administer AC&I contracts are funded by the AC&I appropriation, whereas 97 percent of the Coast Guard's personnel is funded from the OE appropriation. The consolidation will provide the Coast Guard flexibility to address highest priority needs, while ensuring transparency to the Administration and Congress.

The \$500 thousand requested covers the costs associated with project overhead activities for major acquisition projects. The primary initiatives include contract support for financial management services, contracting support services, training and workforce certification. The funding allows the Coast Guard to maintain an effective acquisition process by providing AC&I resources that are not project-specific. Resources are needed to maintain core competencies and capabilities necessary to execute assigned workload while meeting various requirements established in the Chief Financial Officer Act, Clinger-Cohen Act, DHS certification level requirements and OMB Circular A-76.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition Construction and Improvements  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>    |
|--|--------------|--------------|------------------|
| <b>2007 Actual</b>   | <b>728</b>   | <b>619</b>   | <b>1,533,895</b> |
| <b>2008 Enacted<sup>1</sup></b>                                    | <b>728</b>   | <b>652</b>   | <b>987,819</b>   |
| <b>Adjustments-to-Base</b>   |              |              |                  |
| Transfer from AC&I Systems Engineering and Integration to GSA Rent | -            | -            | (3,859)          |
| Transfer of Acquisition Personnel to Operating Expenses            | <b>(728)</b> | <b>(652)</b> | <b>(82,215)</b>  |
| Total Transfers  | <b>(728)</b> | <b>(652)</b> | <b>(86,074)</b>  |
| <b>Total Adjustments-to-Base</b>                                   | <b>(728)</b> | <b>(652)</b> | <b>(86,074)</b>  |
| <b>2009 Current Services</b>                                       | -            | -            | <b>901,745</b>   |
| <b>Program Changes</b>   |              |              |                  |
| Program Increases/(Decreases)                                      |              |              |                  |
| Vessels and Critical Infrastructure                                | -            | -            | 26,155           |
| Aircraft   |              |              | 2,639            |
| Integrated Deepwater Systems                                       | -            | -            | 343,486          |
| Other Equipment  | -            | -            | (77,925)         |
| Shore Facilities and Aids to Navigation                            | -            | -            | 9,023            |
| Personnel Related Support  | -            | -            | (5)              |
| <b>Total Program Changes</b>                                       | <b>-</b>     | <b>-</b>     | <b>303,373</b>   |
| <b>2009 Request</b>  | -            | -            | <b>1,205,118</b> |
| <b>2008 to 2009 Total Change</b>                                   | <b>(728)</b> | <b>(652)</b> | <b>217,299</b>   |

Note: Requesting the Acquisition, Construction and Improvement (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

<sup>1</sup> FY 2008 Enacted includes \$95.800 million in emergency funding.



**D. Summary of Reimbursable Resources**

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |               | 2008 Revised Estimate |               | 2009 Estimate |            | Increase/Decrease |                |
|----------------------------------|----------------|---------------|-----------------------|---------------|---------------|------------|-------------------|----------------|
|                                  | Pos.           | FTE Amount    | Pos.                  | FTE Amount    | Pos.          | FTE Amount | Pos.              | FTE Amount     |
| Department of Homeland Security  | -              | 17,700        | -                     | -             | -             | -          | -                 | -              |
| Department of Justice            | -              | 400           | -                     | 294           | -             | -          | -                 | -294           |
| Department of Navy               | -              | 1,765         | -                     | -             | -             | -          | -                 | -              |
| Federal Aviation Administration  | -              | (490)         | -                     | 20,000        | -             | -          | -                 | -20,000        |
| <b>Total Budgetary Resources</b> | -              | <b>19,375</b> | -                     | <b>20,294</b> | -             | -          | -                 | <b>-20,294</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |               | 2008 Revised Estimate |               | 2009 Estimate |            | Increase/Decrease |                 |
|---|----------------|---------------|-----------------------|---------------|---------------|------------|-------------------|-----------------|
|   | Pos.           | FTE Amount    | Pos.                  | FTE Amount    | Pos.          | FTE Amount | Pos.              | FTE Amount      |
| DON-SSEN-87 CPB                         | -              | 1,765         | -                     | -             | -             | -          | -                 | -               |
| DHS - Nebraska Avenue Complex (NAC)     | -              | 1,543         | -                     | -             | -             | -          | -                 | -               |
| FAA - LORAN-C                           | -              | (490)         | -                     | 20,000        | -             | -          | -                 | (20,000)        |
| DHS - Nebraska Avenue Complex (NAC)     | -              | 541           | -                     | -             | -             | -          | -                 | -               |
| DHS - Plum Island                       | -              | -             | -                     | -             | -             | -          | -                 | -               |
| DOJ - Seahawk                           | -              | 400           | -                     | 294           | -             | -          | -                 | (294)           |
| DHS - Nebraska Avenue Complex (NAC)     | -              | 15,616        | -                     | -             | -             | -          | -                 | -               |
| <b>Total Obligations</b>                | -              | <b>19,375</b> | -                     | <b>20,294</b> | -             | -          | -                 | <b>(20,294)</b> |

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition, Construction & Improvements  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual      | 2008<br>Enacted     | 2009<br>Request     | 2008 - 2009<br>Change |
|---|---------------------|---------------------|---------------------|-----------------------|
| 11.1 Full-time permanent                            | 27,153              | 28,532              | -                   | -                     |
| 11.3 Other than full-time permanent                 | 57                  | 113                 | -                   | -                     |
| 11.5 Other personnel compensation                   | 546                 | 560                 | -                   | -                     |
| 11.7 Military personnel                             | 27,297              | 27,946              | -                   | -                     |
| 11.8 Special service pay                            | -                   | -                   | -                   | -                     |
| 12.1 Civilian personnel benefits                    | 6,805               | 7,153               | -                   | -                     |
| 12.2 Military personnel benefits                    | 1,938               | 1,984               | -                   | -                     |
| 13.0 Benefits-former                                | -                   | -                   | -                   | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ 63,796</b>    | <b>\$ 66,288</b>    | <b>\$ -</b>         | <b>\$ (66,288)</b>    |
| Other Objects Classes:                              |                     |                     |                     |                       |
| 21.0 Travel   | 10,928              | 12,111              | 9,858               | (2,254)               |
| 22.0 Transportation of things                       | 1,545               | 1,712               | 1,394               | (319)                 |
| 23.1 GSA rent                                       | -                   | -                   | -                   | -                     |
| 23.2 Other rent                                     | 3,322               | 3,682               | 2,997               | (685)                 |
| 23.3 Communication, utilities, and misc charges     | 3,040               | 3,369               | 2,742               | (627)                 |
| 24.0 Printing and reproduction                      | 6                   | 7                   | 5                   | (1)                   |
| 25.1 Advisory and assistance services               | 196,655             | 217,952             | 177,398             | (40,554)              |
| 25.2 Other services                                 | 49,331              | 54,673              | 44,500              | (10,173)              |
| 25.3 Purchases of goods & svcs. from gov't accounts | -                   | -                   | -                   | -                     |
| 25.4 Operation & maintenance of facilities          | -                   | -                   | -                   | -                     |
| 25.5 Research and development                       | -                   | -                   | -                   | -                     |
| 25.6 Medical care                                   | -                   | -                   | -                   | -                     |
| 25.7 Operation and maintenance of equipment         | -                   | -                   | -                   | -                     |
| 25.8 Subsistence and support of persons             | 0                   | 0                   | 0                   | (0)                   |
| 26.0 Supplies and materials                         | 135,597             | 150,281             | 122,319             | (27,963)              |
| 31.0 Equipment                                      | 1,032,528           | 1,144,346           | 910,420             | (233,926)             |
| 32.0 Land and structures                            | 37,146              | 41,169              | 33,509              | (7,660)               |
| 41.0 Grants, subsidies and contributions            | -                   | -                   | -                   | -                     |
| 42.0 Insurance claims and indemnity                 | -                   | -                   | -                   | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ 1,470,099</b> | <b>\$ 1,629,302</b> | <b>\$ 1,305,141</b> | <b>\$ (324,162)</b>   |
| <b>Total Direct Obligations</b>                     | <b>\$ 1,533,895</b> | <b>\$ 1,695,590</b> | <b>\$ 1,305,141</b> | <b>\$ (390,450)</b>   |
| Unobligated balance, start of year                  | (1,035,693)         | (823,979)           | (121,023)           |                       |
| Unobligated balance, end of year                    | 823,979             | 121,023             | -                   |                       |
| <b>Total Requirements</b>                           | <b>\$ 1,322,181</b> | <b>\$ 992,634</b>   | <b>\$ 1,205,118</b> | <b>\$ 212,484</b>     |

Note 1: Total direct obligations does not include advances and reimbursements

Note 2: Requesting the Acquisition, Construction and Improvements (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer.) in FY09.

**F. Permanent Positions by Grade**

**Not Applicable**

## G. Capital Investment and Construction Initiative Listing

### FY 2009 Capital Investment Budget Sheets U. S. Coast Guard Line Item Summary (Dollars in thousands)

| Capital Investment Project                                | C-Stage<br>Request | Page<br>Numbers |
|---|--------------------|-----------------|
| <b>I. Vessels &amp; Critical Infrastructure</b>           |                    |                 |
| 1. Inland River Survey and Design                         | 5,000              | 28-30           |
| 2. Response Boat - Medium (RB-M)                          | 64,000             | 31-35           |
| <b>Subtotal - Vessels.....</b>                            | <b>69,000</b>      |                 |
| <b>II. Deepwater New Asset Acquisition Project</b>        |                    |                 |
| <b>A. Aircraft</b>  |                    |                 |
| 1. Maritime Patrol Aircraft (MPA)                         | 86,600             | 36-41           |
| 2. HH-60 Conversion Projects                              | 52,700             | 42-47           |
| 3. HH-65 Conversion Projects                              | 64,500             | 48-53           |
| 4. HC-130H Conversion Sustainment Projects                | 24,500             | 54-58           |
| 5. Unmanned Aircraft System (UAS)                         | 3,000              | 59-61           |
| <b>B. Surface</b>   |                    |                 |
| 1. National Security Cutter (NSC)                         | 353,700            | 62-68           |
| 2. Offshore Patrol Cutter (OPC)                           | 3,003              | 69-74           |
| 3. Fast Response Cutter (FRC-B)                           | 115,300            | 75-80           |
| 4. IDS Small Boats  | 2,400              | 81-84           |
| 5. Medium Endurance Cutter Sustainment                    | 35,500             | 85-88           |
| 6. Patrol Boat Sustainment                                | 30,800             | 89-91           |
| <b>C. Other</b>   |                    |                 |
| 1. Government Program Management                          | 58,000             | 92-96           |
| 2. Systems Engineering and Integration                    | 33,141             | 97-100          |
| 3. C4ISR  | 88,100             | 101-109         |
| 4. Deepwater Logistics                                    | 37,700             | 110-118         |
| 5. Technology Obsolescence Prevention (TOP)               | 1,500              | 119-121         |
| <b>Subtotal - Deepwater Project.....</b>                  | <b>990,444</b>     |                 |
| <b>III. Other Equipment</b>                               |                    |                 |
| 1. Nationwide Automatic Identification System (NAIS)      | 14,600             | 122-127         |
| 2. Rescue 21  | 73,000             | 128-132         |
| 3. High Frequency (HF) Modernization and Recapitalization | 2,500              | 133-135         |
| 4. Command 21   | 1,000              | 136-138         |
| 5. Defense Messaging System (DMS) Implementation on Ships | 4,074              | 139-141         |
| <b>Subtotal - Other Equipment.....</b>                    | <b>95,174</b>      |                 |

**FY 2009 Capital Investment Budget Sheets**  
**U. S. Coast Guard Line Item Summary**  
(Dollars in thousands)

| Capital Investment Project  | C-Stage<br>Request | Page<br>Numbers |
|---|--------------------|-----------------|
| <b>IV. Shore Facilities &amp; Aids to Navigation</b>                        |                    |                 |
| <b>A. Shore - General</b>   |                    |                 |
| 1. Survey and Design (Outyear)  | 2,050              | 142-144         |
| <b>B. Shore - Groups/Bases/Stations/MSUs</b>                                |                    |                 |
| 1. TISCOM-TSD Building  | 2,500              | 145-146         |
| 2. Coast Guard Air Station Cape Cod - BRAC MMR - Runway Lighting            | 5,000              | 147-148         |
| 3. Sector Delaware Bay-Consolidate Cape May Sta, CPB, ANT FAC               | 13,000             | 149-150         |
| <b>C. Coast Guard Housing - Various Locations</b>                           |                    |                 |
| 1. Cordova Housing  | 11,600             | 151-152         |
| 2. CG Academy, Recapitalize Chase Hall Phase II, N. Annex A                 | 10,300             | 153-154         |
| 3. Montauk Housing  | 1,550              | 155-156         |
| <b>D. Aids To Navigation Facilities</b>                                     |                    |                 |
| 1. Waterways ATON Infrastructure  | 4,000              | 157-158         |
| <b>Subtotal - Shore Facilities &amp; Aids to Navigation Facilities.....</b> | <b>50,000</b>      |                 |
| <b>V. Personnel Related Support</b>   |                    |                 |
| 1. AC&I Core  | 500                | 159-160         |
| <b>Subtotal - Personnel &amp; Related Support.....</b>                      | <b>500</b>         |                 |
| <b>Summary Capital Investments</b>  |                    |                 |
| <b>Total Non-IT Initiatives (all projects over \$5 million).....</b>        | <b>1,205,118</b>   |                 |
| <b>Total IT Initiatives.....</b>  |                    |                 |
| <b>Total FY 2009 C-Stage Request:</b>                                       | <b>1,205,118</b>   |                 |

**U. S. Coast Guard Justification**  
**Acquisition, Construction & Improvements**  
**FY 2009 Congressional Budget Submission**  
(Dollars in Thousands)

**Inland River Survey and Design**

**\$5,000**

**Project Description, Justification and Scope**

This request funds the planning, requirements development, and cost estimating efforts supporting inland river capability, including sustainment and/or replacement projects. Two projects — Inland Rivertender Emergency Sustainment (IRES) and the Heartland Waterway Vessel (HWV) — will benefit from the Inland River – Survey and Design project. IRES is intended to maintain, and HWV to eventually replace, the capability to effectively execute aids to navigation (ATON) and possibly other statutory Coast Guard missions (i.e. SAR, LE, domestic icebreaking, and pollution response) throughout the Western Rivers and other inland/intracoastal navigable waterways. These missions are currently performed by seven different classes of ships totaling 36 different platforms—18 River Buoy Tenders (WLRs), 13 Inland Construction Tenders (WLICs) and five Inland Buoy Tenders (WLIs). These legacy cutters are sometimes the only Federal presence on the “Heartland Waterways” of the United States. All but two of these vessels are well past the end of their service lives and can no longer be maintained in a cost-effective manner.

Diverse mission requirements call for complex designs and performance capabilities, and because comprehensive in-house engineering expertise would require a considerably larger staff and costly facilities, much of the naval engineering survey and design work is accomplished externally. These efforts include developing and refining requirements through feasibility studies and prototypes to verify the efficacy and practicability of various combinations of vessel performance and payload requirements, with the ultimate goal of determining an optimum set of requirements leading to a balanced, integrated and cost effective solution to optimize Coast Guard operational performance. This is followed by a more detailed solution with trade-off analysis to identify critical parameters and permit a more accurate review of potential acquisition costs and risks.

The significant variance in the legacy asset classes, built over several decades, offers little opportunity for economies of scale and risk pooling, further contributing to increasing operating and maintenance costs, and involves a number of environmental, habitability and crew safety issues that are not acceptable. Despite increased maintenance spending on the WLRs, WLICs, and WLIs, annual aid availability rates have steadily decreased from 98.9 percent in 1998 to 97.0 percent in 2006. Consistent with the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA), the Coast Guard targets a 99.7 percent aid availability rate. Further, the incidents of collisions, allisions and groundings along the Western Rivers have significantly increased over the past 4 years. If this ATON capability is not replaced, maintenance costs will continue to increase, diverting limited operating and maintenance funds from other mission critical areas, and operational performance will continue a downward trend, potentially increasing the risk of a catastrophic maritime accident.

IRES will address major safety, maintenance and operational availability issues associated with platforms past or near the end of their service lives. IRES is a bridging strategy to maintain legacy platforms until the HWV project can acquire a new, multi-mission, homeland security-capable vessel. This approach to capability sustainment and replacement is the same as the relationship between the WPB MEP sustainment and the Fast Response Cutter that is its replacement. Historically, vessel acquisition projects take an average of 6-8 years to deliver the lead vessel once initial Acquisition Construction and Improvement (AC&I) funding is received. This timeline accounts for the time

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Inland River Survey and Design**

**\$5,000**

required to develop plans and documents required by the Coast Guard's Major Systems Acquisition Manual (MSAM), develop a comprehensive request for proposal, receive offeror development of proposals and evaluate them, award a contract, review engineering design, and produce the first vessel. Given the acquisition timeline, this request takes an aggressive approach towards recapitalization while enabling emergency sustainment as necessary to continue ATON and other emergency preparedness/response operations.

**Significant Changes**

This is the first request for this project.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|-----------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                       |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                       |
| FY 2009<br>Survey and Design      | FY09:Q1                                   | FY09:Q4                 |                         |                         | 5,000                 |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   |                                   |                       |                       | 5,000                 | 5,000        |
| Obligation                                      |                                   |                       |                       | 5,000                 | 5,000        |
| Expenditure                                     |                                   |                       |                       | 5,000                 | 5,000        |
| <hr/>   |                                   |                       |                       |                       |              |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      |                                   |                       |                       | 5,000                 | 5,000        |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>            | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>                 |                                     |
| Engineering Survey & Design/Prototype (COTS) Acquisition | 5,000                               |
| <b>FY 2009 Cost Estimate Project Total:</b>              | <b>5,000</b>                        |

**Inland River Survey and Design**

**\$5,000**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 1,000                                       |
| Marine Safety                                   | 500   |
| Aids to Navigation                              | 1,000                                       |
| Ice Operations                                  | -   |
| Marine Environmental Protection                 | 500   |
| Living Marine Resources                         | -   |
| Drug Interdiction                               | -   |
| Migrant Interdiction                            | -   |
| Other Law Enforcement                           | 500   |
| Ports, Waterways & Coastal Security             | 1,000                                       |
| Defense Readiness                               | 500   |
| <b>Mission-Program Allocation Total:</b>        | <b>5,000</b>                                |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with all applicable regulations/standards as found in the Federal Acquisition Regulations (FAR).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Response Boat - Medium (RB-M)**

**\$64,000**

**Project Description, Justification and Scope**

This funding supports all logistics development and places up to 14 boats on order. It also continues to support progression towards full rate production (i.e. 30 boats per year) by FY 2010.

The Response Boat - Medium (RB-M) project will procure 180 new small boats to replace the aging 41-foot Utility Boats (UTB) (and other large non-standard boats) with assets more capable of meeting all of the Coast Guard's multi-mission operational requirements, including Search and Rescue; Marine Safety; Marine Environmental Protection; Living Marine Resources; Ports, Waterways, and Coastal Security; and Defense Readiness.



The Response Boat - Medium (RB-M) project will procure 180 new small boats to replace the aging 41-foot Utility Boats (UTB) (and other large non-standard boats) with assets more capable of meeting all of the Coast Guard's multi-mission operational requirements, including Search and Rescue; Marine Safety; Marine Environmental Protection; Living Marine Resources; Ports, Waterways, and Coastal Security; and Defense Readiness.

The legacy 41' UTB, built by the Coast Guard from 1973 to 1980, is a key asset for multi-mission, station-based Coast Guard operations within coastal zones. The 41' UTB entered service in 1973, replacing the 40' UTB that began service in 1951. Although designed specifically for Search and Rescue (SAR) missions, the 41' UTBs have been employed as multi-mission assets. Now at the end of their service lives, the 41' UTBs are experiencing rising maintenance costs and declining readiness levels resulting in loss of mission performance and effectiveness.

Coast Guard missions have changed markedly since the 41' UTB was built, especially since the tragic events of September 11, 2001. The RB-M offers a number of opportunities for improvements over the existing fleet of 41' UTBs and other non-standard boats in performance, crew efficiency and operational availability. Several program requirements and extensive field commander input indicates a need for an RB-M that is substantially faster than the 41' UTB (40+ knots vs. 26 knots) to support new homeland security operations. Such capability will also improve mission effectiveness for Search and Rescue, Undocumented Migrant Interdiction, Illegal Drug Interdiction, Other Law Enforcement, Ports, Waterways, and Coastal Security (PWCS) and Defense Readiness missions.

Integrated navigation and sensing systems, compliant with modern international radio-telephone standards provide the RB-M better search capability that further improves mission effectiveness. Interoperability of the RB-M with Rescue 21 equipment greatly enhances overall command and control as well as crew safety in coastal zones. Moreover, crew efficiency will be improved in a number of areas relating to human factors and engineering. For example,

- Secure seating for every crewmember in an environmentally controlled cabin enables greater mission endurance with less crew fatigue.
- Self-fendering allows more efficient boarding and towing operations.
- Emphasis placed on survivor recovery significantly improves crew effectiveness.
- Reduced maintenance requirements improve operational availability.

**Response Boat - Medium (RB-M)**

**\$64,000**

Methods to achieve the above include emphasizing the ability to maintain and replace RB-M components quickly and providing improved depot level maintenance support. Further efficiencies are gained by providing maintenance relief vessels to substitute for station boats during major maintenance and casualty repairs. The RB-M is also being built to dimensions that will allow for commercial overland transportation to support deployed surge operations, and technical data will be formatted to support the ongoing organizational logistics transformation.

The RB-M Acquisition Strategy is two phased: Phase I - full and open competitive Request For Proposal (RFP), selected three contractors to build test boats, followed by developmental testing and evaluation to validate RB-M requirements. Phase II - competitive RFP limited to the three Phase I contractors for production and logistics support for approximately 180 boats that meet the Coast Guard's multi-mission requirements.

The RFP for the test boats was released August 9, 2002 and contracts for three test boats were awarded on May 2, 2003. The test boats were delivered October 29, 2003. The Coast Guard conducted extensive in-water developmental testing and evaluation after accepting the Phase I test boats. Personnel from Coast Guard multi-mission stations who operate and maintain small boats on a daily basis participated in the in-water testing. The Naval Surface Warfare Center Carderock Division – Combatant Craft Department – conducted the technical analysis of the data gathered from the acceptance, performance, mission effectiveness and supportability testing. The evaluation results were used to validate government requirements and verify industry's ability to meet those requirements using non-developmental state of the market technology at a reasonable price. Select portions of the Phase I test results were also furnished to the Phase I contractors for additional research and development, and for use in developing their Phase II proposals.

**KEY EVENTS**

**Significant accomplishments in FY 2007 include:**

- Ordered six RB-Ms (hulls #7-12)
- Completion of detailed design
- Construction on the first RB-Ms with delivery scheduled to begin in Q2 FY 2008

**FY 2008 planned accomplishments include:**

- Ordered 18 RB-Ms (hulls #13-30)
- Delivery and support for the first four RB-Ms that were ordered Q4 FY 2006 with prior funding
- Commencement of Operational Test and Evaluation (OT&E) on the first four RB-Ms

**FY 2009 planned accomplishments include:**

- Order 14 RB-Ms (hulls #31-44). Hulls #31-36 represent the final 6 LRIP hulls, and hulls #37-44 represent the first 8 production hulls.
- Delivery of an additional 10 RB-Ms ordered with prior funding and support for a total of 14 delivered RB-Ms.
- Complete Operational Test and Evaluation (OT&E) with the first six boats ordered with prior funding.
- Fully fund logistics element development and fielding deferred from prior years.

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Response Boat - Medium (RB-M)**

**\$64,000**

**CONTRACTOR**

The Response Boat – Medium (RB-M) Project awarded the production contract to Marinette Marine Corporation (MMC) of Marinette, WI for the second procurement phase on June 21, 2006, for the design, construction, outfit and delivery of the RB-M system.

**Significant Changes**

In April 2007, both unsuccessful contractors withdrew their appeals with the Court of Federal Claims closing the post-award appeal. The Project Resident Office (PRO) established September 2006 in Seattle, WA relocated July 2007 to the contractor’s newly dedicated RB-M production facility in Kent, WA. On June 28, 2007 a keel laying ceremony signified the start of construction on the first boat to be delivered March 2008 to Little Creek, Virginia, which will begin Operational Testing and Evaluation (OT&E). The first six RB-Ms will be the primary boats used for OT&E. Because OT&E includes an operational effectiveness evaluation to look at operational suitability, human factors, maintenance and repair, support logistics, and training, the six Coast Guard units receiving the initial RB-Ms were selected to provide a wide representation of the variety of missions, weather conditions, and logistics support concerns that RB-Ms will face once delivered. Moreover, these select stations provide opportunities to conduct unique testing scenarios not available at all Coast Guard units. The first six selected Stations are: Little Creek, VA; Cape Disappointment, WA; Key West, FL; Milwaukee, WI; New York, NY; and Port Aransas, TX.

**Project Schedule**

| <b><u>Project Description</u></b>           | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|---|---|-------------------------|-------------------------|-------------------------|--------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2008                                     |   |                         |                         |                         |                    |
| Continue Low Rate Initial Production (LRIP) |   |                         | FY06:Q4                 | FY09:Q4                 | 45,000             |
| FY 2009                                     |   |                         |                         |                         |                    |
| Continue LRIP                               |   |                         | FY06:Q4                 | FY09:Q4                 | 63,850             |
| Continue OT&E                               |   |                         | FY08:Q2                 | FY09:Q4                 | 150                |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 57,663                            | 24,750                | 45,000                | 64,000                | 191,413      |
| Obligation                                      | 55,063                            | 19,243                | 52,607                | 64,000                | 190,913      |
| Expenditure                                     | 22,415                            | 38,844                | 45,000                | 54,023                | 160,282      |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      | 16,263                            | 36,000                | 40,500                | 43,055                | 135,818      |
| Project Management                              | 3,996                             | 1,844                 | 4,429                 | 10,832                | 21,101       |
| Test & Evaluation                               | 2,156                             | 1,000                 | 71                    | 136                   | 3,363        |

**Response Boat - Medium (RB-M)**

**\$64,000**

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>      |   |
| RB-Ms (14)                                    | 28,000                                  |
| OT&E identified full production modifications | 10,000                                  |
| Logistics element development and fielding    | 7,850                                   |
| Curriculum/training aide development          | 6,000                                   |
| <b><u>Project Management</u></b>              |   |
| Project Management (Government)               | 6,000                                   |
| Project Management (Contractor)               | 6,000                                   |
| <b><u>Other Costs</u></b>                     |   |
| Test and Evaluation                           | 150                                     |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>64,000</b>                           |

**Related Follow-On Requirements**

| <b><u>Follow-On Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| Operating & Maintenance                         | 21                                      |
| Personnel                                       | 133                                     |
| <b>Follow-On Requirements Total:</b>            | <b>154</b>                              |

**Method of Performance**

The RB-M Project Management Team is committed to using an Earned Value Management System (EVMS) that meets ANSI/EIA Standard 748. During the Capability Development and Demonstration Phase of the acquisition process an earned value management framework was implemented for effective project management and controls. The RB-M Project is leveraging the lessons learned from other agency acquisition programs and using those insights in managing the cost, schedule, and technical performance during the project life cycle. The RB-M Project has hired Booz Allen Hamilton to provide earned value consulting expertise. Working with Booz Allen Hamilton, the RB-M Project has implemented ANSI 748-A compliant earned value requirements incorporating earned value deliverables such as Cost Performance Reports and Integrated Master Schedule(s).

The Project has also required Integrated Baseline Reviews (IBR). The first IBR was held jointly with the contractor in November 2006 to provide a mutual understanding of risks inherent in contractors' performance plans and underlying management control systems. The IBR and EVMS are essential elements of the RB-M Project's risk management approach. The IBR has addressed the integrated master schedule (IMS), integrated master plan (IMP), and include discussions with contractor control account managers (CAM) to ensure alignment between the contractor and the Government.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Response Boat - Medium (RB-M)**

**\$64,000**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 9,644                    | 13,715                |
| Marine Safety                                   | 2,021                    | 2,874                 |
| Aids to Navigation                              | 630                      | 896                   |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | 257                      | 365                   |
| Living Marine Resources                         | 1,895                    | 2,694                 |
| Drug Interdiction                               | 630                      | 896                   |
| Migrant Interdiction                            | 630                      | 896                   |
| Other Law Enforcement                           | -                        | -                     |
| Ports, Waterways & Coastal Security             | 29,039                   | 41,299                |
| Defense Readiness                               | 254                      | 365                   |
| <b>Mission-Program Allocation Total:</b>        | <b>45,000</b>            | <b>64,000</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

Programmatic Environmental Assessment (PEA) conducted.

Finding of No Significant Impact (FONSI), 18 March 2003.

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Maritime Patrol Aircraft (MPA)**

**\$86,600**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request funds two Maritime Patrol Aircraft (MPA) CASA CN-235 300Ms, #13 and #14, and the missionization required to outfit these aircraft to fully execute assigned Coast Guard missions. These funds will address the Coast Guard's MPA flight hour gap by providing 2,400 additional MPA hours every year.

**CAPABILITY ACQUIRED/MAINTAINED:**

The CASA CN-235 300M will be equipped with communication, navigation and surveillance systems allowing the aircraft to operate worldwide within the range of its performance parameters, in civilian and military airspace, in support of its Congressionally-mandated missions.



Purchased in compliance with the Buy American Act, the CASA CN-235 300M is the perfect complement for the Coast Guard fleet of long-range, heavy-lift HC-130 aircraft. Its high-efficiency turbo prop design allows extended surveillance and quick response capability. The sophisticated surface search radar can detect targets of interest from over 100 miles away. Once closer to the target of interest, the Infrared/Electro-Optical (IR/EO) sensor can further classify and identify it in virtually all weather conditions, allowing the Coast Guard to quickly locate high interest vessels and mariners in distress.

The state-of-the-art cockpit design provides pilots with superior situational awareness, reduced workload and increased safety, allowing them to better concentrate on the mission. Human factors engineering is also evident in the mission system pallet that controls the tactical workstation. Systems operators can collect, compile, and transfer vital information in real time to operational commanders on ship or on shore hundreds of miles from the aircraft. Satellite radios provide for clear and uninterrupted voice and data exchange, and advanced electronic support measures that can automatically detect friendly/unknown vessels and their 'fingerprints' add another layer of defense to the homeland security mission.

The CASA CN-235 300M also provides great mission flexibility. The hydraulically-operated rear ramp allows for easy roll-on/roll-off provisions. This quick-change feature allows ground crews to re-configure the aircraft from maritime patrol to medical evacuation to passenger/freight transport. Its medium size and high-lift wing design allow take-off and landing on short, unpaved landing areas, further enhancing the Coast Guard's abilities to aid first responders in all types of national, state and local emergencies.

**Maritime Patrol Aircraft (MPA)**

**\$86,600**

**PERFORMANCE:**

The CASA CN 235-300M is a transport and surveillance, fixed-wing aircraft that will be used to perform Search and Rescue (SAR) missions, enforce laws and treaties, including illegal drug interdiction, marine environmental protection, military readiness, homeland security and International Ice Patrol missions, as well as cargo and personnel transport. It can perform aerial delivery of SAR equipment, such as rafts, pumps, and flares, and can be used as an On-Scene Commander platform. As the medium-range maritime patrol aircraft, the CASA delivers maritime domain awareness essential to achieving mission success in the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The CASA will be outfitted with a capable C4ISR suite that includes a multi-mode surface and air search radar (MMR), Electro Optical (EO) device, and an Infrared (IR) sensor to find and observe a wide range of targets. The aircraft will have a line-of-bearing indicator and distress call monitoring on various distress frequencies. It will also be equipped with search windows and the crew will be outfitted with night vision devices to further enhance their ability to detect, classify, and identify targets. With a rear cargo loading ramp that can be opened in-flight, the CASA is capable of aerial delivery of equipment (i.e. life rafts, communications kits, and de-watering pumps) and personnel. With an endurance of 10.7 hours, the CASA can also serve as an On-Scene Commander platform, guiding and assisting rotary wing assets.

- Marine Safety - International Ice Patrol (IIP): Although the CASA does not have the extended range of the C-130 aircraft, it can remain airborne for over 10 hours, and, utilizing the same sensors described above, will be able to detect and relay the location of icebergs in support of the IIP mission.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction Operations (MIO) – The C4ISR suite, including the same sensors described in the SAR mission, will be employed to provide surveillance, detection, classification and identification in the undocumented MIO mission. With multiple communications, including UHF/VHF, HF, and INMARSAT, the CASA will be able to share important information with other operational units and command centers. This information will contribute to a Common Tactical Picture (CTP) and Common Operating Picture (COP) through a networked Command and Control (C2) system that provides for data sharing via INMARSAT.

- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that will support undocumented MIO will also be utilized to support the DRUG mission. Through effective use of the CTP/COP, the CASA will be able to direct Coast Guard surface assets to intercept and prosecute suspect vessels.

- Other Law Enforcement (OLE) – The use of all sensors and communications equipment will be utilized for the OLE mission. Sharing information and data through the use of the C2 system and the CTP/COP will result in increased maritime domain awareness.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response – In conjunction with visual surveillance, the CASA C4ISR suite will be employed to monitor and map oil-covered water surfaces. The MMR can detect differences in backscatter between water and oil-covered

**Maritime Patrol Aircraft (MPA)**

**\$86,600**

water due to the dampening effects of oil on small wind-generated waves, while the EO/IR sensor can detect the small temperature variation between clear and oil-covered water. The COP provides the capability to navigate to previously-marked pollution areas and update them based on current C4ISR and visual indications.

- MEP – Lightering Zone Enforcement (LZE) – Similarly, LZE is not a primary mission for the CASA, but it is capable of monitoring Lightering Zones for oil and other hazardous chemical discharges.

- Living Marine Resources Enforcement (LMR) – The CASA will employ all sensors (MMR, EO, and IR) to provide surveillance of protected and/or closed offshore areas and ensure the protection of LMR. In addition to the sensors and communications capabilities already described, the CASA will also be equipped with an Automatic Identification System (AIS) to monitor surface vessels. The AIS information collected will include the ship’s name, position, course, and speed. The use of AIS will make the job of vessel identification more efficient, permitting the CASA to remain at altitude instead of having to make a low pass to visually identify a vessel.

**NATIONAL DEFENSE:**

- Defense Readiness - The CASA plays a minimal role in national defense missions but can provide support through surveillance and transport roles to the following areas:

- Port Operations, Security, and Defense (POSD)
- General Defense Operations (GDO)
- Peacetime Military Engagement (PME)
- Maritime Intercept Operations (MIO)
- Environmental Defense Operations (EDO)

**OTHER:**

- Non-IDS Aviation Demand (NDAD) – The CASA supports NDAD primarily in a logistics transport role.

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:**

| ITEM                                    | QUANTITY | TOTAL (\$K) |
|---|----------|-------------|
| MPA Production and Missionization (Two) | Lot      | \$86,600    |
|   | Total    | \$86,600    |

**FUNDING HISTORY**

|   | FY    | TOTAL (\$K) |
|---|-------|-------------|
| Conceptual Development/Design                                 | 2002  | \$12,538    |
| Design, Long Lead Material, Construct/Missionize MPA #1 & #2  | 2003  | \$141,443   |
| Construct MPA #3 (not missionized)                            | 2004  | \$24,853    |
| Funds missionization and partial logistics for MPA #3         | 2005  | \$5,250     |
| Construct MPA # 4 and #5                                      | 2006  | \$67,320    |
| Construct MPA # 6, 7, 8; missionize MPA # 5 – 8; No logistics | 2007  | \$148,116   |
| Construct MPA # 9 –12; missionize MPA # 9 –12                 | 2008  | \$170,016   |
|   | Total | \$569,536   |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Maritime Patrol Aircraft (MPA)**

**\$86,600**

Funding history is the available funding for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43-month subsequent award term period through January 2011

**SUBCONTRACTORS:**

Airframe: EADS CASA CN-235 300M (Madrid, Spain)

Avionics: Rockwell Collins (Cedar Rapids, IA)

Power Plant: General Electric CT7-9C3 engine (Lynn, MA)

Propulsion: Hamilton Sundstrand 14RF-37 (Windsor Locks, CT)

Sensors: Telephonics APS-143V3 Multi-Mode RADAR (Farmingdale, NY)

FLIR Systems Star Sapphire III (Portland, OR)

EDO ALR-95 (Morgan Hill, CA)

Mission System: Lockheed Martin (Egan, MN)

Communications: Wulfsberg RT50000 (Prescott, AZ)

Miscellaneous: CG Maritime Patrol Aircraft Conversion, ARSC (Elizabeth City, NC)

Mission System Integration: ARINC (Annapolis, MD)

Mission System Operator

Training and Maintenance: ProSoft (Phoenix, AZ)

**KEY EVENT:**

|  | FY   |
|--|------|
| MPA 1-3 Delivery                             | 2007 |
| MPA 1-3 Initial Operating Capability (IOC)   | 2007 |
| MPA 1-3 Full Operating Capability (FOC)      | 2008 |
| MPA 4-5 Delivery                             | 2008 |
| MPA 4-5 Initial Operating Capability (IOC)   | 2008 |
| MPA 4-5 Full Operating Capability (FOC)      | 2009 |
| MPA 6-8 Delivery                             | 2009 |
| MPA 6-8 Initial Operating Capability (IOC)   | 2009 |
| MPA 6-8 Full Operating Capability (FOC)      | 2009 |
| MPA 9-12 Delivery                            | 2010 |
| MPA 9-12 Initial Operating Capability (IOC)  | 2010 |
| MPA 9-12 Full Operating Capability (FOC)     | 2010 |
| MPA 13-14 Delivery                           | 2011 |
| MPA 13-14 Initial Operating Capability (IOC) | 2011 |
| MPA 13-14 Full Operating Capability (FOC)    | 2011 |

**Significant Changes**

Congress appropriated extra funding in FY 2007 for two MPAs that was not included in the FY 2008 budget submission.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Maritime Patrol Aircraft (MPA)**

**\$86,600**

**Project Schedule**

| <u>Project Description</u> | Dates by Fiscal Year & Quarter |                  |                  |                  | <u>Total Estimate Cost</u> |
|----------------------------|--------------------------------|------------------|------------------|------------------|----------------------------|
|                            | Design Work                    |                  | Project Work     |                  |                            |
|                            | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> |                            |
| FY 2008                    |                                |                  |                  |                  |                            |
| Maritime Patrol Aircraft   |                                |                  | FY02:Q2          | FY10:Q4          | 170,016                    |
| FY 2009                    |                                |                  |                  |                  |                            |
| Maritime Patrol Aircraft   |                                |                  | FY02:Q2          | FY11:Q4          | 86,600                     |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            | 251,404                    | 148,116        | 170,016        | 86,600         | 656,136      |
| Obligation                               | 184,136                    | 186,802        | 198,309        | 86,600         | 655,847      |
| Expenditure                              | 36,817                     | 13,464         | 48,940         | 17,320         | 116,541      |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 24,279                     | 13,464         | 48,940         | 17,320         | 104,003      |
| Survey, Design & Engineering             | 12,538                     |                |                |                | 12,538       |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>           |                              |
| MPA Basic Airframes and Mission Systems     | 81,000                       |
| MPA 13 - 14 Basic Airframe - 72,000K        |                              |
| MPA 13 - 14 Mission Systems - 9,000K        |                              |
| MPA Logistics and Spare Parts               | 5,600                        |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>86,600</b>                |

**Related Follow-On Requirements**

| <u>Follow-On Requirement Description</u>            | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| CASA HC-144A Aircraft Operations and Crew Follow-on | 24,023                       |
| <b>Follow-On Requirements Total:</b>                | <b>24,023</b>                |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance

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**Maritime Patrol Aircraft (MPA)**

**\$86,600**

reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 46,006                   | 23,434                |
| Marine Safety                                   | -                        | -                     |
| Aids to Navigation                              | 113                      | 58                    |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | 1,536                    | 782                   |
| Living Marine Resources                         | 37,522                   | 19,113                |
| Drug Interdiction                               | 43,448                   | 22,131                |
| Migrant Interdiction                            | 26,699                   | 13,598                |
| Other Law Enforcement                           | 284                      | 145                   |
| Ports, Waterways & Coastal Security             | 14,408                   | 7,339                 |
| Defense Readiness                               | -                        | -                     |
| <b>Mission-Program Allocation Total:</b>        | <b>170,016</b>           | <b>86,600</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**HH-60 Conversion Projects**

**\$52,700**

**Project Description, Justification and Scope**

**DESCRIPTION:**

1) HH-60T Avionics Upgrade — Funds replacement/modernization of obsolete HH-60J avionics suite, aircraft electrical wiring, and connectors to resolve and prevent discrepancies. Upgrades are to include five new Multi Functional Display (MFD) screens that increase pilots' situational awareness, digital radar, Traffic Collision Avoidance System (TCAS), traditional display of primary flight instruments on the Pilot's Flight Display (PFD), radar altimeter and verbal low altitude to enhance safety during night hovering, and improved Search and Rescue (SAR) software (hoist camera images).



2) HH-60J Service Life Extension Project (SLEP) (Re-Wire) — Required when each aircraft is inducted into the Programmed Depot Maintenance (PDM) cycle. It will replace legacy electrical wiring/connectors not addressed by the avionics upgrade in order to maintain structural and electrical integrity (remove Navy weapons systems wiring).

3) HH-60J Radar/ Electro Optical/Infra-Red (EO/IR) sensor – Funds replacement of the HH-60J RDR-1300 monochrome weather-search radar with a Multimode Radar (MMR) and an enhanced EO/IR sensor common to Deepwater helicopter platforms. These systems will allow for common operational picture/maritime domain awareness data exchange capabilities.

4.) HH-60J Engine Sustainment – Funds a targeted standardized configuration of Auxiliary Power Units (APUs) and Hydro-Mechanical Units and will address obsolescence/support issues associated with the Digital Electronic Control Unit in order to achieve an increase to the mean time between engine failures. Project phase also initiates a performance-based logistics support system and recapitalization of high-time engines that are beyond their economic overhaul limit.

**CAPABILITY ACQUIRED/MAINTAINED:**

The Sikorsky HH-60J Jayhawk is the Coast Guard's medium-range recovery helicopter. Two T700-GE-401C engines, each rated at around 1600 shaft horsepower, provide adequate power for a gross takeoff weight of 22,000 pounds. The HH-60J is very well-suited for operations in challenging weather conditions. A flight management and navigation system provides the aircrews with Global Positioning System (GPS) navigation and some auto-pilot capabilities. All-weather operation is rounded out with a weather radar and an effective anti-ice system that allows cold weather operation in the Northeast U.S. and Alaska. The aircraft is also equipped with night-vision compatible displays that allow aircrews to complete missions in almost zero-light conditions.

The HH-60J is larger and more powerful than the Coast Guard's HH-65 helicopter. Because of the extended-capacity fuel tanks, the HH-60J is often called upon for SAR missions far offshore. It is capable of flying up to 300 miles offshore, staying on scene for approximately 45 minutes, picking up

**HH-60 Conversion Projects**

**\$52,700**

six or more survivors, and then returning to shore with adequate fuel to divert to another landing area if required. All weather flight capabilities are provided by a basic flight-management system.

A complete replacement of the HH-60J avionics system is currently underway at the Coast Guard Aircraft Repair and Supply Center (AR&SC), Elizabeth City, NC. Taking advantage of the U.S. Army and U.S. Navy Common Avionics Architecture System (CAAS) cockpit, the HH-60J will receive the same capabilities as U.S. Special Forces and presidential HH-60 aircraft. The CAAS cockpit will integrate state-of-the-market technology, upgrading flight-management, navigation, and automatic-pilot features. It will also increase operational availability and reduce maintenance and supply costs. Another project involves installation of an upgraded multi-mode radar and EO/IR sensors that will provide the HH-60J with a common command, control and surveillance system to integrate with the Coast Guard's Common Operating Picture (COP).

The HH-60J has provided support for national special security events. The Coast Guard has begun a project to install Airborne Use of Force (AUF) on its HH-60 helicopters. The Deepwater program will provide the funding and management to configure the entire HH-60 fleet to support armed use of force missions. Because of its power and size, the HH-60J is the ideal aircraft to provide law enforcement personnel with a platform from which they can rapidly deploy to potentially hostile vessels by rappelling down ropes from the helicopter.

**PERFORMANCE:**

Once converted, there will be 42 HH-60Js located within the continental United States and Alaska providing support to the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The HH-60J will be outfitted with a capable C4ISR suite that includes a multi-mode surface and air search radar (MMR), and EO/IR sensor to find and observe a wide range of targets. The aircraft will have a line-of-bearing indicator and distress call monitoring on various distress frequencies. It will also be equipped with Global Positioning System (GPS) and the crew will be outfitted with night vision devices to further enhance the crew's ability to detect, classify, and identify targets.

- Marine Safety – International Ice Patrol (IIP) – Although the HH-60J does not have the extended range of a fixed-wing aircraft, utilizing the same sensors described above, it will be able to detect and relay the location of icebergs while based on a cutter in support of the important International Ice Patrol mission.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction Operations (MIO) – The C4ISR suite, including the same sensors described in the SAR mission, will be employed to provide surveillance, detection, classification, and identification in the undocumented MIO mission. With multiple communications, including UHF/VHF, HF, the HH-60J will be able to share important information with other operational units and command centers. This information will contribute to a Common Tactical Picture (CTP) and COP through a networked Command and Control (C2) system that provides data sharing capability.

- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that will support undocumented MIO will also be used to support the DRUG mission. Through effective use of

**HH-60 Conversion Projects**

**\$52,700**

the CTP/COP, the HH-60J will be able to direct Coast Guard surface assets to intercept and prosecute suspect vessels.

- Other Law Enforcement (OLE) – All sensors and communications equipment will be used for the OLE mission. Sharing information and data through the use of the C2 system and the CTP/COP will result in increased maritime domain awareness.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response – Visual surveillance and the C4ISR suite on the HH-60J will be employed to monitor and map oil-covered water surfaces. The MMR can detect differences in backscatter between water and oil-covered water due to the dampening effects of oil on small wind-generated waves, while the EO/IR sensor can detect the small temperature variation between clear and oil-covered water. The COP provides the capability to navigate to previously-marked pollution areas and update them based on current C4ISR and visual indications.

- MEP – Lightering Zone Enforcement (LZE) – The HH-60J is capable of monitoring lightering zones for oil and other hazardous chemical discharges.

- Living Marine Resources Enforcement (LMR) – The HH-60J will employ all sensors (MMR, EO, and IR) to provide surveillance of protected and/or closed offshore areas and ensure the protection of LMR.

**NATIONAL DEFENSE:**

- Defense Readiness – The HH-60J plays a minimal role in national defense missions but can provide support through surveillance and transport roles to the following areas:
  - Port Operations, Security, and Defense (POSD)
  - General Defense Operations (GDO)
  - Peacetime Military Engagement (PME)
  - Maritime Intercept Operations (MIO)
  - Environmental Defense Operations (EDO)

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:**

| ITEM   | QUANTITY | TOTAL (\$K) |
|--|----------|-------------|
| HH-60 Avionics Upgrade                       | 8        | \$27,119    |
| HH-60 SLEP                                   | 8        | \$2,900     |
| HH-60 Radar/Electro Optical/Infra-Red sensor | 8        | \$18,900    |
| HH-60 Engine Containment                     | 8        | \$3,781     |
|  | Total    | \$52,700    |

| FUNDING HISTORY         | FY   | TOTAL (\$K) |
|-------------------------|------|-------------|
| HH-60T Avionics Upgrade | 2002 | \$35        |
| HH-60T Avionics Upgrade | 2003 | \$5,800     |
| HH-60J SLEP (Re-Wire)   | 2003 | \$2,000     |
| HH-60J Radar/FLIR       | 2003 | \$600       |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

| <b>HH-60 Conversion Projects</b>              |       | <b>\$52,700</b> |
|---|-------|-----------------|
| HH-60T Avionics Upgrade                       | 2004  | \$10,000        |
| HH-60T Avionics Upgrade                       | 2005  | \$15,000        |
| HH-60T Avionics Upgrade                       | 2006  | \$24,750        |
| HH-60J SLEP (Re-Wire)                         | 2006  | \$6,040         |
| HH-60J Radar/ Electro Optical/Infrared sensor | 2006  | \$5,840         |
| HH-60T Avionics Upgrade                       | 2007  | \$34,304        |
| HH-60T SLEP (Re-Wire)                         | 2007  | \$3,366         |
| HH-60T Radar/ Electro Optical/Infrared sensor | 2007  | \$8,316         |
| HH-60T Engine Sustainment                     | 2007  | \$3,316         |
| HH-60T Avionics Upgrade                       | 2008  | \$24,336        |
| HH-60T SLEP (Re-Wire)                         | 2008  | \$6,100         |
| HH-60T Radar/ Electro Optical/Infrared sensor | 2008  | \$19,100        |
| HH-60T Engine Sustainment                     | 2008  | \$7,764         |
|   | Total | \$176,667       |

Funding history is the available funding for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR(S):**

Product Line: AR&SC/ Lear Siegler Services, Inc.  
 Aircraft: Sikorsky, Stratford, CT  
 Avionics: Rockwell Collins, Cedar Rapids, IA  
 Power Plant: General Electric, Lynn, MA

| KEY EVENT   | FY   |
|---|------|
| HH-60T Avionics Upgrade Preliminary Design                    | 2004 |
| HH-60T Avionics Upgrade Detail Design                         | 2005 |
| HH-60T Avionics Upgrade Installations Begin                   | 2006 |
| HH60T SLEP / Legacy Re-Wire Begin                             | 2006 |
| HH60T Radar / Electro-Optical Infrared Sensor Selection Begin | 2007 |
| HH60T Engine Sustainment Begin                                | 2007 |
| HH60T Engine Sustainment Full Production                      | 2008 |

**Significant Changes**

Due to cost increases encountered in the HH-60T Avionics Upgrade project, FY 2007, FY 2008, and FY 2009 funds have been realigned. There is no impact to current and future budget requests or existing appropriations.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**HH-60 Conversion Projects**

**\$52,700**

**Project Schedule**

| <u>Project Description</u>   | Dates by Fiscal Year & Quarter |                  |                  |                  | <u>Total Estimate Cost</u> |
|------------------------------|--------------------------------|------------------|------------------|------------------|----------------------------|
|                              | Design Work                    |                  | Project Work     |                  |                            |
|                              | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> |                            |
| FY 2008                      |                                |                  |                  |                  |                            |
| HH-60T Avionics              |                                |                  | FY02:Q3          | FY11:Q4          | 24,336                     |
| HH-60J SLEP                  |                                |                  | FY06:Q1          | FY10:Q4          | 6,100                      |
| HH-60 Radar/FLIR Replacement |                                |                  | FY06:Q1          | FY12:Q4          | 19,100                     |
| HH-60J Engine Sustainment    |                                |                  | FY07:Q1          | FY12:Q4          | 7,764                      |
| FY 2009                      |                                |                  |                  |                  |                            |
| HH-60T Avionics              |                                |                  | FY09:Q1          | FY10:Q2          | 27,119                     |
| HH-60J SLEP                  |                                |                  | FY09:Q1          | FY10:Q2          | 2,900                      |
| HH-60 Radar/FLIR Replacement |                                |                  | FY09:Q1          | FY10:Q2          | 18,900                     |
| HH-60J Engine Sustainment    |                                |                  | FY09:Q1          | FY10:Q2          | 3,781                      |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            | 70,065                     | 49,302         | 57,300         | 52,700         | 229,367      |
| Obligation                               | 56,024                     | 42,705         | 75,073         | 42,160         | 215,962      |
| Expenditure                              | 14,006                     | 9,861          | 11,460         | 10,540         | 45,867       |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 14,006                     | 9,861          | 11,460         | 10,540         | 45,867       |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>           |                              |
| HH-60 Avionics                              | 27,119                       |
| HH-60 SLEP                                  | 2,900                        |
| HH-60 Radar/FLIR Replacement                | 18,900                       |
| HH-60 Engine Sustainment                    | 3,781                        |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>52,700</b>                |

**Method of Performance**

The method of performance metrics have changed significantly due to the shift of the Lead System Integrator (LSI) responsibility from the IDS Prime Contractor to the U.S. Coast Guard. The USCG will now manage all H60 MRR system integration issues internally. An Earned Value Management System (EVMS) is currently being developed for use at AR&SC. As outlined in the MRR and Avionics Program Management Plans, and until such time an EVMS is established at AR&SC, the Project Manager will use a mixture of monthly financial and project status reports, as well as weekly conference calls and project management staff meetings to measure project performance.

**HH-60 Conversion Projects**

**\$52,700**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 18,319                   | 16,848                |
| Marine Safety                                   | 513                      | 472                   |
| Aids to Navigation                              | 3,811                    | 3,505                 |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | 1,612                    | 1,482                 |
| Living Marine Resources                         | 6,741                    | 6,200                 |
| Drug Interdiction                               | 12,603                   | 11,591                |
| Migrant Interdiction                            | 3,663                    | 3,369                 |
| Other Law Enforcement                           | 293                      | 270                   |
| Ports, Waterways & Coastal Security             | 9,452                    | 8,693                 |
| Defense Readiness                               | 293                      | 270                   |
| <b>Mission-Program Allocation Total:</b>        | <b>57,300</b>            | <b>52,700</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**HH-65 Conversion Projects**

**\$64,500**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request continues to fund Phase II (Obsolete Component Modernization) and Phase III (Automatic Flight Control System and cockpit modernization, IDS Capability Enhancements) of the conversion of the current fleet of HH-65s to the Multi-Mission



Cutter Helicopter (MCH). The modernization work includes a service life extension where obsolete components are replaced with modernized and more capable sub-systems, including a new integrated cockpit and C4ISR suite.

**CAPABILITY ACQUIRED/MAINTAINED:**

The Eurocopter HH-65 Dolphin is the Coast Guard's short-range recovery helicopter. Under Phase I of the HH65 Conversion, the fleet HH65 "B" models were re-engined and designated HH-65C. Under the Airborne Use of Force (AUF) project, the HH65C received upgrades to the communications sub-systems to provide interoperability with other Homeland Security agencies and local response agencies. Additionally, the aircraft were configured and pre-wired to allow for the installation and removal of special AUF mission equipment (weapons, armor, EO/IR, HUD). The AUF modified aircraft are designated as MH65C.

Phase II of the conversion builds upon the MH65C configuration to modernize many of the aging and obsolete sub-systems and components, including the Omni-Directional Air Data System (OADS) and aircraft gyros that began with NRE efforts in FY 2007. Phase III of the conversion consists of a modernized all-glass Common Avionics Architecture System (CAAS) cockpit that capitalizes on commonality with the HH60T cockpit upgrade, modernizes the aging Automatic Flight Control System (AFCS), and adds enhanced IDS capabilities, such as Common Operating Picture (COP) interface and sensor integration.

The HH-65 is primarily constructed of composite structures that provide reduced weight, increased strength and better resistance to corrosion. One of the most recognizable features of the HH-65 is its unique shrouded tail rotor, called a Fenestron. The HH-65 incorporates a sophisticated flight-management system that allows all-weather operation, precise navigation, and automatic-pilot features. If desired, the pilot can select a function that will mark a position in open water, calculate the best flight profile, and automatically fly the helicopter to a 50-foot hover right over the desired position. This is an essential and critical safety feature at night and in inclement weather. Phase III of the conversion efforts modernizes the aging AFCS with a new digital system that enhances this capability and adds to crew safety.

During FY 2008, the Coast Guard's Integrated Deepwater System will have replaced the engines on all the HH65s executed under Phase I of the conversion project. The new Turbomeca 2C2 engine system

**HH-65 Conversion Projects**

**\$64,500**

provides aircrews with a 40% increase in engine power, while eliminating safety and reliability issues associated with the existing engines. Concurrently, the Airborne Use of Force (AUF) package is being deployed that converts the HH65C into the MH65C. This package includes an automatic weapon, and aircrew protection and communications systems that are compatible with local, state, and federal law enforcement and other first responders. Phase II and Phase III of the conversion are also concurrent projects and build upon the MH65C upgrades to modernize aging obsolete sub-systems and components and provide enhanced operational capabilities, including COP interface and sensor integration.

When these projects are completed, the upgraded HH-65 will be referred to as the Multi-Mission Cutter Helicopter or MCH. It will be a much more capable asset with increased aircraft performance, state-of-the-market avionics and surveillance equipment, and provisions for weapons.

**PERFORMANCE:**

The MCH will be primarily based at shore units located on each coastline, including the Great Lakes region, Alaska, Hawaii, and Puerto Rico. Due to its size and weight, the HH-65 will easily integrate with the National Security Cutter (NSC) and Offshore Patrol Cutter (OPC), enhancing the operational capabilities of these assets in support of the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue – The MCH will be outfitted with a capable C4ISR suite that includes a multi-mode radar (MMR) and Electro Optical Infrared (EO/IR) sensor to find and observe a wide range of targets. The aircraft will have a DF-430 UHF/VHF/FM Radio Direction Finder, Distress Call Monitoring on various distress frequencies, and a Global Positioning System (GPS). The crew will be outfitted with night vision devices to further enhance the crew's ability to detect, classify, and identify targets.

- Marine Safety - International Ice Patrol (IIP): Although the MCH does not have the extended range of a fixed-wing aircraft, it can use the same sensors described above to detect and relay the location of icebergs while deployed aboard a NSC or OPC in support of the important International Ice Patrol mission.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction Operations (MIO) – The C4ISR suite, including the same sensors described in the Search and Rescue mission above, will be employed to provide surveillance, detection, classification and identification in the Undocumented MIO mission. With multiple communications, including UHF, VHF, HF, and MILSATCOM, the MCH will be able to share important information with other operational units and command centers. This information will contribute to a Common Tactical Picture (CTP) and Common Operating Picture (COP) through a networked Command and Control (C2) system that provides for data sharing.

- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that will support Undocumented MIO will also be used to support the DRUG mission. Through effective use of the CTP/COP, the MCH will be able to intercept as well as direct Coast Guard surface assets to intercept and prosecute suspect vessels.

**HH-65 Conversion Projects**

**\$64,500**

- Other Law Enforcement (OLE) – All sensors and communications equipment will be used for the OLE mission. Sharing information and data through the use of the C2 system and the CTP/COP will result in increased Maritime Domain Awareness.

PROTECTION OF NATURAL RESOURCES:

- Marine Environmental Protection (MEP) – Visual surveillance and the C4ISR suite on the MCH will be employed to monitor and map oil-covered water surfaces. The MMR can detect differences in backscatter between water and oil-covered water due to the dampening effects of oil on small wind-generated waves, while the EO/IR sensor can detect the small temperature variation between clear and oil-covered water. The COP provides the capability to navigate to previously marked pollution areas and update them based on current C4ISR and visual indications.

- Living Marine Resources Enforcement (LMR) – The MCH will employ all sensors (MMR, EO/IR) to provide surveillance of protected and/or closed offshore areas and ensure the protection of LMR.

- MEP - Lightering Zone Enforcement (LZE): The MCH is capable of monitoring Lightering Zones for oil and other hazardous chemical discharges.

NATIONAL DEFENSE

- Defense Readiness – The MCH plays a minimal role in National Defense Missions but can provide support through surveillance and transport roles in the following areas:

- Port Operations, Security, and Defense (POSD)
- General Defense Operations (GDO)
- Peacetime Military Engagement (PME)
- Maritime Intercept Operations (MIO)
- Environmental Defense Operations (EDO)

COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:

| ITEM                      | QUANTITY | TOTAL (\$K) |
|---------------------------|----------|-------------|
| HH-65 MCH Phase II        |          |             |
| MCH Phase II Production   | 22       | \$18,850    |
| HH-65 MCH Phase III       |          |             |
| Non-Recurring Engineering | 1        | \$1,600     |
| MCH Phase III Production  | 20       | \$44,050    |
|                           | Total    | \$64,500    |

FUNDING HISTORY

|   | FY   | TOTAL (\$K) |
|---|------|-------------|
| HH-65 Re-Engine                                       | 2002 | \$17,378    |
| HH-65 Re-Engine                                       | 2003 | \$8,490     |
| HH-65 Re-Engine                                       | 2004 | \$57,301    |
| HH-65 Re-Engine                                       | 2005 | \$139,000   |
| HH-65 Re-Engine                                       | 2006 | \$131,769   |
| HH-65 Re-Engine Completion & HH-65 MCH Phase II Start | 2007 | \$32,373    |
| MCH Phase II and MCH Phase III Start                  | 2008 | \$50,800    |

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**HH-65 Conversion Projects**

**\$64,500**

Total

\$437,111

Funding history is the funding available for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Aircraft Conversion / Integration: USCG Aircraft Repair & Supply Center (ARSC), Elizabeth City, NC

Type of Contract: Non-Contract Government Incurred (NCGI)

**SUBCONTRACTORS:**

Aircraft Components: American Eurocopter, Grand Prairie, TX  
Honeywell International, Clearwater, FL  
Avionics: Rockwell Collins, Cedar Rapids, IA  
Power Plant: Turbomeca, Grand Prairie, TX

| KEY EVENT                                 | FY   |
|---|------|
| MCH Re-engining complete (Phase I)        | 2007 |
| MCH Initiation of Phase II of Conversion  | 2007 |
| MCH Initiation of Phase III of Conversion | 2008 |
| MCH Completion of Phase II of Conversion  | 2014 |
| MCH Completion of Phase III of Conversion | 2015 |

**Significant Changes**

This budget request has been updated to more accurately align with the project execution plan for the MCH conversion. The FY 2007 and FY 2008 budget requests defined Phase II as structural modifications to include landing gear, tail rotor, sliding door, radar replacement, and fuel cell modification. MCH Phase III consisted of cockpit upgrades and enhanced IDS Capabilities. In order to address the more pressing obsolescence issues that required immediate attention and provide a sustainable aircraft platform to be converted into the MCH, the upgrades to be performed during Phase II and Phase III were reprioritized. The remainder of the upgrades planned under this conversion effort was simply reorganized within Phase II and Phase III in the most cost and schedule effective manner.

The prime contractor is no longer ICGS.

Prior year funding for FY 2002-03 was added for comprehensive history; however, the project was not part of the Deepwater program at the time.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**HH-65 Conversion Projects**

**\$64,500**

**Project Schedule**

| <u>Project Description</u>                       | Dates by Fiscal Year & Quarter |                  |                  |                  | <u>Total Estimate Cost</u> |
|--|--------------------------------|------------------|------------------|------------------|----------------------------|
|  | Design Work                    |                  | Project Work     |                  |                            |
|  | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> |                            |
| FY 2008  |                                |                  |                  |                  |                            |
| Radar Replacement                                |                                |                  | FY07:Q1          | FY12:Q4          | 11,600                     |
| Landing Gear Replacement                         |                                |                  | FY07:Q1          | FY12:Q4          | 7,100                      |
| Tail Rotor Replacement                           |                                |                  | FY07:Q1          | FY12:Q4          | 3,700                      |
| Sliding Door Replacement                         |                                |                  | FY07:Q1          | FY12:Q4          | 1,400                      |
| ASIST Modification                               |                                |                  | FY07:Q1          | FY12:Q4          | 6,400                      |
| MNS & Cockpit Upgrades (MCH Phase III)           |                                |                  | FY07:Q1          | FY12:Q4          | 20,600                     |
| FY 2009  |                                |                  |                  |                  |                            |
| MCH Phase II (Obsolete Component Modernization)  |                                |                  | FY07:Q1          | FY10:Q2          | 0                          |
| MCH Phase II Production                          |                                |                  | FY09:Q2          | FY09:Q4          | 18,850                     |
| ASSIST Modification Kits                         |                                |                  | FY09:Q2          | FY10:Q2          | 8,250                      |
| MCH Ph III: AFCS, Cockpit Upgd, IDS Capabilities |                                |                  | FY09:Q2          | FY10:Q2          | 0                          |
| MCH Phase III NRE (Continuation from FY08)       |                                |                  | FY09:Q1          | FY09:Q3          | 15,600                     |
| MCH Phase III Production                         |                                |                  | FY09:Q2          | FY10:Q2          | 21,800                     |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            | 353,938                    | 32,373         | 50,800         | 64,500         | 501,611      |
| Obligation                               | 353,938                    | 25,898         | 40,640         | 54,800         | 475,276      |
| Expenditure                              | 353,938                    | 6,475          | 12,700         | 13,700         | 386,813      |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 353,938                    | 6,475          | 12,700         | 13,700         | 386,813      |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>           |                              |
| HH-65 MCH Phase II                          | 27,650                       |
| Radar Replacement                           |                              |
| Landing Gear Replacement                    |                              |
| Tail Rotor Replacement                      |                              |
| Sliding Door Replacement                    |                              |
| ASIST Modification                          |                              |
| HH-65 MCH Phase III                         | 36,850                       |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>64,500</b>                |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under

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**HH-65 Conversion Projects**

**\$64,500**

each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 16,240                   | 20,619                |
| Marine Safety                                   | 455                      | 578                   |
| Aids to Navigation                              | 3,379                    | 4,290                 |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | 1,430                    | 1,816                 |
| Living Marine Resources                         | 5,977                    | 7,589                 |
| Drug Interdiction                               | 11,173                   | 14,186                |
| Migrant Interdiction                            | 3,248                    | 4,124                 |
| Other Law Enforcement                           | 260                      | 330                   |
| Ports, Waterways & Coastal Security             | 8,380                    | 10,640                |
| Defense Readiness                               | 258                      | 328                   |
| <b>Mission-Program Allocation Total:</b>        | <b>50,800</b>            | <b>64,500</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**HC-130H Conversion Sustainment Projects**

**\$24,500**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request funds the following projects:

- 1) HC-130H Avionics Modernization
- 2) Center Wing Box (CWB) replacement
- 3) HC-130H Surface Search Radar

The Lockheed HC-130H is the Coast Guard's long-range surveillance aircraft. This four-engine, turbo-prop aircraft is used extensively throughout the United States, the Pacific, and the Caribbean in support of search and rescue, homeland security, law enforcement, pollution prevention, logistics, personnel transport and ice patrol missions.



FY 2009 funding will continue the development of the new digital cockpit, with multi-function displays that would provide aircrews with increased situational awareness and reduced cockpit workload. Additionally, funding will provide one replacement center wing box, which is critical for extending service life.

**CAPABILITY ACQUIRED/MAINTAINED:**

The HC-130H is powered by four Allison T56-A15 engines driving Hamilton Standard four-bladed propellers. When all fuel tanks are filled, the aircraft is capable of extended range (>2600 miles in low-altitude flight). With reduced fuel loads, the aircraft can carry a 40,000 pound payload. A large cargo compartment area, easily accessed through a large rear ramp, can accommodate a wide range of cargo. The aircraft's high-lift capability allows takeoff and landings from short, unimproved runways.

To keep the HC-130H fleet in service, upgrades to the avionics, sensors and fuselage are required. The Integrated Deepwater System is funding a program to replace the APS-137 surface search radar. This effective but troublesome radar has suffered from degraded reliability for several years. A prototype effort to replace the APS-137 with a Selex System is underway. The Selex System retains the same capabilities for surface search, yet offers an impressive reliability factor. The avionics suite on the HC-130H has been in service since the aircraft were delivered in the early 1980s. A digital cockpit with multi-function displays and reliable engine and propeller indicators will provide aircrews with increased situational awareness and reduced cockpit workload, benefits critical for long range operations.

**PERFORMANCE:**

With its flight-management and sensor systems, the HC-130H is a very capable maritime patrol aircraft, equipped with a powerful surface search radar that can detect surface targets from over 50 miles away. Once closer to a target, the sensor operator uses the Forward-Looking Infrared Radar (FLIR) and Electro Optical (EO) sensor to classify and identify the target, even in night or low-light conditions. A flight-management system that includes an automatic-pilot and precise Global Positioning System (GPS)

**HC-130H Conversion Sustainment Projects**

**\$24,500**

navigation equipment allows the pilot to concentrate on the details of the mission while being ensured of pinpoint accuracy of position and the position of the target vessels. Large scanner windows on either side of the cargo compartment provide aerial observers with a bird's eye view of the search areas during visual conditions. The HC-130H supports the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The HC-130H has a C4ISR suite that includes a multi-mode surface and air search radar (MMR), EO device, and Infrared (IR) sensor to find and observe a wide range of targets. The aircraft has a line-of-bearing indicator and distress call monitoring on various distress frequencies. It is also equipped with search windows and the crew has night vision devices to further enhance their ability to detect, classify, and identify targets.

- Marine Safety – International Ice Patrol (IIP) – A side-looking radar installed on the aircraft maps the location and movement of ice flows and icebergs. This information is calculated and transmitted to commercial vessels to increase maritime safety during the winter and spring months in the North Atlantic regions.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction Operations (MIO) – The C4ISR suite, including the same sensors described in the SAR mission, is employed to provide surveillance, detection, classification, and identification in the undocumented MIO mission. With multiple communications, including UHF/VHF, HF, the HC-130H can share important information with other operational units and command centers.

- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that support undocumented MIO are also utilized to support the DRUG mission. With its interoperable communications suite, the HC-130H can direct Coast Guard surface assets to intercept and prosecute suspect vessels.

- Other Law Enforcement (OLE) – All sensors and communications equipment are used for the OLE mission.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response – Visual surveillance and the side-looking radar on the HC-130H are employed to monitor and map oil-covered water surfaces. The MMR can detect differences in backscatter between water and oil-covered water due to the dampening effects of oil on small wind-generated waves, while the EO/IR sensor can detect the small temperature variation between clear and oil-covered water.

- MEP – Lightering Zone Enforcement (LZE) – The HC-130H is capable of monitoring lightering zones for oil and other hazardous chemical discharges.

- Living Marine Resources Enforcement (LMR) – The HC-130H employs all sensors (MMR, EO, and IR) to provide surveillance of protected and/or closed offshore areas and ensure the protection of LMR.

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**HC-130H Conversion Sustainment Projects**

**\$24,500**

NATIONAL DEFENSE:

• Defense Readiness – The HC-130H typically plays a minimal role in national defense missions but can provide support through surveillance and transport roles for the following areas:

- Port Operations, Security, and Defense (POSD)
- General Defense Operations (GDO)
- Peacetime Military Engagement (PME)
- Maritime Intercept Operations (MIO)
- Environmental Defense Operations (EDO)

COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:

| ITEM                           | QUANTITY | TOTAL (\$K) |
|--------------------------------|----------|-------------|
| HC-130H Avionics Modernization | 9 kits   | \$9,000     |
| HC-130H Surface Search Radar   | 2        | \$5,500     |
| HC-130H Center Wing Box (CWB)  | 1        | \$10,000    |
|                                | Total    | \$24,500    |

FUNDING HISTORY

|  | FY    | TOTAL    |
|--|-------|----------|
| HC-130H Surface Search Radar                 | 2005  | \$9,000  |
| HC-130H Surface Search Radar                 | 2006  | \$4,950  |
| HC-130H Avionics                             | 2006  | \$5,940  |
| HC-130H Avionics Modernization Program (AMP) | 2007  | \$24,700 |
| HC-130H Surface Search Radar                 | 2007  | \$24,255 |
| HC-130H AMP and Surface Search Radar         | 2008  | \$18,900 |
|  | Total | \$87,745 |

Funding history is the available funding for this item based on past appropriations, rescissions and other changes.

CONTRACTOR:

Aircraft Repair & Supply Center (AR&SC), Elizabeth City, NC

Type of Contract: Government Work Order

SUBCONTRACTORS:

|                |   |
|----------------|---|
| Aircraft       | Lockheed Martin Aero, Marietta, GA      |
| Engines        | Rolls Royce (Allison), Indianapolis, IN |
| Avionics       | Rockwell Collins, Cedar Rapid, IA       |
| Radar (APS137) | Raytheon, McKinney, TX                  |
| Radar (Selex)  | Selex SAS, Essex, United Kingdom        |
| FLIR/EO        | L3 Wescam, Burlington, Canada           |

KEY EVENT:

|  |         |
|--|---------|
| HC-130H Radar Replacement Project Contract Award | FY 2005 |
| Radar Preliminary Design Review                  | 2006    |
| Radar Critical Design Review                     | 2006    |

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**HC-130H Conversion Sustainment Projects** **\$24,500**

|  |      |
|--|------|
| Prototype Delivery   | 2006 |
| APS-137 Radar Replacement Developmental Test & Evaluation Complete | 2007 |
| APS-137 Radar Installs Complete on 10 Aircraft                     | 2008 |

**Significant Changes**

The aircraft manufacturer made changes to the calculations utilized to determine the number of hours that can be flown prior to replacement of center wing boxes. As a result, reprioritization of planned radar purchases has been made to accommodate potential center wing box replacements.

**Project Schedule**

| <b><u>Project Description</u></b>    | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|--------------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                      | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                      | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2008                              |   |                         |                         |                         |                    |
| Avionics Modernization Program (AMP) |   |                         | FY06:Q1                 | FY12:Q4                 | 13,800             |
| C-130H Surface Search Radar          |   |                         | FY06:Q1                 | FY09:Q4                 | 5,100              |
| FY 2009                              |   |                         |                         |                         |                    |
| C-130H Surface Search Radar          |   |                         | FY09:Q1                 | FY09:Q4                 | 5,500              |
| Avionics Modernization Program (AMP) |   |                         | FY09:Q1                 | FY09:Q4                 | 9,000              |
| HC-130H Center Wing Box (CWB)        |   |                         | FY09:Q1                 | FY09:Q4                 | 10,000             |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       |                     |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> | <b><u>Total</u></b> |
| Appropriation                                   | 19,890                            | 48,955                | 18,900                | 24,500                | 112,245             |
| Obligation                                      | 9,501                             | 12,432                | 65,812                | 19,600                | 107,345             |
| Expenditure                                     | 19,890                            | 9,791                 | 3,780                 | 4,900                 | 38,361              |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      | 19,890                            | 9,791                 | 3,780                 | 4,900                 | 38,361              |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>        | <b><u>FY 2009</u></b>       |
|--|-----------------------------|
|  | <b><u>Cost Estimate</u></b> |
| <b><u>Construction / Acquisition</u></b>             |                             |
| HC-130 MNS Capability (Avionics, MilSatCom/WX Radar) |                             |
| HC-130 Search Radar                                  | 5,500                       |
| Avionics Modernization Program                       | 15,000                      |
| HC-130H Center Wing Box (CWB)                        | 4,000                       |
| <b>FY 2009 Cost Estimate Project Total:</b>          | <b>24,500</b>               |

**HC-130H Conversion Sustainment Projects**

**\$24,500**

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 6,761                    | 8,764                 |
| Marine Safety                                   | 733                      | 950                   |
| Aids to Navigation                              | 947                      | 1,228                 |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | 270                      | 350                   |
| Living Marine Resources                         | 2,750                    | 3,565                 |
| Drug Interdiction                               | 916                      | 1,187                 |
| Migrant Interdiction                            | 2,253                    | 2,921                 |
| Other Law Enforcement                           | 1,578                    | 2,046                 |
| Ports, Waterways & Coastal Security             | 2,512                    | 3,256                 |
| Defense Readiness                               | 180                      | 233                   |
| <b>Mission-Program Allocation Total:</b>        | <b>18,900</b>            | <b>24,500</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Unmanned Aircraft System (UAS)** **\$3,000**

**Project Description, Justification and Scope**

This request funds the critical pre-acquisition activities for a Coast Guard Unmanned Aircraft System (UAS) to support cutter-based and land-based UAS operational feasibility analysis and testing, as well as UAS airspace safety, data management, and modeling/simulation studies based on existing technology.

The Coast Guard has a requirement to engage in maritime surveillance capabilities. Unmanned aircraft systems present an opportunity to make a substantial contribution to this vitally needed capability. The technology for these systems is rapidly evolving and various approaches are being developed for both shipboard and shore-based solutions. The Deepwater Implementation Plan included procurement of 45 Bell Eagle Eye cutter-based Vertical Unmanned Air Vehicles (VUAV) and associated control stations. The FY 2008 President's Budget requested no funding for VUAV. Instead, the Coast Guard was to conduct a study for an alternative approach to meet the Deepwater mission requirements for maritime surveillance.

During the fall of 2006, the USCG initiated this multi-phase VUAV alternatives analysis. Phase 1, completed in February 2007, recommended against proceeding with the Deepwater VUAV effort due to developmental and cost concerns, unless there were independently verifiable, significant technological achievements in either the Eagle Eye or Fire Scout (US Navy) VUAV projects. Phase 2, completed in August 2007, concluded that small, tactical, cutter-based UASs and long- endurance, land-based UASs might fulfill most of the maritime surveillance performance gap if a maritime VUAV were not available.

The pre-acquisition work will be conducted in accordance with the USCG Major Systems Acquisition Manual process and in collaboration with DoD and appropriate DHS organizations to meet common requirements. FY09 funding includes:

- Supporting USCG missions with UASs,
- Conducting safety-based statistical analysis,
- Addressing FAA/ICAO maritime operational requirements for UASs,
- Analyzing air vehicle command and control and related data management approaches, and
- Analyzing data between on-scene assets, the Coast Guard's common operating picture, and other required linkages.

The anticipated outcome is to determine how a UAS project will best enhance maritime surveillance capabilities, contribute to closing the Maritime Domain Awareness gap and identify costs and risks.

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:**

| ITEM  | TOTAL (\$K) |
|---|-------------|
| UAS Pre-Acquisition Activities/Alternatives Study | \$3,000     |
| Total   | \$3,000     |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Unmanned Aircraft System (UAS)** **\$3,000**

| FUNDING HISTORY                                | FY   | TOTAL (\$K) |
|--|------|-------------|
| VUAV Concept Development, Design               | 2002 | \$15,098    |
| Detailed Design & Long Lead Material           | 2004 | \$49,705    |
| System Component Production & Sub-Assembly     | 2005 | \$42,837    |
| Materials for VUAV #1 & #2 and Control Station | 2006 | \$6,658     |
| Complete Prototype Materials                   | 2007 | \$4,233     |
| Total  |      | \$118,531   |

Funding history is the funding available for this item based on past appropriations, rescissions, and other changes.

**Significant Changes**

This is the first submission for this re-scoped project after close-out of the contract for the Eagle Eye Vertical Lift Unmanned Aerial Vehicle (VUAV). As such, it tracks prior year funding for historical context. It also continues funding maritime surveillance requirements appropriately suited to the AC&I appropriation and is closely linked to related developmental prototype analysis efforts being managed by the Coast Guard's Research and Development Center (R&DC) using R&D funding.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2009                           |   |                         |                         |                         |                    |
| Research Initiation               |   |                         | FY09 :Q2                |                         | 3,000              |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 114,298                           | 4,233                 |                       | 3,000                 | 121,531      |
| Obligation                                      | 108,448                           | 9,233                 | 850                   | 3,000                 | 121,531      |
| Expenditure                                     | 104,488                           | 4,213                 | 850                   | 2,000                 | 111,551      |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      | 33,898                            | 4,213                 | 850                   |                       | 38,961       |
| Survey, Design & Engineering                    | 70,590                            |                       |                       | 2,000                 | 72,590       |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>       | <b><u>FY 2009</u></b>       |
|---|-----------------------------|
|   | <b><u>Cost Estimate</u></b> |
| <b><u>Other Costs</u></b>                           |                             |
| Fund study of Unmanned Aircraft System Alternatives | 3,000                       |
| <b>FY 2009 Cost Estimate Project Total:</b>         | <b>3,000</b>                |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Unmanned Aircraft System (UAS)**

**\$3,000**

**Related Follow-On Requirements**

| <b><u>Follow-On Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| UAS Analysis Follow-On & Study Completion       | 3,000                                   |
| <b>Follow-On Requirements Total:</b>            | <b>3,000</b>                            |

**Method of Performance**

The method of performance for this effort will be contracted studies on the feasibility and options for use of an Unmanned Aircraft System (UAS) in place of the Eagle Eye VUAV on Coast Guard operational platforms. It may include recommendations for alternative VUAVs, tactical UAS, mid-altitude land-based UAS, none of the aforementioned options, or a combination of the options used together.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b><u>Budget Allocation<br/>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | -   |
| Marine Safety                                   | -   |
| Aids to Navigation                              | -   |
| Ice Operations                                  | -   |
| Marine Environmental Protection                 | -   |
| Living Marine Resources                         | -   |
| Drug Interdiction                               | 720   |
| Migrant Interdiction                            | 720   |
| Other Law Enforcement                           | 720   |
| Ports, Waterways & Coastal Security             | 840   |
| Defense Readiness                               | -   |
| <b>Mission-Program Allocation Total:</b>        | <b>3,000</b>                                |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**National Security Cutter (NSC)**

**\$353,700**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request funds production of the National Security Cutter (NSC) #4, including costs for both economic and customer-driven changes to the cutter. Long Lead Time Material for NSC #4 was funded in FY 2008.

**CAPABILITY**

**ACQUIRED/MAINTAINED:**

The NSC is a surface component of the Integrated Deepwater System (IDS) that will be capable of an extended on-scene presence, long transits and forward deployment. It will be equipped with communication, navigation and surveillance systems that allow the cutter and its deployed air and boat assets to operate worldwide within the range of its performance parameters, and conduct a daily search of potentially 56,000 square miles of ocean in support of all Congressionally-mandated missions.



The NSC is the largest of the new IDS surface assets (418') with vastly improved capabilities over legacy 378' High Endurance Cutter, and will be the most sophisticated and capable cutter the Coast Guard has ever operated. It will have a range of approximately 12,000 nautical miles (NM) and an underway endurance of 60 days. The NSC manning concept is innovative in decoupling the ship's operational tempo from the personnel tempo, enabling the vessel to deploy 230 days away from homeport annually while maintaining the current personnel tempo of 185 days underway (i.e., a 24% increase in ship annual operating days compared to the 378' High Endurance Cutter. The cutter will be capable of patrolling singly or with multiple U.S. Coast Guard vessels, U.S. Navy vessels, or vessels from other nations' navies or coast guards.

The NSC will conduct scheduled and unscheduled patrols within its assigned operating areas employing a robust command and control capability for the task unit commander or on-scene commander. The cutter will be capable of performing all maritime DHS missions, defense operations with the U.S. Navy, such as Ports, Waterways and Coastal Security, as well as Maritime Intercept Operations, Port Operations, Security and Defense, and Peacetime Military Engagements. When engaged in those missions, the NSC will be capable of detecting, classifying, and tracking surface Targets of Interest (TOI) in size from makeshift rafts to large commercial vessels, and air TOIs as small as single-engine civil aircraft.

The NSC's capabilities include the ability to:

- Provide anti-terrorism/force protection;
- Carry and deploy multiple airframes;
- Carry and deploy multiple Short Range Prosecutor (SRP) and Long Range Interceptor (LRI) cutter boats;

**National Security Cutter (NSC)**

**\$353,700**

- Conduct boat and flight operations in higher sea states due to improved sea-keeping capability;
- Support the full range of Coast Guard missions and intelligence element operations through greatly improved intelligence gathering and C4ISR capabilities, including a Sensitive Compartmented Information Facility (SCIF), which enhance the NSC's self-defense capabilities and facilitate operations with networked DHS, DOD, and national assets;
- Maintain presence and perform limited command and control operations in contaminated environments for up to 36 hours;
- Operate with U.S. Navy Battle Groups with a maximum sustained speed of 28 knots.

**PERFORMANCE:**

The NSC is a major contributor to overall Deepwater system performance, particularly when operating at the hub of a cutter/small boat/aircraft force package. NSC intelligence collection, analysis and dissemination, and C4ISR capabilities improve system responsiveness and help to prevent security incidents from developing. NSCs will serve as the hub of multi-unit, multi-mission operations and will be essential to achieving mission success in the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The NSC will permit the search for and location of mariners in distress, enabling their recovery from positions of peril; provision of medical advice, assistance, or evacuation; and when necessary, provide them safe transport to shore-side locations. The NSC will also be able to support recovery or control of damage to distressed vessels and other property by controlling or terminating flooding, fighting fires, dewatering, providing mechanical assistance, and towing stricken vessels. The NSC will have stern ramps and a side davit to rapidly launch and retrieve small boats. The NSC will have a Rescue Access Station to embark and load a non-stern ramp capable boat, to deploy a rescue swimmer, and to pick survivors from the water. With sustained presence, the NSC can also serve as a platform for an on-scene commander guiding and assisting rotary wing assets.

- Marine Safety – International Ice Patrol (IIP) – The NSC will support the protection of maritime shipping from icebergs by making ice observations, initiating or receiving and relaying shipping ice advisory broadcasts whenever icebergs threaten shipping routes, and otherwise operating in concert with other assets conducting this important mission.

**MARITIME LAW ENFORCEMENT:**

- Undocumented Migrant Interdiction Operations – The NSC C4ISR suite will be employed to provide surveillance, detection, classification, and identification in the undocumented migrant interdiction mission. Through sustained on-scene presence, the NSC will also have the capability of prosecuting Targets of Interest (TOI), including interdiction, embarkation, and disembarkation, as well as allowing for rescue of a large number of people when an unseaworthy or overloaded craft sinks or capsizes. These rescue situations require the ability to retain persons onboard (sheltering, feeding, and providing basic sanitation and medical services; as well as administrative processing and ensuring security for all concerned).

- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that will support undocumented migrant interdiction operations will also be used for the DRUG mission. Through effective use of the Common Operating Picture (COP), Multi-mission Cutter Helicopter

**National Security Cutter (NSC)**

**\$353,700**

(MCH) aircraft, and the Long Range Interceptor (LRI)/small boats, the NSC will be able to intercept and prosecute suspect vessels.

- Other Law Enforcement (OLE) – The NSC will conduct proactive patrols as well as reactive response to intelligence information, using all sensors and communications equipment to fulfill this mission. Sharing information and data through the use of the Command and Control (C2) system and the COP will result in increased maritime domain awareness. The NSC will have both active and passive sensors to detect and track vessels or aircraft engaged in, or suspected of, illegal activities. It will identify, classify and sort TOIs. After interdicting suspicious vessels, it will enable at-sea boardings and performance of custodial functions associated with seizing vessels or making at-sea arrests.

- Foreign Vessel Inspection – The NSC will conduct surveillance of operating areas. The installed Automatic Identification System (AIS) will permit rapid identification of foreign vessels. The NSC will be able to inspect foreign vessels at sea for compliance with applicable marine safety requirements and regulators.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response – The NSC will be able to detect maritime pollution in the U.S. Exclusive Economic Zone (EEZ), based on verification of the type of material in the water, evidence gathering, and documentation. It will allow response to 29 CFR 1910.120 Hazardous Material accidents. Additionally, the NSC will conduct surveillance operations to detect significant discharges of oil or hazardous substances for subsequent monitoring, mitigation, and removal actions. The COP will provide the capability to navigate to previously marked pollution areas and update them based on current C4ISR and visual indications.

- Lightering Zone Enforcement (LZE) – The NSC will survey maritime petroleum cargo lightering zones and lightering operations, enabling the conduct of boardings to enforce applicable lightering regulations.

- Living Marine Resources Enforcement (LMR) – The NSC will aid enforcement of laws and treaties pertaining to LMR, including fisheries and marine mammal protection. The cutter will be able to provide sustained presence throughout the U.S. EEZ and along its boundary, as well as in international maritime areas of interest to the U.S. It will allow for at-sea boardings and inspections to deter illegal or unauthorized LMR activity to document violations and, if directed, arrest and seize vessels engaged in LMR violations. The NSC will also be equipped with AIS to monitor surface vessels that will provide a ship's name, position, course, and speed, and facilitate the job of vessel identification.

**NATIONAL DEFENSE:**

- Defense Readiness – The NSC's defense and security-related capabilities and extreme range and endurance makes it particularly well-suited for deployments overseas and in regions where it can disrupt security incidents well before they threaten U.S. coastlines.

- Port Operations, Security, and Defense (POSD) – The NSC will enable the conduct of thorough and sustained surveillance of an assigned area of operations, allowing dispatch of appropriate assets to investigate any threat to security. The NSC will engage in maritime interdiction operations, provide outer-harbor security, escort high-value assets, and conduct SAR and other

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**\$353,700**

- operations in support of the POSD mission. The primary objective is to ensure that port and harbor areas are maintained free of threats and to support re-supply of other deployed forces. The protection of logistics in support of contingency operations is one of the NSC’s highest priorities.
- General Defense Operations (GDO) – The NSC will integrate with DOD over the full range of maritime operations including surveillance, visit, board, search, seize and unit defense. It will be capable of operating worldwide with sustained presence resulting from its capability for underway replenishment, including Aircraft Vertical Replenishment. The cutter will provide hard-kill of subsonic anti-ship cruise missiles with Close-in-Weapon-Systems, and soft-kill capability, reduced radar cross-section, reduced infrared signature, and electronic sensor capability. The NSC will employ the 57 mm gun weapons system with optical and infrared fire control to achieve mission kill on high-speed patrol craft beyond intermediate caliber effective range. The NSC will be able to provide berthing and logistics support for additional personnel deployed for defense operations. The NSC will also have the ability to maintain station for an aircraft carrier conducting flight operations and to take station on, maneuver around, and escort commercial shipping steaming at operational speed. The cutter will have the ability to launch, recover and fuel U.S. Navy and NATO Vertical Take-Off and Landing (VTOL) aircraft, including armed helicopters.
  
  - Peacetime Military Engagement (PME) – The NSC will engage in military activities involving other nations to promote and maintain the security environment in peacetime, including nation-building activities. It will be able to maintain forward presence, render humanitarian assistance, conduct professional exchanges, and participate in combined operations, training, exercises and other military or diplomatic activities. The PME mission may involve long transits and extended operations with deployments of two to four months, for which the NSC will be well-suited.
  
  - Maritime Intercept Operations (MIO) – The NSC will conduct thorough and sustained surveillance of an assigned area of responsibility and detect and intercept all shipping, operating either independently or integrated with DOD and other agency assets. Additionally, the cutter will be able to dispatch trained boarding or inspection teams, providing for their logistics, support, transportation and protection.
  
  - Environmental Defense Operations (EDO) – The NSC will be able to detect potential threats to the physical environment and investigate those threats. The cutter will conduct operations to mitigate known environmental harm and intercept persons suspected of causing such harm, including mitigation of environmental exploitation designed to disrupt defense operations.

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM                       | QUANTITY | TOTAL (\$K) |
|----------------------------|----------|-------------|
| NSC #4 Production          | 1        | \$346,600   |
| NSC #1 Structural Retrofit |          | \$7,100     |
|                            | Total    | \$353,700   |

**FUNDING HISTORY:**

|                               | FY   | TOTAL   |
|-------------------------------|------|---------|
| Conceptual Development/Design | 2002 | \$7,869 |

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|  |      |             |
|--|------|-------------|
| Detailed Design and Long Lead Time Material for NSC #1   | 2003 | \$136,937   |
| Construction of NSC #1                                   | 2004 | \$204,093   |
| Long Lead Time Material and Construction of NSC #2       | 2005 | \$264,000   |
| Long Lead Time Material and Construction of NSC #3       | 2006 | \$488,985   |
| Consolidated Contracting Action NSC #1-3 <sup>1</sup>    | 2007 | \$410,280   |
| NSC #4 Long Lead Time Material <sup>2</sup>              | 2008 | \$72,500    |
| NSC #3-4 GFE, Certifications, and Logistics <sup>3</sup> | 2008 | \$93,200    |
| Total  |      | \$1,677,864 |

Funding history is the available funding for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43-month subsequent award term period through January 2011

**SUBCONTRACTORS:**

Northrop Grumman Ship Systems (NGSS), Pascagoula, MS (ship) and Lockheed Martin Company (LMCO), Moorestown, NJ (Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance systems)

Production Subcontractor: NGSS, Pascagoula, MS and LMCO, Moorestown, NJ

Assembly subcontractor: NGSS, Pascagoula, MS

| KEY EVENT  | FY   |
|--|------|
| Preliminary/Contract Design                        | 2003 |
| Detail Design                                      | 2003 |
| Start Construction, Lead Cutter                    | 2004 |
| Start Construction, NSC #2                         | 2006 |
| Initial Operating Capability (IOC) for Lead Cutter | 2008 |
| Start Construction, NSC #3 <sup>4</sup>            | 2008 |
| Initial Operating Capability (IOC) for NSC #2      | 2009 |

**Significant Changes**

The Coast Guard signed the Consolidated Contracting Action (CCA) in August, 2007 that resolved pricing issues for NSCs #1-3 resulting from post 9/11 mission-related Engineering Change Proposals (ECPs), Hurricane Katrina costs, structural enhancements, delays and other project changes. As a result, this year's budget request funds production costs for NSC #4, while last year's request funded Long

<sup>1</sup> Funding History for FY 2007 reflects changes from the Consolidated Contracting Action.

<sup>2</sup> Funding History for FY 2008 reflects changes from the Consolidated Contracting Action.

<sup>3</sup> Funding History for FY 2008 reflects changes from the Consolidated Contracting Action.

<sup>4</sup> NSC #3 was awarded in 4th quarter FY 2007; however, design work to incorporate structural changes to ensure a 30-year fatigue life preceded the actual start of production in FY2008.

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**National Security Cutter (NSC)**

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Lead Time Material for NSC #4, as well as Government Furnished Equipment (GFE), certifications, and logistics for NSCs # 3-4.

**Project Schedule**

| <b><u>Project Description</u></b>    | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|--------------------------------------|---|-------------------------|-------------------------|-------------------------|----------------------------|
|                                      | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|                                      | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                            |
| FY 2008                              |   |                         |                         |                         |                            |
| NSC LLTM #4, NSC #3-4 GFE, logistics | FY02:Q4                                   | FY04:Q1                 | FY04:Q3                 | FY11:Q4                 | 165,700                    |
| FY 2009                              |   |                         |                         |                         |                            |
| NSC #4 Production                    | FY02:Q4                                   | FY04:Q1                 | FY04:Q3                 | FY11:Q4                 | 353,700                    |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       |                     |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> | <b><u>Total</u></b> |
| Appropriation                                   | 1,101,884                         | 410,280               | 165,700               | 353,700               | 2,031,564           |
| Obligation                                      | 1,018,112                         | 706,630               | 221,974               | 282,960               | 2,229,676           |
| Expenditure                                     | 626,855                           | 83,556                | 33,140                | 70,740                | 814,291             |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      | 482,049                           | 83,556                | 33,140                | 70,740                | 669,485             |
| Survey, Design & Engineering                    | 144,806                           |                       |                       |                       | 144,806             |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009 Cost Estimate</u></b> |
|---|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>      |                                     |
| NSC #4 Production                             | 353,700                             |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>353,700</b>                      |

**Related Follow-On Requirements**

| <b><u>Follow-On Requirement Description</u></b>                    | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| WMSL Crew Rotation Concept (CRC) & General Defense Operations Crew | 5,586                               |
| WMSL Crew Charlie - Alameda (Phase II)                             | 3,773                               |
| WMSL Crew Charlie - Alameda (Phase III)                            | 2,986                               |
| <b>Follow-On Requirements Total:</b>                               | <b>12,345</b>                       |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and

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record expenses. Moreover, Dekker iPursuit is also used to view monthly cost performance reports. The iPursuit program also allows for extensive insight into the data used to generate cost performance reports. For example, it can provide a breakdown of cost and schedule variances by work breakdown structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 5,835                    | 12,455                |
| Marine Safety                                   | -                        | -                     |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | 30,215                   | 64,496                |
| Drug Interdiction                               | 63,522                   | 135,593               |
| Migrant Interdiction                            | 17,193                   | 36,700                |
| Other Law Enforcement                           | 15,512                   | 33,112                |
| Ports, Waterways & Coastal Security             | 18,034                   | 38,495                |
| Defense Readiness                               | 15,389                   | 32,849                |
| <b>Mission-Program Allocation Total:</b>        | <b>165,700</b>           | <b>353,700</b>        |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Offshore Patrol Cutter (OPC)**

**\$3,003**

**Project Description, Justification and Scope**

This funding request completes requirements analyses in order to enable commencement of the concept design phase for the Offshore Patrol Cutter (OPC) leading to award of the preliminary design.

The revised program plan to match this requested funding includes requirements analyses from FY 2007:Q4 until FY 2009:Q1 at a cost of \$3,003,000. Funding for concept design and preliminary design will be sought in future years.



**CAPABILITY ACQUIRED/MAINTAINED:**

The OPC is the second largest cutter among the new Integrated Deepwater System (IDS) assets and will conduct critical patrols within assigned operating areas. It is a modern, multi-mission platform that will perform all IDS missions. The OPC will be capable of steaming long transit distances and maintaining extended on-scene presence. These characteristics are well-suited for maritime homeland security roles as well as for performing the full spectrum of law enforcement missions (e.g., living marine resources, drug interdiction, and undocumented migrant interdiction) and search and rescue operations. The OPC will provide a robust command and control capability for duties as Commander Task Unit (CTU) and On-Scene Commander (OSC). Inherent capabilities that are a vast improvement over legacy major cutters include multiple airframe capability, Over-the-Horizon (OTH) cutter boat deployment, and improved sea-keeping to allow flight and small boat operations in higher sea states. The OPC will provide significantly improved command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR) capabilities compared to legacy Medium Endurance Cutters (WMEC) and are capable of interoperability in DHS and Department of Defense (DOD) communications and command and control systems.

**PERFORMANCE:**

The OPC is a major contributor to overall Integrated Deepwater System (IDS) performance, particularly when operating as the nucleus of a cutter/small boat/aircraft force package. Intelligence collection, analysis and dissemination, and C4ISR capabilities improve system responsiveness and help to prevent and mitigate security threats.

The use of well-equipped aircraft and small boats coupled with increased cutter speed also allow greater capacity for intercept and prosecuting targets of interest. The OPC can also stay at sea and on-station for long periods of time, with an integrated logistics system that will represent a significant improvement over its legacy counterpart.

Force structure determination: The OPC is a critical part of the IDS system, forming the hub of multi-unit, multi-mission operations. Its operational capabilities, long range, and endurance make it

**Offshore Patrol Cutter (OPC)**

**\$3,003**

particularly suited for deployments to remote regions and approaches to the U.S. coastlines, such as the eastern Pacific, Gulf of Alaska, Caribbean Sea and North Atlantic, where they can prevent security incidents and perform traditional Coast Guard missions of fisheries enforcement, counter-drug and undocumented migrant interdiction patrols, and others. The planned number of OPCs is based on a detailed review of mission needs.

The revised Deepwater Implementation Plan provides additional capabilities to reflect the increased post-9/11 security requirements. The OPC is designed to contribute to intelligence collection/information sharing through a sophisticated Shipboard Sensitive Compartmentalized Information Facility (S/SCIF), Specific Emitter Information (SEI) sensors, and increased data exchange bandwidth. The OPC's Deepwater and DOD interoperability capabilities are enhanced with DHS and local responder-interoperable radio communications. The OPC flight deck extension will accommodate all variants of DHS and DOD HH-60 helicopters to provide enhanced interoperability with interagency and inter-service counter-terrorism teams. The OPC will be fully-integrated with the National Distress Response System modernization program, known as RESCUE 21, which will provide port commanders with real-time tracking of the OPC and seamless Common Operational Picture (COP)-Maritime Domain Awareness (MDA) data-sharing, including the Automatic Identification System (AIS). The maritime security capabilities allow the cutter's weapons and command and control suite to be upgraded and hardened to better survive potential terrorist incidents and process increased data flow. This will include a medium caliber deck gun (57mm) that will provide the ability to engage/stop rogue merchant vessels far from shore. Increased OPC speed will provide exceptional response and reaction capability. This increased transit speed will allow for more time on station protecting port approaches.

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The OPC provide the ability to search for and locate distressed mariners and recover them from positions of peril, provide medical advice, assistance or evacuation, and when necessary, enable safe transport to shoreside locations. The OPC will also support recovery or control of damage to distressed vessels and other property by controlling or terminating flooding, fighting fires, dewatering, providing mechanical assistance, and towing stricken vessels. The OPC will have a stern ramp to rapidly launch and retrieve small boats. With a sustained presence, the OPC can also serve as an OSC platform, guiding and assisting rotary wing assets.

- International Ice Patrol (IIP) – The OPC will support the protection of maritime shipping from icebergs. The OPC will be able to make ice observations, initiate or receive and relay shipping ice advisory broadcasts whenever icebergs threaten the shipping routes, and otherwise operate in concert with other assets conducting this mission.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction (MIO) – The OPC C4ISR suite will be employed to provide surveillance, detection, classification, and identification in the undocumented MIO mission. Through a sustained on-scene presence, the OPC will also have the capability of prosecuting Targets of Interest (TOI), including interdiction, embarkation, and disembarkation, and rescuing a large number of people when an unseaworthy or overloaded craft sinks or capsizes. These rescue situations require administrative processing and the ability to retain persons onboard (sheltering, feeding, and to provide basic sanitation and medical services, as well as security for all concerned).

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- **Illegal Drug Interdiction (DRUG)** – The same sensors and communications equipment that will support undocumented MIO will also be used for the DRUG mission. Through effective use of the COP, Multi-Mission Cutter Helicopter (MCH) aircraft, and the Long Range Interceptor (LRI)/small boats, the OPC will be able to intercept and prosecute suspect vessels.
- **Other Law Enforcement (OLE)** – The OPC will conduct proactive patrols as well as reactive response to intelligence information, using all sensors and communications equipment to fulfill this mission. Sharing information and data through the use of the C2 system and the COP will result in increased MDA. The OPC will have both active and passive sensors to detect and track vessels or aircraft engaged in, or suspected of, illegal activities. It will identify, classify and sort TOIs. After interdicting suspicious vessels, it will permit at-sea boardings and ease performance of custodial functions associated with seizing vessels or making at-sea arrests.

**PROTECTION OF NATURAL RESOURCES:**

- **Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response** – The OPC will be able to detect maritime pollution in the U.S. Exclusive Economic Zone (EEZ), based on verification of the type of material in the water, evidence gathering, and documentation. It will enable response to 29 CFR 1910.120 Hazardous Material accidents. Additionally, the OPC will conduct surveillance operations to detect significant discharges of oil or hazardous substances for subsequent monitoring, mitigation, and removal actions. The COP will provide the capability to navigate to previously-marked pollution areas and update them based on current C4ISR and visual indications.
- **MEP – Lightering Zone Enforcement (LZE)** – The OPC sensors will survey maritime petroleum cargo lightering zones and lightering operations, enabling boardings to enforce applicable lightering regulations.
- **Living Marine Resources Enforcement (LMR)** – The OPC will enable enforcement of laws and treaties pertaining to LMR, including fisheries and marine mammal protection. The cutter will be able to provide sustained presence throughout the U.S. EEZ and along its boundary, as well as in international areas of interest to the U.S. It will allow the conduct of at-sea boardings and inspections to deter illegal or unauthorized LMR activity, permit documentation of violations, and enable arrest and seizure of vessels engaged in LMR violations if directed. The OPC will also be equipped with AIS to monitor surface vessels. The information will provide a ship's name, position, course and speed, and will make the job of vessel identification easier.

**NATIONAL DEFENSE:**

- **Defense Readiness** – The OPC's defense and security-related capabilities and extended range and endurance make it well-suited for deployments offshore from U.S. coastlines.
  - **Port Operations, Security, and Defense (POSD)** – The OPC will be able to conduct thorough and sustained surveillance of an assigned area of operations, and allow for dispatch of appropriate assets to investigate any threat to security. The OPC will conduct maritime interdiction operations, provide outer-harbor security, escort high-value assets, and conduct search and rescue and other operations in support of the POSD mission. The primary objective is to ensure that port and harbor areas are maintained free of threats and to support re-supply of other deployed forces.

**Offshore Patrol Cutter (OPC)**

**\$3,003**

The protection of logistics in support of contingency operations is one of the highest OPC priorities.

- General Defense Operations (GDO) – The OPC will integrate with DOD over the full range of maritime operations, including surveillance, visit, board, search, seize and unit defense. The OPC will employ the 57 mm gun weapons system with optical and infrared fire control to achieve mission kill on high-speed patrol craft at intermediate-caliber effective range. The cutter will have the ability to launch, recover, and fuel Navy and NATO Vertical Take-Off and Landing (VTOL) aircraft, including armed helicopters.
- Peacetime Military Engagement (PME) – The OPC will operate in military activities involving other nations to promote and maintain the security environment in peacetime, including nation-building activities. It will be able to maintain a forward presence; permit rendering of humanitarian assistance; conduct of professional exchanges; and participation in combined operations, training, exercises, and other military or diplomatic activities. The PME mission may involve long transits and extended operations with deployments of two to four months for which the OPC will be well-suited.
- Maritime Intercept Operations (MIO) – The OPC sensors will allow thorough and sustained surveillance of an assigned area of responsibility and detect and permit interception of all shipping, operating either independently or integrated with DOD and other agency assets. Additionally, the cutter will be able to dispatch trained boarding or inspection teams, providing for their logistics, support, transportation and protection.
- Environmental Defense Operations (EDO) – The OPC sensors will be able to detect potential threats to the physical environment and enable investigation of those threats. The cutter will enable operations to mitigate known environmental harm and allow interception of persons suspected of causing such harm. This will include mitigation of environmental exploitation designed to disrupt defense operations.

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM                           | QUANTITY | TOTAL (\$K) |
|--------------------------------|----------|-------------|
| Complete requirements analyses | Lot      | \$3,003     |
|                                | Total    | \$3,003     |

**FUNDING HISTORY:**

|   | FY    | TOTAL (\$K) |
|---|-------|-------------|
| Preliminary alternative and requirement development | 2004  | \$15,558    |
| Requirement and concept refinement                  | 2005  | \$2,500     |
| Continuing design development (stop-work issued)    | 2006  | \$9,328     |
|   | Total | \$27,386    |

Funding history shows available funds based on past appropriations, rescissions, and other changes.

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**Offshore Patrol Cutter (OPC)**

**\$3,003**

**CONTRACTOR:**

As the system integrator, the U.S. Coast Guard will choose a contractor and contracting vehicle that presents the best value to the government.

SUBCONTRACTORS: TBD

**KEY EVENTS:**

Requirements Analysis

FY

2009

**Significant Changes**

The funds requested in FY 2009 will continue and complete analyses needed in order to re-start the design process with Concept Design, followed by Preliminary Design. Funding history above reflects a \$98,627,476 rescission FY 2006 appropriation enacted in FY 2008.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2009                           |   |                         |                         |                         |                    |
| IDS - OPC Requirements Analysis   | FY07:Q4                                   | FY09:Q1                 |                         |                         | 3,003              |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 27,386                            |                       |                       | 3,003                 | 30,389       |
| Obligation                                      | 19,758                            |                       |                       | 3,003                 | 22,761       |
| Expenditure                                     | 19,758                            |                       |                       | 3,003                 | 22,761       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Survey, Design & Engineering                    | 19,758                            |                       |                       | 3,003                 | 22,761       |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>      |   |
| Complete requirements analysis                | 3,003                                   |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>3,003</b>                            |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports.

**Offshore Patrol Cutter (OPC)**

**\$3,003**

The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 381   |
| Marine Safety                                   | 36  |
| Aids to Navigation                              | 5   |
| Ice Operations                                  | -   |
| Marine Environmental Protection                 | -   |
| Living Marine Resources                         | 589   |
| Drug Interdiction                               | 795   |
| Migrant Interdiction                            | 589   |
| Other Law Enforcement                           | 61  |
| Ports, Waterways & Coastal Security             | 458   |
| Defense Readiness                               | 89  |
| <b>Mission-Program Allocation Total:</b>        | <b>3,003</b>                                |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act.

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Fast Response Cutter (FRC-B)**

**\$115,300**

**Project Description, Justification and Scope**

This request funds production of FRC-B hulls #2, #3 and #4, associated contract line items (i.e. training, warranty, supply support, etc.), and project management costs. Congress directed in FY 2008 that FRC #2 also be funded using prior year funding for the FRC-A. The Coast Guard has a critical need for patrol boats and the FRC-B will help meet that need. Concerns with the technical aspects of the composite FRC design (FRC-A) resulted in the Coast Guard suspending work on the project. The FRC-B (also referred to as the “parent craft”) was developed as a mitigation strategy due to the critical shortfall of patrol boat mission hours. On March 14, 2007, the Coast Guard terminated the FRC-B acquisition with Integrated Coast Guard Systems (ICGS) and reassigned it to the Coast Guard Acquisitions Directorate. The FRC-B acquisitions strategy includes acquiring a patrol boat based on a parent craft built from an existing proven design in order to address the significant patrol boat shortfall as soon as possible. The delivery schedule provides for the lead cutter delivery in 2010 and the 12<sup>th</sup> cutter by FY 2012.



**CAPABILITY ACQUIRED/MAINTAINED:**

Patrol boats are a critical Coast Guard response and prosecution asset for all mission areas, and are an integral component to our suite of capabilities. The FRC-B will have valuable new capabilities that are not found on the legacy 110’ WPB, including Deepwater interoperability, an enhanced command, control, communications, intelligence, surveillance and reconnaissance (C4ISR) suite, and improved quality of life. The FRC-B will also have enhanced maritime security capabilities that will support homeland security and homeland defense through increased speed and effectiveness. The FRC-B will be capable of reaching approximately 28 knots, providing enhanced response and reaction capability. The FRC-B will also have critical DHS and DOD communications interoperability improvements, including Military Satellite Communications (MILSATCOM) and local first responder-interoperable radio communications. Where increased weapons capability and deterrence are required, the main gun of the FRC-B will be used to enhance mission execution.

**PERFORMANCE:**

The FRC-B is a critical part of the Integrated Deepwater System (IDS) and will be a maritime security workhorse, patrolling in both coastal and high seas areas. Improved interoperability, C4ISR, common operating picture (COP) and sensors enhance surveillance and identification performance over existing capabilities of the legacy 110’ patrol boat. With its high readiness, speed, adaptability and endurance, the FRC-B will respond quickly and effectively to emerging security and safety issues, and is essential to achieving mission success in the following Congressionally-mandated missions:

**Fast Response Cutter (FRC-B)**

**\$115,300**

**MARITIME SAFETY**

• Search and Rescue (SAR) – The FRC-B will enable the ability to search for and locate distressed mariners and recover them from positions of peril, provide medical assistance or evacuation, and provide safe transport. The FRC-B will enable the ability to control damage to distressed vessels and other property, provide dewatering equipment and mechanical assistance, and tow stricken vessels. The FRC-B will allow commanders to integrate, coordinate and assist a large number of SAR assets during surge events during weather anomalies (such as hurricanes or gale-force winds), ocean liner rescue operations, and downed airline rescue operations.

**MARITIME SECURITY:**

• Undocumented Migrant Interdiction (MIO) – The FRC-B will enable the ability to conduct shipboard migrant interdiction evolutions, including detection, tracking, interdiction, embarkation and disembarkation, rescue administrative processing, and retention onboard. Targets include slow-moving rafts, small sailing vessels, small sport fishing vessels, high-speed, “go fast” type vessels, and small motor freighters attempting to make the voyage to the United States, Puerto Rico, or other U.S. territories. The FRC-B will be capable of patrolling areas where suspected illegal migration may occur, dispatching boarding teams to suspect vessels and subsequently escorting them to their final disposition. When conducting both proactive and reactive interdiction operations, the FRC-B will be capable of sustained presence and have the capability to rescue and shelter a large number of people in the event that the typical unseaworthy or overloaded craft sinks or capsizes during the attempted voyage. This capability will be facilitated by using rope ladders and/or cargo nets on one side of the cutter. The FRC-B will be capable of embarking a large number of migrants for at least a day, providing physical security, food, water, sanitation, basic medical services, shelter (separate from the ship’s crew) and administrative processing.

• Illegal Drug Interdiction (DRUG) – The FRC-B will have the capability to conduct illegal drug interdiction, including surveillance, visible deterrence in areas where the possibility of contraband smuggling exists, provide response to intelligence information and known incidents of drug smuggling, and to dispatch a boarding team. The cutter will intercept and take possession of contraband and the smuggling vessel, allowing the crew to arrest, detain and transport suspects for further transfer ashore. The FRC-B will possess the capability for integration and interoperability in communications, speed, sensors, and endurance with DOD and other government agencies. The cutter will have an approximate 28 knot capability for rapid interdiction of suspected targets of interest, and be equipped with a deck-mounted gun and small arms.

• Other Law Enforcement (OLE) – The FRC-B will enable enforcement of laws additional to those inherent in the primary mission areas of migrant interdiction, illegal drug interdiction, environmental defense, lightering zone enforcement, living marine resources enforcement and maritime pollution enforcement. This capability will include proactive patrols as well as reactive response to intelligence information. The sensors will be effective both day and night, and in all weather and sea conditions. The FRC-B will enable conduct of at-sea boardings and, if necessary, taking possession of a suspect vessel and escorting or towing it to port. The cutter will have an integrated architecture of surveillance sensors, operational databases, decision support systems, and communication equipment to collect, process, and disseminate operational information to other Coast Guard units, as well as other agencies in a timely manner.

**Fast Response Cutter (FRC-B)**

**\$115,300**

- Protecting the U.S. Exclusive Economic Zone (EEZ) from foreign encroachment – The FRC-B will have the capability of conducting surveillance of foreign vessels in EEZ operating areas and the ability to conduct at-sea boardings.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response – The FRC-B will be capable of conducting surveillance and inspection operations to detect significant discharges of oil, hazardous substances, debris, and ballast water for subsequent monitoring, mitigation, and removal actions in the U.S. EEZ. These operations involve verification of type of material in the water, evidence gathering and documentation, and are limited to visual determination of the type of pollutant, thickness and extent, day or night and in moderate weather conditions.
- Lightering Zone Enforcement (LZE) – The FRC-B will have the capability to survey lightering zones and lightering operations and conduct boardings as necessary.
- Living Marine Resources (LMR) – The FRC-B will enable enforcement of laws and treaties pertaining to LMR, including fisheries and marine mammal protection. The FRC-B will have the capability of sustained presence within the U.S. EEZ, enabling at-sea boardings and inspections to deter illegal or unauthorized activity by documenting violations. The FRC-B may take possession of a suspect vessel and then escort or tow it to port, allowing the crew to arrest, detain, and transport suspects for further transfer ashore.

**NATIONAL DEFENSE**

- Defense Readiness – The FRC-B will be designed to provide support to DOD in a variety of roles and missions. The FRC-B will have the capability to integrate with DOD in the full range of maritime operations, including surveillance, visit, board, search, seize, and unit defense. The FRC-B will conduct national defense maritime operations worldwide in low threat environments.

FRC-B support for national defense missions will be provided through the following six mission areas:

- Ports, Waterways and Coastal Security (PWCS)
- General Defense Operations (GDO)
- Maritime Interception Operations (MIO)
- Coastal Sea Control Operations (CSCO)
- Military Environmental Response Operations (MERO)
- Theatre Security Cooperation (TSC)

Representative activities that the FRC-B will conduct in support of national defense include:

- Limited military sealift and commercial shipping escort
- Limited combat search and rescue
- Surveillance and interdiction
- Visit, board, search and seizure
- Force protection of military shipping at U.S. seaports of embarkation and overseas ports of debarkation
- Domestic port security and coastal defense, providing part of the overall capability for the defense of the U.S. homeland

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**Fast Response Cutter (FRC-B)**

**\$115,300**

- Other duties as may be assigned; e.g., coastal/riverine interdiction, Special Operations Forces (SOF) insertion/support.

COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:

| ITEM  | QUANTITY | TOTAL (\$K) |
|---|----------|-------------|
| Construction/Production of FRC-B #3*                  | 1        | \$47,000    |
| Construction/Production of FRC-B #4                   | 1        | \$47,000    |
| Logistics (Spares, Program Management, Crew Training) | 1        | \$21,300    |
|   | Total    | \$115,300   |

| FUNDING HISTORY:  | FY           | TOTAL (\$K) |
|---|--------------|-------------|
| Design and Lead Ship (FRC-B #1)                                       | 2007 & Prior | \$106,690   |
| FRC-B #2* (use of FRC-A unobligated funding per FY2008 language) 2007 |              | \$41,580    |
|   | Total        | \$148,270   |

Funding history is the available funding based on past appropriations, rescissions, and other changes.

\* Construction/Production of FRC-B #2 will occur in FY2009

CONTRACTOR: TBD

Type of Contract: TBD

Contract options: TBD

SUBCONTRACTORS: TBD

Production Subcontractor: TBD

Assembly Subcontractor: TBD

| KEY EVENTS             | FY     |
|------------------------|--------|
| Critical Design Review | 2008/9 |
| Start Production       | 2009   |
| Lead ship Delivery     | 2010   |

**Significant Changes**

FY 2008 was the first budget submission for the FRC-B Class. This request was denied, although funding was provided in the FY 2007 appropriations to the Replacement Patrol Boat/110' SLEP. Congress directed funding in FY 2008 use prior year FRC-A Class unobligated funds. The above funding history reflects transfer of \$20M from FY 2007 appropriations used for 110' Patrol Boat Sustainment.

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**Fast Response Cutter (FRC-B)**

**\$115,300**

**Project Schedule**

| <u>Project Description</u>                      | Dates by Fiscal Year & Quarter |                  |                     |                  | <u>Total Estimate Cost</u> |
|---|--------------------------------|------------------|---------------------|------------------|----------------------------|
|   | <u>Design Work</u>             |                  | <u>Project Work</u> |                  |                            |
|   | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u>    | <u>Completed</u> |                            |
| FY 2008   |                                |                  |                     |                  |                            |
| Construction and Production FRC-B #1            |                                |                  | FY08:Q4             | FY10:Q3          | 96,000                     |
| FY 2009   |                                |                  |                     |                  |                            |
| Construction and Production FRC-B #2            |                                |                  | FY09:Q2             | FY10:Q4          | 47,000                     |
| Construction and Production FRC-B #3            |                                |                  | FY09:Q2             | FY11:Q1          | 47,000                     |
| Construction and Production FRC-B #4            |                                |                  | FY09:Q2             | FY11:Q2          | 47,000                     |
| Logistics (Spares, Program Mgmt, Crew Training) |                                |                  | FY09:Q1             | FY10:Q4          | 21,300                     |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            |                            | 148,270        |                | 115,300        | 263,570      |
| Obligation                               |                            | 1,821          | 96,000         | 145,000        | 242,821      |
| Expenditure                              |                            | 1,821          | 61,889         | 145,000        | 208,710      |
| <b>Breakdown of Project Expenditures</b> |                            |                |                |                |              |
| Construction / Acquisition               |                            | 1,000          | 41,889         | 145,000        | 187,889      |
| Survey, Design & Engineering             |                            | 821            | 20,000         |                | 20,821       |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>  | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>   |                              |
| Production FRC-B Hulls #2, 3 & 4, Logistics (Spares, Program Mgmt, Crew Trng) | 115,300                      |
| <b>FY 2009 Cost Estimate Project Total:</b>                                   | <b>115,300</b>               |

**Method of Performance**

The Project Management Team is committed to using an Earned Value Management System (EVMS) that meets ANSI/EIA Standard 748.

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**Fast Response Cutter (ERC-B)**

**\$115,300**

**Budget Allocation to Mission-Program**

| <b>U. S. Coast Guard Mission-Program</b> | <b>Budget Allocation</b> |                |
|--|--------------------------|----------------|
|  | <b>FY 2008</b>           | <b>FY 2009</b> |
| Search and Rescue                        | 29,721                   | 35,696         |
| Marine Safety                            | -                        | -              |
| Aids to Navigation                       | -                        | -              |
| Ice Operations                           | -                        | -              |
| Marine Environmental Protection          | -                        | -              |
| Living Marine Resources                  | -                        | -              |
| Drug Interdiction                        | 44,582                   | 53,545         |
| Migrant Interdiction                     | -                        | -              |
| Other Law Enforcement                    | 14,860                   | 17,848         |
| Ports, Waterways & Coastal Security      | 6,837                    | 8,211          |
| Defense Readiness                        | -                        | -              |
| <b>Mission-Program Allocation Total:</b> | <b>96,000</b>            | <b>115,300</b> |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being completed in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**IDS Small Boats**

**\$2,400**

**Project Description, Justification and Scope**

This request funds production of one Long Range Interceptor (LRI #2). The Short Range Prosecutor (SRP) underwent a re-competition outside the prior contract and will request added funds in future budget requests.



**CAPABILITY ACQUIRED/MAINTAINED:**

The LRI is a 36-foot cutter small boat carried by each National Security Cutter (NSC) and Offshore Patrol Cutter (OPC). The LRI provides enhanced capabilities, compared to the legacy cutter boats, such as higher speeds, extended range, better sea-keeping, and greatly improved communications and connectivity to the parent cutter. The LRI can operate beyond sight of the cutter (over the horizon) to deploy boarding parties, pursue and interdict targets of interest, and perform Search and Rescue operations.

The SRP is an approximately-25-foot cutter small boat that has similar capabilities to the LRI. The SRP will be carried by every Deepwater surface platform.

**PERFORMANCE:**

Integrated Deepwater System (IDS) patrol boats are discussed in terms of “force packages” under the NSC and greatly facilitate achieving mission success in the Congressionally-mandated missions. IDS small boats allow a cutter to conduct search and rescue operations, such as removing migrants from an overloaded boat, and law enforcement operations, such as placing a boarding team on a high interest vessel. The LRI provides significantly improved performance over existing cutter small boats based on increased speed, increased passenger (boarding team) carrying capacity, communications, endurance and range. By operating beyond the line of sight of the cutter, the LRI acts as a significant force multiplier, enabling improved identification and prosecution of targets of interest.

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM   | QUANTITY | TOTAL (\$K) |
|--------|----------|-------------|
| LRI #2 | 1        | \$2,400     |
|        | Total    | \$2,400     |

**FUNDING HISTORY:**

|  | FY   | TOTAL   |
|--|------|---------|
| Design SRP/Start construction of SRP-1 through SRP-2 | 2002 | \$945   |
| Construct SRP-3 through SRP-8                        | 2003 | \$2,782 |
| Construct SRP-9 through SRP-12                       | 2004 | \$1,591 |
| Design LRI/Construction of LRI-1 starts              | 2005 | \$2,300 |
| Complete construction of LRI-1                       | 2006 | \$693   |

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**IDS Small Boats** **\$2,400**

|                                       |       |          |
|---------------------------------------|-------|----------|
| Production of 1 LRI-2 and 1 SRP-13    | 2007  | \$1,188  |
| LRI BCA and Production of 3 SRP-14-16 | 2008  | \$2,700  |
|                                       | Total | \$12,199 |

Funding History is the funding available for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43-month subsequent award term period through January 2011.

**SUBCONTRACTORS:**

SRP: Lead: Zodiac of North America, Stevensville, MD

Production Subcontractor: Adrenalin Marine, Ferndale, WA

Assembly Subcontractor: Zodiac Hurricane Technologies, Delta, British Columbia, Canada

LRI: Willard Marine. Anaheim, California

**KEY EVENTS:**

|                              | FY           |
|------------------------------|--------------|
| Delivery SRP-1 through SRP-8 | 2006 & Prior |
| Delivery SRP-9               | 2009         |
| Delivery LRI Lead Boat       | 2008         |
| Start Construction LRI-2     | 2009         |
| Delivery SRP-10 and SRP-11   | 2009         |
| Start Construction SRP-12    | 2009         |
| Delivery LRI-2               | 2011         |
| Start Construction LRI-3     | 2010         |
| Delivery SRP-12              | 2010         |
| Start Construction SRP-13-16 | 2010         |
| Delivery LRI-3               | 2011         |
| Delivery SRP-13-14           | 2011         |
| Delivery SRP-15-16           | 2012         |

**Significant Changes**

The SRP small boat will be procured by the Coast Guard outside of Deepwater's prime contractor, ICGS, in order to achieve greater cost efficiencies and to permit execution within budget. As a result, no funding for the SRP was requested in FY 2009. A business case analysis (BCA) will be conducted to determine if cost efficiencies can be attained through procurement of follow-on LRIs outside of the Deepwater contract. Key Events dates have also changed for both procurements.

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**IDS Small Boats**

**\$2,400**

**Project Schedule**

| <u>Project Description</u>               | <u>Dates by Fiscal Year &amp; Quarter</u> |                  |                     |                  | <u>Total Estimate Cost</u> |
|--|---|------------------|---------------------|------------------|----------------------------|
|  | <u>Design Work</u>                        |                  | <u>Project Work</u> |                  |                            |
|  | <u>Initiated</u>                          | <u>Completed</u> | <u>Initiated</u>    | <u>Completed</u> |                            |
| FY 2008                                  |   |                  |                     |                  |                            |
| IDS Small Boats - Short Range Prosecutor | FY02:Q2                                   | FY02:Q4          | FY02:Q4             | FY23:Q4          | 1,300                      |
| IDS Small Boats - Long Range Interceptor | FY02:Q2                                   | FY02:Q4          | FY02:Q4             | FY23:Q4          | 1,400                      |
| FY 2009                                  |   |                  |                     |                  |                            |
| IDS Small Boats - Long Range Inteceptor  |   |                  | FY09:Q1             | FY11:Q4          | 2,400                      |

**Schedule of Project Funding**

|  | <u>Project Funds</u>       |                |                |                |              |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> | <u>Total</u> |
| Appropriation                            | 8,311                      | 1,188          | 2,700          | 2,400          | 14,599       |
| Obligation                               | 8,311                      | 950            | 2,160          | 1,920          | 13,341       |
| Expenditure                              | 8,311                      | 238            | 540            | 480            | 9,569        |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 8,311                      | 238            | 540            | 480            | 9,569        |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>           |                              |
| Long Range Inteceptor (LRI#2)               | 2,400                        |
| Short Range Prosecutor                      |                              |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>2,400</b>                 |

**Related Follow-On Requirements**

| <u>Follow-On Requirement Description</u> | <u>FY 2009 Cost Estimate</u> |
|--|------------------------------|
| Hull Maintenance & Equipment             | 7                            |
| C4ISR Hardware & Software sustainment    | 7                            |
| <b>Follow-On Requirements Total:</b>     | <b>14</b>                    |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the various Delivery Task Orders (DTOs). The Dekker Trakker software program that meets ANSI/EIA Standard 748 is being used by the Deepwater Program. Dekker Trakker is the tool that is used by the Systems Integrator to resource load schedules, track progress and record expenses. An additional Earned Value viewing tool also being used is Dekker iPursuit which is the viewing tool that

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**IDS Small Boats**

**\$2,400**

allows Deepwater personnel to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data that was used to generate the Cost Performance Reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 91                       | 81                    |
| Marine Safety                                   | 5                        | 4                     |
| Aids to Navigation                              | 2                        | 2                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | 580                      | 515                   |
| Drug Interdiction                               | 1,128                    | 1,003                 |
| Migrant Interdiction                            | 388                      | 345                   |
| Other Law Enforcement                           | 91                       | 81                    |
| Ports, Waterways & Coastal Security             | 207                      | 184                   |
| Defense Readiness                               | 208                      | 185                   |
| <b>Mission-Program Allocation Total:</b>        | <b>2,700</b>             | <b>2,400</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Medium Endurance Cutter Sustainment**

**\$35,500**

**Project Description, Justification and Scope**

This request funds the Mission Effectiveness Project (MEP) for 270' and 210' Medium Endurance Cutters (WMEC). The project includes replacing major sub-systems such as small boat davits, oily water separators, air conditioning and refrigeration plants, and evaporators. The main propulsion control and monitoring systems will also be upgraded. This work will be performed by the Coast Guard's skilled workforce at the Coast Guard Yard, Curtis Bay, MD. Long Lead Time Material (LLTM) for 270' WMECs will be procured to ensure that subsequent MEP availabilities maintain schedule.

270' WMEC cutter class MEP is a two-phase project totaling \$15.7M per cutter (estimated at approximately \$7.8M per phase, each phase is budgeted for the year in which the work is to be accomplished).

210' WMEC Cutter Class MEP is a single phase project totaling \$5.3M per cutter.

**CAPABILITY ACQUIRED/MAINTAINED:**

This funding will improve the overall mission effectiveness of the 270' and 210' WMEC cutter classes until applicable assets in the IDS program replace them. Since these cutter classes are not being replaced one for one, they must be retained in operational service until IDS assets become available for missions. Each 270' and 210' WMEC provides 185 days of mission performance; a loss of that capability puts achievement of long-term DHS performance goals at risk. Additionally, the WMEC Mission Effectiveness Project will improve the cutter's operating and cost performance by replacing equipment that has the highest failure rate with more reliable equipment.

**PERFORMANCE:**

**Mission Level Performance:** With the capabilities previously described, the 270' and 210' WMECs will be used to achieve success in the following Congressionally-mandated mission areas:

- Search & Rescue
- Defense Readiness
- Ports, Waterways and Coastal Security
- Illegal Drug Interdiction
- Undocumented Migrants
- Living Marine Resources

**System Level Total Ownership Cost:** Replacing obsolete equipment will result in greater standardization, capability, and reliability across the two cutter classes. Each cutter will complete the



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**Medium Endurance Cutter Sustainment** **\$35,500**

program with new equipment and improved logistical support that will allow for the continued operation of the current WMEC fleet in a more economical manner until their IDS counterparts are delivered.

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM  | QUANTITY | TOTAL (\$K) |
|---|----------|-------------|
| 270' WMEC Mission Effectiveness Project Phase I | 2        | \$15,700    |
| 270' MEP Long Lead Time Material (LLTM)         | Lot      | \$3,900     |
| 210' WMEC Mission Effectiveness Project         | 3        | \$15,900    |
|   | Total    | \$35,500    |

**FUNDING HISTORY:**

|  | FY    | TOTAL (\$K) |
|--|-------|-------------|
| Gyro Compass, P-250 Pumps, Garbage Pulpers, Alex Haley Upgrade | 2002  | \$8,686     |
| WMEC Maintenance Sustainment Availability Project Initiation   | 2003  | \$3,674     |
| WMEC Maintenance Sustainment Availability                      | 2004  | \$6,959     |
| WMEC Mission Effectiveness Projects                            | 2005  | \$12,500    |
| WMEC Mission Effectiveness Projects                            | 2006  | \$24,750    |
| WMEC Mission Effectiveness Projects                            | 2007  | \$45,318    |
| WMEC Mission Effectiveness Projects                            | 2008  | \$34,500    |
|  | Total | \$136,387   |

Funding history is the funding available for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Coast Guard Yard, Curtis Bay, MD

Type of Contract: Government Work Order

**KEY EVENTS:**

|   | FY   |
|---|------|
| WMEC Maintenance Sustainment Availability Project Initiation                      | 2003 |
| Delivered 270' Phase One WMEC Mission Effectiveness Project Lead Vessel - TAMPA   | 2006 |
| Delivered 210' WMEC Mission Effectiveness Project Lead Vessel – DEPENDABLE        | 2006 |
| Delivered 270' Phase One WMEC Mission Effectiveness Project Vessel – HARRIET LANE | 2006 |
| Delivered 270' Phase One WMEC Mission Effectiveness Project Vessel - FORWARD      | 2007 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel – CONFIDENCE             | 2007 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel – VENTUROUS              | 2008 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel - VIGOROUS               | 2008 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel - DECISIVE               | 2008 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel - ACTIVE                 | 2008 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel - RESOLUTE               | 2008 |
| Delivered 210' WMEC Mission Effectiveness Project Vessel - VALIANT                | 2008 |
| Delivered 270' Phase One WMEC Mission Effectiveness Project Vessel - SENECA       | 2008 |

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**Medium Endurance Cutter Sustainment**

**\$35,500**

**Significant Changes**

There are no significant changes from the previous budget submission.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|----------------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                            |
| FY 2008                           |   |                         |                         |                         |                            |
| 270' WMEC MEP                     |   |                         | FY06:Q1                 | FY13:Q4                 | 23,900                     |
| 210' WMEC MEP                     |   |                         | FY06:Q1                 | FY10:Q4                 | 10,600                     |
| FY 2009                           |   |                         |                         |                         |                            |
| 270' WMEC MEP                     |   |                         | FY06:Q1                 | FY13:Q4                 | 24,592                     |
| 210' WMEC MEP                     |   |                         | FY06:Q1                 | FY10:Q4                 | 10,908                     |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 56,569                            | 45,318                | 34,500                | 35,500                | 171,887      |
| Obligation                                      | 53,269                            | 47,941                | 34,689                | 28,400                | 164,299      |
| Expenditure                                     | 53,269                            | 10,864                | 6,900                 | 7,100                 | 78,133       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      | 53,269                            | 10,864                | 6,900                 | 7,100                 | 78,133       |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009 Cost Estimate</u></b> |
|---|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>      |                                     |
| 270' MEP (Phase 1) (2)                        | 19,600                              |
| 210' MEP (3)                                  | 15,900                              |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>35,500</b>                       |

**Method of Performance**

The Project Management Team is committed to using an Earned Value Management System (EVMS) that meets ANSI/EIA Standard 748.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Medium Endurance Cutter Sustainment**

**\$35,500**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 835                      | 859                   |
| Marine Safety                                   | 40                       | 41                    |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | 6,482                    | 6,670                 |
| Drug Interdiction                               | 13,800                   | 14,200                |
| Migrant Interdiction                            | 5,644                    | 5,808                 |
| Other Law Enforcement                           | 79                       | 81                    |
| Ports, Waterways & Coastal Security             | 6,068                    | 6,244                 |
| Defense Readiness                               | 1,552                    | 1,597                 |
| <b>Mission-Program Allocation Total:</b>        | <b>34,500</b>            | <b>35,500</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Patrol Boat Sustainment**

**\$30,800**

**Project Description, Justification and Scope**

This request funds the Mission Effectiveness Project (MEP) for three 110' Island Class Patrol Boats (WPB). The project includes replacing significant areas of hull plate and internal structures as well as major sub-systems, such as the ship service generators, power distribution system, air conditioning & refrigeration plants, water makers, fire suppression system, and fire alarm system. The main propulsion control and monitoring systems will also be upgraded. This work will be performed by two shifts of the Coast Guard's skilled workforce at the Coast Guard Yard, Curtis Bay, MD. Long Lead Time Material (LLTM) for 110' WPBs will be procured to ensure subsequent MEP availabilities maintain schedule.

The 110' WPB Cutter Class MEP is a single phase, 9 month project totaling \$5.6M to \$7.4M in FY 2006 dollars per cutter, depending on the material condition of the hull.

**CAPABILITY ACQUIRED/MAINTAINED:**

This funding will dramatically improve the overall mission effectiveness of the 110' WPB cutter class until applicable assets in the Integrated Deepwater System (IDS) program replace them. Since this cutter class is not being replaced one for one, these cutters need to be retained in operational service until replacement assets become available to assume their operational workload. Each 110' WPB provides 104 days of mission performance; a loss of that capability puts achievement of long-term DHS performance goals at risk. Additionally, the WPB MEP will improve cutter operating and cost performance by replacing equipment that has the highest failure rate with more reliable equipment that is more easily maintained and supported.

**PERFORMANCE:**

Mission Level Performance: With the capabilities previously described, the 110' WPBs will be used to achieve success in the following Congressionally-mandated mission programs:

- Search & Rescue
- Defense Readiness
- Ports, Waterways and Coastal Security
- Illegal Drug Interdiction
- Undocumented Migrants
- Living Marine Resources

System Level Total Ownership Cost: Replacing obsolete equipment will result in greater standardization, capability, and reliability across the two cutter classes. Each cutter will complete the program with new equipment and improved logistical support that will allow for the continued operation of the current WPB fleet in a more economical manner until their IDS counterparts are delivered.

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Patrol Boat Sustainment** **\$30,800**

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM                                   | QUANTITY | TOTAL (\$K) |
|--|----------|-------------|
| 110' WPB Mission Effectiveness Project | 3 hulls  | \$30,800    |
|  | Total    | \$30,800    |

**FUNDING HISTORY:**

Supplemental and other AC&I Funds have been used to fund 110' MEP work prior to FY 2008; however, those funds were not part of the AC&I baseline for Deepwater.

|  | FY    | TOTAL (\$K) |
|--|-------|-------------|
| WPB Mission Effectiveness Project (FY 2005 Emergency Supp)   | 2005  | \$49,200    |
| WPB Mission Effectiveness Project (Deepwater FRC-B Transfer) | 2007  | \$20,000    |
| WPB Mission Effectiveness Project                            | 2008  | \$40,500    |
|  | Total | \$109,700   |

**CONTRACTOR:**

Coast Guard Yard, Curtis Bay, MD  
 Type of Contract: Government Work Order

**KEY EVENTS:**

|  | FY   |
|--|------|
| WPB Maintenance Sustainment Availability Project Initiation outside of Deepwater | 2005 |
| Deliver WPB Mission Effectiveness Project Lead Vessel – TYBEE                    | 2007 |
| Deliver WPB Mission Effectiveness Project Vessel – ORACOCKE                      | 2008 |
| Deliver WPB Mission Effectiveness Project Vessel – CUTTYHUNK                     | 2008 |
| Deliver WPB Mission Effectiveness Project Vessel – NANTUCKET                     | 2008 |
| Deliver WPB Mission Effectiveness Project Vessel – NAUSHON                       | 2008 |
| Deliver WPB Mission Effectiveness Project Vessel – EDISTO                        | 2008 |

**Significant Changes**

This project was added to the Deepwater program in FY 2008, and is managed in similar fashion to the WMEC Mission Effectiveness Project (MEP).

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2008                           |   |                         |                         |                         |                    |
| 110 Sustainment: 3 Hulls          |   |                         | FY06:Q1                 | FY11:Q4                 | 40,500             |
| FY 2009                           |   |                         |                         |                         |                    |
| 110 Sustainment: 3 Hulls          |   |                         | FY09:Q1                 | FY11:Q4                 | 30,800             |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Patrol Boat Sustainment**

**\$30,800**

**Schedule of Project Funding**

|   | Project Funds                     |                       |                       |                       | <b><u>Total</u></b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |                     |
| Appropriation                                   | 49,200                            | 20,000                | 40,500                | 30,800                | 140,500             |
| Obligation                                      | 49,200                            | 10,000                | 32,400                | 24,640                | 116,240             |
| Expenditure                                     | 44,580                            |                       | 8,100                 | 6,160                 | 58,840              |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      | 44,580                            |                       | 8,100                 | 6,160                 | 58,840              |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>      |   |
| Sustainment for 3 Hulls                       | 30,800                                  |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>30,800</b>                           |

**Method of Performance**

The Project Management Team is committed to using an Earned Value Management System (EVMS) that meets ANSI/EIA Standard 748.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 855                      | 650                   |
| Marine Safety                                   | 42                       | 32                    |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | 7,570                    | 5,757                 |
| Drug Interdiction                               | 17,246                   | 13,116                |
| Migrant Interdiction                            | 6,725                    | 5,114                 |
| Other Law Enforcement                           | 82                       | 62                    |
| Ports, Waterways & Coastal Security             | 6,405                    | 4,871                 |
| Defense Readiness                               | 1,575                    | 1,198                 |
| <b>Mission-Program Allocation Total:</b>        | <b>40,500</b>            | <b>30,800</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Government Program Management**

**\$58,000**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request provides funding for government program management and oversight. Government program management funds provide support for government administration, technical reviews, technology analysis and performance monitoring for both the Deepwater program and Integrated Coast Guard Systems (ICGS), the prime contractor, as well as for operational test and evaluation, risk management, and human capital management. The primary reason for the increase between FY 2008 and FY 2009 is the Coast Guard's assumption of additional responsibilities associated with systems engineering and integration. Previously, ICGS was responsible for accomplishing this work and associated activities. As the Coast Guard's share of this effort increases, the Government Program Management budget will increase.

**CAPABILITY ACQUIRED/MAINTAINED:**

The Coast Guard is responsible for ensuring the products delivered by contractors and suppliers meet performance specifications. This requires sound management policies and the processes needed to implement them. Specifically, Deepwater personnel and program management funds provide the Coast Guard with the capability to protect the government's interests during the Deepwater acquisition and ensure contractors and suppliers deliver required products and services meeting prescribed terms and conditions. The Coast Guard accomplishes management and oversight through staff located at the Program Management Office and other contractor and government sites. Staff includes a mix of military, civilian, and support contractors experienced in all phases of large, complex acquisition programs.

Major milestones and reviews (i.e., Preliminary Design Review, Production Readiness Review, etc.) associated with the Deepwater program as it progresses through Concept and Technology Development, System Development and Demonstration, Production and Deployment, and then into the Operations and Support Phase are managed and overseen by Coast Guard program management staff to ensure acceptable performance. Specific tasks that are not inherently governmental are performed by support contractors.

Technology is constantly changing and several technology refreshes or upgrades are planned over the projected life cycle of the Deepwater program. Government program management personnel analyze the capability and applicability of these replacement technologies. Support contractors assist this effort and gather and assemble data into the government-designated format to aid informed government decision-making.

Government Program Management funding also supports performance monitoring of all contracts. This is accomplished through the use of a variety of tools such as the Earned Value Management System (EVMS), quarterly Deepwater (QUAD) charts, and the Deepwater Performance Management System (DPMS). EVMS permits the Coast Guard to closely follow cost and schedule performance of the projects by asset, while QUAD charts and DPMS data allow for periodic review of program cost, schedule, and performance criteria.

**Government Program Management**

**\$58,000**

DPMS provides web-based reporting of program performance in all aspects on a near real-time basis, depending upon the particular metric used. In addition, Deepwater risk management provides the Coast Guard the opportunity to forecast future performance of various assets and the operational performance of the entire Deepwater program from a “what if” perspective. This important analysis is aided by use of both experienced government employees and support contractors to develop various scenarios that are based on multiple past acquisition programs as well as operational experience and forecasts.

Operational Tests and Evaluation (OT&E) funds the U.S. Navy’s Commander Operational Test and Evaluation Forces (COMOPTEVFOR) for the execution of Deepwater operational testing. While Developmental Test and Evaluation (DT&E) is the responsibility of the contractor, OT&E is an inherently governmental responsibility. The U.S. Navy’s testing organization, COMOPTEVFOR, serves as the technical advisor to Coast Guard and is responsible for overseeing and contributing to the conduct of tests for the early involvement, review, and assessment of system and asset operational performance. Modeling is one of the methodologies used to monitor system-level performance. Government program management funding is used for modeling activities, plus system maintenance, for the Deepwater Maritime Operational Effectiveness Simulation (DMOES) modeling tool. This tool is used as a means to assess different alternatives and their impact on system-level performance to determine the best mix of Deepwater asset capability to meet mission objectives.

Government program management funding also supports the transition of the Deepwater assets to the Coast Guard, with staff serving as a liaison between the prime contractor’s production of an asset when it is ready for operations and the turnover to the operational user and the Coast Guard support community.

The Government Accountability Office (GAO) and Congress have both expressed a desire for the Coast Guard to provide more government oversight of the Deepwater program as well as assume greater systems integration responsibility. This increase in oversight and integration will be accomplished by increasing the number of government and support contractor staff, and increasing the use of third party independent analysis. In addition, the Coast Guard’s new Acquisition Directorate (staff symbol CG-9) will build a government competency in systems engineering for integrating multiple assets and C4ISR systems into the operations of the Coast Guard, in support of the Deepwater program and other major acquisitions. As this government competency is developed, support contractors will provide the necessary assistance to the current government personnel so that the Deepwater program can continue to progress while the Coast Guard improves management and provides oversight.

New initiatives are being implemented to improve the investment/acquisition metrics and ensure appropriate internal controls are in place while complying with increasingly complex financial management controls and processes. As an example, all Deepwater Program/Project Managers will be developing annual project performance plans detailing key events and success criteria for assessing risk and performance against approved documents and plans. The analysis of these plans for cohesiveness with overarching Deepwater requirements will be funded by the government program management request.

Finally, government program management funding is also used to ensure that Coast Guard is responsive to various Congressional, GAO and DHS-IG requests for information. This is a very important function

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**Government Program Management** **\$58,000**

to keep these entities informed as they conduct appropriate oversight of the Deepwater Program and requires sufficient funding to ensure that accurate information is provided to these organizations in a timely manner.

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009:**

| ITEM                          | QUANTITY | TOTAL (\$K) |
|-------------------------------|----------|-------------|
| Government Program Management | Job      | \$58,000    |

**FUNDING HISTORY**

|                               | FY    | TOTAL (\$K) |
|-------------------------------|-------|-------------|
| Government Program Management | 2002  | \$35,016    |
|                               | 2003  | \$27,818    |
|                               | 2004  | \$33,799    |
|                               | 2005  | \$38,000    |
|                               | 2006  | \$34,650    |
|                               | 2007  | \$46,475    |
|                               | 2008  | \$50,475    |
|                               | Total | \$266,233   |

Funding history is the funding available for this item based on past appropriations, rescissions, and other changes.

**Significant Changes**

The major change from the FY 2008 budget submission is the increased Coast Guard role as systems integrator which will require increased government program management funding in the out years.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|----------------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                            |
| FY 2008                           |   |                         |                         |                         |                            |
| Government Program Management     |   |                         | FY02:Q2                 | FY23:Q4                 | 50,475                     |
| FY 2009                           |   |                         |                         |                         |                            |
| Government Program Management     |   |                         | FY09:Q2                 | FY23:Q4                 | 58,000                     |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Government Program Management**

**\$58,000**

**Schedule of Project Funding**

|   | Project Funds                     |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 169,283                           | 46,475                | 50,475                | 58,000                | 324,233      |
| Obligation                                      | 169,283                           | 46,475                | 49,575                | 55,900                | 321,233      |
| Expenditure                                     | 169,283                           | 39,039                | 36,190                | 13,975                | 258,487      |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Project Management                              | 169,283                           | 39,039                | 36,190                | 13,975                | 258,487      |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Project Management</u></b>              |   |
| Government Program Management                 | 58,000                                  |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>58,000</b>                           |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 8,685                    | 9,980                 |
| Marine Safety                                   | 456                      | 524                   |
| Aids to Navigation                              | 855                      | 982                   |
| Ice Operations                                  | 456                      | 524                   |
| Marine Environmental Protection                 | 1,158                    | 1,332                 |
| Living Marine Resources                         | 7,964                    | 9,154                 |
| Drug Interdiction                               | 14,477                   | 16,640                |
| Migrant Interdiction                            | 6,013                    | 6,812                 |
| Other Law Enforcement                           | 1,271                    | 1,461                 |
| Ports, Waterways & Coastal Security             | 7,323                    | 8,418                 |
| Defense Readiness                               | 1,817                    | 2,173                 |
| <b>Mission-Program Allocation Total:</b>        | <b>50,475</b>            | <b>58,000</b>         |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Government Program Management**

**\$58,000**

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Systems Engineering and Integration**

**\$33,141**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request funds the systems engineering and integration work for the Integrated Deepwater System (IDS) encompassing human-capital management, information technology, capital investment planning for air and surface platforms, integrated logistics, command, control, computers, intelligence, surveillance and reconnaissance (C4ISR), and, most importantly, fleet operations. The following activities are included:

- System of Systems engineering, including system architecture development, operational performance analysis, cost reduction efforts and enterprise-level requirements management
- Enterprise-level system integration
- Enterprise-level program management
- Developmental Test and Evaluation for the prime contractor
- Operational Test and Evaluation for the Coast Guard sponsor's office
- Integrated product and process development
- Integrated master schedule maintenance and management

**CAPABILITY ACQUIRED/MAINTAINED:**

The IDS solution is designed to incorporate off-the-shelf systems components where possible, making Systems Engineering and Integration essential to ensuring interoperability at the unit, system and organizational levels, both internal to the Coast Guard and with other DHS and DOD assets. Effective systems integration—bringing things technically and operationally together so they operate as a whole—will minimize the cost of asset acquisition, operations and maintenance, maximize the assets' abilities to interoperate internally and externally, and minimize the risk inherent in a comprehensive and complex engineering project of Deepwater's scope and magnitude.

The Coast Guard is planning an integrated system of aviation, cutter and shore assets that are interoperable through a comprehensive C4ISR detection and communications structure. Without Systems Engineering and Integration, the assets and sub-systems in the IDS program would be implemented in an inefficient and ineffective manner. One example demonstrating the need for Systems Engineering and Integration involves the delivery of upgraded capabilities to legacy cutters, including a Classified Local Area Network, upgraded INMARSAT B satellite communications, Automatic Identification System (AIS), and Law Enforcement Radio. This project provides significantly increased capabilities and Maritime Domain Awareness (MDA) to the legacy cutters. The application of Systems Engineering and Integration to these upgrades emphasizes a system-wide view of the project, with the result that corresponding upgrades also be accomplished at shore-side command centers. This permits the cutters to send and receive important operational information, further improving MDA and operational performance. Failure to utilize Systems Engineering and Integration could potentially result in upgrading just the cutters alone, severely limiting the system-wide benefits of the C4ISR upgrades.

System engineering evaluations are performed across the system, subsystem, and component levels to analyze products and capabilities for both interoperability and system commonality. These efforts culminate in the ability to determine and document predicted total system performance for numerous configurations and scenarios. Deepwater's systems engineering has the responsibility for the overall

**Systems Engineering and Integration** **\$33,141**

technical configuration-development process, culminating in a Program Management Plan that encompasses all management areas and is required of all major acquisition projects.

**PERFORMANCE:**

Systems Engineering and Integration is essential to improving operational performance of all IDS assets and directly supports mission success in all Congressionally-mandated missions. Systems Engineering and Integration is also providing identification of possible cost reduction approaches.

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR 2009**

| ITEM                                | QUANTITY | TOTAL (\$K) |
|-------------------------------------|----------|-------------|
| Systems Engineering and Integration | 1        | \$33,141    |

**FUNDING HISTORY**

|  | FY    | TOTAL (\$K) |
|--|-------|-------------|
| Overall Contractor Management of the Systems Engineering Process | 2002  | \$59,065    |
|  | 2003  | \$44,716    |
|  | 2004  | \$42,139    |
|  | 2005  | \$43,000    |
|  | 2006  | \$36,630    |
|  | 2007  | \$35,145    |
|  | 2008  | \$35,145    |
|  | Total | \$295,840   |

Funding History is the funding available for this item based on past appropriations, rescissions, and other changes.

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43 month subsequent award term period through January 2011

Note: Currently, the majority of the Systems Engineering and Integration work is performed by ICGS via the prime contract. The Coast Guard will assume increased system integrator responsibilities for all IDS assets as a part of improved project management and acquisition reform. The Coast Guard anticipates that a portion of funding will be redirected, as needed, to third party systems integration and management contracts other than ICGS to improve program oversight and effectiveness.

**KEY EVENTS:**

|   | FY        |
|---|-----------|
| System Increment 1 – Integrated Product Environment                                 | 2002      |
| System Increment 2 – Initial Integrated Product & Process Development Team Training | 2003      |
| System Increment 3 – Deepwater System Architecture Plan                             | 2004      |
| Prime Contractor’s Program Management, Systems Engineering and Integration Transfer | 2005-2007 |

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**Systems Engineering and Integration**

**\$33,141**

**Significant Changes**

There are no significant changes from the prior budget submission.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|----------------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                            |
| FY 2008                           |   |                         |                         |                         |                            |
| Systems Engineering & Integration |   |                         | FY2002:Q2               | FY2026:Q4               | 35,145                     |
| FY 2009                           |   |                         |                         |                         |                            |
| Systems Engineering & Integration |   |                         | FY2002:Q2               | FY2026:Q4               | 33,141                     |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 225,550                           | 35,145                | 35,145                | 33,141                | 328,981      |
| Obligation                                      | 225,550                           | 34,931                | 36,010                | 29,600                | 326,091      |
| Expenditure                                     | 225,550                           | 7,829                 | 7,029                 | 7,400                 | 247,808      |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Survey, Design & Engineering                    | 225,550                           | 7,829                 | 7,029                 | 7,400                 | 247,808      |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| <b><u>Survey, Design &amp; Engineering</u></b> |                                     |
| Systems Engineering & Integration              | 33,141                              |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>33,141</b>                       |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly cost performance reports. The iPursuit program also allows for extensive insight into the data used to generate cost performance reports. For example, it can provide a breakdown of cost and schedule variances by work breakdown structure (WBS).

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**Systems Engineering and Integration**

**\$33,141**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 6,036                    | 5,692                 |
| Marine Safety                                   | 317                      | 299                   |
| Aids to Navigation                              | 594                      | 560                   |
| Ice Operations                                  | 317                      | 299                   |
| Marine Environmental Protection                 | 804                      | 758                   |
| Living Marine Resources                         | 5,535                    | 5,219                 |
| Drug Interdiction                               | 10,125                   | 9,546                 |
| Migrant Interdiction                            | 4,179                    | 3,942                 |
| Other Law Enforcement                           | 884                      | 834                   |
| Ports, Waterways & Coastal Security             | 5,090                    | 4,800                 |
| Defense Readiness                               | 1,264                    | 1,192                 |
| <b>Mission-Program Allocation Total:</b>        | <b>35,145</b>            | <b>33,141</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**C4ISR**

**\$88,100**

**Project Description, Justification and Scope**

This request funds the systems and subsystems that are part of the Integrated Deepwater System (IDS) Command, Control, Communications, Computer, Intelligence, Surveillance, and Reconnaissance (C4ISR) system. The C4ISR system is designed to provide critical information and knowledge to field commanders allowing them to most efficiently and effectively exercise authority, while directing and monitoring assigned forces across the range of Coast Guard operations. The types of work that the C4ISR system is designed to accomplish include:

- Collecting operational and intelligence information and data; process and integrate the data into operationally-valued and assured information; and analyze, evaluate, and/or interpret the available operational and intelligence information into actionable knowledge to enhance maritime domain and situational awareness within maritime areas of the U.S. This process is specifically focused on preventing terrorist or other illegal acts such as drug smuggling, while simultaneously assisting mariners in distress or aiding maritime shipping;
- Systematically enabling persistent surveillance required to maintain the operational and commercial viability of the U.S. maritime domain, consisting of ports, waterways and coastal areas on and above the water's surface by visual, audio, electronic, photographic, or other means; and
- Obtaining, by technical sensor and intelligence methods and visual observation, information about the activities and possible threats from terrorists and other criminal activities, while concurrently observing and assisting legitimate users in U.S. ports, waterways and coastal regions.

C4ISR is the eyes, ears and cognitive recognition system of IDS, allowing the Coast Guard to see, hear, comprehend and communicate what is happening in America's maritime regions. This is accomplished using modern electronic components, such as interoperable radio and satellite communication systems and improved optical/radar sensors, that can improve sightings in total darkness and detect maritime targets in all weather conditions. In addition, it uses an interoperable network to bring all operational and intelligence data together, transforming the data into a Common Operating Picture (COP). The FY 2009 request continues to fund improvements to C4ISR, enabling earlier awareness, alerting and queuing of events through the more effective gathering of terrorism-related information, analysis and coordination, leading to the appropriate response—all critical to detecting, deterring, and defeating terrorists and other criminals.

When Deepwater's C4ISR modernization and recapitalization is complete, cutters and aircraft will no longer operate as relatively independent platforms with limited awareness in the maritime region as they do today. Instead, these platforms will receive information from a wide variety of ships, sensors and intelligence sources, enabling them to significantly contribute to the COP that is shared with DHS and DOD command and control systems. The Coast Guard also requires improvements to the existing legacy cutters, such as sensors that have greater range and C4ISR equipment to enhance maritime situational awareness overall.

The Coast Guard has included the funding request for all three C4ISR elements in one budget item: Part 1-- the Common Operating Picture (COP); Part 2--cutter upgrades; and Part 3--shore upgrades. Once

**C4ISR**

**\$88,100**

complete, the Coast Guard will have the capabilities needed to process rapidly growing amounts of operations and intelligence data from the C4ISR system. The individual budget information for all three C4ISR parts is still being provided in this single budget item, with the specific breakdown of funding as follows:

**Common Operating Picture (COP) -- \$51,200K.** Increment 3 Concept and Preliminary Design (C&PD) for IDS C4ISR component design for all assets. This work begins the third of four incremental additions to the core C4ISR software design, development, and deployment completed in Increments 1 and 2. IDS assets receive increased functionality through incremental design, development and deployment.

**COP Increment 3 Implementation Plan**

Funds Increment 3 through the C&PD of IDS assets and associated activities.

The IDS C4ISR Implementation Plan provides for a core C4ISR design for all IDS assets, which will increase software reuse, minimize training and maintenance costs, and increase interoperability between Coast Guard assets. Furthermore, Increment 3 will improve the Coast Guard's overall surveillance, detection, classification, and identification capabilities, which will increase the Nation's ability to maintain Maritime Domain Awareness (MDA).

The C4ISR design is being developed and fielded in a sequence of four increments. C4ISR Increment 3 will result in a considerable improvement in the functionality of the standard command and control (C2) system used aboard legacy and newly-acquired cutters, aircraft and shore assets, as well as sensor functionality improvements. These enhancements include mission support and decision aids, general mission tools, Search and Rescue (SAR) planning capabilities, maritime law enforcement case management tool enhancements, case files data storage, target of interest doctrine, emission control, self defense coordinator, intelligence systems that can "fingerprint" and identify a vessel, and self-defense capabilities for the National Security Cutters (NSC) deploying with U.S. Navy battle groups. Moreover, Increment 3 provides will begin efforts to develop interfaces with other Coast Guard systems, including Nationwide Automatic Identification System (NAIS), Rescue 21, and Command 21, improving interoperability and increasing the nation's ability to acquire and maintain MDA. C4ISR Increment 3 includes the design work for the upgrade of the Multi-mission Cutter Helicopter (MCH) and the Long Range Search (LRS) aircraft (HC-130J), further increasing the capabilities of each asset while performing maritime patrols in support of the Coast Guard's homeland security, maritime law enforcement, SAR, and environmental protection missions.

In addition to Increment 3 functionality, \$17,262K is included to fund the Maritime Domain Awareness Center (MDAC) in Moorestown, NJ, which is responsible for the design and testing of C4ISR equipment, Common Systems Engineering, and Certification and Accreditation (C&A) of the C4ISR system, essential to enabling operations. This includes funding for the inherently governmental responsibility to ensure safety and security of the system required in order to operate the system. Examples of operations that are enabled through C& A include connection to SIPRNET, CGDN +, DHS One Net, record message communications, MILSATCOM communications, LINK-11 connection, COP connection with DOD and DHS, and many other capabilities. Without this funding, the C4ISR system is not certified and accredited and therefore cannot be used operationally.

**Cutter Upgrades -- \$11,000K.** Funds procurement, development, integration, component-level test, installation, system-level test, and C&A of new C4ISR hardware and software improvements for Medium Endurance Cutters.

**Table 2: C4ISR for Coast Guard Medium Endurance Cutters:**

- Coast Guard common command and control system hardware and software;
- Integrated communications systems including: boarding party communications, law enforcement/marine band radio, MF/HF band voice and data Automatic Link Establishment (MF/HF ALE) radio, UHF band Navy data link radio and an integrated voice communications distribution system;
- Information management systems computing environment, including hardware and software to support specific shipboard information systems;
- Improved sensors, including new radio Direction Finding (DF) system and identification friend or foe transponder and interrogator system.

Upgrade of the C4ISR system used on Medium Endurance Cutters is critical to keeping them interoperable and sustainable. Without this upgrade, there will be many different configurations in the Coast Guard fleet, increasing maintenance and accreditation costs, limiting operational effectiveness and interoperability with IDS and other government agencies, and becoming unsustainable over the long term.

**Shore Upgrades -- \$25,900K.** Funds the Medium and High Frequency (MF/HF) band Automatic Link Establishment (MF/HF ALE) and the Deepwater enterprise C4ISR design infrastructure to communication stations. Recapitalizes antiquated (non-sustainable) switch matrices and automates Communications Area Master Station (CAMS) systems. Improvements include procurement, development, integration, component-level tests, installation, system-level tests and C&A of new C4ISR hardware and software. The upgrades to CAMS enhance interoperability with the Coast Guard's standard command and control systems over MILSATCOM channels. This also funds the Coast Guard District 9 Command Center, Headquarters, Mariannas Section, Guam (MARSEC), and International Ice Patrol C4ISR COP installations, including the Interoperability Maritime Security and Safety System Module. The development and deployment of the hardware and software module will provide the ability for systems, units and forces to provide connectivity and accept services from other systems, units and forces to enable them to operate effectively together. It enables the Coast Guard to better meet the DHS goals of prevention, protections and response with a modular C4ISR system that improves the Coast Guard's standard command and control capability in Out of Continental United States (OCONUS) operations, and national security preventative and incident response operations. This enhanced capability will mitigate shortfalls in incidents like 9/11 and Hurricane Katrina, in addition to providing increased prevention and protection capability. This system meets IDS interoperability requirements with DHS, DOD and other government agencies and will leverage any existing capabilities. Additionally, the shore funding replaces the emergency deployable command and control assets for each USCG Area Commander.

**C4ISR**

**\$88,100**

**CAPABILITY ACQUIRED/MAINTAINED:**

C4ISR system upgrades are designed to improve the surveillance, detection, classification and identification capabilities of each asset. This is a core component of IDS that benefits all Coast Guard mission areas, but specifically and directly supports the Coast Guard's MDA initiative. The common design promotes operational and equipment familiarity among Coast Guard personnel assigned to IDS assets. This standardization reduces training costs because Coast Guard operators and maintenance personnel only need to be trained once on a specific piece of equipment, then can be assigned among many assets and be immediately effective in their duties. The C4ISR improvements give each cutter, aircraft, shore command, and intelligence center the command and control systems to fully receive, display, and share an intelligence-infused COP. By becoming full COP participants, each unit will receive relevant MDA and situational awareness information, and can plan operationally-effective missions with a clear picture of the threat they face. Accurate knowledge of the maritime domain, provided through the COP and improved operational intelligence functions, will also ensure that an effective but efficient level of resources is allocated to combating the known threat, improving the probability that the threat will be contained and defeated far from America's shores. Improved interoperability with DHS and NORTHCOM will sharply enhance the Coast Guard's ability to distribute operationally critical information quickly and seamlessly to Federal, state and local agencies to leverage information generated by IDS assets for their own effective operational planning and response.

**PERFORMANCE:**

The C4ISR suite enhances the Coast Guard's ability to achieve mission success and enhance MDA and situational awareness, because it provides the capability for coordinated tactics, integrated intelligence, multi-agency interoperability and common situational awareness necessary to fulfill the missions with the currently-planned force mix in the following Congressionally-mandated missions:

**MARITIME SAFETY:**

- Search and Rescue (SAR) – The very capable C4ISR suite to be outfitted in every asset will include a radar, Electro Optical (EO) device, and Infrared (IR) sensor to find and observe a wide range of targets, as well as a line-of-bearing indicator and distress call monitoring capability on various distress frequencies. The crew will be outfitted with night vision devices to further enhance their ability to detect, classify and identify targets.
- Marine Safety – International Ice Patrol (IIP) – Utilizing the same sensors described above, the C4ISR suite will be able to detect and relay the location of icebergs in support of the important IIP mission.

**MARITIME SECURITY:**

- Undocumented Migrant Interdiction Operations (MIO) – The C4ISR suite, including the same sensors described in the SAR mission, will be employed to provide surveillance, detection, classification and identification during the undocumented MIO. With multiple communications, including UHF/VHF, HF, and INMARSAT, it will be able to share information with other operational units and command centers, contributing to a Common Tactical Picture (CTP) and COP through a networked Command and Control (C2) system using INMARSAT.
- Illegal Drug Interdiction (DRUG) – The same sensors and communications equipment that will support migrant interdiction will also be utilized to support the DRUG mission. Through effective use of the CTP and COP, C4ISR will allow commanders to direct Coast Guard surface assets to intercept suspect vessels.

**C4ISR**

**\$88,100**

- Other Law Enforcement (OLE) – The use of all sensors and communications equipment will be utilized for the OLE mission. Sharing information and data through the use of the C2 system and the CTP and COP will result in increased MDA.

**PROTECTION OF NATURAL RESOURCES:**

- Marine Environmental Protection (MEP) – Maritime Pollution Enforcement and Response: The C4ISR suite will be employed to monitor and map oil-covered water surfaces. The radars can detect differences in backscatter between clear and oil-covered water due to the dampening effects of oil on small wind-generated waves, while the EO/IR sensor can detect the small temperature variation between clear and oil-covered water. The COP provides the capability to navigate to previously-marked pollution areas and update data based on current C4ISR.
- Living Marine Resources (LMR) – C4ISR will employ all sensors to provide surveillance of protected and/or closed offshore areas and ensure the protection of LMR.
- MEP – Lightering Zone Enforcement (LZE) – With use of the C4ISR suite, it is possible to monitor lightering zones for oil and other hazardous chemical discharges aiding the LZE mission.

**NATIONAL DEFENSE:**

- Defense Readiness – The C4ISR suite plays a role in national defense missions, specifically supporting the following missions through better MDA:
  - Port Operations, Security, and Defense (POSD)
  - General Defense Operations (GDO)
  - Peacetime Military Engagement (PME)
  - Maritime Intercept Operations (MIO)
  - Environmental Defense Operations (EDO)

**COST ESTIMATE OF WORK TO BE FUNDED FOR FISCAL YEAR 2009:**

| ITEM   | QUANTITY | TOTAL (\$K) |
|--|----------|-------------|
| <b>Common Operating Picture (COP)</b>                  |          |             |
| Increment 3 Concept & Preliminary Design               | 1        | \$33,938    |
| MDAC Development & Integration Services                | 1        | \$2,512     |
| Common Systems Software Engineering                    | 1        | \$3,500     |
| MDAC Production & Deployment - Phase II                | 1        | \$10,000    |
| Studies and Analysis                                   | 1        | \$250       |
| C2 System Certification & Accreditation (MIPR)         | 1        | \$1,000     |
|  | Subtotal | \$51,200    |
| <b>Cutter Upgrades</b>                                 |          |             |
| C4ISR Upgrade of Legacy 270's (2 cutters)              | Lot      | \$10,000    |
| C2 Certification & Accreditation (MIPR)                | 1        | \$1,000     |
|  | Subtotal | \$11,000    |
| <b>Shore Upgrades</b>                                  |          |             |
| Interoperable Maritime Security & Safety System Module | Lot      | \$3,400     |
| CGHQ Upgrade   | 1        | \$2,000     |
| D9 Upgrade   | 1        | \$3,500     |
| CAMS HF Upgrades                                       | Lot      | \$6,000     |
| OPCEN MARSEC Upgrade                                   | 1        | \$2,000     |

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**C4ISR** **\$88,100**

|  |          |          |
|--|----------|----------|
| MILSATCOM Upgrade                            | 1        | \$3,000  |
| Certification & Accreditation                | 1        | \$3,000  |
| Communications Stations Full Rate Production | Lot      | \$3,000  |
|  | Subtotal | \$25,900 |
|  | Total    | \$88,100 |

FUNDING HISTORY

| COP:  | FY       | TOTAL     |
|---|----------|-----------|
| COP Increment 1, DITC, Phase I and II of Production | 2002     | \$110,255 |
| COP Increment 1, DTIC (name changed to MDAC)        | 2004     | \$59,816  |
| COP Increment 2, MDAC                               | 2005     | \$31,000  |
| COP Increment 2, MDAC                               | 2006     | \$41,565  |
| COP Increment 1, MDAC                               | 2007     | \$42,500  |
| COP Increment 2 Contract Vehicle Revision           | 2007     | \$200     |
| COP Increment 2, MDAC                               | 2008     | \$64,200  |
|   | Subtotal | \$349,536 |

| Cutter:  |          |          |
|--|----------|----------|
| Secure Comms Upgrades on 210 WMEC,<br>270 WMEC, & 378 WHEC Classes | 2002     | \$11,716 |
| Secure Comms Upgrades on 210 WMEC,<br>270 WMEC, & 378 WHEC Classes | 2003     | \$5,166  |
| Command & Control Upgrades on 210' WMEC Classes                    | 2005     | \$7,058  |
| Legacy Cutter C&A  | 2006     | \$141    |
| Legacy Cutter Upgrades   | 2007     | \$331    |
| Legacy Cutter Upgrades   | 2008     | \$12,930 |
|  | Subtotal | \$37,342 |

| Shore:  |          |          |
|---|----------|----------|
| Communications Area Master Stations Upgrade (1.0)   | 2002     | \$2,286  |
| Operations Center Upgrade at District 7, Miami  | 2003     | \$5,381  |
| Operations Center Upgrades at<br>Greater Antilles Section (GANTSEC) - San Juan, Puerto Rico   | 2004     | \$21,854 |
| Communications Area Master Stations Upgrades (2.0)  | 2005     | \$6,500  |
| Operations Center Upgrades at<br>New Orleans, LA; Seattle, WA; Juneau, AK; Boston, MA<br>Honolulu, HI;  | 2005     | \$4,500  |
| Communication Station Upgrades Phase 1 at<br>Boston, MA; Apra Harbor, Guam; Honolulu, HI;<br>Kodiak, AK; Miami, FL; New Orleans, LA   | 2005     | \$8,500  |
| Intelligence Upgrades   | 2006     | \$1,854  |
| Command Center Upgrades<br>Atlantic Area (LANTAREA) - Portsmouth, VA<br>Pacific Area (PACAREA) - San Francisco, CA<br>Intelligence Coordination Center (ICC) - Washington, DC | 2007     | \$6,969  |
| Command Center Upgrades   | 2008     | \$12,500 |
|   | Subtotal | \$70,344 |

**C4ISR**

**\$88,100**

Total

\$457,222

Funding History is the funding available based on past appropriations, rescissions and other changes.

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43 month subsequent award term period through Jan 2011.

**SUBCONTRACTORS:**

Systems: Lockheed Martin (Moorestown, NJ)

Communications: L3 Communications (Camden, NJ)

Mackay Communications (Edison, NJ)

Sensors: SSR Engineering (Franklin, VA)

Systems: Bell (Fort Worth, TX)

Systems: Telephonics (Farmingdale, NY)

Systems: EADS CASA (Madrid, Spain)

Systems: ARINC (Annapolis, MD)

Sensors: EADS GmbH (Munich, Germany)

Sensors: Telephonics APS-143V3 Multi-Mode RADAR (Farmingdale, NY)

FLIR Systems Star Sapphire III (Portland, OR)

Miscellaneous:

Mission System Operator

Training and Maintenance: ProSoft (Phoenix, AZ)

**KEY EVENTS:**

|  | FY   |
|--|------|
| COP Increment 1 Completion                                     | 2008 |
| COP Increment 1 installed on assets and at the Command Centers | 2008 |
| Complete 270' Command & Control Upgrade                        | 2011 |
| Complete Communication Station Upgrades                        | 2012 |

**Significant Changes**

There was a major change in the C4ISR funding plan primarily focused on the Certification and Accreditation (C&A) costs. Over the last two years, the Coast Guard and DOD have gained a better understanding of the costs associated with ensuring newly-developed systems, and the data that resides in the systems, are not vulnerable to internal and external attacks. These costs are being applied towards maintaining the systems security posture to ensure national security information is not compromised. Specifically, the cost is associated with maintaining a network security posture consistent with national policy established by the National Security Agency and DOD.

There has also been some deviation from the initial proposal regarding the 270' command and control upgrades. The prime contractor experienced challenges to maintain the Increment 1 schedule related to technical issues that conflicted with Coast Guard systems. These issues have caused delay to the 270' command and control upgrades.

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**C4ISR**

**\$88,100**

**Project Schedule**

| <u>Project Description</u> | Dates by Fiscal Year & Quarter |                  |                  |                  | <u>Total Estimate Cost</u> |
|----------------------------|--------------------------------|------------------|------------------|------------------|----------------------------|
|                            | Design Work                    |                  | Project Work     |                  |                            |
|                            | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> |                            |
| FY 2008                    |                                |                  |                  |                  |                            |
| FY 2009                    |                                |                  |                  |                  |                            |
| COP Increment 2            | FY09:Q2                        | FY11:Q4          |                  |                  | 17,262                     |
| COP Increment 3            | FY09:Q3                        | FY13:Q4          |                  |                  | 33,938                     |
| Cutter Upgrades - C4ISR    |                                |                  | FY09:Q2          | FY11:Q4          | 11,000                     |
| Shore Sites                |                                |                  | FY09:Q2          | FY12:Q4          | 25,900                     |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            | 317,592                    | 50,000         | 89,630         | 88,100         | 545,322      |
| Obligation                               | 300,000                    | 55,000         | 102,000        | 70,480         | 527,480      |
| Expenditure                              | 300,000                    | 27,592         | 17,926         | 17,620         | 363,138      |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 235,300                    | 27,592         | 17,926         | 17,620         | 298,438      |
| Survey, Design & Engineering             | 64,500                     |                |                |                | 64,500       |
| Project Management                       | 200                        |                |                |                | 200          |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Construction / Acquisition</u>           |                              |
| COP Increment 2 and 3, MDAC                 | 51,200                       |
| 270' Cutter Command and Control Upgrade     | 11,000                       |
| Shore                                       | 25,900                       |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>88,100</b>                |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 14,292                   | 14,048                |
| Marine Safety                                   | 1,807                    | 1,776                 |
| Aids to Navigation                              | 3,056                    | 3,004                 |
| Ice Operations                                  | 1,807                    | 1,776                 |
| Marine Environmental Protection                 | 2,870                    | 2,821                 |
| Living Marine Resources                         | 13,199                   | 12,974                |
| Drug Interdiction                               | 23,223                   | 22,827                |
| Migrant Interdiction                            | 10,237                   | 10,062                |
| Other Law Enforcement                           | 3,043                    | 2,991                 |
| Ports, Waterways & Coastal Security             | 12,226                   | 12,017                |
| Defense Readiness                               | 3,870                    | 3,804                 |
| <b>Mission-Program Allocation Total:</b>        | <b>89,630</b>            | <b>88,100</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Deepwater Logistics**

**\$37,700**

**Project Description, Justification and Scope**

This request funds continued development of the Coast Guard Logistics Information Management System (CG-LIMS) which is designed to support the Integrated Deepwater System (IDS) as new ships, planes and information systems are delivered, or as current Coast Guard cutters, aircraft, and shore sites are converted into or modernized as Deepwater end-state assets. The Coast Guard is including the funding request for three significant aspects of Logistics in one budget item: 1) Integrated Logistics Support (ILS), which includes CG-LIMS, 2) shore upgrades for units assigned logistics responsibility and requiring access to CG-LIMS, and 3) facilities upgrades (in preparation of receiving new and modernized assets).

Integrated Logistics Support (ILS) - \$14,400K will execute revised logistics project plans to keep the logistics synchronized with the overall revised Deepwater Implementation Plan as well as for CG-LIMS development. This plan will complement the long term ILS plan that is being developed, by ensuring the Coast Guard has sufficient spares, training, and logistics support to sustain new Deepwater assets. The overall intensive and time-sensitive system support development effort is necessary for the successful fielding of assets and achievement of targeted operational effectiveness goals. The three primary areas of logistics engineering include: a) Business Process Development, b) Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) equipment support, and c) network-based CG-LIMS development.

Shore Facilities with Logistics Responsibilities - \$500K will be used to continue installation of LIMS systems at facilities where CG-LIMS use is required. These sites include Naval Engineering Support Unit (NESU) Boston, NESU Honolulu, Engineering Support Unit (ESU) Honolulu, Aviation Technical Training Center (ATTC) Mobile, Coast Guard Air Station (CGAS) Savannah, CGAS New Orleans, CGAS Miami, CGAS Cape Cod, CGAS, Borinquen, CGAS Barbers Point and CGAS Elizabeth City.

Facilities for New Deepwater Assets - \$22,800K will fund Phase II construction of the Off-Cycle Crew Support (OCCS) building to support the new National Security Cutters (NSC) crews in Alameda, California, facility upgrades at the first three Fast Response Cutter (FRC) homeports, facility upgrades at the second NSC homeport, environmental assessments of future Deepwater homeports and aviation sites, as well as detailed engineering evaluations of Deepwater sites.

Logistics support is designed to be provided through an enterprise-wide information system tool called CG-LIMS, which requires software development and installation at specific Coast Guard units with the need for access. Another significant component of Logistics is the physical facilities and infrastructure preparation necessary for home sites and support infrastructures for these assets. These facilities fall into two categories: 1) current Coast Guard or other existing facilities that are modified to be used for the new and/or converted assets, such as lengthening the pier for a longer ship and associated additional power supply requirements; and 2) newly-acquired facilities, including land and the associated buildings for crew offices, training buildings, and hangars that will be the new homes to the Deepwater ships, aircraft, and their crews. Completion of the regulatory environmental studies and preparations are also required.

**Deepwater Logistics**

**\$37,700**

Logistics support includes the following functional elements: 1) maintenance; 2) maintenance facilities; 3) manpower considerations for the assets, such as the design of controls for engineers on ships and flight controls on aircraft; 4) supply support, in terms of sparing and associated analysis; 5) special equipment used for maintaining, testing and calibrating the cutters, aircraft; and C4ISR systems 6) providing the technical data related to operating and maintaining the assets; 7) all aspects of training and training tools; 8) computer support for the asset (not associated with software and computer support being developed with C4ISR); 9) all of the physical movement and care of the parts, equipment components and supplies, which includes packaging, handling, storage and transportation; and 10) design interface with regard to all of these elements in initial design, including developing engineering changes, technical refreshes, and/or upgrades.

CG-LIMS is intended to automatically collect and process logistics data so that the software can be used to project support requirements and maintain a configuration baseline for the asset. This will relieve the Coast Guard workforce of the hard work associated with current keying-in of millions of individual data items. Also, CG-LIMS will interface with the Coast Guard's Learning Management System, which will schedule, track and distribute all training and training requirements for Coast Guard personnel. With its ability to bring the right information to the right people at the right time, CG-LIMS is expected to enhance productivity for the personnel involved in logistics, and provide operationally relevant information to Coast Guard operators and maintainers. Eventually, Coast Guard crews will have maintenance support technologies to provide step-by-step, computer-generated instructions, and 24-hour expert assistance made available through remote support services. Increased availability and reliability of Coast Guard cutters and aircraft will result in more operational time for these assets. Improved cost management will be an important feature that this investment in CG-LIMS will provide:

- Improving logistics operations, rules, tools and processes to reduce costs through adoption and institutionalization of best public and private sector business practices;
- Significantly improving inventory accuracy;
- Reducing costs by eliminating inventory at multiple locations; and
- Improving customer support by collaborating with private industry to develop effective support arrangements (such as service support agreements and other agreements).

Simply put, logistics planning and implementation keeps a resourceful and thrifty Coast Guard operating more reliably toward mission achievement while progressing towards logistics transformation goals, maintaining configuration control of assets, and accomplishing CFO management requirements. Using CG-LIMS to bring data together and transforming the data into useable information as an electronic status system will show if there is a specific item available anywhere in the Coast Guard. That knowledge will permit total asset visibility throughout the Coast Guard to determine who has the part, and auto-generate the shipping documents to transfer that item to the unit that needs the part. CG-LIMS will also collect and analyze maintenance record data to show frequency of use and frequency of failure for spares and repair parts, improving overall management of maintenance resources.

These logistics improvements will allow the Coast Guard to manage facilities with fewer personnel preoccupied with logistics, keep fewer "safety stocks" (increased commonality between equipment sets across asset classes), maintain better inventory accuracy (less inventory means money saved), and remove inefficiencies that result in delays that prevent critical assets from being ready to operate. In

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**\$37,700**

addition, this information will be available at higher levels in the organization to determine asset or class-wide equipment problems.

Moreover, CG-LIMS and the logistics infrastructure can significantly contribute to CFO Act compliance within the Deepwater program. Some functionality related to CFO Act compliance includes:

- Provide unique asset identifier in order to include all costs incurred and track total acquisition/contracting cost.
- Track the asset identifier to the specific document used to acquire the asset; i.e. purchase order, task order, etc.
- Record beginning balances (on-hand), acquisition, withdrawals (dispositions), and calculate ending balances (on-hand) expressed in dollar values and physical units.
- Record item identification, classification (i.e., nomenclature, quantity, description, Federal stock classification or Nation Stock Number), initial cost, and subsequent costs related to acquisition (i.e., holding/handling cost).
- Record the condition of inventory.
- Record changes in value of inventory, supplies and materials due to changes in condition or other impacting circumstances.
- Record whether material received is hazardous, classified, requires special handling, requires special packaging, requires munitions list controls, requires trade security controls or has shelf life.
- Provide edits (controls) to prevent duplicate entries and reduce the likelihood of creating erroneous inventory documents/records, thereby ensuring the integrity of data recorded in the system.
- Permit only authorized users to enter, modify, or otherwise alter inventory records.
- Enable and account for the transfer of responsibility for inventory from one authorized manager to another authorized manager, ensuring that sufficient information is transferred to provide an audit trail at the gaining management activity.

**CAPABILITY ACQUIRED/MAINTAINED:**

Establishing a responsive ILS system will provide benefits in reduced life cycle costs and increased operational effectiveness. To achieve these goals, the Coast Guard must continue with a two-part development approach: 1) integrating enterprise-wide processes across lines of maintenance, supply support, technical data, support and test equipment, computer support, facilities, and transportation to assist in moving the Coast Guard towards an efficient centralized business model; 2) incorporating sound Human Systems Integration (HSI) processes, which include manpower, personnel, training, human factors engineering, and system safety, to significantly improve human performance and reduce operational costs.

The C4ISR equipment support area includes training and maintenance analyses and the full suite of support products for both operators and maintainers. The C4ISR equipment provides Maritime Domain Awareness across surface, air/shore assets. Ensuring adequate C4ISR logistics support preserves and protects this substantial investment. Performing complex reliability, maintainability and availability analyses are necessary to measure and baseline C4ISR supportability goals. Analyzing C4ISR systems/equipment and developing technical refresh plans will ensure the Coast Guard's ability to upgrade assets to maintain operational effectiveness while utilizing a deliberate budget agenda.

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Establishing and maintaining accurate baselines are crucial for configuration control and for exercising effective and efficient equipment and supply chain management.

Investing in CG-LIMS is central to our enterprise-wide system. CG-LIMS can provide the ability, using collected data, to bring the right information to the right people at the right time. It is intended to streamline parts ordering and management, facilitate maintenance functions, sustain configuration control, and provide an innovative training delivery system. Interconnected processes accessed via an on-line support infrastructure will improve each IDS unit’s operational effectiveness by providing responsive maintenance support, establishing and maintaining inventory levels, automatically ordering parts, while at the same time remaining CFO compliant. This ensures that each asset remains available for its planned operational hours. This same feature also can be configured to manage Total Ownership Costs as the inventory tracking system determines equipment and spare parts usage rates and determines efficient inventory levels. For example, logisticians will be able to quickly forecast support requirements and trends and reduce single point failures. Designers will be able to introduce proven state-of-the-market technology, assess design trade-offs, and use concurrent engineering to improve reliability and maintainability for each new asset. The data also supports a “remove-and-replace” concept for components and modules which will simplify repair tasks.

**PERFORMANCE:**

ILS is essential to achieving mission success and life cycle supportability in all Congressionally-mandated missions. With the proper support infrastructure in place, the prospective Deepwater assets will be able to perform as designed and maintain their operational capabilities.

**COST ESTIMATE OF WORK TO BE FUNDED THIS FISCAL YEAR:**

| ITEM  | QUANTITY | TOTAL (\$K) |
|---|----------|-------------|
| Integrated Logistics Support                                      |          |             |
| ICGS Common Systems Development Continuation                      | 1        | \$14,400    |
| Shore   |          |             |
| CG-LIMS Installations   | 1        | \$500       |
| Facilities  |          |             |
| Alameda NSC Off-Cycle Crew Support Bldg Construction – Phase II   |          | \$5,500     |
| Engineering Assessments of Deepwater Homeports & Aviation Sites   |          | \$300       |
| Environmental Assessments of Deepwater Homeports & Aviation Sites |          | \$200       |
| Facility Upgrades at National Security Cutter Homeport #2         |          | \$10,000    |
| Facility Upgrades at Fast Response Cutter Homeport #1 – Phase II  |          | \$1,000     |
| Facility Upgrades at Fast Response Cutter Homeport #2             |          | \$3,500     |
| Facility Upgrades at Fast Response Cutter Homeport #3             |          | \$2,300     |
|   | Total    | \$37,700    |

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**Deepwater Logistics** **\$37,700**

|                       |    |             |
|-----------------------|----|-------------|
| FUNDING HISTORY (ILS) | FY | TOTAL (\$K) |
|-----------------------|----|-------------|

Integrated Logistics Support

|  |          |           |
|--|----------|-----------|
| Business Process Development, C4ISR Support, and LIMS Iteration 0              | 2002     | \$18,977  |
| Business Process Development, C4ISR Support, and LIMS Iteration 1              | 2003     | \$16,790  |
| Business Process Development, C4ISR Support, and LIMS Iteration 1 continuation | 2004     | \$20,508  |
| Business Process Development, C4ISR Support, and LIMS/C4ISR Increment 1        | 2005     | \$15,100  |
| Business Process Development, C4ISR Support, and LIMS/C4ISR Increment 2        | 2006     | \$11,583  |
| Business Process Development, C4ISR Support, and LIMS/C4ISR Increment 2        | 2007     | \$17,278  |
| Business Process Development, C4ISR Support, LIMS/C4ISR Increment 2            | 2008     | \$26,200  |
| CG-ILS Interim Support of NSC  | Subtotal | \$126,436 |

Shore

|  |          |          |
|--|----------|----------|
| LIMS Development and Installation at:<br>Engineering Logistics Center,<br>Operations System Center Aviation Repair<br>and Supply Center,       | 2002     | \$1,065  |
| Maintenance Logistics Command Atlantic,<br>Naval Engineering Support Unit Miami,<br>Electronic Support Unit (ESU) Miami                        | 2003     | \$994    |
| Command and Control Center,<br>Maintenance Logistics Command Pacific, and<br>Training Center Yorktown  | 2004     | \$19,484 |
| Production/Deployment of LIMS at seven units   | 2005     | \$1,600  |
| LIMS Development and Installation at Aviation Training<br>Center (ATC) Mobile, AL, MLCPAC, OCCSU Alameda,<br>TRACEN Petaluma, NESU/ESU Alameda | 2007     | \$222    |
| CG-LIMS Installation   | 2008     | \$500    |
|  | Subtotal | \$23,865 |

Facilities Upgrades

|   |      |         |
|---|------|---------|
| Design for Hangar, OCCSU building & pier upgrades<br>ATC Mobile Hangar Construction (Phase I)<br>NBVC Facility Assessment Study<br>Environmental Assessment for Alameda, CA<br>CAMSLANT Facility Expansion Design | 2004 | \$5,468 |
|---|------|---------|

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**Deepwater Logistics**

**\$37,700**

|   |          |           |
|---|----------|-----------|
| TRACEN Petaluma Building Rehab (Phase I)<br>ATC Mobile Hangar Construction (Phase I cont'd)<br>PACAREA/D11 Command Center Facility Upgrades<br>CAMSLANT Facility Expansion Construction<br>Pier/shore tie upgrades at Alameda, CA   | 2005     | \$23,100  |
| ATC Mobile Hangar Construction (Phase II)<br>TRACEN Petaluma Bldg 500 rehab (Phase I cont'd)  | 2006     | \$7,029   |
| Various facility upgrades for C4ISR equipment installs<br>Completion of Phase I Bldg 500 rehab @ TRACEN Petaluma<br>Updated to Deepwater PEIS Environmental document<br>Design of OCCSU bldg @ Alameda, CA<br>Upgrade of NSC shore ties @ Alameda, CA<br>Upgrade of NSC pier facilities @ Alameda, CA | 2007     | \$18,500  |
| Construct NSC Crew Support Building at Alameda - Phase I<br>Facilities Upgrades - FRC Homeport #1   | 2008     | \$9,800   |
|   | Subtotal | \$63,897  |
|   | Total    | \$214,198 |

Funding History is funding available based on past appropriation, rescissions, and other changes.

**CONTRACTOR for Integrated Logistics Support**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43-month subsequent award term period through Jan 2011

**SUBCONTRACTORS**

Integrated Logistics Support - Business Process Development:

MA&D - Crew Modeling (Boulder, CO)

Mincom - ILS Process Re-engineering (Englewood, CO)

NGDMS - HSI (Reston, VA)

LM Technical Services – Process Integration (Cherry Hill, NJ)

Pittiglio Rabin Todin & McGrath (PRTM) - Supply Chain Logistic (Washington, DC)

Prosoft - Training (Virginia Beach, VA)

Sigmon - ILS Process Re-engineering (Norfolk, VA)

**Deepwater Logistics**

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C4ISR Support: EADS GmbH - NSC Air Search Radar (Ulm, Germany)  
 FLIR Systems - Various EO/FLIR (Portland, OR)  
 L3 Communications - Integrated COMMS Int/Ext. (Camden, NJ)  
 LM Eagan - MPA Mission Pallet (Eagan, MN)  
 LM IS&S - Intel, Enterprise SATCOM / INTEL (Valley Forge, PA)  
 LM Technical Services - C4 Installs, Tech Docs, Provisioning,  
 Sustainment (Cherry Hill, NJ)  
 Sierra Nevada - Surface UCARS (Sparks, NV)

LMS Support:

LM Technical Services – LIMS Integration (Cherry Hill, NJ)  
 Spectrum - Learning Mgt. System (Vienna, VA)  
 Sum Total (Docent) - Learning Mgt. System (Mountain View, CA)

CG-LIMS Development: LM Technical Services – LIMS Integration (Cherry Hill, NJ)  
 Dimension Technology Solutions - LIMS Interface (Boulder, CO)  
 Mincom - LIMS Software (Englewood, CO)

All Shore Facility projects are executed and managed within the Coast Guard by the Facility Design and Construction Centers (FDCCs) at Norfolk, VA and Seattle, WA. Each project is awarded to an Architectural/Engineering (A/E) firm and/or a construction contractor for completion.

KEY EVENTS:

FY

Integrated Logistics Support

Business Process Development, C4ISR Support, 2002

Business Process Development, C4ISR Support continuation 2003

Shore

Initial LIMS Installation at 1st Shore Site 2004

Development/Deployment of LIMS to NESU (two),  
 OSC, CG Yard, ESU, TRACEN 2005

Completed deployment of LIMS to shore sites 2007

Aviation Training Center (ATC), Mobile, MLCPAC Alameda, OCCS Alameda, TRACEN Petaluma,  
 NESU/ESU Alameda

**Significant Changes**

There have been no significant changes from the prior budget submission.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Deepwater Logistics**

**\$37,700**

**Project Schedule**

| <u>Project Description</u>                   | Dates by Fiscal Year & Quarter |                  |                  |                  | <u>Total Estimate Cost</u> |
|--|--------------------------------|------------------|------------------|------------------|----------------------------|
|  | Design Work                    |                  | Project Work     |                  |                            |
|  | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> |                            |
| FY 2008                                      |                                |                  |                  |                  |                            |
| Integrated Logistics Support                 |                                |                  | FY2002:Q2        | FY2026:Q4        | 26,200                     |
| Shore Sites                                  |                                |                  | FY2002:Q2        | FY2026:Q4        | 500                        |
| Facilities                                   |                                |                  | FY2002:Q2        | FY2026:Q4        | 9,800                      |
| FY 2009                                      |                                |                  |                  |                  |                            |
| Integrated Logistics Support                 |                                |                  | FY2009:Q1        | FY2009:Q1        | 14,400                     |
| Shore Sites                                  |                                |                  | FY2009:Q1        | FY2009:Q1        | 500                        |
| Facilities Req. for Future Asset Deployments |                                |                  | FY2009:Q1        | FY2009:Q1        | 22,800                     |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            | 141,698                    | 36,000         | 36,500         | 37,700         | 251,898      |
| Obligation                               | 123,819                    | 42,866         | 47,513         | 30,160         | 244,358      |
| Expenditure                              | 123,819                    | 25,057         | 7,300          | 7,540          | 163,716      |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               | 99,374                     | 25,057         | 7,300          | 7,540          | 139,271      |
| Survey, Design & Engineering             | 24,445                     |                |                |                | 24,445       |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>                       | <u>FY 2009 Cost Estimate</u> |
|--|------------------------------|
| <u>Construction / Acquisition</u>                            |                              |
| ILS ICGS Common Systems Development Continuation             | 14,400                       |
| LIMS Installation at Shore Facilities                        | 500                          |
| Various Facilities Upgrades (reference details in Section 1) | 22,800                       |
| <b>FY 2009 Cost Estimate Project Total:</b>                  | <b>37,700</b>                |

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly cost performance reports. The iPursuit program also allows for extensive insight into the data used to generate cost performance reports. For example, it can provide a breakdown of cost and schedule variances by work breakdown structure (WBS).

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Deepwater Logistics**

**\$37,700**

**Budget Allocation to Mission-Program**

| <b>U. S. Coast Guard Mission-Program</b> | <b>Budget Allocation</b> |                |
|--|--------------------------|----------------|
|  | <b>FY 2008</b>           | <b>FY 2009</b> |
| Search and Rescue                        | 6,268                    | 6,474          |
| Marine Safety                            | 330                      | 341            |
| Aids to Navigation                       | 616                      | 636            |
| Ice Operations                           | 330                      | 341            |
| Marine Environmental Protection          | 836                      | 863            |
| Living Marine Resources                  | 5,749                    | 5,938          |
| Drug Interdiction                        | 10,518                   | 10,864         |
| Migrant Interdiction                     | 4,340                    | 4,483          |
| Other Law Enforcement                    | 918                      | 948            |
| Ports, Waterways & Coastal Security      | 5,286                    | 5,460          |
| Defense Readiness                        | 1,309                    | 1,352          |
| <b>Mission-Program Allocation Total:</b> | <b>36,500</b>            | <b>37,700</b>  |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Technology Obsolescence Prevention (TOP)**

**\$1,500**

**Project Description, Justification and Scope**

**DESCRIPTION:**

This request funds efforts to prevent technological obsolescence, which results from the evolution of technology as newer technologies appear and older ones cease to be used. For example, new media for storing digital information rapidly replaces older media and reading devices for these older media are increasingly no longer available. Newer versions of software constantly render older versions obsolete and the hardware required by this software also changes over time. Consequently, information which relies on obsolete technologies becomes inaccessible. While maintaining obsolete technologies might be the only option in limited circumstances, because of the associated need to keep every version of every piece of software and hardware, operating systems, and manuals, as well as personnel with relevant skills, it is not generally considered to be a feasible alternative over time.

In general, Technology Obsolescence Prevention (TOP) supports Integrated Deepwater Systems (IDS) assets for the 40-year duration of the program based upon pre-planned replacement rates. For example, if a computer were placed in service in 2005, it would be replaced in 2010. The replacement is chosen based on the same requirements as the original equipment. The cost allocated is the original cost plus an inflation factor for 2010. This cost is allocated every five years until an asset is either disposed of or the end of the IDS contract period is reached.

**TOP Replacement Periods**

**EQUIPMENT DESCRIPTION:**

Computers and Networking Equipment  
Sensors and Weapon Systems  
Communications Equipment  
Software

**REPLACEMENT PERIOD:**

5 Years  
15 to 20 Years  
10 to 15 Years  
5 Years

**CAPABILITY ACQUIRED/MAINTAINED:**

To maintain systems that provide satellite connectivity onboard IDS legacy cutters (210', 270' & 378'), TOP will replace cutter INMARSAT terminal servers.

**PERFORMANCE:**

TOP minimizes or eliminates the impact that hardware/software obsolescence can have on performance. TOP maintains the IDS technology performance level with indifference to changes at the hardware/software level.

**FUNDING HISTORY**

|                                    | FY   | TOTAL(\$K)  |
|------------------------------------|------|-------------|
| Technology Obsolescence Prevention | 2008 | \$700       |
|                                    |      | Total \$700 |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Technology Obsolescence Prevention (TOP)** **\$1,500**

**CONTRACTOR:**

Integrated Coast Guard System (ICGS), Washington, DC

Type of Contract: Indefinite Delivery, Indefinite Quantity with award terms

Contract options: 5-year base completed June 2007 with 43-month subsequent award term period through Jan 2011

**SUBCONTRACTORS:**

Lockheed Martin, Moorestown, NJ (Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Systems)

Production & Assembly Subcontractor: Lockheed Martin, Moorestown, NJ

**KEY EVENTS FY 2009**

|                     |              |    |
|---------------------|--------------|----|
| Start Production    | 1st Qtr FY09 | FY |
| Complete Production | 4th Qtr FY09 |    |

**Significant Changes**

There have been no significant changes from the prior budget submission.

**Project Schedule**

| <u>Project Description</u> | Dates by Fiscal Year & Quarter |                  |                  |                  | Total       |
|----------------------------|--------------------------------|------------------|------------------|------------------|-------------|
|                            | Design Work                    |                  | Project Work     |                  | Estimate    |
|                            | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u> | <u>Completed</u> | <u>Cost</u> |
| FY 2008                    |                                |                  |                  |                  |             |
| Technology Refreshment     |                                |                  | FY08:Q1          | FY27:Q4          | 700         |
| FY 2009                    |                                |                  |                  |                  |             |
| Technology Refreshment     |                                |                  | FY09:Q1          | FY27:Q4          | 1,500       |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            |                            |                | 700            | 1,500          | 2,200        |
| Obligation                               |                            |                | 700            | 1,200          | 1,900        |
| Expenditure                              |                            |                | 350            | 300            | 650          |
| <hr/>                                    |                            |                |                |                |              |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Construction / Acquisition               |                            |                | 350            | 300            | 650          |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009</u><br><u>Cost Estimate</u> |
|---|--|
| <u>Construction / Acquisition</u>           |  |
| Technology Refreshment                      | 1,500                                  |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>1,500</b>                           |

**Technology Obsolescence Prevention (TOP)**

**\$1,500**

**Method of Performance**

Per Section 1.H.1 of Deepwater Exhibit 300, "Description of Performance Based Management System", an Earned Value Management System (EVMS) is used for the system integrator contract work under each of the Delivery Task Orders (DTOs). The Dekker Trakker software program, which meets ANSI/EIA Standard 748, is employed by Deepwater to resource load schedules, track progress and record expenses. Moreover, Dekker iPursuit is also used to view monthly Cost Performance Reports. The iPursuit program also allows for extensive insight into the data used to generate Cost Performance reports. For example, it can provide a breakdown of cost and schedule variances by Work Breakdown Structure (WBS).

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 25                       | 54                    |
| Marine Safety                                   | -                        | -                     |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | -                        | -                     |
| Drug Interdiction                               | 385                      | 824                   |
| Migrant Interdiction                            | 95                       | 204                   |
| Other Law Enforcement                           | 50                       | 107                   |
| Ports, Waterways & Coastal Security             | 50                       | 107                   |
| Defense Readiness                               | 95                       | 204                   |
| <b>Mission-Program Allocation Total:</b>        | <b>700</b>               | <b>1,500</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

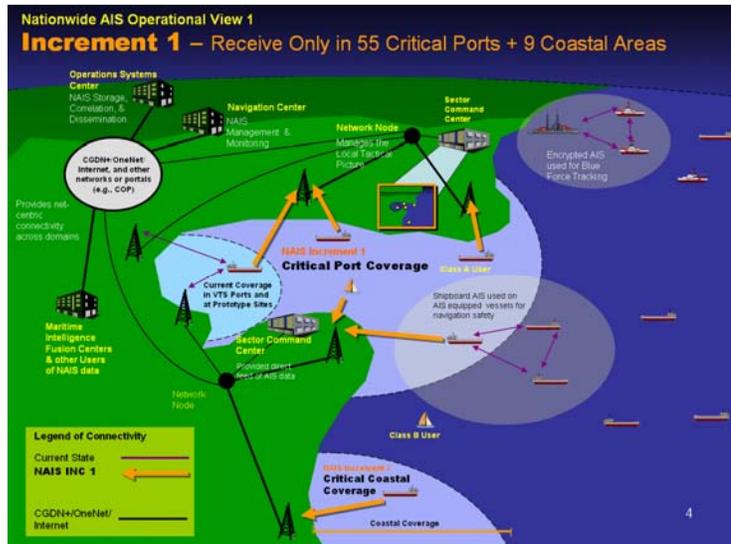
**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
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(Dollars in Thousands)**

**Nationwide Automatic Identification System (NAIS)**

**\$14,600**

**Project Description, Justification and Scope**

This request funds survey, design and construction to achieve IOC coverage for Increment 2 of NAIS. The Nationwide Automatic Identification System (NAIS) is a multi-year, Department of Homeland Security (DHS) Level 1 Investment and Coast Guard Major System Acquisition implementing a national system to collect, integrate and exchange Automatic Identification System (AIS) information from and with vessels operating on or bound for waters subject to the jurisdiction of the United States Government. NAIS is being developed and deployed in three main increments as follows:



Increment 1 – AIS Receive-Only at Critical Ports and Critical Port Areas is complete and provides receive-only coverage in 55 high priority ports and 9 coastal areas.

Increment 2 – AIS Receive and Transmit Nationwide will build upon Increment 1 by greatly expanding and extending the receive coverage (out to 50 nautical miles (nm) from shore), as well as providing transmit capability (out to 24 nm from shore) along the entire coastline of the United States., U.S. territories, and along designated inland waterways. Increment 2 is expected to be fully operational by FY2014 and is further segregated into two phases. The first phase designs, develops and delivers the core NAIS capability while providing AIS receive and transmit coverage in designated Initial Operational Capability (IOC) Sectors. The second phase will be a separate contract action to establish AIS receive and transmit coverage in the remaining U.S. Coast Guard Sectors nationwide.

Increment 3 – AIS Long-Range Receive extends the AIS receive capability to 2,000 nm by FY2014.

Following Increment-2 Phase I contract award in FY 2008, the funding provided in FY 2009 will be used to achieve IOC coverage for Increment 2 of NAIS by the end of 4<sup>th</sup> Quarter FY 2009. Increment 2 IOC exists when AIS receive and transmit coverage are established for Coast Guard Sectors Hampton Roads, Delaware Bay and Mobile. IOC also provides additionally-required network services, a subset of all data processing requirements (i.e., including, at a minimum, verification of AIS data and consolidation of AIS position reports received from multiple AIS stations in a sector) and availability of NAIS services through end users' systems. NAIS will be capable of allowing each Sector Command Center to effectively track AIS compliant vessels (i.e., including blue forces) using encrypted AIS messaging and to transmit all standard AIS messages. NAIS will also provide AIS data to separate systems and organizations, which will include the maritime Common Operational Picture (COP) and the Intelligence Community via the Common Intelligence Picture and supporting systems [e.g., Maritime Awareness Global NETwork (MAGNET)].

**Nationwide Automatic Identification System (NAIS)**

**\$14,600**

The mission of the NAIS is to develop and install a nationwide infrastructure to detect, identify, track, and exchange information with vessels operating AIS equipment while in or approaching U.S. waters. NAIS will leverage the full functionality of AIS technology to enhance Coast Guard and DHS operational mission performance to protect the public and serve national maritime interests.

The Maritime Transportation Security Act of 2002 (46 USC 70013) directed DHS to implement a persistent maritime surveillance system to collect, integrate, and analyze information concerning certain vessels operating in or bound for waters subject to the jurisdiction of the United States. NAIS will support this Congressional requirement and will serve as a centerpiece to the Coast Guard and DHS' effort to build Maritime Domain Awareness (MDA), as described in the National Plan to Achieve Maritime Domain Awareness, which will contribute to the successful execution of the National Strategy for Maritime Security, Homeland Security Presidential Directive (HSPD)-13.

NAIS is expected to consist of a system of AIS receivers, transmitters, transceivers, repeaters, and other equipment located on shore-side installations and remote platforms, which potentially may include buoys, offshore platforms, aircraft and spacecraft as needed, to receive, distribute and use the information transmitted by vessels that operate AIS equipment and transmit data to these vessels. Some AIS capability already exists, specifically at Coast Guard Vessel Traffic Services (VTS) and several advanced command and control sensor systems across the country. The Coast Guard will leverage as much of this existing capability as possible to complete the NAIS project.

NAIS will send and receive AIS messages via a Very High Frequency (VHF) data link to and from AIS-equipped vessels, navigational aids and multi-mission aircraft. NAIS will use several types of platforms (including existing government infrastructure to the extent possible) to support AIS receive and transmit capabilities. While some platforms support receive-only capabilities (e.g., satellites, buoys, and aircraft), others may support receive and transmit capabilities (e.g., land-side towers). AIS message data will be transported between system components over the Coast Guard Data Network and DHS OneNet and diverse, remote-site connectivity.

NAIS will process (validate, filter, etc.) and store data received. Some NAIS functions will require integration with existing systems. These systems, while not part of NAIS, are included in the context of the system's operations. Primarily, it is expected that these systems [e.g., Maritime Information Safety and Law Enforcement (MISLE), Local Tactical Display Systems, MAGNET and VTSs] will provide data processing functions (e.g., vessel tracking correlation, intelligence processing, anomaly detection) and user interfaces necessary to meet all the requirements for fully using AIS data.

NAIS will complement other surveillance and intelligence systems, greatly aiding the essential process of identifying vessels requiring further investigation and action. NAIS information will be displayed in the Coast Guard's national maritime Common Operational Picture (COP), and shared, along with correlated data and intelligence as appropriate, with Deepwater assets and other federal agencies. Unclassified portions of the COP will also be made available to state and local government port partners in support of security and safety operations. This information will be invaluable to agencies such as Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), and the Transportation Security Administration (TSA), as it will provide real-time locational data on all major vessels in the maritime domain.

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**Nationwide Automatic Identification System (NAIS)** **\$14,600**

**Significant Changes**

Initial Operational Capability (IOC) for Increment 1 was achieved on schedule (per the Acquisition Program Baseline) in first quarter Fiscal Year 2007 and FOC was achieved in the fourth quarter of Fiscal Year 2007. In addition the Request for Proposal (RFP) for the Nationwide Automatic Identification System (NAIS) Increment 2 Phase 1 requirement was issued on December 21st, 2007. Proposals are due in March of 2008 and contact award is expected by the end of Fiscal Year 2008.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| <b>FY 2008</b>                    |   |                         |                         |                         |                    |
| Planning/Management               |   |                         | FY08:Q1                 | FY08:Q4                 | 2,052              |
| System Design & Development       |   |                         | FY08:Q1                 | FY08:Q4                 | 183                |
| Other Program Costs               |   |                         | FY08:Q1                 | FY08:Q4                 | 1,302              |
| AIS RF Sites                      |   |                         | FY08:Q1                 | FY08:Q4                 | 1,934              |
| Network                           |   |                         | FY08:Q1                 | FY08:Q4                 | 2,590              |
| Data Storage & Processing         |   |                         | FY08:Q1                 | FY08:Q4                 | 3,939              |
| <b>FY 2009</b>                    |   |                         |                         |                         |                    |
| Planning/Management               |   |                         | FY09:Q1                 | FY09:Q4                 | 2,342              |
| System Design & Development       |   |                         | FY09:Q1                 | FY09:Q4                 | 803                |
| Other Program Costs               |   |                         | FY09:Q1                 | FY09:Q4                 | 1,190              |
| AIS RF Sites                      |   |                         | FY09:Q1                 | FY09:Q4                 | 4,406              |
| Network                           |   |                         | FY09:Q1                 | FY09:Q4                 | 3,300              |
| Data Storage & Processing         |   |                         | FY09:Q1                 | FY09:Q4                 | 2,559              |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 67,168                            | 11,238                | 12,000                | 14,600                | 105,006      |
| Obligation                                      | 39,367                            | 12,676                | 38,363                | 14,600                | 105,006      |
| Expenditure                                     | 16,500                            | 6,300                 | 26,040                | 26,760                | 75,600       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      | 7,610                             | 677                   | 19,970                | 20,647                | 48,904       |
| Survey, Design & Engineering                    | 7,735                             | 4,373                 | 3,685                 | 3,856                 | 19,649       |
| Project Management                              | 1,155                             | 1,250                 | 2,385                 | 2,257                 | 7,047        |

**Nationwide Automatic Identification System (NAIS)**

**\$14,600**

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>           | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>                |   |
| NAIS Increment II - AIS Transmit and Receive Nationwide | 9,779                                   |
| NAIS Increment III - AIS Long-Range Receive Nationwide  | 156                                     |
| <b><u>Survey, Design &amp; Engineering</u></b>          |   |
| NAIS Increment II - AIS Transmit and Receive Nationwide | 2,230                                   |
| NAIS Increment III - AIS Long-Range Receive Nationwide  | 93                                      |
| <b><u>Project Management</u></b>                        |   |
| NAIS Increment II - AIS Transmit and Receive Nationwide | 2,300                                   |
| NAIS Increment III - AIS Long-Range Receive Nationwide  | 42                                      |
| <b>FY 2009 Cost Estimate Project Total:</b>             | <b>14,600</b>                           |

**Related Follow-On Requirements**

| <b><u>Follow-On Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| Follow-on or sustainment funding for NAIS       | 10,902                                  |
| <b>Follow-On Requirements Total:</b>            | <b>10,902</b>                           |

**Method of Performance**

The NAIS Project Office will manage the technical aspects of the project by using Integrated Product Teams (IPT) and an Integrated Digital Environment (IDE). The IPTs include government project office and Coast Guard Centers of Excellence (COEs), contractor, and other industry members. The IPTs and appropriate working groups will conduct formal and informal technical interchange meetings. These meetings will focus on the timely and free exchange of information. The IPT process will be augmented and supported by an interactive IDE to enable the paperless exchange of information among teammates and stakeholders across nearly transparent boundaries. For example, the Government and the Contractor will use the IDE to submit, review, and approve contract data deliverables. This day-to-day process will be overlain by a series of formal project reviews, design reviews (Preliminary Design Review (PDR) and Critical Design Review (CDR)), and award fee evaluations that will be used to monitor technical performance.

The Government will monitor performance and schedule adherence effectiveness through Integrated Baseline Reviews (IBR), Integrated Master Schedules (IMS), program reviews, regular and frequent meetings and analysis of monthly progress reports. The NAIS Project will also establish a Project Resident Office to facilitate contract administration and monitor progress. Contracts will include Earned Value Management (EVM) as a project management tool as required by OMB Circular A-11. The Government will require the contractor to implement an EVM System, using ANSI/EIA 748 as guidance to manage, monitor and measure cost, schedule and performance; and to integrate EVM principles into management processes. The contractor will be required to provide near real-time access via the IDE to EVM data. Performance reports will be required at minimum on a monthly basis as a contract data item deliverable. The NAIS Project Office will ensure dedicated resources are established to actively monitor and track program cost and schedule using the EVM data and reports and provide timely

**Nationwide Automatic Identification System (NAIS)** **\$14,600**

notification to the NAIS Project Manager of negative trends or projected variances discovered. Additionally, each Government IPT leader will use EVM as a tool in managing the program.

Within 90 days of award of a contract for this acquisition, an IBR will be conducted to verify the technical content of the Performance Measurement Baseline (PMB), the accuracy and logic of schedules, and the adequacy of budgets. As future planning packages in the baseline are developed into detailed plans, the Government and Contractor will work “shoulder to shoulder” to review those detailed baseline plans.

Once the IBR has been completed and the PMB established, the contractor will submit monthly contract performance reports showing cost and schedule adherence to the PMB. The COTR and other Project Office staff will review these reports and work with contractors to develop and implement corrective actions as necessary. Award fee determinations will consider, among other things, the contractor’s effectiveness of managing schedule to the PMB.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 1,247                    | 1,567                 |
| Marine Safety                                   | 996                      | 1,196                 |
| Aids to Navigation                              | 1,948                    | 2,342                 |
| Ice Operations                                  | 244                      | 277                   |
| Marine Environmental Protection                 | 296                      | 441                   |
| Living Marine Resources                         | 1,025                    | 1,076                 |
| Drug Interdiction                               | 1,586                    | 1,723                 |
| Migrant Interdiction                            | 632                      | 729                   |
| Other Law Enforcement                           | 164                      | 199                   |
| Ports, Waterways & Coastal Security             | 2,986                    | 3,938                 |
| Defense Readiness                               | 876                      | 1,112                 |
| <b>Mission-Program Allocation Total:</b>        | <b>12,000</b>            | <b>14,600</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

Adhering to the National Environmental Policy Act (NEPA), the NAIS project has completed a Programmatic Environmental Impact Statement (PEIS), dated October 6, 2006. The proposed action analyzed in the PEIS is the broad scope of implementation of the NAIS project. As supported by the analysis in the PEIS, the NAIS Project Manager decided to implement the project using the preferred alternative, which is a combination of coverage mechanisms, including a combination of collocated and newly built shore-based Radio Frequency (RF) sites for short-range AIS coverage. Implementation of the proposed NAIS project through the Preferred Alternative ensures that the USCG satisfies the purpose and need for NAIS. The Preferred Alternative implementation approach offers siting flexibility that will help mitigate or minimize the potential for environmental impacts, and allow the USCG to maximize the use of existing assets to meet coverage requirements. This decision is documented in a Record of Decision issued on October 27, 2006

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**Nationwide Automatic Identification System (NAIS)** **\$14,600**

The PEIS provides a general level of analysis of alternatives and environmental impacts and serves as a top-tier environmental analysis of the general project of installing a nationwide AIS-based vessel detection, identification, tracking, and communication system. As a continuation of the environmental planning process, the Coast Guard is conducting site-specific environmental analysis coincident with the project implementation as specific sites are identified. All sites selected and implemented under Increment 1 of NAIS has been surveyed and Categorically Excluded from further analysis under NEPA.

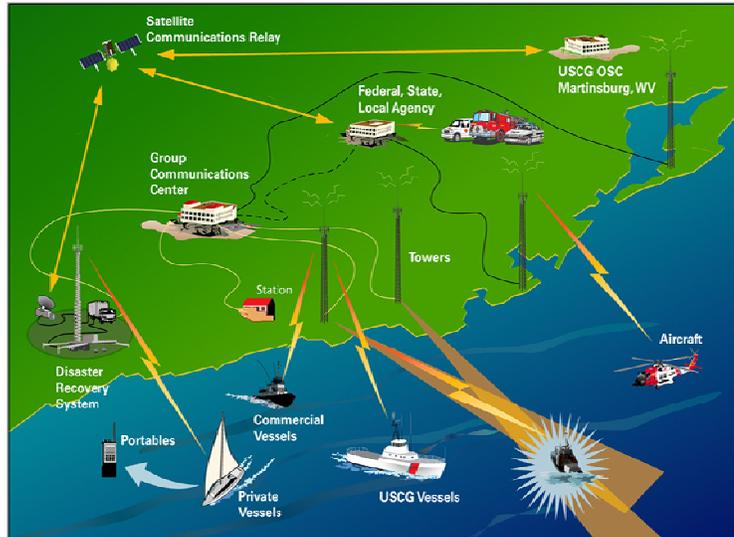
**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Rescue 21**

**\$73,000**

**Project Description, Justification and Scope**

The Rescue 21 project (formerly the National Distress and Response System Modernization Project or NDRSMP) will replace the existing National Distress and Response System (NDRS) and enhance the U.S. Coast Guard's ability to execute all of its missions through improved communications, command and control capabilities in the coastal zone. The basic NDRS components include radios, transceivers, towers for antennas, and an interconnecting network. It is the foundation for coastal Search and Rescue (SAR), and is a critical enabler of efficient and effective command and control for all missions in coastal zones.



**Rescue 21:**

- Eliminates many existing communication coverage gaps ("dead zones") while ensuring continuous, enhanced VHF-FM marine radio coverage out to 20 nautical miles from shore within the coastal zone;
- Features digital voice recording capability with immediate playback, improving the ability to review and resolve garbled or unclear transmissions - critical to search and rescue planning and response;
- Provides improved direction finding capability for more timely response to mariners in distress and an ability to distinguish "hoax" calls from actual distress calls;
- Increases the number of voice channels from one to five, allowing watch standers to conduct multiple operations, while offering protected (secure) communications for homeland security missions when needed;
- Enhances Maritime Domain Awareness (MDA) by maintaining communications with mariners, and facilitating the timely flow of information between the Coast Guard and other government and law enforcement agencies; and
- Supports five DHS strategic goals: 1) Awareness; 2) Prevention; 3) Protection; 4) Response; and 5) Recovery.

**Funds requested in FY 2009 will specifically accomplish the following work:**

*Rescue 21 Ground Subsystem (GSS) Deployment (partial) – Full Rate Production (FRP) Group III*

- Great Lakes and Outside Continental U.S. Islands
  - Sector Lake Michigan; Sector Sault Ste Marie, MI; Sector Detroit, MI; Sector Buffalo, NY
  - Sector Hawaii, Sector Guam, Sector San Juan, Puerto Rico

**At the end of FY 2008, the following Sectors are scheduled to be operational:**

- Initial Operating Capability (IOC) Sectors

**Rescue 21**

**\$73,000**

- Atlantic City, NJ (incorporated into Sector Delaware Bay)
- Eastern Shore, VA (in 2008, will be incorporated into Sector Hampton Roads)
- Low Rate Initial Production (LRIP) Sectors
  - Sector Mobile, AL
  - Sector St. Petersburg, FL
  - Sector Seattle, WA
  - Sector Port Angeles, WA
- Full Rate Production (FRP) Sectors
  - Sector Long Island, NY/CT
  - Sector Delaware Bay (Philadelphia)
  - Sector New York, NY
  - Sector Jacksonville (Mayport), FL
  - Sector Hampton Roads, VA
  - Sector Miami, FL
  - Sector New Orleans, LA (Phase I)
  - Sector Baltimore, MD
  - Group/Air Station North Bend, OR
  - Sector Portland, OR
  - Sector Key West, FL
  - Group/Air Station Astoria, OR

**At the end of FY 2009, the following additional Sectors are scheduled to be operational:**

- Full Rate Production (FRP) Sectors
  - Sector Galveston, TX
  - Sector New Orleans, LA (Phase II)
  - Sector Charleston, SC
  - Sector North Carolina (Fort Macon and Cape Hatteras)
  - Sector Boston, MA
  - Sector San Diego, CA
  - Sector Humboldt Bay, CA

**Production Contractor:**

- General Dynamics C4 Systems (GDC4S) of Scottsdale, AZ is the Rescue 21 Phase II Contractor. The Phase II contract is a delivery order based Indefinite Delivery, Indefinite Quantity (IDIQ) contract with award term incentives. The contract has a base period of six years, plus two four-year award terms and one five-year award term. GDC4S is responsible for complete system maintenance and operates a 24/7 Customer Care Center (CCC) to respond to system discrepancies.

*Subcontractors:*

- Motorola, Inc. (Columbia, MD) - Responsible for hardware integration.
- Consolidate Analysts Centers, Inc (CACI) (Chantilly, VA) - Responsible for wide area network (WAN) installation, Direction Finding (DF) equipment and the Coast Guard Data Network Plus (CGDN+). Operates Network Operations Center (NOC).
- Communication Services, Inc (CSI) - Responsible for remote fixed facilities (or high-level sites) infrastructure preparation, installation and testing for the Low Rate Initial Production (LRIP) Sectors only.
- General Dynamics Information Technology (GDIT) (Needham, MA) - Responsible for remote fixed facilities (or high-level sites) infrastructure preparation, installation and testing for the Full Rate Production (FRP) Sectors.
- Stanley Associates, Inc. (formerly Fuentez Systems Concepts (FSC)) (Arlington, VA) - Responsible for fixed facility and disaster recovery asset construction and testing.
- Chelton Inc. (Lewisville, TX) - Responsible for Co-site Interference Mitigation (CIM).
- Proteus Technical Solutions, Inc. (Rancho Cordova, CA) – Responsible for manufacturing all Remote Fixed Facilities (RFF) steel shelters used in R21 installations – project is shifting to concrete composite shelters.

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**Rescue 21**

**\$73,000**

- SkyWaves, Inc. (Charleston, SC) – Responsible for manufacturing all Remote Fixed Facility (RFF) concrete composite shelters used in R21 installations.
- Andrew Systems, Inc (Westchester, IL) – Responsible for system support and warranty issues, including some elements of cutover and some third party inspections.
- AllPro Consulting (Dallas, TX) – Responsible for architecture and engineering review services, including some design reviews and professional evaluations.
- Flash Technologies (Franklin, TN) – Responsible for monitoring and maintaining tower lighting systems in accordance with FAA regulations.
- MWH Americas, Inc. (Novi, MI) – Responsible for all environmental surveys, including identification of protected areas, wetlands, and threatened/endangered species.

**Significant Changes**

The first three Full Rate Production (FRP) Sectors (Sectors Delaware Bay, Long Island Sound, and New York) have been accepted by the Coast Guard and are now operational. Sectors Delaware Bay and New York were both accepted ahead of schedule. Along with the LRIP Sectors (Mobile, AL; St. Petersburg, FL; Seattle, WA; Port Angeles, WA) and the Initial Operating Capability (IOC) regions (Atlantic City, NJ; Eastern Shore, VA/DE/MD), the Rescue 21 system now stands watch along 10,042 miles of coastline and is already saving lives.

**Project Schedule**

| <b><u>Project Description</u></b>             | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|---|---|-------------------------|-------------------------|-------------------------|--------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| <b>FY 2008</b>                                |   |                         |                         |                         |                    |
| Rescue 21 Ground Subsystem Deployment         |   |                         | FY08:1Q                 | FY08:4Q                 | 68,707             |
| Project Technical Support                     |   |                         | FY08:1Q                 | FY08:4Q                 | 4,552              |
| Environmental                                 |   |                         | FY08:1Q                 | FY08:4Q                 | 1,026              |
| Project Org Support (training, travel, misc.) |   |                         | FY08:1Q                 | FY08:4Q                 | 2,056              |
| Commercial Tower Leases                       |   |                         | FY08:1Q                 | FY08:4Q                 | 3,959              |
| <b>FY 2009</b>                                |   |                         |                         |                         |                    |
| Rescue 21 Ground Subsystem Deployment         |   |                         | FY09:1Q                 | FY09:4Q                 | 58,712             |
| Project Technical Support                     |   |                         | FY09:1Q                 | FY09:4Q                 | 5,792              |
| Environmental                                 |   |                         | FY09:1Q                 | FY09:4Q                 | 1,000              |
| Project Org Support (training, travel, misc.) |   |                         | FY09:1Q                 | FY09:4Q                 | 1,812              |
| Commercial Tower Leases                       |   |                         | FY09:1Q                 | FY09:4Q                 | 5,684              |
| CG Vessel Subsystem                           |   |                         | FY09:1Q                 | FY09:4Q                 | 0                  |

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**Rescue 21**

**\$73,000**

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <b>Total</b> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <b>FY 2006 &amp; Prior</b> | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |              |
| Appropriation                            | 430,290                    | 39,600         | 80,300         | 73,000         | 623,190      |
| Obligation                               | 425,515                    | 39,094         | 82,081         | 73,000         | 619,690      |
| Expenditure                              | 351,262                    | 29,475         | 60,150         | 60,000         | 500,887      |
| <b>Breakdown of Project Expenditures</b> |                            |                |                |                |              |
| Construction / Acquisition               | 270,000                    | 16,058         | 48,140         | 50,500         | 384,698      |
| Project Management                       | 50,000                     | 11,135         | 11,135         | 9,500          | 81,770       |
| Rescue 21 Phase I Contract               | 31,262                     |                |                |                | 31,262       |
| CG VSS Installation                      |                            | 200            |                |                | 200          |
| CG Anuenue Project                       |                            | 2,082          | 875            |                | 2,957        |

**Cost Estimate Detail & Changes**

| <b>Funding Requirement Description</b>      | <b>FY 2009<br/>Cost Estimate</b> |
|---|----------------------------------|
| <b>Construction / Acquisition</b>           |                                  |
| Regional Deployment                         | 57,462                           |
| Alaska                                      | 1,250                            |
| Leases                                      | 5,684                            |
| <b>Survey, Design &amp; Engineering</b>     |                                  |
| Environmental Support                       | 1,000                            |
| <b>Project Management</b>                   |                                  |
| Project Support Agents (Contractor Support) | 5,194                            |
| Project Resident Office                     | 1,426                            |
| <b>Other Costs</b>                          |                                  |
| Admin                                       | 984                              |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>73,000</b>                    |

**Related Follow-On Requirements**

| <b>Follow-On Requirement Description</b>   | <b>FY 2009<br/>Cost Estimate</b> |
|--|----------------------------------|
| Incremental OE funding required to operate and maintain Rescue 21 Sectors deployed in FY08 and FY09. | 14,666                           |
| <b>Follow-On Requirements Total:</b>   | <b>14,666</b>                    |

**Method of Performance**

The contractor provides monthly Cost Performance Reports (CPR) based on an approved Earned Value Management System. These reports allow the Coast Guard to examine the contractor's cost and schedule estimates, variances, and projections for completion.

**Rescue 21**

**\$73,000**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 8,336                    | 7,578                 |
| Marine Safety                                   | 5,518                    | 5,016                 |
| Aids to Navigation                              | 11,443                   | 10,403                |
| Ice Operations                                  | 1,679                    | 1,526                 |
| Marine Environmental Protection                 | 2,103                    | 1,912                 |
| Living Marine Resources                         | 6,627                    | 6,024                 |
| Drug Interdiction                               | 11,106                   | 10,096                |
| Migrant Interdiction                            | 4,250                    | 3,864                 |
| Other Law Enforcement                           | 1,190                    | 1,082                 |
| Ports, Waterways & Coastal Security             | 21,521                   | 19,564                |
| Defense Readiness                               | 6,527                    | 5,935                 |
| <b>Mission-Program Allocation Total:</b>        | <b>80,300</b>            | <b>73,000</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**High Frequency (HF) Modernization and Recapitalization** **\$2,500**

**Project Description, Justification and Scope**

This request will fund the purchase and installation of 12 HF transmitters (\$200K per transmitter.)

This initiative recapitalizes the Coast Guard's High Frequency (HF) communications system, including replacement of 88 twenty-five-year-old, unserviceable, shore-side, high power HF transmitters. This FY 2009 request will fund the recapitalization of the HF communications system as part of a multi-year installation schedule. As a signatory nation of the International Safety of Life At Sea (SOLAS) treaty, the United States is required to continuously monitor several HF emergency and distress channels to respond to at-sea emergencies and requests for assistance, and to provide warnings to ships relating to "...gales, storms, and tropical storms" by radio messages. This information is provided by the Coast Guard via HF transmitters in the form of text and fax messages.

Existing HF transmitters are available for operational use only 72% of the time due to the frequency of failure, far from meeting the 95% industry standard of availability. Maintenance of the existing HF system is not viable as spare parts are no longer manufactured for these obsolete radios. Excessive system downtime and subsequent lack of adequate HF communications coverage prevents the Coast Guard from consistently meeting United States SOLAS obligations. Without continued system recapitalization in FY 2008, the Coast Guard will be unable to meet SOLAS mandates regarding HF communications by the end of CY 2008, at which time existing transmitters are predicted to completely fail based on current casualty trends.

Satellite communication (SATCOM) systems cannot accomplish or replace many HF requirements. Moreover, not all Coast Guard vessels and aircraft have SATCOM capability, and satellite coverage is not available in all Coast Guard operating areas. Replacement of shore-side, high power HF radios will improve effectiveness through increased system reliability, throughput, and reduced operating and maintenance costs. It will also increase interoperability with international commercial maritime and distress systems, SOLAS and non-SOLAS vessels, and DHS, DoD, allied and other government assets, thus contributing to the integrated, interoperable maritime security screening system envisioned in the Maritime Strategy for Homeland Security.

These transmitters will be purchased from and installed by Rockwell Collins via existing U.S. Customs and Border Protection or U.S. Air Force contracts to ensure full interoperability with other government operated HF networks.

**Significant Changes**

There are no significant changes from the previous budget submission.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**High Frequency (HF) Modernization and Recapitalization** **\$2,500**

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                            |                         | <b><u>Total Estimate Cost</u></b> |
|-----------------------------------|---|-------------------------|----------------------------|-------------------------|-----------------------------------|
|                                   | <b><u>Design Work</u></b>                 |                         | <b><u>Project Work</u></b> |                         |                                   |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b>    | <b><u>Completed</u></b> |                                   |
| <b>FY 2008</b>                    |   |                         |                            |                         |                                   |
| Purchase HF Equipment             |   |                         | FY02:Q1                    | FY10:Q4                 | 1,200                             |
| Install HF Equipment              |   |                         | FY02:Q1                    | FY10:Q4                 | 900                               |
| Engineering                       |   |                         | FY02:Q1                    | FY10:Q4                 | 200                               |
| Spare Parts                       |   |                         | FY02:Q1                    | FY10:Q4                 | 190                               |
| Course Fees                       |   |                         | FY02:Q1                    | FY10:Q4                 | 10                                |
| <b>FY 2009</b>                    |   |                         |                            |                         |                                   |
| Purchase HF Equipment             |   |                         | FY09:Q1                    | FY10:Q4                 | 1,200                             |
| Install HF Equipment              |   |                         | FY09:Q1                    | FY10:Q4                 | 900                               |
| Engineering                       |   |                         | FY09:Q1                    | FY10:Q4                 | 200                               |
| Spare Parts                       |   |                         | FY09:Q1                    | FY10:Q4                 | 190                               |
| Course Fees                       |   |                         | FY09:Q1                    | FY10:Q4                 | 10                                |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b><u>Total</u></b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |                     |
| Appropriation                                   | 4,000                             | 2,475                 | 2,500                 | 2,500                 | 11,475              |
| Obligation                                      | 4,000                             | 2,475                 | 2,500                 | 2,500                 | 11,475              |
| Expenditure                                     | 4,000                             | 2,475                 | 2,500                 | 2,500                 | 11,475              |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      | 2,740                             | 1,410                 | 1,400                 | 1,400                 | 6,950               |
| Survey, Design & Engineering                    | 1,200                             | 1,020                 | 1,000                 | 1,000                 | 4,220               |
| Project Management                              | 60                                | 45                    | 100                   | 100                   | 305                 |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>          | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>               |                                     |
| Full Operating Capability (for 12 installs at 3 sites) | 2,500                               |
| <b>FY 2009 Cost Estimate Project Total:</b>            | <b>2,500</b>                        |

**Method of Performance**

Contract oversight for the procurement of these radios lies with Customs and Border Protection (CBP) or the U.S. Air Force; the Coast Guard procures these radios from CBP through these contracts.

Performance of the new transmitters will be measured by the success rate of HF communications. Two basic measures are used: 1) the ability to make a transmission (is the transmitter working), and 2) feedback from the maritime public on whether or not the transmission was received.

**High Frequency (HF) Modernization and Recapitalization**

**\$2,500**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 250                      | 250                   |
| Marine Safety                                   | 175                      | 175                   |
| Aids to Navigation                              | 350                      | 350                   |
| Ice Operations                                  | 50                       | 50                    |
| Marine Environmental Protection                 | 65                       | 65                    |
| Living Marine Resources                         | 200                      | 200                   |
| Drug Interdiction                               | 340                      | 340                   |
| Migrant Interdiction                            | 150                      | 150                   |
| Other Law Enforcement                           | 40                       | 40                    |
| Ports, Waterways & Coastal Security             | 660                      | 660                   |
| Defense Readiness                               | 220                      | 220                   |
| <b>Mission-Program Allocation Total:</b>        | <b>2,500</b>             | <b>2,500</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

Compliance with International Convention of Safety of Life at Sea (SOLAS), Chapter IV; Communications Act of 1934, as amended; 47 USC Title III Part II and III; implemented in 47 CFR 80.801. 46 USC 4502/4506; implemented in 46 CFR 28.245; U.S. Navy requirement for HF broadcast capability for U.S. Maritime Operations; Coast Guard assignment as National Coordinator for Broadcast Notice to Mariners (BNM) and National Emergency HF Network requirement.

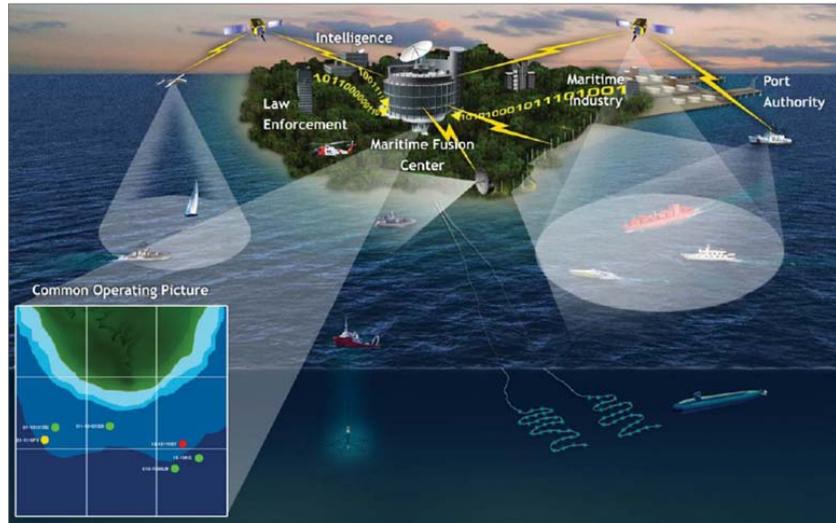
**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Command 21**

**\$1,000**

**Project Description, Justification and Scope**

Command 21 (formerly known as *Command 2010*) is designed to transform the Coast Guard's security posture in vulnerable port, waterways and coastal areas through improving awareness by proactively *sensing* vessel activities, *understanding* their intent, and *sharing* that information. Command 21 provides the capability to **SENSE**, **UNDERSTAND** and **SHARE** situation-relevant information through a network of radars and cameras integrated with proven information sharing and decision making technologies.



The Maritime Transportation Security Act of 2002 requires “a system of surveillance and notice designed to safeguard against as well as ensure earliest possible notice of a transportation security incident and imminent threats of such a security incident.” Acts passed in 2004 and 2006 reiterate this mandate and further define the need for seamless interoperability and information sharing with all port partners. Command 21 is the critical piece that lies at the heart of meeting these mandates.

Additionally, the Security and Accountability for Every Port Act of 2006 (the SAFE Port Act) specifically requires the Secretary to "establish interagency operational centers for port security at all high-priority ports not later than 3 years after the date of the enactment of the SAFE Port Act." Command 21 is the Coast Guard initiative that provides Interagency Operation Center capability at our Sector Command Centers by facilitating interagency cooperation, information-sharing and joint, port-level operations.

The requested funding supports continued requirements definition and development of the WatchKeeper software to improve its ability to proactively sense and monitor vessel activities, detect potential threats and share the information to ensure an appropriate, integrated and effective response. When fully developed, WatchKeeper will incorporate all available information sources - including dedicated radar/camera information, available sensor capability from port partners, intelligence information, Nationwide Automatic Information System (NAIS) data and “blue force” tracking capability.

**Significant Changes**

This is the first submission for Command 21 in the President's Budget. Congress provided \$9.1 million for Command 21 in the FY08 Omnibus Appropriations Act as part of \$60 million specified for Interagency Port Security Operational Centers.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Command 21**

**\$1,000**

**Project Schedule**

| <u>Project Description</u>                         | Dates by Fiscal Year & Quarter |                  |                     |                  | <u>Total Estimate Cost</u> |
|--|--------------------------------|------------------|---------------------|------------------|----------------------------|
|  | <u>Design Work</u>             |                  | <u>Project Work</u> |                  |                            |
|  | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u>    | <u>Completed</u> |                            |
| FY 2008  |                                |                  |                     |                  |                            |
| WatchKeeper Software Development                   | FY08: Q1                       | FY08: Q1         | FY08: Q1            | FY08: Q4         | 5,460                      |
| Survey, design, engineering at high priority ports | FY08: Q1                       | FY08: Q2         | FY08: Q1            | FY08: Q4         | 2,730                      |
| Project support                                    | FY08: Q1                       | FY08: Q1         | FY08: Q1            | FY08: Q4         | 910                        |
| FY 2009  |                                |                  |                     |                  |                            |
| WatchKeeper Software port adaptability             | FY09: Q1                       | FY09: Q2         | FY09: Q1            | FY09: Q4         | 600                        |
| Survey, design, engineering at high priority ports | FY09: Q1                       | FY09: Q2         | FY09: Q1            | FY09: Q4         | 400                        |
| Project support                                    | FY09: Q1                       | FY09: Q1         | FY09: Q1            | FY09: Q4         | 0                          |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                | <u>Total</u> |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> |              |
| Appropriation                            |                            |                | 9,100          | 1,000          | 10,100       |
| Obligation                               |                            |                | 7,000          | 1,000          | 8,000        |
| Expenditure                              |                            |                | 5,000          | 1,000          | 6,000        |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Survey, Design & Engineering             |                            |                | 2,000          | 400            | 2,400        |
| Project Management                       |                            |                | 1,000          |                | 1,000        |
| Watchkeeper Software Design and Field    |                            |                | 2,000          | 600            | 2,600        |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>             | <u>FY 2009 Cost Estimate</u> |
|--|------------------------------|
| <u>Survey, Design &amp; Engineering</u>            |                              |
| Site surveys for Spiral 2 fielding locations       | 400                          |
| <u>Other Costs</u>                                 |                              |
| WatchKeeper software development port adaptability | 600                          |
| Sparing  |                              |
| <b>FY 2009 Cost Estimate Project Total:</b>        | <b>1,000</b>                 |

**Method of Performance**

One of the principles of this acquisition is to rapidly supply capability to the field through an evolutionary acquisition strategy. The capabilities defined in this document are intended to support a spiral development process, where the end-state requirements are continually refined through demonstration, risk management, continuous user feedback and technology maturation. Other goals for the acquisition include maximizing the use of commercial and government off-the-shelf technologies, re-using or refurbishing existing equipment and facilities and leveraging a wide variety of existing prototypes, test beds, other systems and other governmental activities.

**Command 21**

**\$1,000**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | -                        | -                     |
| Marine Safety                                   | -                        | -                     |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | -                        | -                     |
| Drug Interdiction                               | -                        | -                     |
| Migrant Interdiction                            | -                        | -                     |
| Other Law Enforcement                           | -                        | -                     |
| Ports, Waterways & Coastal Security             | 9,100                    | 1,000                 |
| Defense Readiness                               | -                        | -                     |
| <b>Mission-Program Allocation Total:</b>        | <b>9,100</b>             | <b>1,000</b>          |

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Defense Messaging System (DMS) Implementation on Ships** **\$4,074**

**Project Description, Justification and Scope**

This project will replace the Coast Guard's current legacy military (record) messaging system with the Department of Defense's (DoD's) mandated replacement, the Defense Message System (DMS), thereby facilitating continued messaging interoperability with DoD, allies and other government agencies. The Coast Guard is responsible for funding, staffing, and implementing DMS for organizational users (shore-based and mobile). Closure of DoD's legacy messaging system was accomplished on 30 Sep 2003 when DoD shifted to DMS. To bridge this gap between AUTODIN and DMS messaging, DoD has been supporting the Tactical Message Gateway (TMS), with a plan to shutdown the gateway in 2010. Without transitioning to DMS, the Coast Guard will be required to maintain redundant, expensive workarounds of the Tactical Message Gateway, which will no longer be supported by DoD.

DMS is the DoD replacement system for messaging and has been mandated by DoD for all U.S. Armed Services. Prior to FY 2006, the Coast Guard was funded for DMS shore installation in order to remain interoperable with DoD, other government agencies, and allied military forces for secure record messaging. This request finalizes the project with DMS installations on Coast Guard cutters.

DMS enables the Coast Guard to implement the U.S. Navy's DMS solution on all major cutters between FY 2008 and FY 2010, matching the U.S. Navy's schedule to implement DMS on their ships during the same timeframe. After implementation is complete in FY 2010, support for all legacy messaging services will be terminated (i.e. CUDIXS, Fleet Broadcast, NAVMACS-II and TMG).

The \$19M expended to date on the implementation of the ship and shore DMS has been used to develop, purchase and implement the shore infrastructure as well as purchase and install NAVMACS-II on 24 capital cutters in preparation for DMS. DMS funding was used for the NAVMACS-II installs because it is the U.S. Navy's path toward installing DMS on ships.

The implementation schedule is as follows: (1) Funding requested for FY 2008 (\$5,000K) will implement DMS on 378' High Endurance Cutters, half the 270' Medium Endurance Cutters, Training Center Petaluma, and at the SPAWAR Lab in Charleston; (2) funding requested in FY 2009 (\$4,074K) will implement DMS on the rest of the 270' Medium Endurance Cutters, 210' Medium Endurance Cutters and the Polar Class Ice Breakers and fully complete the project. SPAWAR will service and maintain the DMS equipment on board Coast Guard cutters so there is no follow-on costs associated with the FY 2008 request.

**Significant Changes**

This request funds the completion of major cutter DMS installations if the President's FY 2008 \$5M request is enacted.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Defense Messaging System (DMS) Implementation on Ships** **\$4,074**

**Project Schedule**

| <b><u>Project Description</u></b>         | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|---|---|-------------------------|-------------------------|-------------------------|----------------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                            |
| FY 2008                                   |   |                         |                         |                         |                            |
| DMS installs on cutters                   | FY08 : Q1                                 | FY08 : Q1               | FY08 : Q2               | FY10 : Q4               | 4,620                      |
| Travel, training and contract maintenance | FY08 : Q1                                 | FY08 : Q1               | FY08 : Q2               | FY10 : Q4               | 380                        |
| FY 2009                                   |   |                         |                         |                         |                            |
| DMS installs on cutters                   | FY09 : Q1                                 | FY09 : Q1               | FY09 : Q2               | FY10 : Q4               | 4,074                      |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 19,013                            |                       | 5,000                 | 4,074                 | 28,087       |
| Obligation                                      | 19,013                            |                       | 5,000                 | 4,074                 | 28,087       |
| Expenditure                                     | 19,013                            |                       | 5,000                 | 4,074                 | 28,087       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Shoreside Infrastructure                        | 11,513                            |                       |                       |                       | 11,513       |
| Shipboard Installs (NAVMACS-II)                 | 7,500                             |                       |                       |                       | 7,500        |
| DMS on Cutters                                  |                                   |                       | 5,000                 | 4,074                 | 9,074        |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009 Cost Estimate</u></b> |
|---|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>      |                                     |
| DMS installed on capital cutters              | 4,074                               |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>4,074</b>                        |

**Method of Performance**

This FY 2009 request will install DMS onboard cutters in two phases, with all installations to be conducted by the Space and Naval Warfare (SPAWAR) Systems Center, Charleston, SC. Funds will be executed through a Military Interdepartmental Purchase Request (MIPR) to SPAWAR to conduct the installation of DMS.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Defense Messaging System (DMS) Implementation on Ships**

**\$4,074**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | -                        | -                     |
| Marine Safety                                   | -                        | -                     |
| Aids to Navigation                              | -                        | -                     |
| Ice Operations                                  | -                        | -                     |
| Marine Environmental Protection                 | -                        | -                     |
| Living Marine Resources                         | -                        | -                     |
| Drug Interdiction                               | -                        | -                     |
| Migrant Interdiction                            | -                        | -                     |
| Other Law Enforcement                           | -                        | -                     |
| Ports, Waterways & Coastal Security             | -                        | -                     |
| Defense Readiness                               | 5,000                    | 4,074                 |
| <b>Mission-Program Allocation Total:</b>        | <b>5,000</b>             | <b>4,074</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

The installation of DMS for ship and shore communications is required by OPNAV Instruction 2000.20C, "Effective U.S. Navy – U.S. Coast Guard Communications Policy" which requires the Navy and Coast Guard communications systems be interoperable and ensure avoidance of unnecessary duplication of systems, equipment and facilities.

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Survey and Design (Outyear)**

**\$2,050**

**Project Description, Justification and Scope**

The Coast Guard's FY 2009 Survey and Design (S&D) budget request includes survey and design funding essential to future year AC&I shore projects. Coast Guard shore facility AC&I funding has a three year life span necessitating the requirement for out year S&D funding to ensure timely execution of shore facility AC&I appropriations. In contrast, DoD military construction (MILCON) funding has a five year life span.

Funding will provide in-house capability for planning and engineering studies, project design, master plans, appraisals, real property requirements and other architectural/engineering efforts. Completing proper planning and design helps to ensure AC&I projects are properly assessed, planned and prioritized prior to seeking project appropriations. The projects supported by this request contribute to the long-range plans and support of operational units. Specifically, this funding is requested to complete initial S&D for the following facilities/purposes:

- Sector San Francisco – Address Command Center deficiencies including co-location of the Vessel Traffic Service (VTS) and providing adequate space for DHS and port partners.
- Station Coos Bay – Construct covered mooring for 47' MLB.
- Support Center Elizabeth City – Replace Thrun Hall (barracks).
- Coast Guard Academy – Continue next project phase to recapitalize Chase Hall.
- Air Station Elizabeth City – Consolidate Air Station and small boat station facilities.
- Sector San Juan – Renovate Building 126.
- AC&I Admin Expenses – General overhead required to conduct initial survey and design.

**Significant Changes**

This submission reflects currently planned out-year projects.

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Survey and Design (Outyear)**

**\$2,050**

**Project Schedule**

| <u>Project Description</u>    | Dates by Fiscal Year & Quarter |                  |                     |                  | <u>Total Estimate Cost</u> |
|-------------------------------|--------------------------------|------------------|---------------------|------------------|----------------------------|
|                               | <u>Design Work</u>             |                  | <u>Project Work</u> |                  |                            |
|                               | <u>Initiated</u>               | <u>Completed</u> | <u>Initiated</u>    | <u>Completed</u> |                            |
| FY 2008                       |                                |                  |                     |                  |                            |
| Station Cape May              | FY08:Q1                        | FY08:Q4          |                     |                  | 150                        |
| Sector San Francisco          | FY08:Q1                        | FY08:Q4          |                     |                  | 350                        |
| Sector SE New England         | FY08:Q1                        | FY08:Q4          |                     |                  | 117                        |
| Sector Port Angeles           | FY08:Q1                        | FY08:Q4          |                     |                  | 100                        |
| Station Montauk               | FY08:Q1                        | FY08:Q4          |                     |                  | 100                        |
| Station Marquette             | FY08:Q1                        | FY08:Q4          |                     |                  | 100                        |
| Sector San Juan               | FY08:Q1                        | FY08:Q4          |                     |                  | 100                        |
| TISCOM                        | FY08:Q1                        | FY08:Q4          |                     |                  | 100                        |
| AC&I Admin Expenses           | FY08:Q1                        | FY08:Q4          |                     |                  | 220                        |
| FY 2009                       |                                |                  |                     |                  |                            |
| Sector San Francisco          | FY09:Q1                        | FY09:Q4          |                     |                  | 400                        |
| Station Coos Bay              | FY09:Q1                        | FY09:Q4          |                     |                  | 100                        |
| Support Center Elizabeth City | FY09:Q1                        | FY09:Q4          |                     |                  | 500                        |
| CG Academy                    | FY09:Q1                        | FY09:Q4          |                     |                  | 400                        |
| Air Station Elizabeth City    | FY09:Q1                        | FY09:Q4          |                     |                  | 180                        |
| Sector San Juan               | FY09:Q1                        | FY09:Q4          |                     |                  | 150                        |
| AC&I Admin Expenses           | FY09:Q1                        | FY09:Q4          |                     |                  | 320                        |

**Schedule of Project Funding**

|  | Project Funds              |                |                |                |              |
|--|----------------------------|----------------|----------------|----------------|--------------|
|  | <u>FY 2006 &amp; Prior</u> | <u>FY 2007</u> | <u>FY 2008</u> | <u>FY 2009</u> | <u>Total</u> |
| Appropriation                            | 20,485                     | 2,350          | 1,337          | 2,050          | 26,222       |
| Obligation                               | 20,485                     | 2,350          | 1,337          | 2,050          | 26,222       |
| Expenditure                              | 20,485                     | 2,350          | 1,337          | 2,050          | 26,222       |
| <u>Breakdown of Project Expenditures</u> |                            |                |                |                |              |
| Survey, Design & Engineering             | 20,485                     | 2,350          | 1,337          | 2,050          | 26,222       |

**Cost Estimate Detail & Changes**

| <u>Funding Requirement Description</u>      | <u>FY 2009 Cost Estimate</u> |
|---|------------------------------|
| <u>Survey, Design &amp; Engineering</u>     |                              |
| Sector San Francisco                        | 400                          |
| Station Coos Bay                            | 100                          |
| Support Center Elizabeth City               | 500                          |
| CG Academy                                  | 400                          |
| Air Station Elizabeth City                  | 180                          |
| Sector San Juan                             | 150                          |
| AC&I Admin Expenses                         | 320                          |
| <b>FY 2009 Cost Estimate Project Total:</b> | <b>2,050</b>                 |

**Survey and Design (Outyear)**

**\$2,050**

**Method of Performance**

Contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 122                      | 186                   |
| Marine Safety                                   | 122                      | 186                   |
| Aids to Navigation                              | 122                      | 186                   |
| Ice Operations                                  | 121                      | 186                   |
| Marine Environmental Protection                 | 122                      | 186                   |
| Living Marine Resources                         | 121                      | 186                   |
| Drug Interdiction                               | 122                      | 186                   |
| Migrant Interdiction                            | 121                      | 186                   |
| Other Law Enforcement                           | 121                      | 186                   |
| Ports, Waterways & Coastal Security             | 122                      | 186                   |
| Defense Readiness                               | 121                      | 190                   |
| <b>Mission-Program Allocation Total:</b>        | <b>1,337</b>             | <b>2,050</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

Project plans and designs will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**TISCOM-TSD Building** **\$2,500**

**Project Description, Justification and Scope**

This project will construct a 5,000+ SF addition to the Mid-South building which houses part of the Telecommunication Systems Directorate (TSD) at the Coast Guard's Telecommunications and Information Systems Center (TISCOM) in Alexandria, VA. Since 2002, the number of personnel (military, government civilian and contractors) employed by TISCOM's technical staff has increased from ~150 personnel to ~240 personnel, which has resulted in TSD staff working in widely dispersed offices that were converted from valuable lab, meeting, and storage space and in temporary trailers. The TSD is responsible for the technical and contractual support and administration of the Coast Guard's Networks, Messaging Systems, and RF Communication Systems.

**Significant Changes**

This is a new request.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|-----------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                       |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                       |
| FY 2009                           |   |                         |                         |                         |                       |
| Construct TSD Building Addition   | FY09:Q1                                   | FY09:Q2                 | FY09:Q2                 | FY09:Q4                 | 2,500                 |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   |                                   |                       |                       | 2,500                 | 2,500        |
| Obligation                                      |                                   |                       |                       | 2,500                 | 2,500        |
| Expenditure                                     |                                   |                       |                       | 2,500                 | 2,500        |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      |                                   |                       |                       | 2,250                 | 2,250        |
| Survey, Design & Engineering                    |                                   |                       |                       | 250                   | 250          |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>       |                                     |
| Construct TSD Building Addition                | 2,250                               |
| <b><u>Survey, Design &amp; Engineering</u></b> |                                     |
| Design   | 250                                 |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>2,500</b>                        |

**TISCOM-TSD Building**

**\$2,500**

**Method of Performance**

Construction contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 227   |
| Marine Safety                                   | 227   |
| Aids to Navigation                              | 227   |
| Ice Operations                                  | 227   |
| Marine Environmental Protection                 | 227   |
| Living Marine Resources                         | 227   |
| Drug Interdiction                               | 227   |
| Migrant Interdiction                            | 227   |
| Other Law Enforcement                           | 227   |
| Ports, Waterways & Coastal Security             | 227   |
| Defense Readiness                               | 230   |
| <b>Mission-Program Allocation Total:</b>        | <b>2,500</b>                                |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Coast Guard Air Station Cape Cod - BRAC MMR - Runway Lighting \$5,000**

**Project Description, Justification and Scope**

This request will provide funding for a replacement of the runway lighting system at the Massachusetts Military Reservation (MMR) for Air Station Cape Cod (ASCC). As a result of being realigned by BRAC 2005, the Massachusetts Air National Guard 102nd Fighter Wing will no longer fund airfield capital requirements. It is anticipated that the 102nd will stop operating the airfield in Sep 2008.

Air Station Cape Cod currently uses the airfield, utilities, and emergency services that are operated and maintained by the Massachusetts Air National Guard 102nd Fighter Wing, which was “realigned” as part of BRAC 2005. As part of that realignment, the 102nd Fighter Wing’s jets will move from Otis Air National Guard Base to the Air National Guard base in Barnes, MA.

**Significant Changes**

This is a new request.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|-----------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                       |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b>    |
| FY 2009                           |   |                         |                         |                         |                       |
| Replace Runway Lighting           | FY09: Q1                                  | FY09: Q2                | FY09: Q2                | FY10: Q4                | 5,000                 |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   |                                   |                       |                       | 5,000                 | 5,000        |
| Obligation                                      |                                   |                       |                       | 5,000                 | 5,000        |
| Expenditure                                     |                                   |                       |                       | 5,000                 | 5,000        |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      |                                   |                       |                       | 4,500                 | 4,500        |
| Survey, Design & Engineering                    |                                   |                       |                       | 500                   | 500          |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009 Cost Estimate</u></b> |
|--|-------------------------------------|
| <b><u>Construction / Acquisition</u></b>       |                                     |
| Replace Runway Lighting                        | 4,500                               |
| <b><u>Survey, Design &amp; Engineering</u></b> |                                     |
| Design   | 500                                 |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>5,000</b>                        |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Coast Guard Air Station Cape Cod - BRAC MMR - Runway Lighting** **\$5,000**

**Method of Performance**

Construction contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 455   |
| Marine Safety                                   | 455   |
| Aids to Navigation                              | 455   |
| Ice Operations                                  | 455   |
| Marine Environmental Protection                 | 455   |
| Living Marine Resources                         | 455   |
| Drug Interdiction                               | 455   |
| Migrant Interdiction                            | 455   |
| Other Law Enforcement                           | 455   |
| Ports, Waterways & Coastal Security             | 455   |
| Defense Readiness                               | 450   |
| <b>Mission-Program Allocation Total:</b>        | <b>5,000</b>                                |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Sector Delaware Bay-Consolidate Cape May Sta, CPB, ANT FAC \$13,000**

**Project Description, Justification and Scope**

This project will construct a new 23,000 gross square foot consolidated Station, Aids to Navigation Team (ANT) and Coastal Patrol Boat (CPB) facilities on the existing Station/ANT site. This will provide an appropriately sized and maintainable facility for Station Cape May. It will also improve working/living conditions, reduce maintenance workload and improve morale/retention for each of these commands. Existing facilities will be demolished.

Station Cape May, ANT Cape May, and the homeported Coastal Patrol Boats operate out of spaces which are currently 50% space deficient in facilities that are on average 63 years old. Growth and evolution in the mission requirements of the Station, ANT, and CPB commands have made these makeshift facilities obsolete. Key facility deficiencies include:

- The watch berthing facilities are sub-standard. There is a single berthing room for males and a single berthing room for females. The personnel lockers are located in these rooms.
- Work on the Rigid Hull Inflatable boats (RHI) must be done outside since the doorway to the shop is insufficient to allow access.
- There is a severe lack of adequate storage space.

ANT Cape May is located in a facility which is a small single story stucco building. Storage is located in several portable wooden sheds. Key facility deficiencies include:

- The shop space is inadequate. The floor area does not meet Commandant standards and ventilation requires opening all the doors and windows to keep welding and paint fumes from spreading to adjacent spaces.
- The toilet facilities are inadequate. A single unisex head/ shower also serves as the coffee mess and women's locker room.
- The ANT survival gear is stored in a locker outside the building.

The CPB shore support facilities are scattered throughout Training Center Cape May between three buildings, none of which are in close proximity to the waterfront.

**Significant Changes**

There was no previous submission for this project.

**Project Schedule**

| <b><u>Project Description</u></b>        | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|--|---|-------------------------|-------------------------|-------------------------|--------------------|
|  | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|  | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2009                                  |   |                         |                         |                         |                    |
| Survey & Design                          | FY09:Q1                                   | FY09:Q2                 |                         |                         | 1,000              |
| Consolidate Station, ANT, CPB Facilities |   |                         | FY09:Q2                 | FY10:Q4                 | 12,000             |

*U. S. Coast Guard - FY 2009 Congressional Budget Submission*

**Sector Delaware Bay-Consolidate Cape May Sta, CPB, ANT FAC**

**\$13,000**

**Schedule of Project Funding**

|   | Project Funds                     |                       |                       | <b><u>FY 2009</u></b> | <b><u>Total</u></b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> |                       |                     |
| Appropriation                                   |                                   |                       |                       | 13,000                | 13,000              |
| Obligation                                      |                                   |                       |                       | 13,000                | 13,000              |
| Expenditure                                     |                                   |                       |                       | 13,000                | 13,000              |
| <hr/>   |                                   |                       |                       |                       |                     |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      |                                   |                       |                       | 12,000                | 12,000              |
| Survey, Design & Engineering                    |                                   |                       |                       | 1,000                 | 1,000               |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|--|---|
| <b><u>Construction / Acquisition</u></b>       |   |
| Consolidate Station, ANT, CPB Facilities       | 12,000                                  |
| <b><u>Survey, Design &amp; Engineering</u></b> |   |
| Survey & Design                                | 1,000                                   |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>13,000</b>                           |

**Method of Performance**

Construction contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b><u>Budget Allocation<br/>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 1,182                                       |
| Marine Safety                                   | 1,182                                       |
| Aids to Navigation                              | 1,182                                       |
| Ice Operations                                  | 1,182                                       |
| Marine Environmental Protection                 | 1,182                                       |
| Living Marine Resources                         | 1,182                                       |
| Drug Interdiction                               | 1,182                                       |
| Migrant Interdiction                            | 1,182                                       |
| Other Law Enforcement                           | 1,182                                       |
| Ports, Waterways & Coastal Security             | 1,182                                       |
| Defense Readiness                               | 1,180                                       |
| <b>Mission-Program Allocation Total:</b>        | <b>13,000</b>                               |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Cordova Housing**

**\$11,600**

**Project Description, Justification and Scope**

This funding will address housing needs for Coast Guard personnel stationed in Cordova, Alaska. The request will fund the third and final phase of this project. Phase III will complete 6 duplex units (12 housing units).

Phase I contained in the Coast Guard's FY 2007 appropriation will complete initial site preparation work, plus 3 duplex units (6 units of housing). Phase II, contained in the Coast Guard's FY 2008 budget request, completes an additional 4 duplex units (8 units of housing).

**Significant Changes**

There are no significant changes from the previous budget submission.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|--------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2008                           |   |                         |                         |                         |                    |
| Survey & Design                   | FY08:Q1                                   | FY08:Q1                 |                         |                         | 700                |
| Construct 4-Duplex Units          |   |                         | FY08:Q2                 | FY08:Q4                 | 6,680              |
| FY 2009                           |   |                         |                         |                         |                    |
| Survey & Design                   | FY09:Q1                                   | FY09:Q2                 |                         |                         | 300                |
| Construct 6-Duplex Units          |   |                         | FY09:Q2                 | FY10:Q4                 | 11,300             |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   |                                   | 4,500                 | 7,380                 | 11,600                | 23,480       |
| Obligation                                      |                                   | 4,500                 | 7,380                 | 11,600                | 23,480       |
| Expenditure                                     |                                   | 4,500                 | 7,380                 | 11,600                | 23,480       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      |                                   | 2,750                 | 6,680                 | 11,300                | 20,730       |
| Survey, Design & Engineering                    |                                   | 950                   | 700                   | 300                   | 1,950        |
| Reprogrammed                                    |                                   | 800                   |                       |                       | 800          |

**Cordova Housing**

**\$11,600**

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|--|---|
| <b><u>Construction / Acquisition</u></b>       |   |
| Construct 6-Duplex Units                       | 11,300                                  |
| <b><u>Survey, Design &amp; Engineering</u></b> |   |
| Survey & Design                                | 300                                     |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>11,600</b>                           |

**Method of Performance**

Construction contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 779                      | 1,276                 |
| Marine Safety                                   | 612                      | 928                   |
| Aids to Navigation                              | 1,197                    | 1,856                 |
| Ice Operations                                  | 151                      | 232                   |
| Marine Environmental Protection                 | 185                      | 348                   |
| Living Marine Resources                         | 643                      | 1,044                 |
| Drug Interdiction                               | 976                      | 1,508                 |
| Migrant Interdiction                            | 389                      | 580                   |
| Other Law Enforcement                           | 105                      | 116                   |
| Ports, Waterways & Coastal Security             | 1,845                    | 2,900                 |
| Defense Readiness                               | 498                      | 812                   |
| <b>Mission-Program Allocation Total:</b>        | <b>7,380</b>             | <b>11,600</b>         |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**CG Academy, Recapitalize Chase Hall Phase II, N. Annex A \$10,300**

**Project Description, Justification and Scope**

This request will fund the second phase of a multi-phased project to renovate the cadet barracks at the Academy by providing a wing-by-wing recapitalization to modernize the facilities. Funding in FY 2006 and FY 2007 provided for construction of a new Annex E to Chase Hall. This request will recapitalize Chase Hall's North Annex A.

Chase Hall provides berthing for all cadets at the Academy. The facilities are over 50 years old and in need of modernization. The facilities have numerous safety code violations, and building systems such as plumbing and electrical are beyond useful life and have become an excessive maintenance burden. Moreover, student berthing lacks modern amenities such as computer network access cabling.

**Significant Changes**

There are no significant changes from the previous budget submission.

**Project Schedule**

| <b><u>Project Description</u></b>         | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|---|---|-------------------------|-------------------------|-------------------------|--------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2009                                   |   |                         |                         |                         |                    |
| Survey & Design                           | FY09:Q1                                   | FY09:Q2                 |                         |                         | 700                |
| Recapitalize Chase Hall Ph II, N. Annex A |   |                         | FY09:Q2                 | FY10:Q4                 | 9,600              |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 14,850                            | 1,000                 |                       | 10,300                | 26,150       |
| Obligation                                      | 14,850                            | 1,000                 |                       | 10,300                | 26,150       |
| Expenditure                                     | 14,850                            | 1,000                 |                       | 10,300                | 26,150       |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      | 14,850                            | 1,000                 |                       | 9,600                 | 25,450       |
| Survey, Design & Engineering                    |                                   |                       |                       | 700                   | 700          |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>  | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|--|---|
| <b><u>Construction / Acquisition</u></b>       |   |
| Recapitalize Chase Hall Ph II, N. Annex A      | 9,600                                   |
| <b><u>Survey, Design &amp; Engineering</u></b> |   |
| Survey & Design                                | 700                                     |
| <b>FY 2009 Cost Estimate Project Total:</b>    | <b>10,300</b>                           |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**CG Academy, Recapitalize Chase Hall Phase II, N. Annex A** **\$10,300**

**Method of Performance**

Construction contract will be monitored by the project manager to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 936   |
| Marine Safety                                   | 936   |
| Aids to Navigation                              | 936   |
| Ice Operations                                  | 936   |
| Marine Environmental Protection                 | 936   |
| Living Marine Resources                         | 936   |
| Drug Interdiction                               | 936   |
| Migrant Interdiction                            | 936   |
| Other Law Enforcement                           | 936   |
| Ports, Waterways & Coastal Security             | 936   |
| Defense Readiness                               | 940   |
| <b>Mission-Program Allocation Total:</b>        | <b>10,300</b>                               |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project will comply with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Montauk Housing**

**\$1,550**

**Project Description, Justification and Scope**

This request will fund the purchase of three 3 and/or 4 bedroom housing units in the Montauk, NY area. There have been chronic long-term difficulties in securing adequate housing for members assigned to the Montauk area. Rental housing units are expensive, typically exceeding Basic Allowance for Housing (BAH) and expected out of pocket expenses. Moreover, housing availability is near 0% in this high cost tourist area. Lack of rental units limits CG leased (even with waivers of policies for lease cost and units size) or members leased housing opportunities. Families are forced to geographically separate awaiting available housing. This has an impact on operational readiness, retention and morale.

**Significant Changes**

This is a new request.

**Project Schedule**

| <b><u>Project Description</u></b>                 | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total</b>       |
|---|---|-------------------------|-------------------------|-------------------------|--------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         | <b>Estimate</b>    |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b> |
| FY 2009   |   |                         |                         |                         |                    |
| Acquire Three units of 3 and/or 4 Bedroom Housing |   |                         | FY09: Q1                | FY09: Q4                | 1,550              |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   |                                   |                       |                       | 1,550                 | 1,550        |
| Obligation                                      |                                   |                       |                       | 1,550                 | 1,550        |
| Expenditure                                     |                                   |                       |                       | 1,550                 | 1,550        |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Construction / Acquisition                      |                                   |                       |                       | 1,550                 | 1,550        |

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>     | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>          |   |
| Acquire Three Units of 3 and/or 4 Bedroom Housing | 1,550                                   |
| <b>FY 2009 Cost Estimate Project Total:</b>       | <b>1,550</b>                            |

U. S. Coast Guard - FY 2009 Congressional Budget Submission

**Montauk Housing**

**\$1,550**

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation<br/><u>FY 2009</u></b> |
|---|---|
| Search and Rescue                               | 141   |
| Marine Safety                                   | 141   |
| Aids to Navigation                              | 141   |
| Ice Operations                                  | 141   |
| Marine Environmental Protection                 | 141   |
| Living Marine Resources                         | 141   |
| Drug Interdiction                               | 141   |
| Migrant Interdiction                            | 141   |
| Other Law Enforcement                           | 141   |
| Ports, Waterways & Coastal Security             | 141   |
| Defense Readiness                               | 140   |
| <b>Mission-Program Allocation Total:</b>        | <b>1,550</b>                                |

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**Waterways ATO N Infrastructure** **\$4,000**

**Project Description, Justification and Scope**

This request provides funding to establish, maintain and improve transportation on U.S. waterways through construction and improvements to buoys and structures which assist in navigation. Waterways infrastructure projects require an annual base funding level to support requirements from expanded U.S. Army Corps of Engineers (ACOE) activity and aging/damaged aids to navigation (AtoN).

There is a \$17.8M backlog for waterways short-range aids (SRA) improvements. This \$4M request will help fund projects that are critical to safe and efficient maritime transportation. If approved, the AC&I funding will go toward the following projects: Pleasant River, ME, Port Canaveral and Port Manatee, FL, Mobile, AL, Gulfport, MS, Port Charles, LA, Anaheim Bay and Mission Bay, CA, Puget Sound, WA, and Sumner Strait, AK

**Significant Changes**

There is no significant change from the previous budget submission.

**Project Schedule**

| <b><u>Project Description</u></b>           | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b><u>Total Estimate Cost</u></b> |
|---|---|-------------------------|-------------------------|-------------------------|-----------------------------------|
|   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                                   |
|   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> |                                   |
| FY 2008                                     |   |                         |                         |                         |                                   |
| Relocate/Install New Aids (ACOE project)    | FY08:Q1                                   | FY08:Q2                 | FY08:Q3                 | FY09:Q3                 | 2,500                             |
| FY 2009                                     |   |                         |                         |                         |                                   |
| AtoN projects necessitated by ACOE projects | FY09:Q1                                   | FY09:Q2                 | FY09:Q3                 | FY09:Q4                 | 1,101                             |
| Establish/Relocate/Improve AtoN             | FY09:Q1                                   | FY09:Q2                 | FY09:Q3                 | FY09:Q4                 | 2,899                             |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b><u>Total</u></b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |                     |
| Appropriation                                   | 24,796                            | 3,000                 | 2,500                 | 4,000                 | 34,296              |
| Obligation                                      | 23,182                            | 3,000                 | 2,500                 | 4,000                 | 32,682              |
| Expenditure                                     | 23,182                            | 3,000                 | 2,500                 | 4,000                 | 32,682              |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |                     |
| Construction / Acquisition                      | 21,579                            | 2,700                 | 2,250                 | 3,575                 | 30,104              |
| Survey, Design & Engineering                    | 918                               | 240                   | 165                   | 400                   | 1,723               |
| Project Management                              | 685                               | 60                    | 85                    | 25                    | 855                 |

**Waterways ATON Infrastructure**

**\$4,000**

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b>             | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Construction / Acquisition</u></b>                  |   |
| Construction of fixed structures/acquisition of equipment | 3,575                                   |
| <b><u>Survey, Design &amp; Engineering</u></b>            |   |
| Fixed structures  | 400                                     |
| <b><u>Project Management</u></b>                          |   |
| Inspections   | 25                                      |
| <b>FY 2009 Cost Estimate Project Total:</b>               | <b>4,000</b>                            |

**Method of Performance**

This construction project will be monitored by the project officer to ensure compliance with the requirements stated in the performance work statement of the contract.

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 259                      | 363                   |
| Marine Safety                                   | 172                      | 363                   |
| Aids to Navigation                              | 356                      | 363                   |
| Ice Operations                                  | 52                       | 363                   |
| Marine Environmental Protection                 | 66                       | 363                   |
| Living Marine Resources                         | 207                      | 363                   |
| Drug Interdiction                               | 346                      | 363                   |
| Migrant Interdiction                            | 132                      | 363                   |
| Other Law Enforcement                           | 38                       | 363                   |
| Ports, Waterways & Coastal Security             | 670                      | 363                   |
| Defense Readiness                               | 202                      | 370                   |
| <b>Mission-Program Allocation Total:</b>        | <b>2,500</b>             | <b>4,000</b>          |

**Compliance with Public Laws, Regulations, Standards & Executive Orders**

This project is being conducted in compliance with the National Environmental Policy Act (NEPA).

**U. S. Coast Guard Justification  
Acquisition, Construction & Improvements  
FY 2009 Congressional Budget Submission  
(Dollars in Thousands)**

**AC&I Core**

**\$500**

**Project Description, Justification and Scope**

This funding is necessary to cover costs associated with project overhead activities for major acquisition projects. The primary initiatives include contract support for financial management services, contracting support services, training and workforce certification. The funding allows the Coast Guard to maintain an effective acquisition process by providing AC&I resources that are not project-specific. Resources are needed to maintain core competencies and capabilities necessary to execute assigned workload while meeting various requirements established in the Chief Financial Officer Act, Clinger-Cohen Act, DHS certification level requirements and OMB Circular A-76.

**Significant Changes**

There is no significant change from the previous budget submission.

**Project Schedule**

| <b><u>Project Description</u></b> | <b>Dates by Fiscal Year &amp; Quarter</b> |                         |                         |                         | <b>Total Estimate Cost</b> |
|-----------------------------------|---|-------------------------|-------------------------|-------------------------|----------------------------|
|                                   | <b>Design Work</b>                        |                         | <b>Project Work</b>     |                         |                            |
|                                   | <b><u>Initiated</u></b>                   | <b><u>Completed</u></b> | <b><u>Initiated</u></b> | <b><u>Completed</u></b> | <b><u>Cost</u></b>         |
| FY 2008                           |   |                         |                         |                         |                            |
| Management Travel & Supplies      | FY08:Q1                                   | FY08:Q4                 | FY08:Q1                 | FY08:Q4                 | 90                         |
| Management Support                | FY08:Q1                                   | FY08:Q4                 | FY08:Q1                 | FY08:Q4                 | 325                        |
| Human Resource Requirements       | FY08:Q1                                   | FY08:Q4                 | FY08:Q1                 | FY08:Q4                 | 90                         |
| FY 2009                           |   |                         |                         |                         |                            |
| Management Travel & Supplies      |   |                         | FY09:Q1                 | FY09:Q4                 | 75                         |
| Management Support                |   |                         | FY09:Q1                 | FY09:Q4                 | 145                        |
| Human Resource Requirements       |   |                         | FY09:Q1                 | FY09:Q4                 | 150                        |
| IRM Hardware/software/support     |   |                         | FY09:Q1                 | FY09:Q4                 | 50                         |
| Project Record Storage            |   |                         | FY09:Q1                 | FY09:Q4                 | 80                         |

**Schedule of Project Funding**

|   | <b>Project Funds</b>              |                       |                       |                       | <b>Total</b> |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
|   | <b><u>FY 2006 &amp; Prior</u></b> | <b><u>FY 2007</u></b> | <b><u>FY 2008</u></b> | <b><u>FY 2009</u></b> |              |
| Appropriation                                   | 4,450                             | 500                   | 505                   | 500                   | 5,955        |
| Obligation                                      | 4,450                             | 500                   | 500                   | 500                   | 5,950        |
| Expenditure                                     | 4,450                             | 500                   | 500                   | 500                   | 5,950        |
| <b><u>Breakdown of Project Expenditures</u></b> |                                   |                       |                       |                       |              |
| Project Management                              | 4,450                             | 500                   | 500                   | 500                   | 5,950        |

**AC&I Core**

**\$500**

**Cost Estimate Detail & Changes**

| <b><u>Funding Requirement Description</u></b> | <b><u>FY 2009<br/>Cost Estimate</u></b> |
|---|---|
| <b><u>Other Costs</u></b>                     |   |
| Management Travel                             | 45                                      |
| Contractor Support                            | 145                                     |
| Human Resource Requirements                   | 150                                     |
| IRM Hardware/software/support                 | 50                                      |
| Supplies                                      | 30                                      |
| Project Record Storage                        | 80                                      |
| <b>FY 2009 Cost Estimate Project Total:</b>   | <b>500</b>                              |

**Budget Allocation to Mission-Program**

| <b><u>U. S. Coast Guard Mission-Program</u></b> | <b>Budget Allocation</b> |                       |
|---|--------------------------|-----------------------|
|   | <b><u>FY 2008</u></b>    | <b><u>FY 2009</u></b> |
| Search and Rescue                               | 61                       | 56                    |
| Marine Safety                                   | 6                        | 6                     |
| Aids to Navigation                              | 13                       | 13                    |
| Ice Operations                                  | 4                        | 4                     |
| Marine Environmental Protection                 | 7                        | 7                     |
| Living Marine Resources                         | 84                       | 84                    |
| Drug Interdiction                               | 154                      | 154                   |
| Migrant Interdiction                            | 47                       | 47                    |
| Other Law Enforcement                           | 19                       | 19                    |
| Ports, Waterways & Coastal Security             | 76                       | 76                    |
| Defense Readiness                               | 34                       | 34                    |
| <b>Mission-Program Allocation Total:</b>        | <b>505</b>               | <b>500</b>            |

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
**Vessels & Critical Infrastructure**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>Vessels &amp; Critical Infrastructure</b> |  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|--|---------------|----------------|----------------|--------------------|
|  |  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Object Classes</b>                        |  |               |                |                |                    |
| 11.1   | Full-time permanent                            | -             | -              | -              | -                  |
| 11.3   | Other than full-time permanent                 | -             | -              | -              | -                  |
| 11.5   | Other personnel compensation                   | -             | -              | -              | -                  |
| 11.7   | Military personnel                             | -             | -              | -              | -                  |
| 11.8   | Special service pay                            | -             | -              | -              | -                  |
| 12.1   | Civilian personnel benefits                    | -             | -              | -              | -                  |
| 12.2   | Military personnel benefits                    | -             | -              | -              | -                  |
| 13.0   | Benefits-former                                | -             | -              | -              | -                  |
| 21.0   | Travel   | 467           | 391            | 517            | 126                |
| 22.0   | Transportation of things                       | 66            | 55             | 73             | 18                 |
| 23.1   | GSA rent                                       | -             | -              | -              | -                  |
| 23.2   | Other rent                                     | 142           | 119            | 157            | 38                 |
| 23.3   | Communication, utilities, and misc charges     | 130           | 109            | 144            | 35                 |
| 24.0   | Printing and reproduction                      | 0             | 0              | 0              | 0                  |
| 25.1   | Advisory and assistance services               | 8,412         | 7,037          | 9,297          | 2,260              |
| 25.2   | Other services                                 | 2,110         | 1,765          | 2,332          | 567                |
| 25.3   | Purchases of goods & svcs. from gov't accounts | -             | -              | -              | -                  |
| 25.4   | Operation & maintenance of facilities          | -             | -              | -              | -                  |
| 25.5   | Research and development                       | -             | -              | -              | -                  |
| 25.6   | Medical care                                   | -             | -              | -              | -                  |
| 25.7   | Operation and maintenance of equipment         | -             | -              | -              | -                  |
| 25.8   | Subsistence and support of persons             | -             | -              | -              | -                  |
| 26.0   | Supplies and materials                         | 5,800         | 4,852          | 6,410          | 1,558              |
| 31.0   | Equipment                                      | 44,167        | 36,949         | 48,814         | 11,865             |
| 32.0   | Land and structures                            | 1,589         | 1,329          | 1,756          | 427                |
| 41.0   | Grants, subsidies and contributions            | -             | -              | -              | -                  |
| 42.0   | Insurance claims and indemnity                 | -             | -              | -              | -                  |
| <b>Total Other Objects</b>                   |  | <b>62,885</b> | <b>52,607</b>  | <b>69,500</b>  | <b>16,893</b>      |
| <b>Full Time Equivalents</b>                 |  | -             | -              | -              | -                  |

## Summary Justification and Explanation of Changes

### Travel

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 467 | \$ 391  | \$ 517  | \$ 126      |

Travel includes all costs of transportation of persons, subsistence of travelers and incidental travel expenses in accordance with Federal travel regulations. Specifically, funds transport of personnel in support of training, project management and oversight of the Response Boat - Medium Project and Inland River-tender Emergency Sustainment Project. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

### Transportation of things

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 66  | \$ 55   | \$ 73   | \$ 18       |

Transportation of things includes all costs of the care of such things while in process of being transported and other services incident to the transportation of things. Specifically, funding provides for shipment of goods, equipment, supplies and materials to support completion of AC&I projects. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

### Other rent

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 142 | \$ 119  | \$ 157  | \$ 38       |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. Funding supports lease renewals for facilities (e.g., office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.). Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

### Communication, utilities, and misc charges

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 130 | \$ 109  | \$ 144  | \$ 35       |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities and cutters, utility costs, including shore facility utilities, cutter and boat fuel requirements, and postal costs. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

**Advisory and assistance services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 8,412  | \$ | 7,037   | \$ | 9,297   | \$ | 2,260       |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

**Other services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 2,110  | \$ | 1,765   | \$ | 2,332   | \$ | 567         |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

**Supplies and materials**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 5,800  | \$ | 4,852   | \$ | 6,410   | \$ | 1,558       |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters and boats, supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

**Equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 44,167 | \$ | 36,949  | \$ | 48,814  | \$ | 11,865      |

This object class covers the purchase of capitalized and non-capitalized assets. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

**Land and structures**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 1,589  | \$ | 1,329   | \$ | 1,756   | \$ | 427         |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. Increased funding in FY 2009 is a result of additional project funding for Response Boat - Medium delivery around the country.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
**Integrated Deepwater Systems**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>Integrated Deepwater Systems</b> |  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 - 2009</b> |
|-------------------------------------|--|------------------|------------------|------------------|--------------------|
|                                     |  | <b>Actual</b>    | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>      |
| <b>Object Classes</b>               |  |                  |                  |                  |                    |
| 11.1                                | Full-time permanent                            | -                | -                | -                | -                  |
| 11.3                                | Other than full-time permanent                 | -                | -                | -                | -                  |
| 11.5                                | Other personnel compensation                   | -                | -                | -                | -                  |
| 11.7                                | Military personnel                             | -                | -                | -                | -                  |
| 11.8                                | Special service pay                            | -                | -                | -                | -                  |
| 12.1                                | Civilian personnel benefits                    | -                | -                | -                | -                  |
| 12.2                                | Military personnel benefits                    | -                | -                | -                | -                  |
| 13.0                                | Benefits-former                                | -                | -                | -                | -                  |
| 21.0                                | Travel   | 9,362            | 8,604            | 8,225            | (380)              |
| 22.0                                | Transportation of things                       | 1,324            | 1,216            | 1,163            | (54)               |
| 23.1                                | GSA rent                                       | -                | -                | -                | -                  |
| 23.2                                | Other rent                                     | 2,846            | 2,616            | 2,500            | (115)              |
| 23.3                                | Communication, utilities, and misc charges     | 2,604            | 2,394            | 2,288            | (106)              |
| 24.0                                | Printing and reproduction                      | 5                | 5                | 5                | (0)                |
| 25.1                                | Advisory and assistance services               | 168,472          | 154,840          | 148,008          | (6,832)            |
| 25.2                                | Other services                                 | 42,261           | 38,842           | 37,128           | (1,714)            |
| 25.3                                | Purchases of goods & svcs. from gov't accounts | -                | -                | -                | -                  |
| 25.4                                | Operation & maintenance of facilities          | -                | -                | -                | -                  |
| 25.5                                | Research and development                       | -                | -                | -                | -                  |
| 25.6                                | Medical care                                   | -                | -                | -                | -                  |
| 25.7                                | Operation and maintenance of equipment         | -                | -                | -                | -                  |
| 25.8                                | Subsistence and support of persons             | -                | -                | -                | -                  |
| 26.0                                | Supplies and materials                         | 116,165          | 106,765          | 102,054          | (4,711)            |
| 31.0                                | Equipment                                      | 884,557          | 812,980          | 756,110          | (56,870)           |
| 32.0                                | Land and structures                            | 31,823           | 29,248           | 27,957           | (1,290)            |
| 41.0                                | Grants, subsidies and contributions            | -                | -                | -                | -                  |
| 42.0                                | Insurance claims and indemnity                 | -                | -                | -                | -                  |
| <b>Total Other Objects</b>          |  | <b>1,259,419</b> | <b>1,157,509</b> | <b>1,106,438</b> | <b>(72,071)</b>    |
| <b>Full Time Equivalents</b>        |  | -                | -                | -                | -                  |

## Summary Justification and Explanation of Changes

### Travel

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 9,362  | \$ | 8,604   | \$ | 8,225   | \$ | (380)       |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Transportation of things

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 1,324  | \$ | 1,216   | \$ | 1,163   | \$ | (54)        |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Other rent

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 2,846  | \$ | 2,616   | \$ | 2,500   | \$ | (115)       |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. Funding supports lease renewals for facilities (e.g. office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.). Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Communication, utilities, and misc charges

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 2,604  | \$ | 2,394   | \$ | 2,288   | \$ | (106)       |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities, cutters, and aircraft, utility costs including shore facility utilities and cutter, boat and aircraft fuel requirements, and postal costs. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Advisory and assistance services**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 168,472     | \$ | 154,840         | \$ | 148,008         | \$ | (6,832)               |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Other services**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 42,261      | \$ | 38,842          | \$ | 37,128          | \$ | (1,714)               |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Supplies and materials**

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 116,165     | \$ | 106,765         | \$ | 102,054         | \$ | (4,711)               |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Equipment**

|    | 2007    |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|---------|----|---------|----|---------|----|-------------|
|    | Actual  |    | Enacted |    | Request |    | Change      |
| \$ | 884,557 | \$ | 812,980 | \$ | 756,110 | \$ | (56,870)    |

This object class covers the purchase of capitalized and non-capitalized assets. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Land and structures**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 31,823 | \$ | 29,248  | \$ | 27,957  | \$ | (1,290)     |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
**Aircraft**  
**Funding Schedule**  
(Dollars in Thousands)

| Aircraft                     |  | 2007         | 2008          | 2009     | 2008 - 2009     |
|------------------------------|--|--------------|---------------|----------|-----------------|
|                              |  | Actual       | Enacted       | Request  | Change          |
| <b>Object Classes</b>        |  |              |               |          |                 |
| 11.1                         | Full-time permanent                            | -            | -             | -        | -               |
| 11.3                         | Other than full-time permanent                 | -            | -             | -        | -               |
| 11.5                         | Other personnel compensation                   | -            | -             | -        | -               |
| 11.7                         | Military personnel                             | -            | -             | -        | -               |
| 11.8                         | Special service pay                            | -            | -             | -        | -               |
| 12.1                         | Civilian personnel benefits                    | -            | -             | -        | -               |
| 12.2                         | Military personnel benefits                    | -            | -             | -        | -               |
| 13.0                         | Benefits-former                                | -            | -             | -        | -               |
| 21.0                         | Travel   | 40           | 110           | -        | (110)           |
| 22.0                         | Transportation of things                       | 6            | 16            | -        | (16)            |
| 23.1                         | GSA rent                                       | -            | -             | -        | -               |
| 23.2                         | Other rent                                     | 12           | 33            | -        | (33)            |
| 23.3                         | Communication, utilities, and misc charges     | 11           | 31            | -        | (31)            |
| 24.0                         | Printing and reproduction                      | 0            | 0             | -        | (0)             |
| 25.1                         | Advisory and assistance services               | 720          | 1,979         | -        | (1,979)         |
| 25.2                         | Other services                                 | 181          | 497           | -        | (497)           |
| 25.3                         | Purchases of goods & svcs. from gov't accounts | -            | -             | -        | -               |
| 25.4                         | Operation & maintenance of facilities          | -            | -             | -        | -               |
| 25.5                         | Research and development                       | -            | -             | -        | -               |
| 25.6                         | Medical care                                   | -            | -             | -        | -               |
| 25.7                         | Operation and maintenance of equipment         | -            | -             | -        | -               |
| 25.8                         | Subsistence and support of persons             | -            | 0             | -        | (0)             |
| 26.0                         | Supplies and materials                         | 497          | 1,365         | -        | (1,365)         |
| 31.0                         | Equipment                                      | 3,782        | 10,393        | -        | (10,393)        |
| 32.0                         | Land and structures                            | 136          | 374           | -        | (374)           |
| 41.0                         | Grants, subsidies and contributions            | -            | -             | -        | -               |
| 42.0                         | Insurance claims and indemnity                 | -            | -             | -        | -               |
| <b>Total Other Objects</b>   |  | <b>5,385</b> | <b>14,797</b> | <b>-</b> | <b>(14,797)</b> |
| <b>Full Time Equivalents</b> |  | <b>-</b>     | <b>-</b>      | <b>-</b> | <b>-</b>        |

## Summary Justification and Explanation of Changes

### Travel

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 40  | \$ 110  | -       | \$ (110)    |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. There are no requests for Aircraft projects in FY09 and so no funding for this item.

### Transportation of things

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 6   | \$ 16   | -       | \$ (16)     |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Specifically, funding supports the shipment of military member's household goods in conjunction with Permanent Change of Station (PCS) moves. There are no requests for Aircraft projects in FY09 and so no funding for this item.

### Other rent

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 12  | \$ 33   | -       | \$ (33)     |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. Funding supports lease renewals for facilities (e.g. office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.) There are no requests for Aircraft projects in FY09 and so no funding for this item.

### Communication, utilities, and misc charges

| 2007   | 2008    | 2009    | 2008 - 2009 |
|--------|---------|---------|-------------|
| Actual | Enacted | Request | Change      |
| \$ 11  | \$ 31   | -       | \$ (31)     |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Specifically, funding includes data connectivity costs for Coast Guard shore facilities and aircraft, utility costs including shore facility utilities and aircraft fuel requirements, and postal costs. There are no requests for Aircraft projects in FY09 and so no funding for this item.

**Advisory and assistance services**

|  | 2007<br>Actual |     | 2008<br>Enacted |       | 2009<br>Request |   | 2008 - 2009<br>Change |
|--|----------------|-----|-----------------|-------|-----------------|---|-----------------------|
|  | \$             | 720 | \$              | 1,979 | \$              | - | \$ (1,979)            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Specifically, funding supports contracted training and services to repair/maintain Coast Guard operational assets and facilities. There are no requests for Aircraft projects in FY09 and so no funding for this item.

**Other services**

|  | 2007<br>Actual |     | 2008<br>Enacted |     | 2009<br>Request |   | 2008 - 2009<br>Change |
|--|----------------|-----|-----------------|-----|-----------------|---|-----------------------|
|  | \$             | 181 | \$              | 497 | \$              | - | \$ (497)              |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs is support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. There are no requests for Aircraft projects in FY09 and so no funding for this item.

**Supplies and materials**

|  | 2007<br>Actual |     | 2008<br>Enacted |       | 2009<br>Request |   | 2008 - 2009<br>Change |
|--|----------------|-----|-----------------|-------|-----------------|---|-----------------------|
|  | \$             | 497 | \$              | 1,365 | \$              | - | \$ (1,365)            |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. There are no requests for Aircraft projects in FY09 and so no funding for this item.

**Equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 3,782  | \$ | 10,393  | \$ | -       | \$ | (10,393)    |

This object class covers the purchase of capitalized and non-capitalized assets. There are no requests for Aircraft projects in FY09 and so no funding for this item.

**Land and structures**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 136    | \$ | 374     | \$ | -       | \$ | (374)       |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. There are no requests for Aircraft projects in FY09 and so no funding for this item.

## H. PPA Budget Justifications

**Department of Homeland Security  
U. S. Coast Guard  
Acquisition, Construction and Improvements  
Other Equipment  
Funding Schedule  
(Dollars in Thousands)**

| Other Equipment              |  | 2007          | 2008           | 2009          | 2008 - 2009      |
|------------------------------|--|---------------|----------------|---------------|------------------|
|                              |  | Actual        | Enacted        | Request       | Change           |
| <b>Object Classes</b>        |  |               |                |               |                  |
| 11.1                         | Full-time permanent                            | -             | -              | -             | -                |
| 11.3                         | Other than full-time permanent                 | -             | -              | -             | -                |
| 11.5                         | Other personnel compensation                   | -             | -              | -             | -                |
| 11.7                         | Military personnel                             | -             | -              | -             | -                |
| 11.8                         | Special service pay                            | -             | -              | -             | -                |
| 12.1                         | Civilian personnel benefits                    | -             | -              | -             | -                |
| 12.2                         | Military personnel benefits                    | -             | -              | -             | -                |
| 13.0                         | Benefits-former                                | -             | -              | -             | -                |
| 21.0                         | Travel   | 743           | 1,678          | 719           | (959)            |
| 22.0                         | Transportation of things                       | 105           | 237            | 102           | (136)            |
| 23.1                         | GSA rent                                       | -             | -              | -             | -                |
| 23.2                         | Other rent                                     | 226           | 510            | 219           | (291)            |
| 23.3                         | Communication, utilities, and misc charges     | 207           | 467            | 200           | (267)            |
| 24.0                         | Printing and reproduction                      | 0             | 1              | 0             | (1)              |
| 25.1                         | Advisory and assistance services               | 13,365        | 30,198         | 12,945        | (17,253)         |
| 25.2                         | Other services                                 | 3,353         | 7,575          | 3,247         | (4,328)          |
| 25.3                         | Purchases of goods & svcs. from gov't accounts | -             | -              | -             | -                |
| 25.4                         | Operation & maintenance of facilities          | -             | -              | -             | -                |
| 25.5                         | Research and development                       | -             | -              | -             | -                |
| 25.6                         | Medical care                                   | -             | -              | -             | -                |
| 25.7                         | Operation and maintenance of equipment         | -             | -              | -             | -                |
| 25.8                         | Subsistence and support of persons             | 0             | 0              | 0             | (0)              |
| 26.0                         | Supplies and materials                         | 9,215         | 20,822         | 8,926         | (11,896)         |
| 31.0                         | Equipment                                      | 70,173        | 158,555        | 67,968        | (90,587)         |
| 32.0                         | Land and structures                            | 2,525         | 5,704          | 2,445         | (3,259)          |
| 41.0                         | Grants, subsidies and contributions            | -             | -              | -             | -                |
| 42.0                         | Insurance claims and indemnity                 | -             | -              | -             | -                |
| <b>Total Other Objects</b>   |  | <b>99,911</b> | <b>225,748</b> | <b>96,772</b> | <b>(128,976)</b> |
| <b>Full Time Equivalents</b> |  | -             | -              | -             | -                |

## Summary Justification and Explanation of Changes

### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 743         | \$ 1,678        | \$ 719          | \$ (959)              |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 105         | \$ 237          | \$ 102          | \$ (136)              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Other rent

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 226         | \$ 510          | \$ 219          | \$ (291)              |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. Funding supports lease renewals for facilities (e.g. office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.). Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Communication, utilities, and misc charges

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 207         | \$ 467          | \$ 200          | \$ (267)              |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Printing and reproduction

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 0           | \$ 1            | \$ 0            | \$ (1)                |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. Funding includes charges associated with publication of Coast Guard training manuals, operational instructions, reports and other Coast Guard directives.

**Advisory and assistance services**

|  | 2007<br>Actual |        | 2008<br>Enacted |        | 2009<br>Request |        | 2008 - 2009<br>Change |
|--|----------------|--------|-----------------|--------|-----------------|--------|-----------------------|
|  | \$             | 13,365 | \$              | 30,198 | \$              | 12,945 | \$ (17,253)           |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Other services**

|  | 2007<br>Actual |       | 2008<br>Enacted |       | 2009<br>Request |       | 2008 - 2009<br>Change |
|--|----------------|-------|-----------------|-------|-----------------|-------|-----------------------|
|  | \$             | 3,353 | \$              | 7,575 | \$              | 3,247 | \$ (4,328)            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs is support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Supplies and materials**

|  | 2007<br>Actual |       | 2008<br>Enacted |        | 2009<br>Request |       | 2008 - 2009<br>Change |
|--|----------------|-------|-----------------|--------|-----------------|-------|-----------------------|
|  | \$             | 9,215 | \$              | 20,822 | \$              | 8,926 | \$ (11,896)           |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Equipment**

|  | 2007<br>Actual |        | 2008<br>Enacted |         | 2009<br>Request |        | 2008 - 2009<br>Change |
|--|----------------|--------|-----------------|---------|-----------------|--------|-----------------------|
|  | \$             | 70,173 | \$              | 158,555 | \$              | 67,968 | \$ (90,587)           |

This object class covers the purchase of capitalized and non-capitalized assets. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Land and structures**

|  | 2007<br>Actual |       | 2008<br>Enacted |       | 2009<br>Request |       | 2008 - 2009<br>Change |
|--|----------------|-------|-----------------|-------|-----------------|-------|-----------------------|
|  | \$             | 2,525 | \$              | 5,704 | \$              | 2,445 | \$ (3,259)            |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
**Shore Facilities & Aids To Navigation**  
**Funding Schedule**  
(Dollars in Thousands)

| Shore Facilities & Aids To Navigation |  | 2007          | 2008           | 2009          | 2008 - 2009      |
|---------------------------------------|--|---------------|----------------|---------------|------------------|
|                                       |  | Actual        | Enacted        | Request       | Change           |
| <b>Object Classes</b>                 |  |               |                |               |                  |
| 11.1                                  | Full-time permanent                            | -             | -              | -             | -                |
| 11.3                                  | Other than full-time permanent                 | -             | -              | -             | -                |
| 11.5                                  | Other personnel compensation                   | -             | -              | -             | -                |
| 11.7                                  | Military personnel                             | -             | -              | -             | -                |
| 11.8                                  | Special service pay                            | -             | -              | -             | -                |
| 12.1                                  | Civilian personnel benefits                    | -             | -              | -             | -                |
| 12.2                                  | Military personnel benefits                    | -             | -              | -             | -                |
| 13.0                                  | Benefits-former                                | -             | -              | -             | -                |
| 21.0                                  | Travel   | 229           | 1,206          | 393           | (812)            |
| 22.0                                  | Transportation of things                       | 32            | 170            | 56            | (115)            |
| 23.1                                  | GSA rent                                       | -             | -              | -             | -                |
| 23.2                                  | Other rent                                     | 70            | 367            | 120           | (247)            |
| 23.3                                  | Communication, utilities, and misc charges     | 64            | 335            | 109           | (226)            |
| 24.0                                  | Printing and reproduction                      | 0             | 1              | 0             | (0)              |
| 25.1                                  | Advisory and assistance services               | 4,114         | 21,699         | 7,081         | (14,618)         |
| 25.2                                  | Other services                                 | 1,032         | 5,443          | 1,776         | (3,667)          |
| 25.3                                  | Purchases of goods & svcs. from gov't accounts | -             | -              | -             | -                |
| 25.4                                  | Operation & maintenance of facilities          | -             | -              | -             | -                |
| 25.5                                  | Research and development                       | -             | -              | -             | -                |
| 25.6                                  | Medical care                                   | -             | -              | -             | -                |
| 25.7                                  | Operation and maintenance of equipment         | -             | -              | -             | -                |
| 25.8                                  | Subsistence and support of persons             | -             | -              | -             | -                |
| 26.0                                  | Supplies and materials                         | 2,837         | 14,962         | 4,882         | (10,079)         |
| 31.0                                  | Equipment                                      | 21,602        | 113,928        | 37,176        | (76,752)         |
| 32.0                                  | Land and structures                            | 777           | 4,099          | 1,337         | (2,761)          |
| 41.0                                  | Grants, subsidies and contributions            | -             | -              | -             | -                |
| 42.0                                  | Insurance claims and indemnity                 | -             | -              | -             | -                |
| <b>Total Other Objects</b>            |  | <b>30,757</b> | <b>162,209</b> | <b>52,931</b> | <b>(109,278)</b> |
| <b>Full Time Equivalents</b>          |  | -             | -              | -             | -                |

## Summary Justification and Explanation of Changes

### Travel

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 229         | \$ 1,206        | \$ 393          | \$ (812)              |

Travel funds cover the travel costs of Coast Guard employees, while in an authorized travel status, either directly or by reimbursing the traveler. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Transportation of things

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 32          | \$ 170          | \$ 56           | \$ (115)              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Other rent

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 70          | \$ 367          | \$ 120          | \$ (247)              |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. Funding supports lease renewals for facilities (e.g. office space, waterfront/mooring facilities, equipment storage and maintenance facilities, etc.). Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Communication, utilities, and misc charges

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 64          | \$ 335          | \$ 109          | \$ (226)              |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Advisory and assistance services

| 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|----------------|-----------------|-----------------|-----------------------|
| \$ 4,114       | \$ 21,699       | \$ 7,081        | \$ (14,618)           |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Other services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 1,032  | \$ | 5,443   | \$ | 1,776   | \$ | (3,667)     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Supplies and materials**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 2,837  | \$ | 14,962  | \$ | 4,882   | \$ | (10,079)    |

Supplies and materials are primarily defined as commodities that are ordinarily consumed or expended within one year after they are put into use. Specifically, funding supports procurement of consumable supplies aboard Coast Guard operational and shore support units including tools, spare part inventories for cutters, boats, aircraft, and supporting computer and communication systems, fuel required to conduct Coast Guard operations, janitorial materials, subsistence and administrative supplies. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 21,602 | \$ | 113,928 | \$ | 37,176  | \$ | (76,752)    |

This object class covers the purchase of capitalized and non-capitalized assets. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

**Land and structures**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 777    | \$ | 4,099   | \$ | 1,337   | \$ | (2,761)     |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
**Personnel & Related Support**  
**Funding Schedule**  
(dollars in thousands)

| <b>Personnel &amp; Related Support</b> |  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|--|---------------|----------------|----------------|--------------------|
|  |  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Object Classes</b>                  |  |               |                |                |                    |
| 11.1                                   | Full-time permanent                            | 27,153        | 28,532         | -              | (28,532)           |
| 11.3                                   | Other than full-time permanent                 | 57            | 113            | -              | (113)              |
| 11.5                                   | Other personnel compensation                   | 546           | 560            | -              | (560)              |
| 11.7                                   | Military personnel                             | 27,297        | 27,946         | -              | (27,946)           |
| 11.8                                   | Special service pay                            | -             | -              | -              | -                  |
| 12.1                                   | Civilian personnel benefits                    | 6,805         | 7,153          | -              | (7,153)            |
| 12.2                                   | Military personnel benefits                    | 1,938         | 1,984          | -              | (1,984)            |
| 13.0                                   | Benefits-former                                | -             | -              | -              | -                  |
| 21.0                                   | Travel   | 87            | 122            | 4              | (118)              |
| 22.0                                   | Transportation of things                       | 12            | 17             | 1              | (17)               |
| 23.1                                   | GSA rent                                       | -             | -              | -              | -                  |
| 23.2                                   | Other rent                                     | 27            | 37             | 1              | (36)               |
| 23.3                                   | Communication, utilities, and misc charges     | 24            | 34             | 1              | (33)               |
| 24.0                                   | Printing and reproduction                      | -             | -              | -              | -                  |
| 25.1                                   | Advisory and assistance services               | 1,571         | 2,198          | 67             | (2,131)            |
| 25.2                                   | Other services                                 | 394           | 551            | 17             | (535)              |
| 25.3                                   | Purchases of goods & svcs. from gov't accounts | -             | -              | -              | -                  |
| 25.4                                   | Operation & maintenance of facilities          | -             | -              | -              | -                  |
| 25.5                                   | Research and development                       | -             | -              | -              | -                  |
| 25.6                                   | Medical care                                   | -             | -              | -              | -                  |
| 25.7                                   | Operation and maintenance of equipment         | -             | -              | -              | -                  |
| 25.8                                   | Subsistence and support of persons             | -             | -              | -              | -                  |
| 26.0                                   | Supplies and materials                         | 1,083         | 1,516          | 46             | (1,470)            |
| 31.0                                   | Equipment                                      | 8,248         | 11,541         | 351            | (11,190)           |
| 32.0                                   | Land and structures                            | 297           | 415            | 13             | (403)              |
| 41.0                                   | Grants, subsidies and contributions            | -             | -              | -              | -                  |
| 42.0                                   | Insurance claims and indemnity                 | -             | -              | -              | -                  |
|  | <b>Total Other Objects</b>                     | <b>11,743</b> | <b>16,432</b>  | <b>500</b>     | <b>(82,220)</b>    |
|  | <b>Full Time Equivalents</b>                   | <b>619</b>    | <b>652</b>     | <b>-</b>       | <b>(652)</b>       |

Requesting the Acquisition, Construction and Improvement (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

## I. Changes in Full-Time Equivalents

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Acquisition, Construction and Improvements**  
 Changes in Full-Time Equivalents

|   | FY 2007    | FY 2008    | FY 2009     |
|---|------------|------------|-------------|
| <b>BASE: Start of Year (SOY) FTE levels</b>                         | <b>616</b> | <b>652</b> | <b>652</b>  |
| <b>INCREASES</b>  |            |            |             |
| <b>Increase #1: AC&amp;I personnel management.</b>                  | <b>36</b>  | <b>0</b>   | <b>0</b>    |
| <b>Description: Management and oversight of AC&amp;I projects.</b>  |            |            |             |
| <b>Subtotal, Increases:</b>   | <b>36</b>  | <b>0</b>   | <b>0</b>    |
| <b>DECREASES:</b>   |            |            |             |
| <b>Decrease #1: Transfer to OE appropriation <sup>/1</sup></b>      | <b>0</b>   | <b>0</b>   | <b>-652</b> |
| <b>Description: Transfer of FTE to OE appropriation</b>             |            |            |             |
| <b>Subtotal, Decreases:</b>   | <b>0</b>   | <b>0</b>   | <b>-652</b> |
| <b>Year-end Enacted / Estimated FTEs</b>                            | <b>652</b> | <b>652</b> | <b>0</b>    |
| <b>Net Change from prior year SOY base to budget year estimate:</b> |            |            | <b>-652</b> |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

<sup>/1</sup> Requesting the Acquisition, Construction and Improvement (AC&I) personnel account be transferred to the Operating Expenses (OE) appropriation (\$82.215 million transfer) in FY09. The successful and efficient execution of government acquisition programs depends upon careful management of contract administration. This funding transfer will significantly improve the Coast Guard's ability to successfully manage, oversee and administer Acquisition, Construction and Improvement (AC&I) contracts. The consolidation will allow the Coast Guard to build institutional competencies, surge acquisition expertise, streamline human resource and financial management functions and standardize human resource policies within DHS.

# Department of Homeland Security

*United States Coast Guard*

*Alteration of Bridges*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Alteration of Bridges**

**I. Appropriation Overview**

**A. Mission Statement for Alteration of Bridges:**

The Coast Guard is not requesting funding for Alteration of Bridges in FY 2009. The alteration of unreasonably obstructive bridges ensures navigational safety and freedom of mobility to facilitate commerce, emergency response and U.S. Government operations, by providing sufficient clearances for the type of vessels that transit through the bridge. This appropriation reduces the risk of fatalities and collisions, prevents longer transit times, protects regional and national economies and facilitates response capabilities for emergency vessels and government vessels of the United States. It also deters increased waterway and highway/railway closures due to accidents.

**B. Budget Activities:**

This appropriation supports our Aids to Navigation mission.

**C. Budget Request Summary:**

The Coast Guard is not requesting funding for Alteration of Bridges in FY 2009.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Alteration of Bridges**

**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                              | FY 2007 Actual |           | FY 2008 Enacted |           | FY 2009 Request |        | Total Changes |             | Increase (+) or Decrease (-) For FY 2009 |        | Adjustments-to-base |             |
|---|----------------|-----------|-----------------|-----------|-----------------|--------|---------------|-------------|--|--------|---------------------|-------------|
|   | FTE            | AMOUNT    | FTE             | AMOUNT    | FTE             | AMOUNT | FTE           | AMOUNT      | FTE                                      | AMOUNT | FTE                 | AMOUNT      |
| I. Alteration of Bridges                              | -              | \$ 16,029 | -               | \$ 16,000 | -               | \$ -   | -             | \$ (16,000) | -  | \$ -   | -                   | \$ (16,000) |
| Subtotal, Enacted Appropriations and Budget Estimates | -              | \$ 16,029 | -               | \$ 16,000 | -               | \$ -   | -             | \$ (16,000) | -  | \$ -   | -                   | \$ (16,000) |
| Less Adjustments for Other Funding Sources:           |                |           |                 |           |                 |        |               |             |  |        |                     |             |
| Net, Enacted Appropriations & Budget Estimates        | -              | \$ 16,029 | -               | \$ 16,000 | -               | \$ -   | -             | \$ (16,000) | -  | \$ -   | -                   | \$ (16,000) |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Alteration of Bridges  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: ALTERATION OF BRIDGES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>     |
|------------------------------|---------------------|------------|-------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$16,029</b>   |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>\$16,000</b>   |
| 2009 Adjustments-to-Base     |                     |            | <b>(\$16,000)</b> |
| <b>2009 Current Services</b> | ...                 | ...        | ...               |
| 2009 Program Change          | ...                 | ...        | ...               |
| <b>2009 Request</b>          | ...                 | ...        | ...               |
| Total Change 2008-2009       | ...                 | ...        | <b>(\$16,000)</b> |

The Coast Guard does not request any funding for this activity in FY 2009.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

##### FY 2007 Accomplishments:

- Florida Avenue Bridge across the Inner Harbor Canal in New Orleans, Louisiana: Completed alteration including all repairs due to the damages caused by Hurricane Katrina.
- Galveston Bridge across Gulf Intracoastal Waterway in Galveston, Texas: Entered final design stage.
- Chelsea Street Bridge in Boston, Massachusetts: Completed final design, all environmental documentation/clearances, and other required permits

##### FY08/FY09 Planned Accomplishments:

- Galveston Bridge across the Gulf Intracoastal Waterway in Galveston, Texas: Complete the final design, environmental documentation, and acquire necessary permits.
- CSXT Railroad Bridge across the Mobile River in Mobile, Alabama: Complete the Value Engineering redesign/modification to improve value or reduce the cost of the project.
- Canadian Pacific Railroad Bridge across the Upper Mississippi River at Lacrosse, Wisconsin: Continue design phase.

- The Coast Guard has deemed 30 bridges potential unreasonable obstructions to navigation. These bridges will require a Truman-Hobbs eligibility detailed investigation to definitively determine whether they are unreasonably obstructive.

The Alteration of Bridges program funds the Federal government's share of the costs for altering or removing bridges determined to be obstructions to navigation. Under the Federal-Aid to Highways Program, obstructive highway bridges may be eligible for funding. Under the Truman-Hobbs Act of 1940 (33 U.S.C. 511et seq.), the Federal government shares, with the bridge owner, the cost of altering railroad and publicly-owned highway bridges obstructing the free movement of vessel traffic.

#### **IV. Program Justification of Changes**

**Not Applicable**

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Not Applicable**

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Alteration of Bridges  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|--|-------------|------------|-----------------|
| <b>2007 Actual</b>                                 | -           | -          | \$ 16,029       |
| <b>2008 Enacted</b>                                | -           | -          | 16,000          |
| <b>Adjustments-to-Base</b>                         |             |            |                 |
| Increases  |             |            |                 |
| Annualization of prior year funding                | -           | -          | -               |
| 2009 Pay Raise                                     | -           | -          | -               |
| Non-Pay Inflation                                  | -           | -          | -               |
| Operating and Maintenance Funds for New Facilities | -           | -          | -               |
| Total Increases                                    | -           | -          | -               |
| Decreases  |             |            |                 |
| Termination of one-time costs                      | -           | -          | (16,000)        |
| Management and Technology Efficiencies             | -           | -          | -               |
| Total Decreases                                    | -           | -          | (16,000)        |
| <b>Total Adjustments-to-Base</b>                   | -           | -          | <b>(16,000)</b> |
| <b>2009 Current Services</b>                       | -           | -          | -               |
| <b>2009 Request</b>                                | -           | -          | -               |
| <b>2008 to 2009 Total Change</b>                   | -           | -          | <b>(16,000)</b> |



**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Alteration of Bridges  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                               |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request | 2008 - 2009<br>Change |
|--|--|------------------|------------------|-----------------|-----------------------|
| 11.1   | Full-time permanent                            | -                | -                | -               | -                     |
| 11.3   | Other than full-time permanent                 | -                | -                | -               | -                     |
| 11.5   | Other personnel compensation                   | -                | -                | -               | -                     |
| 11.7   | Military personnel                             | -                | -                | -               | -                     |
| 11.8   | Special service pay                            | -                | -                | -               | -                     |
| 12.1   | Civilian personnel benefits                    | -                | -                | -               | -                     |
| 12.2   | Military personnel benefits                    | -                | -                | -               | -                     |
| 13.0   | Benefits-former                                | -                | -                | -               | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b> |  | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>     | <b>\$ -</b>           |
| Other Objects Classes:                       |  |                  |                  |                 |                       |
| 21.0   | Travel   | -                | -                | -               | -                     |
| 22.0   | Transportation of things                       | -                | -                | -               | -                     |
| 23.1   | GSA rent                                       | -                | -                | -               | -                     |
| 23.2   | Other rent                                     | -                | -                | -               | -                     |
| 23.3   | Communication, utilities, and misc charges     | -                | -                | -               | -                     |
| 24.0   | Printing and reproduction                      | -                | -                | -               | -                     |
| 25.1   | Advisory and assistance services               | -                | -                | -               | -                     |
| 25.2   | Other services                                 | -                | -                | -               | -                     |
| 25.3   | Purchases of goods & svcs. from gov't accounts | -                | -                | -               | -                     |
| 25.4   | Operation & maintenance of facilities          | -                | -                | -               | -                     |
| 25.5   | Research and development                       | -                | -                | -               | -                     |
| 25.6   | Medical care                                   | -                | -                | -               | -                     |
| 25.7   | Operation and maintenance of equipment         | -                | -                | -               | -                     |
| 25.8   | Subsistence and support of persons             | -                | -                | -               | -                     |
| 26.0   | Supplies and materials                         | -                | -                | -               | -                     |
| 31.0   | Equipment                                      | -                | -                | -               | -                     |
| 32.0   | Land and structures                            | 16,029           | 16,408           | -               | -                     |
| 41.0   | Grants, subsidies and contributions            | -                | -                | -               | -                     |
| 42.0   | Insurance claims and indemnity                 | -                | -                | -               | -                     |
| <b>Total, Other Object Classes</b>           |  | <b>\$ 16,029</b> | <b>\$ 16,408</b> | <b>\$ -</b>     | <b>(16,408)</b>       |
| <b>Total Direct Obligations</b>              |  | <b>\$ 16,029</b> | <b>\$ 16,408</b> | <b>\$ -</b>     | <b>\$ (16,408)</b>    |
| Unobligated balance, start of year           |  | (437)            | (408)            | -               | 408                   |
| Unobligated balance, end of year             |  | 408              | -                | -               | -                     |
| <b>Total Requirements</b>                    |  | <b>\$ 16,000</b> | <b>\$ 16,000</b> | <b>\$ -</b>     | <b>(16,000)</b>       |

Note: Total direct obligations does not include advances and reimbursements

**F. Permanent Positions by Grade**

**Not Applicable**

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security  
U. S. Coast Guard  
Alteration of Bridges  
PPA I  
Funding Schedule  
(Dollars in Thousands)**

| Alteration of Bridges           |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|--|------------------|------------------|-----------------|-----------------------|
| <b>Object Classes</b>           |  |                  |                  |                 |                       |
| 11.1                            | Full-time permanent                            | -                | -                | -               | -                     |
| 11.3                            | Other than full-time permanent                 | -                | -                | -               | -                     |
| 11.5                            | Other personnel compensation                   | -                | -                | -               | -                     |
| 11.7                            | Military personnel                             | -                | -                | -               | -                     |
| 11.8                            | Special service pay                            | -                | -                | -               | -                     |
| 12.1                            | Civilian personnel benefits                    | -                | -                | -               | -                     |
| 12.2                            | Military personnel benefits                    | -                | -                | -               | -                     |
| 13.0                            | Benefits-former                                | -                | -                | -               | -                     |
| 21.0                            | Travel   | -                | -                | -               | -                     |
| 22.0                            | Transportation of things                       | -                | -                | -               | -                     |
| 23.1                            | GSA rent                                       | -                | -                | -               | -                     |
| 23.2                            | Other rent                                     | -                | -                | -               | -                     |
| 23.3                            | Communication, utilities, and misc charges     | -                | -                | -               | -                     |
| 24.0                            | Printing and reproduction                      | -                | -                | -               | -                     |
| 25.1                            | Advisory and assistance services               | -                | -                | -               | -                     |
| 25.2                            | Other services                                 | -                | -                | -               | -                     |
| 25.3                            | Purchases of goods & svcs. from gov't accounts | -                | -                | -               | -                     |
| 25.4                            | Operation & maintenance of facilities          | -                | -                | -               | -                     |
| 25.5                            | Research and development                       | -                | -                | -               | -                     |
| 25.6                            | Medical care                                   | -                | -                | -               | -                     |
| 25.7                            | Operation and maintenance of equipment         | -                | -                | -               | -                     |
| 25.8                            | Subsistence and support of persons             | -                | -                | -               | -                     |
| 26.0                            | Supplies and materials                         | -                | -                | -               | -                     |
| 31.0                            | Equipment                                      | -                | -                | -               | -                     |
| 32.0                            | Land and structures                            | 16,029           | 16,000           | -               | (16,000)              |
| 41.0                            | Grants, subsidies and contributions            | -                | -                | -               | -                     |
| 42.0                            | Insurance claims and indemnity                 | -                | -                | -               | -                     |
| <b>Total Direct Obligations</b> |  | <b>\$ 16,029</b> | <b>\$ 16,000</b> | <b>\$ -</b>     | <b>\$ (16,000)</b>    |
| <b>Full Time Equivalents</b>    |  | -                | -                | -               | -                     |

### PPA Mission Statement

The alteration of unreasonably obstructive bridges ensures navigational safety and freedom of mobility to facilitate commerce, emergency response and U.S. Government operations, by providing sufficient clearances for the type of vessels that transit through the bridge. This appropriation reduces the risk of fatalities and allisions, prevents longer transit times, negative impact on regional and national economies, negative impact on response capabilities for emergency vessels and government vessels of the United States, and avoids increased waterway and highway/railway closures due to accidents.

## Summary Justification and Explanation of Changes

### Land and structures

|  | 2007      |    | 2008    |    | 2009    |    | 2008 - 2009 |
|--|-----------|----|---------|----|---------|----|-------------|
|  | Actual    |    | Enacted |    | Request |    | Change      |
|  | \$ 16,029 | \$ | 16,000  | \$ | -       | \$ | (16,000)    |

The Coast Guard is not requesting funding for Alteration of Bridges in FY 2009.

**I. Changes in Full-Time Equivalents**

**Not Applicable**

# Department of Homeland Security

*United States Coast Guard*

*Research, Development, Test and Evaluation*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Research, Development, Test and Evaluation**

**I. Appropriation Overview**

**A. Mission Statement for Research, Development, Test and Evaluation:**

The Coast Guard requests \$16.000 million and 102 FTE in FY 2009, a decrease of \$9.000 million from the \$25.000 million FY 2008 enacted. Research, Development, Test and Evaluation (RDT&E) funding allows the Coast Guard to sustain critical missions by the Department of Homeland Security and Department of Defense. The RDT&E funding requested supports all 11 statutorily-mandated Coast Guard mission programs. These mission-programs in turn directly support the Coast Guard's role as the principal Federal agency for ensuring maritime safety, security and environmental stewardship.

**B. Budget Activities:**

RDT&E projects provide a direct mission benefit in many areas, including: Search and Rescue (SAR), Homeland Security, Marine Safety, Aids to Navigation (AtoN), Ice Operations, Marine Environmental Protection (MEP), Living Marine Resources (LMR), Drug Interdiction and Other Law Enforcement.

**C. Budget Request Summary:**

The Coast Guard requests \$16.000 million in FY 2009 to perform technology assessments/gap analyses of alternatives that meet requirements in the early stages of the acquisition process, to develop technologies and systems to support all mission areas, and to improve operational presence and response. Specific projects include developing advanced analytical techniques to support the acquisition process, building methods and procedures for mass rescue operations at sea, developing new technology for the recovery of oil and hazardous material in extreme cold weather conditions and developing standards for the approval of new aquatic nuisance species prevention systems. Funding also supports program operations and maintenance costs (e.g., salaries, facility rent, utilities, etc.) at the Coast Guard Research and Development Center.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                     | FY 2007 Actual |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                     |                   |
|--|----------------|------------------|-----------------|------------------|-----------------|------------------|--|-------------------|---------------------|-------------------|
|  | FTE            | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | Total Changes                            |                   | Adjustments-to-base |                   |
|  |                |                  |                 |                  |                 |                  | FTE                                      | AMOUNT            | FTE                 | AMOUNT            |
| I. Research, Development, Test and Evaluation                | 102            | \$ 18,446        | 102             | \$ 25,000        | 102             | \$ 16,000        | -  | \$ (9,000)        | -                   | \$ (9,000)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>102</b>     | <b>\$ 18,446</b> | <b>102</b>      | <b>\$ 25,000</b> | <b>102</b>      | <b>\$ 16,000</b> | <b>-</b>                                 | <b>\$ (9,000)</b> | <b>-</b>            | <b>\$ (9,000)</b> |
| <b>Less Adjustments for Other Funding Sources:</b>           |                |                  |                 |                  |                 |                  |  |                   |                     |                   |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>102</b>     | <b>\$ 18,446</b> | <b>102</b>      | <b>\$ 25,000</b> | <b>102</b>      | <b>\$ 16,000</b> | <b>-</b>                                 | <b>\$ (9,000)</b> | <b>-</b>            | <b>\$ (9,000)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: RESEARCH, DEVELOPMENT, TEST AND EVALUATION

|                              | <b>Perm</b> |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>           | <b>107</b>  | <b>102</b> | <b>\$18,446</b> |
| <b>2008 Enacted</b>          | <b>107</b>  | <b>102</b> | <b>25,000</b>   |
| 2009 Adjustments-to-Base     | ...         | ...        | (9,000)         |
| <b>2009 Current Services</b> | <b>107</b>  | <b>102</b> | <b>16,000</b>   |
| 2009 Program Change          | ...         | ...        | ...             |
| <b>2009 Request</b>          | <b>107</b>  | <b>102</b> | <b>16,000</b>   |
| Total Change 2008-2009       | ...         | ...        | (9,000)         |

The Coast Guard requests \$16.000 million for this activity. This is a decrease of \$9.000 million from the FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Coast Guard RDT&E Program supports Coast Guard missions through the development of technologies and systems which enhance Maritime Domain Awareness (MDA), improve operational presence and response and reduce risk in acquisition programs by providing modeling and simulation as well as test and evaluation services.

FY 2007 accomplishments include:

- Developed and evaluated at-sea biometrics system prototype for migrant identification.
- Developed new approach for estimating and improving survivability of distressed mariners.
- Developed new equipment to recover non-buoyant submerged oils that have been spilled into waterways.

FY 2008 funding requirements for the RDT&E Program are grouped into two categories: Coast Guard Mission Research and Operations & Maintenance (e.g., salaries, facility rent, utilities, etc.)

With FY09 funding, the Coast Guard RDT&E Program will conduct MDA research and development in the following areas: extended Situational Awareness out to 100 nautical miles from shore; net-centric data sharing and information security for maritime domain awareness information across agency boundaries to support publish-and-subscribe data

sharing in a future need-to-share environment; portable port security deterrence and detection systems for air, surface, and underwater attack scenarios; and improved boarding team member and support unit communication and connectivity technologies. In addition, the Coast Guard RDT&E Program will conduct legacy mission projects in the following areas: Search and Rescue, Marine Safety, Aids to Navigation, Aquatic Nuisance Species and Oil and Hazardous Material Spill Response.

With the RDT&E Program's integration into the Coast Guard Acquisitions Directorate, there is an increased focus on integrating RDT&E expertise and services into the pre-acquisition process across all major and non-major acquisition projects. The RDT&E Program offers risk-reduction services in the areas of requirements generation, test and evaluation (T&E), modeling and simulation (M&S), technology maturity assessment, technology insertion and alternatives analysis.

### **Projects Planned for FY 2008**

#### Marine Safety

- Search and Rescue Technology  
Mass Rescue Operations (MRO) are defined as civil search and rescue activities characterized by the need for immediate assistance to a large number of people in distress, such that the capabilities normally available to search and rescue authorities are inadequate. The Coast Guard needs sound techniques and procedures to effectively conduct MRO. In addition, this project will expand the knowledge of survival data and the quality of environmental data to support SAR guidance and decision support tools.

#### Protection of Natural Resources

- Oil Spill Response  
Continue research to develop systems and operational processes to address performance gaps in heavy, viscous oil recovery. Existing Coast Guard systems are inadequate for heavy, viscous oil recovery. This includes both emulsified oils floating on the surface and oils heavier than water that sink to the bottom. Regardless of whether the oil is on the surface, neutrally buoyant in the water column or sitting on the bottom, the ability to recover heavy, viscous oil prior to its impact on the coastline remains an elusive capability. The underwater environment poses major problems including poor visibility, difficulty tracking oil spill movement, colder temperatures, problems with containment methods and technologies and the electric or mechanical recovery equipment's interaction with water.
- Aquatic Nuisance Species Control  
Develop a means to ascertain the efficacy of Ballast Water Treatment systems. Reduce the number of incidental introductions of aquatic nuisance species into

U.S. waters during normal ship operations. Develop a regulation for control of non-indigenous species without causing undue hardship to the shipping industry.

## Homeland Security

- Command Centers  
Examine and understand the impact of command center resource investments on Coast Guard mission performance. Develop and assess operational concepts that support the sector command center and understand how variability and command center needs will affect future systems. Identify the impact of not co-locating the situation units with the sector command center.
- Port Security and Law Enforcement  
Develop tools to support boarding teams, compel compliance of people and vessels and understand how new explosive detection technologies can be employed in the maritime environment.

## Pre-Acquisition Support

- Technology Assessment  
Perform technology assessments/gap analyses of alternatives that meet requirements in the early stages of the acquisition process. The benefit of these assessments is an evaluation of the risk of the various alternatives. Unmanned Aerial Systems (UAS): Priority research will be conducted to determine the best unmanned aerial system to operate in conjunction with the National Security Cutter (NSC). Heartland Waterway Vessel (HWV): In-kind resources will contribute to a joint financial venture between DHS S&T, the Coast Guard and industry to investigate viability and applicability of emerging technologies for reduced emissions, alternative propulsion, “green” technologies and modular design in order to support the future major-acquisition recapitalization and multi-mission modernization of inland-river and Great Lakes cutter fleets. Polar Research:  
Investigate the Polar environment and technological issues associated with possible future expansion of Coast Guard operations in the Arctic and other extremely cold climate areas. Analyze the peculiarities of performing Coast Guard missions in such climates and develop new technologies and/or modify existing technologies to address the disparities between normal and extremely cold climate operations, allowing the Coast Guard to support the acquisition and management of resources important to national security across all Coast Guard mission areas. To the extent possible, collaborate with DHS S&T Universities Program and the Center of Excellence for Maritime, Island, and Extreme/Remote Environment Security.

## Projects Planned for FY 2009

### Marine Safety

- Search and Rescue Technology  
Continue research addressing the Coast Guard's need for methods and procedures to rescue large numbers of people in a SAR incident. Mass Rescue Operations (MRO) are defined as a civil search and rescue activity characterized by the need for immediate assistance to a large number of persons in distress, such that the capabilities normally available to search and rescue authorities are inadequate.

### Protection of Natural Resources

- Oil Spill Response  
Continue research to develop systems and operational processes to address performance gaps in heavy, viscous oil recovery, including detection of oil during low-visibility situations. This includes both emulsified oils floating on the surface and oils heavier than water that sink to the bottom. Regardless of whether the oil is on the surface, neutrally buoyant in the water or sitting on the bottom, the ability to recover heavy, viscous oil prior to its impact on the coastline remains a challenge. New initiatives will address the challenges posed by the underwater environment including: poor visibility, difficulty tracking oil spill movement, colder temperatures, limited containment methods and technologies and the electric or mechanical recovery equipment compatibility with water.
- Aquatic Nuisance Species Control  
Develop a means to ascertain the efficacy of Aquatic Nuisance Prevention measures on "non-ballast water" systems. Develop new initiatives to reduce the number of incidental introductions of aquatic nuisance species into U.S. waters during normal ship operations. Use requirements analysis and modeling and simulation to develop technical input into regulations for nuisance species control without causing undue burden to the shipping industry.

### Homeland Security

- Improved Maritime Domain Awareness  
Investigate technologies such as High Altitude Long Endurance UAV's to extend maritime domain awareness/coordinate long range operations. Provide technologies (e.g. biometrics, wireless boarding team connectivity) to support adaptive force packages. Investigate net-centric data sharing and information security for maritime domain awareness information across agency boundaries to support publish-and-subscribe data sharing in a future need-to-share environment.

## Pre-Acquisition Support

- Technology Assessment  
Apply the RDT&E Program's resident expertise to the pre-acquisition phase of major acquisitions to determine technology maturity and application. Pre-acquisition functions include: Market Surveys, Gap Analysis, Business Case, Development, User Wants & Needs Generation, Requirements Validation Cost Analysis, Modeling & Simulation, Prototyping & Field Tests, Trade-Off Studies, Human Factors Analysis, Alternatives Analyses, Proposal Review, and Technology Readiness Assessments. The benefit of conducting these analyses and assessments is an evaluation of the risk of the various alternatives and a resulting methodology for managing acquisition risk. Use the Mosaic system, a requirements generation tool developed by the Research and Development Center, to support Coast Guard resource allocation analysis. Heartland Waterway Vessel (HWV): Continue joint financial venture between S&T, the Coast Guard, and industry to investigate viability and applicability of emerging technologies for reduced emissions, alternative propulsion, "green" technologies and modular design in order to support the major acquisition future recapitalization and multi-mission modernization of inland, river, and Great Lakes cutter fleets.
- Modeling & Simulation (M&S)  
Adapt the RDT&E Program's resident M&S expertise to the many on-going acquisition projects and develop, adapt, and/or maintain effective, agile M&S tools to support the decision-making processes of the operational sponsors and acquisition project managers. For sponsors, M&S aids in the development of the proper asset mix and improves and validates user requirements. In acquisitions, M&S reduces the cost of design, development, testing and evaluation throughout the acquisition cycle by harnessing software to perform labor-intensive tasks, freeing resources which would otherwise be required.

#### **IV. Program Justification of Changes**

**Not Applicable**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U. S. Coast Guard  
Justification of Proposed Changes in Research, Development, Test and Evaluation  
Appropriation Language**

For necessary expenses for applied scientific research, development, test, and evaluation; and for maintenance, rehabilitation, lease, and operation of facilities and equipment; as authorized by law; [\$25,000,000] **\$16,000,000** to remain available until expended, of which \$500,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Spill Pollution Act of 1990 (33 U.S.C. 2712(a)(5)): *Provided*, that there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, test and evaluation. (*Department of Homeland Security Appropriations Act, 2008.*)

**Explanation of Changes:**

No substantive changes proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|--|-------------|------------|---------------|
| <b>2007 Actual</b>                     | <b>107</b>  | <b>102</b> | <b>18,446</b> |
| <b>2008 Enacted</b>                    | <b>107</b>  | <b>102</b> | <b>25,000</b> |
| <b>Adjustments-to-Base</b>             |             |            |               |
| Increases                              |             |            |               |
| Annualization of FY 2008 Pay Raise     | -           | -          | 91            |
| FY 2009 Pay Raise                      | -           | -          | 388           |
| Non-Pay Inflation                      | -           | -          | 91            |
| Total Increases                        | -           | -          | 570           |
| Decreases                              |             |            |               |
| Termination of one-time costs          | -           | -          | -             |
| Management and Technology Efficiencies | -           | -          | (9,570)       |
| Total Decreases                        | -           | -          | (9,570)       |
| <b>Total Adjustments-to-Base</b>       | -           | -          | (9,000)       |
| <b>2009 Current Services</b>           | <b>107</b>  | <b>102</b> | <b>16,000</b> |
| <b>2009 Request</b>                    | <b>107</b>  | <b>102</b> | <b>16,000</b> |
| <b>2008 to 2009 Total Change</b>       | -           | -          | (9,000)       |





**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|------------------|------------------|------------------|-----------------------|
| 11.1 Full-time permanent                                    | 6,262            | 6,548            | 6,890            | 342                   |
| 11.3 Other than full-time permanent                         | 134              | 146              | 160              | 14                    |
| 11.5 Other personnel compensation                           | 205              | 209              | 214              | 5                     |
| 11.7 Military personnel                                     | 2,214            | 2,268            | 2,321            | 53                    |
| 11.8 Special service pay                                    | -                | -                | -                | -                     |
| 12.1 Civilian personnel benefits                            | 1,525            | 1,596            | 1,681            | 85                    |
| 12.2 Military personnel benefits                            | 157              | 160              | 163              | 3                     |
| 13.0 Benefits-former  | -                | -                | -                | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>                | <b>\$ 10,497</b> | <b>\$ 10,927</b> | <b>\$ 11,429</b> | <b>\$ 502</b>         |
| Other Objects Classes:                                      |                  |                  |                  |                       |
| 21.0 Travel   | 614              | 715              | 353              | (362)                 |
| 22.0 Transportation of things                               | 81               | 94               | 47               | (47)                  |
| 23.1 GSA rent   | -                | -                | 915              | 915                   |
| 23.2 Other rent   | 514              | 599              | 238              | (361)                 |
| 23.3 Communication, utilities, and misc charges             | 532              | 620              | 306              | (314)                 |
| 24.0 Printing and reproduction                              | 15               | 17               | 9                | (8)                   |
| 25.1 Advisory and assistance services                       | 475              | 553              | 273              | (280)                 |
| 25.2 Other services   | 30               | 35               | 17               | (18)                  |
| 25.3 Purchases of goods & svcs. from gov't accounts         | 28               | 33               | 16               | (17)                  |
| 25.4 Operation & maintenance of facilities                  | 48               | 56               | 28               | (28)                  |
| 25.5 Research and development                               | 3,894            | 11,952           | 1,832            | (10,120)              |
| 25.6 Medical care   | -                | -                | 0                | -                     |
| 25.7 Operation and maintenance of equipment                 | 25               | 28               | 13               | (15)                  |
| 25.8 Subsistence and support of persons                     | -                | -                | 0                | -                     |
| 26.0 Supplies and materials                                 | 1,693            | 1,972            | 524              | (1,448)               |
| 31.0 Equipment  | -                | -                | -                | -                     |
| 32.0 Land and structures                                    | -                | -                | -                | -                     |
| 41.0 Grants, subsidies and contributions                    | -                | -                | -                | -                     |
| 42.0 Insurance claims and indemnity                         | -                | -                | -                | -                     |
| <b>Total, Other Object Classes</b>                          | <b>\$ 7,949</b>  | <b>\$ 16,674</b> | <b>\$ 4,571</b>  | <b>\$ (12,103)</b>    |
| <b>Total, Research, Development, Test, &amp; Evaluation</b> | <b>\$ 18,446</b> | <b>\$ 27,601</b> | <b>\$ 16,000</b> | <b>\$ (11,601)</b>    |
| Unobligated balance, start of year                          | 3,262            | 2,601            | -                | -                     |
| Unobligated balance, end of year                            | 2,601            | -                | -                | -                     |
| <b>Total Requirements</b>                                   | <b>17,785</b>    | <b>25,000</b>    | <b>16,000</b>    | <b>(9,000)</b>        |

Note 1: Total direct obligations does not include advances and reimbursements.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test, and Evaluation - Military  
Permanent Positions by Grade**

| Grade                                       | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| O-10  | -              | -               | -               | -              |
| O-9   | -              | -               | -               | -              |
| O-8   | -              | -               | -               | -              |
| O-7   | -              | -               | -               | -              |
| O-6   | 2              | 2               | 2               | -              |
| O-5   | 1              | 1               | 1               | -              |
| O-4   | 5              | 5               | 5               | -              |
| O-3   | 8              | 8               | 8               | -              |
| O-2   | -              | -               | -               | -              |
| O-1   | -              | -               | -               | -              |
| CWO4  | 2              | 2               | 2               | -              |
| Cadet                                       | -              | -               | -               | -              |
| E-10  | -              | -               | -               | -              |
| E-9   | -              | -               | -               | -              |
| E-8   | 1              | 1               | 1               | -              |
| E-7   | 1              | 1               | 1               | -              |
| E-6   | 4              | 4               | 4               | -              |
| E-5   | -              | -               | -               | -              |
| E-4   | 2              | 2               | 2               | -              |
| E-3   | 2              | 2               | 2               | -              |
| E-2   | -              | -               | -               | -              |
| E-1   | -              | -               | -               | -              |
| Other Graded Positions                      | -              | -               | -               | -              |
| Ungraded Positions                          | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | <b>28</b>      | <b>28</b>       | <b>28</b>       | <b>-</b>       |
| Unfilled Positions EOY                      | -              | -               | -               | -              |
| Total Perm. Employment EOY                  | 28             | 28              | 28              | -              |
| <b>FTE*</b>                                 | <b>28</b>      | <b>28</b>       | <b>28</b>       | <b>-</b>       |
| Headquarters                                | 2              | 2               | 2               | -              |
| U.S. Field                                  | 26             | 26              | 26              | -              |
| Foreign Field                               | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | <b>28</b>      | <b>28</b>       | <b>28</b>       | <b>-</b>       |
| Position Data:                              |                |                 |                 |                |
| <b>Average Salary, Officer Positions**</b>  | \$102,060.33   | \$106,352.00    | \$114,553.00    | \$8,201.00     |
| <b>Average Grade, Officer Positions</b>     | 3.64           | 3.64            | 3.64            | 0.00           |
| <b>Average Salary, Enlisted Positions**</b> | \$53,253.50    | \$55,678.00     | \$60,873.00     | \$5,195.00     |
| <b>Average Grade, Enlisted Positions</b>    | 5.30           | 5.30            | 5.30            | 0.00           |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 3              | 3               | 3               | -              |
| GS-14   | 15             | 15              | 15              | -              |
| GS-13   | 31             | 31              | 31              | -              |
| GS-12   | 19             | 19              | 19              | -              |
| GS-11   | 1              | 1               | 1               | -              |
| GS-10   | -              | -               | -               | -              |
| GS-9  | 4              | 4               | 4               | -              |
| GS-8  | 1              | 1               | 1               | -              |
| GS-7  | 4              | 4               | 4               | -              |
| GS-6  | -              | -               | -               | -              |
| GS-5  | -              | -               | -               | -              |
| GS-4  | -              | -               | -               | -              |
| GS-3  | -              | -               | -               | -              |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | 1              | 1               | 1               | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>79</b>      | <b>79</b>       | <b>79</b>       | <b>-</b>       |
| Unfilled Positions EOY                        | 6              | 6               | 6               | -              |
| Total Perm. Employment (Filled Positions) EOY | 73             | 73              | 73              | -              |
| <b>FTE</b>                                    | <b>74</b>      | <b>74</b>       | <b>74</b>       | <b>-</b>       |
| Headquarters                                  | 5              | 5               | 5               | -              |
| U.S. Field                                    | 74             | 74              | 74              | -              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>79</b>      | <b>79</b>       | <b>79</b>       | <b>-</b>       |
| <u>Position Data:</u>                         |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$107,269.23   | \$114,632.05    | \$115,542.00    | 909.95         |
| <b>Average Grade, GS Positions</b>            | 12.42          | 0.00            | 0.00            | 0.00           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

**H. PPA Budget Justifications**

**Department of Homeland Security  
U. S. Coast Guard  
Research, Development, Test and Evaluation  
PPA I  
Funding Schedule  
(Dollars in Thousands)**

| <b>Research, Development, Test and Evaluation</b>           |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Object Classes</b>                                       |  |                        |                         |                         |                               |
| 11.1  | Full-time permanent                            | 6,262                  | 6,548                   | 6,890                   | 342                           |
| 11.3  | Other than full-time permanent                 | 134                    | 146                     | 160                     | 14                            |
| 11.5  | Other personnel compensation                   | 205                    | 209                     | 214                     | 5                             |
| 11.7  | Military personnel                             | 2,214                  | 2,268                   | 2,321                   | 53                            |
| 11.8  | Special service pay                            | -                      | -                       | -                       | -                             |
| 12.1  | Civilian personnel benefits                    | 1,525                  | 1,596                   | 1,681                   | 85                            |
| 12.2  | Military personnel benefits                    | 157                    | 160                     | 163                     | 3                             |
| 13.0  | Benefits-former                                | -                      | -                       | -                       | -                             |
| 21.0  | Travel   | 614                    | 715                     | 353                     | (362)                         |
| 22.0  | Transportation of things                       | 81                     | 94                      | 47                      | (47)                          |
| 23.1  | GSA rent                                       | -                      | -                       | 915                     | 915                           |
| 23.2  | Other rent                                     | 514                    | 599                     | 238                     | (361)                         |
| 23.3  | Communication, utilities, and misc charges     | 532                    | 620                     | 306                     | (314)                         |
| 24.0  | Printing and reproduction                      | 15                     | 17                      | 9                       | (8)                           |
| 25.1  | Advisory and assistance services               | 475                    | 553                     | 273                     | (280)                         |
| 25.2  | Other services                                 | 30                     | 35                      | 17                      | (18)                          |
| 25.3  | Purchases of goods & svcs. from gov't accounts | 28                     | 33                      | 16                      | (17)                          |
| 25.4  | Operation & maintenance of facilities          | 48                     | 56                      | 28                      | (28)                          |
| 25.5  | Research and development                       | 3,894                  | 11,952                  | 1,832                   | (10,120)                      |
| 25.6  | Medical care                                   | -                      | -                       | -                       | -                             |
| 25.7  | Operation and maintenance of equipment         | 25                     | 28                      | 13                      | (15)                          |
| 25.8  | Subsistence and support of persons             | -                      | -                       | -                       | -                             |
| 26.0  | Supplies and materials                         | 1,693                  | 1,972                   | 524                     | (1,448)                       |
| 31.0  | Equipment                                      | -                      | -                       | -                       | -                             |
| 32.0  | Land and structures                            | -                      | -                       | -                       | -                             |
| 41.0  | Grants, subsidies and contributions            | -                      | -                       | -                       | -                             |
| 42.0  | Insurance claims and indemnity                 | -                      | -                       | -                       | -                             |
| <b>Total, Research, Development, Test, &amp; Evaluation</b> |  | <b>\$ 18,446</b>       | <b>\$ 27,601</b>        | <b>\$ 16,000</b>        | <b>\$ (11,601)</b>            |
| <b>Full Time Equivalents</b>                                |  | <b>102</b>             | <b>102</b>              | <b>102</b>              | <b>-</b>                      |

**PPA Mission Statement**

Research, Development, Test and Evaluation (RDT&E) will allow the Coast Guard to maintain its non-homeland security research and development capability, while also partnering and leveraging initiatives identified by the Department of Homeland Security (DHS) and the Department of Defense (DOD) for efforts beneficial to the Coast Guard, DHS, and DOD for homeland security missions.

## Summary Justification and Explanation of Changes

### Salaries and Benefits

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 10,497      | \$ | 10,927          | \$ | 11,429          | \$ | 502                   |

FY 2009 request includes funding for the proposed pay raise (currently predicted at 3.4% for military and 2.9% for civilians), medical benefits, other mandatory personnel entitlements.

### Travel

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 614         | \$ | 715             | \$ | 353             | \$ | (362)                 |

Transportation of things includes all costs of the care of such things while in process of being transported and other services incident to the transportation of things. Reduced funding in FY 2009 is a result of shifts in project funding and their progress.

### Transportation of things

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 81          | \$ | 94              | \$ | 47              | \$ | (47)                  |

Transportation of things includes all costs of the care of such things while in process of being transported and other services incident to the transportation of things. Specifically, funding provides for shipment of goods, equipment, supplies and materials to support completion of RDT&E projects. Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

### GSA rent

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ -           | \$ | -               | \$ | 915             | \$ | 915                   |

Increased funding in FY 2009 is a result of the Research and Development Center's move from Groton, CT to a GSA lease in New London, CT scheduled for December 2009.

### Other rent

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 514         | \$ | 599             | \$ | 238             | \$ | (361)                 |

Reduced funding in FY 2009 is a result of the Research and Development Center's move from Groton, CT to a GSA lease in New London, CT scheduled for December 2008.

**Communication, utilities, and misc charges**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 532    | \$ | 620     | \$ | 306     | \$ | (314)       |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Printing and reproduction**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 15     | \$ | 17      | \$ | 9       | \$ | (8)         |

Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Advisory and Assistance**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 475    | \$ | 553     | \$ | 273     | \$ | (280)       |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Other services**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 30     | \$ | 35      | \$ | 17      | \$ | (18)        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Purchases of goods & svcs. from gov't accounts**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 28     | \$ | 33      | \$ | 16      | \$ | (17)        |

Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Operation & maintenance of facilities**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 48     | \$ | 56      | \$ | 28      | \$ | (28)        |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Specifically, funds support contracted janitorial, landscaping, security, and environmental services (e.g. hazardous materials disposal) associated with the operation of Coast Guard facilities.

**Research and development**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 3,894  | \$ | 11,952  | \$ | 1,832   | \$ | (10,120)    |

Change results from an increase in advanced technology demonstrations and test and evaluations in support of Coast Guard acquisitions. Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Operation and maintenance of equipment**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 27     | \$ | 28      | \$ | 13      | \$ | (15)        |

Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**Supplies and materials**

|    | 2007   |    | 2008    |    | 2009    |    | 2008 - 2009 |
|----|--------|----|---------|----|---------|----|-------------|
|    | Actual |    | Enacted |    | Request |    | Change      |
| \$ | 1,693  | \$ | 1,972   | \$ | 524     | \$ | (1,448)     |

Reduced funding in FY 2009 is a result of shifts in project funding for technology demonstrations, testing and evaluations and their progress.

**I. Changes in Full-Time Equivalents**

**Not Applicable**

# Department of Homeland Security

*United States Coast Guard*

*Medicare-Eligible Retiree Health Care Fund  
Contribution*

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Fiscal Year 2009  
Congressional Justification



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**U. S. Coast Guard**  
**Medicare-Eligible Retiree Health Care Fund Contribution**

**I. Appropriation Overview**

**A. Mission Statement for the Health Care Fund Contribution:**

The Coast Guard requests \$257.305 million in FY 2009, a decrease of \$14.806 million over the FY 2008 enacted level. The Medicare-Eligible Retiree Health Care Fund Contribution (HFC) will provide funding to maintain the cost of accruing the military Medicare-eligible health benefit contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund. Contributions are for future Medicare-eligible retirees currently serving on active duty in the Coast Guard, retiree dependents, and their potential survivors. The authority for the Coast Guard to make this payment on an annual basis was provided in P. L. 108-375, the 2005 Defense Appropriations Act. While this expenditure requires no annual action by Congress, it is considered to be discretionary spending.

**B. Budget Activities:**

Although there are no budget activities directly related to providing this benefit to Active Duty personnel and their dependents, this appropriation supports the personal health and well-being of every uniformed member of the Coast Guard.

**C. Budget Request Summary:**

The Coast Guard estimate of \$257.305 million will be paid to the DOD Medicare-Eligible Retiree Health Care Fund in FY 2009 to support the benefits outlined above. The total adjustment to the base is \$14.806 million.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Medicare-Eligible Retiree Health Care Fund Contribution  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                     | FY 2007 Actual |                   | FY 2008 Enacted |                   | FY 2009 Request |                   | Increase (+) or Decrease (-) For FY 2009 |                    |                     |                    |
|--|----------------|-------------------|-----------------|-------------------|-----------------|-------------------|--|--------------------|---------------------|--------------------|
|  | FTE            | AMOUNT            | FTE             | AMOUNT            | FTE             | AMOUNT            | Total Changes                            |                    | Adjustments-to-base |                    |
|  |                |                   |                 |                   |                 |                   | AMOUNT                                   | FTE                | AMOUNT              | FTE                |
| I. Medicare-Eligible Retiree Healthcare Fund Contribution    | -              | \$ 278,704        | -               | \$ 272,111        | -               | \$ 257,305        | -  | \$ (14,806)        | -                   | \$ (14,806)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>-</b>       | <b>\$ 278,704</b> | <b>-</b>        | <b>\$ 272,111</b> | <b>-</b>        | <b>\$ 257,305</b> | <b>-</b>                                 | <b>\$ (14,806)</b> | <b>-</b>            | <b>\$ (14,806)</b> |
| <b>Less Adjustments for Other Funding Sources:</b>           |                |                   |                 |                   |                 |                   |  |                    |                     |                    |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>-</b>       | <b>\$ 278,704</b> | <b>-</b>        | <b>\$ 272,111</b> | <b>-</b>        | <b>\$ 257,305</b> | <b>-</b>                                 | <b>\$ (14,806)</b> | <b>-</b>            | <b>\$ (14,806)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Medicare-Eligible Retiree Health Care Fund Contribution  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: MEDICARE-ELIGIBLE RETIREE HEALTH CARE FUND CONTRIBUTION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$278,704</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>272,111</b>   |
| 2009 Adjustments-to-Base     |                     |            | -14,806          |
| <b>2009 Current Services</b> | ...                 | ...        | <b>257,305</b>   |
| 2009 Program Change          | ...                 | ...        | ...              |
| <b>2009 Request</b>          | ...                 | ...        | <b>257,305</b>   |
| Total Change 2008-2009       | ...                 | ...        | -14,806          |

The Coast Guard requests \$257.305 million for this activity. This is a decrease of \$14.806 million over the FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Medicare-Eligible Retiree Health Care Fund Contribution (HFC) will provide funding to maintain the cost of accruing the military Medicare-eligible health benefit contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund. Contributions are for future Medicare-eligible retirees, retiree dependents and survivors in the Coast Guard.

#### **IV. Program Justification of Changes**

**Not Applicable**

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

Not applicable

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U. S. Coast Guard  
Medicare-Eligible Retiree Health Care Fund Contribution  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|----------------------------------|-------------|------------|-----------------|
| <b>2007 Actual</b>               | -           | -          | 278,704         |
| <b>2008 Enacted</b>              | -           | -          | 272,111         |
| <b>Adjustments-to-Base</b>       |             |            |                 |
| Increases                        |             |            |                 |
| Non-Pay Inflation                | -           | -          |                 |
| Total Increases                  | -           | -          |                 |
| Decreases                        |             |            |                 |
| Total Decreases                  | -           | -          | (14,806)        |
| <b>Total Adjustments-to-Base</b> | -           | -          | <b>(14,806)</b> |
| <b>2009 Current Services</b>     | -           | -          | <b>257,305</b>  |
| <b>Program Changes</b>           |             |            |                 |
| Program Increases/(Decreases)    | -           | -          | -               |
| <b>Total Program Changes</b>     | -           | -          | -               |
| <b>2009 Request</b>              | -           | -          | <b>257,305</b>  |
| <b>2008 to 2009 Total Change</b> | -           | -          | <b>(14,806)</b> |

**C. Summary of Requirements**

**Department of Homeland Security  
U. S. Coast Guard  
Medicare-Eligible Retiree Health Care Fund Contribution  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2007 Actual |     | 2008 Enacted |            | 2009 Request |          |
|--|-------------|-----|--------------|------------|--------------|----------|
|  | Perm. Pos.  | FTE | Amount       | Perm. Pos. | FTE          | Amount   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) | -           | -   | 278,704      | -          | -            | 272,111  |
| Transfers  | -           | -   | -            | -          | -            | -        |
| Increases  | -           | -   | -            | -          | -            | -        |
| Decreases  | -           | -   | (14,806)     | -          | -            | (14,806) |
| Total Adjustments-to-Base  | -           | -   | (14,806)     | -          | -            | (14,806) |
| <b>2009 Current Services</b>   | -           | -   | -            | -          | -            | 257,305  |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | -           | -   | -            | -          | -            | -        |
| <b>2009 Request</b>  | -           | -   | -            | -          | -            | 257,305  |
| <b>2008 to 2009 Total Change</b>   | -           | -   | -            | -          | -            | (14,806) |

| Estimates by Program/Project Activity         | 2008 President' Budget |     | 2009 Adjustments-to-Base |      | 2009 Program Change |          | 2009 Request |     | 2008 to 2009 Total Change |         |     |        |          |
|---|------------------------|-----|--------------------------|------|---------------------|----------|--------------|-----|---------------------------|---------|-----|--------|----------|
|   | Pos.                   | FTE | Amount                   | Pos. | FTE                 | Amount   | Pos.         | FTE | Amount                    | Pos.    | FTE | Amount |          |
| I. Medicare-Eligible Retiree Health Care Fund | -                      | -   | 272,111                  | -    | -                   | (14,806) | -            | -   | -                         | 257,305 | -   | -      | (14,806) |
| <b>Total</b>                                  | -                      | -   | 272,111                  | -    | -                   | (14,806) | -            | -   | -                         | 257,305 | -   | -      | (14,806) |

**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Medicare-Eligible Retiree Health Care Fund Contribution  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|---|-------------------|-------------------|-------------------|-----------------------|
| 11.1 Full-time permanent                            | -                 | -                 | -                 | -                     |
| 11.3 Other than full-time permanent                 | -                 | -                 | -                 | -                     |
| 11.5 Other personnel compensation                   | -                 | -                 | -                 | -                     |
| 11.7 Military personnel                             | -                 | -                 | -                 | -                     |
| 11.8 Special service pay                            | -                 | -                 | -                 | -                     |
| 12.1 Civilian personnel benefits                    | -                 | -                 | -                 | -                     |
| 12.2 Military personnel benefits                    | 278,704           | 272,111           | 257,305           | (14,806)              |
| 13.0 Benefits-former                                | -                 | -                 | -                 | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ 278,704</b> | <b>\$ 272,111</b> | <b>\$ 257,305</b> | <b>\$ (14,806)</b>    |
| Other Objects Classes:                              |                   |                   |                   |                       |
| 21.0 Travel   | -                 | -                 | -                 | -                     |
| 22.0 Transportation of things                       | -                 | -                 | -                 | -                     |
| 23.1 GSA rent                                       | -                 | -                 | -                 | -                     |
| 23.2 Other rent                                     | -                 | -                 | -                 | -                     |
| 23.3 Communication, utilities, and misc charges     | -                 | -                 | -                 | -                     |
| 24.0 Printing and reproduction                      | -                 | -                 | -                 | -                     |
| 25.1 Advisory and assistance services               | -                 | -                 | -                 | -                     |
| 25.2 Other services                                 | -                 | -                 | -                 | -                     |
| 25.3 Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                     |
| 25.4 Operation & maintenance of facilities          | -                 | -                 | -                 | -                     |
| 25.5 Research and development                       | -                 | -                 | -                 | -                     |
| 25.6 Medical care                                   | -                 | -                 | -                 | -                     |
| 25.7 Operation and maintenance of equipment         | -                 | -                 | -                 | -                     |
| 25.8 Subsistence and support of persons             | -                 | -                 | -                 | -                     |
| 26.0 Supplies and materials                         | -                 | -                 | -                 | -                     |
| 31.0 Equipment                                      | -                 | -                 | -                 | -                     |
| 32.0 Land and structures                            | -                 | -                 | -                 | -                     |
| 41.0 Grants, subsidies and contributions            | -                 | -                 | -                 | -                     |
| 42.0 Insurance claims and indemnity                 | -                 | -                 | -                 | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>           |
| <b>Total Direct Obligations</b>                     | <b>\$ 278,704</b> | <b>\$ 272,111</b> | <b>\$ 257,305</b> | <b>\$ (14,806)</b>    |
| Unobligated balance, start of year                  | -                 | -                 | -                 | -                     |
| Unobligated balance, end of year                    | -                 | -                 | -                 | -                     |
| <b>Total Requirements</b>                           | <b>\$ 278,704</b> | <b>\$ 272,111</b> | <b>\$ 257,305</b> | <b>\$ (14,806)</b>    |

Note: Beginning in FY 2006, the contribution was officially re-allocated from the Operating Expenses to the Medicare-Eligible Retiree Health Care Fund Contribution.

**F. Permanent Positions by Grade**

**Not Applicable**

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Medicare-Eligible Retiree Health Care Fund Contribution**  
**PPA I**  
**Funding Schedule**  
(Dollars in Thousands)

| Medicare-Eligible Retiree Health Care Fund Contribution |  | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|---|--|-------------------|-------------------|-------------------|-----------------------|
| <b>Object Classes</b>                                   |  |                   |                   |                   |                       |
| 11.1  | Full-time permanent                            | -                 | -                 | -                 | -                     |
| 11.3  | Other than full-time permanent                 | -                 | -                 | -                 | -                     |
| 11.5  | Other personnel compensation                   | -                 | -                 | -                 | -                     |
| 11.7  | Military personnel                             | -                 | -                 | -                 | -                     |
| 11.8  | Special service pay                            | -                 | -                 | -                 | -                     |
| 12.1  | Civilian personnel benefits                    | -                 | -                 | -                 | -                     |
| 12.2  | Military personnel benefits                    | 278,704           | 272,111           | 257,305           | (14,806)              |
| 13.0  | Benefits-former                                | -                 | -                 | -                 | -                     |
| 21.0  | Travel   | -                 | -                 | -                 | -                     |
| 22.0  | Transportation of things                       | -                 | -                 | -                 | -                     |
| 23.1  | GSA rent                                       | -                 | -                 | -                 | -                     |
| 23.2  | Other rent                                     | -                 | -                 | -                 | -                     |
| 23.3  | Communication, utilities, and misc charges     | -                 | -                 | -                 | -                     |
| 24.0  | Printing and reproduction                      | -                 | -                 | -                 | -                     |
| 25.1  | Advisory and assistance services               | -                 | -                 | -                 | -                     |
| 25.2  | Other services                                 | -                 | -                 | -                 | -                     |
| 25.3  | Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                     |
| 25.4  | Operation & maintenance of facilities          | -                 | -                 | -                 | -                     |
| 25.5  | Research and development                       | -                 | -                 | -                 | -                     |
| 25.6  | Medical care                                   | -                 | -                 | -                 | -                     |
| 25.7  | Operation and maintenance of equipment         | -                 | -                 | -                 | -                     |
| 25.8  | Subsistence and support of persons             | -                 | -                 | -                 | -                     |
| 26.0  | Supplies and materials                         | -                 | -                 | -                 | -                     |
| 31.0  | Equipment                                      | -                 | -                 | -                 | -                     |
| 32.0  | Land and structures                            | -                 | -                 | -                 | -                     |
| 41.0  | Grants, subsidies and contributions            | -                 | -                 | -                 | -                     |
| 42.0  | Insurance claims and indemnity                 | -                 | -                 | -                 | -                     |
| <b>Total Direct Obligations</b>                         |  | <b>\$ 278,704</b> | <b>\$ 272,111</b> | <b>\$ 257,305</b> | <b>\$ (14,806)</b>    |
| <b>Full Time Equivalents</b>                            |  | -                 | -                 | -                 | -                     |

### PPA Mission Statement

The Medicare-Eligible Retiree Health Care Fund Contribution (HFC) will provide funding to maintain the cost of accruing the military Medicare-eligible health benefit contributions to the Department of Defense Medicare-Eligible Retiree Health Care Fund. Contributions are for future Medicare-eligible retirees, retiree dependents and survivors in the Coast Guard.

## Summary Justification and Explanation of Changes

### Salaries and Benefits

|  | 2007<br>Actual |    | 2008<br>Enacted |    | 2009<br>Request |    | 2008 - 2009<br>Change |
|--|----------------|----|-----------------|----|-----------------|----|-----------------------|
|  | \$ 278,704     | \$ | 272,111         | \$ | 257,305         | \$ | (14,806)              |

Salaries and Benefits include the annual contribution to the military Medicare-Eligible Retiree Health Care Fund. The FY 2009 request includes a decrease of \$14.806 million.

**I. Changes in Full-Time Equivalents**

**Not Applicable**



# Department of Homeland Security

*United States Coast Guard*

*Retired Pay*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Retired Pay**

**I. Appropriation Overview**

**A. Mission Statement for Retired Pay:**

The Coast Guard requests \$1.237 million in FY 2009, an increase of \$52.025 million over the FY 2008 enacted level. Retired Pay (RP) will provide payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans as well as other retired personnel entitlements identified under the National Defense Authorization Act. It also provides payments for medical care of retired personnel and their dependents.

**B. Budget Activities:**

Although there are no budget activities directly related to providing this benefit to Active Duty personnel and their dependents, it ensures the U. S. Government keeps faith with its commitments to Coast Guard retirees and their dependents.

**C. Budget Request Summary:**

The Coast Guard requests \$1.237 million in FY 2009 to support the benefits outlined above. The Coast Guard also requests that any FY 2009 funding remain available until expended. This is consistent with the enacted Consolidated Appropriations Act of 2008 (H.R. 2764). The Retired Pay appropriation is scored as a mandatory appropriation in the budget process.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Retired Pay**

**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                     | FY 2008 Enacted |                     | FY 2009 Request |                     | Total Changes |                  | Increase (+) or Decrease (-) For FY 2009 |                  | Adjustments-to-base |                  |
|--|----------------|---------------------|-----------------|---------------------|-----------------|---------------------|---------------|------------------|--|------------------|---------------------|------------------|
|  | FTE            | AMOUNT              | FTE             | AMOUNT              | FTE             | AMOUNT              | FTE           | AMOUNT           | FTE                                      | AMOUNT           | FTE                 | AMOUNT           |
| I. Retired Pay   | -              | \$ 1,081,844        | -               | \$ 1,184,720        | -               | \$ 1,236,745        | -             | \$ 52,025        | -  | \$ 52,025        | -                   | \$ 52,025        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>-</b>       | <b>\$ 1,081,844</b> | <b>-</b>        | <b>\$ 1,184,720</b> | <b>-</b>        | <b>\$ 1,236,745</b> | <b>-</b>      | <b>\$ 52,025</b> | <b>-</b>                                 | <b>\$ 52,025</b> | <b>-</b>            | <b>\$ 52,025</b> |
| <b>Adjustments for Other Funding Sources:</b>                |                |                     |                 |                     |                 |                     |               |                  |  |                  |                     |                  |
| Pursuant to Public Law 110-28 (Supplemental)                 |                | [30,000]            |                 |                     |                 |                     |               |                  |  |                  |                     |                  |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>-</b>       | <b>\$ 1,081,844</b> | <b>-</b>        | <b>\$ 1,184,720</b> | <b>-</b>        | <b>\$ 1,236,745</b> | <b>-</b>      | <b>\$ 52,025</b> | <b>-</b>                                 | <b>\$ 52,025</b> | <b>-</b>            | <b>\$ 52,025</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Retired Pay  
Program Performance Justification  
(Dollars in Thousands)**

PPA: RETIRED PAY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$1,081,844</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>1,184,720</b>   |
| 2009 Adjustments-to-Base     |                     |            | 52,025             |
| <b>2009 Current Services</b> | ...                 | ...        | <b>1,236,745</b>   |
| 2009 Program Change          | ...                 | ...        | ...                |
| <b>2009 Request</b>          | ...                 | ...        | <b>1,236,745</b>   |
| Total Change 2008-2009       | ...                 | ...        | 52,025             |

The Coast Guard requests \$1.237 million for this activity. This is an increase of \$52.025 million over the FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Retired Pay will provide payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans as well as other retired personnel entitlements identified under the National Defense Authorization Act. It also provides payments for medical care of retired personnel and their dependents.

#### **IV. Program Justification of Changes**

**Not Applicable**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
U. S. Coast Guard  
Justification of Proposed Changes in Retired Pay  
Appropriation Language**

For retired pay, including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payments for career status bonuses, concurrent receipts and combat related special compensation under the National Defense Authorization Act, and for payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, [\$1,184,720,000] **\$1,236,745,000 to remain available until expended.**

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
U. S. Coast Guard  
Retired Pay  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|----------------------------------|-------------|------------|------------------|
| <b>2007 Actual</b>               | -           | -          | <b>1,081,844</b> |
| <b>2008 Enacted</b>              | -           | -          | <b>1,184,720</b> |
| Increases                        |             |            |                  |
| Non-Pay Inflation                | -           | -          | 52,025           |
| Total Increases                  | -           | -          | 52,025           |
| <b>Total Adjustments-to-Base</b> | -           | -          | <b>52,025</b>    |
| <b>2009 Current Services</b>     | -           | -          | <b>1,236,745</b> |
| <b>2009 Request</b>              | -           | -          | <b>1,236,745</b> |
| <b>2008 to 2009 Total Change</b> | -           | -          | <b>52,025</b>    |



**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Retired Pay  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual      | 2008<br>Enacted     | 2009<br>Request     | 2008 - 2009<br>Change |
|---|---------------------|---------------------|---------------------|-----------------------|
| 11.1 Full-time permanent                            | -                   | -                   | -                   | -                     |
| 11.3 Other than full-time permanent                 | -                   | -                   | -                   | -                     |
| 11.5 Other personnel compensation                   | -                   | -                   | -                   | -                     |
| 11.7 Military personnel                             | -                   | -                   | -                   | -                     |
| 11.8 Special service pay                            | -                   | -                   | -                   | -                     |
| 12.1 Civilian personnel benefits                    | -                   | -                   | -                   | -                     |
| 12.2 Military personnel benefits                    | -                   | -                   | -                   | -                     |
| 13.0 Benefits-former                                | 923,400             | 999,199             | 1,045,047           | 45,848                |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ 923,400</b>   | <b>\$ 999,199</b>   | <b>\$ 1,045,047</b> | <b>\$ 45,848</b>      |
| Other Objects Classes:                              |                     |                     |                     |                       |
| 21.0 Travel   | -                   | -                   | -                   | -                     |
| 22.0 Transportation of things                       | -                   | -                   | -                   | -                     |
| 23.1 GSA rent                                       | -                   | -                   | -                   | -                     |
| 23.2 Other rent                                     | -                   | -                   | -                   | -                     |
| 23.3 Communication, utilities, and misc charges     | -                   | -                   | -                   | -                     |
| 24.0 Printing and reproduction                      | -                   | -                   | -                   | -                     |
| 25.1 Advisory and assistance services               | -                   | -                   | -                   | -                     |
| 25.2 Other services                                 | -                   | -                   | -                   | -                     |
| 25.3 Purchases of goods & svcs. from gov't accounts | -                   | -                   | -                   | -                     |
| 25.4 Operation & maintenance of facilities          | -                   | -                   | -                   | -                     |
| 25.5 Research and development                       | -                   | -                   | -                   | -                     |
| 25.6 Medical care                                   | 158,444             | 195,930             | 191,698             | (4,232)               |
| 25.7 Operation and maintenance of equipment         | -                   | -                   | -                   | -                     |
| 25.8 Subsistence and support of persons             | -                   | -                   | -                   | -                     |
| 26.0 Supplies and materials                         | -                   | -                   | -                   | -                     |
| 31.0 Equipment                                      | -                   | -                   | -                   | -                     |
| 32.0 Land and structures                            | -                   | -                   | -                   | -                     |
| 41.0 Grants, subsidies and contributions            | -                   | -                   | -                   | -                     |
| 42.0 Insurance claims and indemnity                 | -                   | -                   | -                   | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ 158,444</b>   | <b>\$ 195,930</b>   | <b>\$ 191,698</b>   | <b>\$ (4,232)</b>     |
| <b>Total Direct Obligations</b>                     | <b>\$ 1,081,844</b> | <b>\$ 1,195,129</b> | <b>\$ 1,236,745</b> | <b>\$ 41,616</b>      |
| Unobligated balance, start of year                  | -                   | (10,409)            | -                   | -                     |
| Unobligated balance, end of year <sup>/1</sup>      | 10,409              | -                   | -                   | -                     |
| <b>Total Requirements</b>                           | <b>\$ 1,092,253</b> | <b>\$ 1,184,720</b> | <b>\$ 1,236,745</b> | <b>\$ 41,616</b>      |

/1 Note: Per P.L 110-28 Sec. 6401. Not to exceed \$30.000 million from unobligated balances remaining from prior appropriations for United States Coast Guard, "Retired Pay", shall remain available until expended in the account and for the purposes for which the appropriations were provided, including the payment of obligations otherwise chargeable to lapsed or current appropriations.

**F. Permanent Positions by Grade**

**Not Applicable**

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Retired Pay**  
**PPA I**  
**Funding Schedule**  
(Dollars in Thousands)

| Retired Pay                  |  | 2007<br>Actual      | 2008<br>Enacted     | 2009<br>Request     | 2008 - 2009<br>Change |
|------------------------------|--|---------------------|---------------------|---------------------|-----------------------|
| <b>Object Classes</b>        |  |                     |                     |                     |                       |
| 11.1                         | Full-time permanent                            | -                   | -                   | -                   | -                     |
| 11.3                         | Other than full-time permanent                 | -                   | -                   | -                   | -                     |
| 11.5                         | Other personnel compensation                   | -                   | -                   | -                   | -                     |
| 11.7                         | Military personnel                             | -                   | -                   | -                   | -                     |
| 11.8                         | Special service pay                            | -                   | -                   | -                   | -                     |
| 12.1                         | Civilian personnel benefits                    | -                   | -                   | -                   | -                     |
| 12.2                         | Military personnel benefits                    | -                   | -                   | -                   | -                     |
| 13.0                         | Benefits-former                                | 923,400             | 988,790             | 1,045,047           | 56,257                |
| 21.0                         | Travel   | -                   | -                   | -                   | -                     |
| 22.0                         | Transportation of things                       | -                   | -                   | -                   | -                     |
| 23.1                         | GSA rent                                       | -                   | -                   | -                   | -                     |
| 23.2                         | Other rent                                     | -                   | -                   | -                   | -                     |
| 23.3                         | Communication, utilities, and misc charges     | -                   | -                   | -                   | -                     |
| 24.0                         | Printing and reproduction                      | -                   | -                   | -                   | -                     |
| 25.1                         | Advisory and assistance services               | -                   | -                   | -                   | -                     |
| 25.2                         | Other services                                 | -                   | -                   | -                   | -                     |
| 25.3                         | Purchases of goods & svcs. from gov't accounts | -                   | -                   | -                   | -                     |
| 25.4                         | Operation & maintenance of facilities          | -                   | -                   | -                   | -                     |
| 25.5                         | Research and development                       | -                   | -                   | -                   | -                     |
| 25.6                         | Medical care                                   | 158,444             | 195,930             | 191,698             | (4,232)               |
| 25.7                         | Operation and maintenance of equipment         | -                   | -                   | -                   | -                     |
| 25.8                         | Subsistence and support of persons             | -                   | -                   | -                   | -                     |
| 26.0                         | Supplies and materials                         | -                   | -                   | -                   | -                     |
| 31.0                         | Equipment                                      | -                   | -                   | -                   | -                     |
| 32.0                         | Land and structures                            | -                   | -                   | -                   | -                     |
| 41.0                         | Grants, subsidies and contributions            | -                   | -                   | -                   | -                     |
| 42.0                         | Insurance claims and indemnity                 | -                   | -                   | -                   | -                     |
| <b>Total, Retired Pay</b>    |  | <b>\$ 1,081,844</b> | <b>\$ 1,184,720</b> | <b>\$ 1,236,745</b> | <b>\$ 52,025</b>      |
| <b>Full Time Equivalents</b> |  | -                   | -                   | -                   | -                     |

### PPA Mission Statement

Retired Pay (RP) will provide payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payments for career status bonuses, concurrent receipts and combat related special compensation identified under the Nation.

## Summary Justification and Explanation of Changes

### Salaries and Benefits

|  | 2007       | 2008       | 2009         | 2008 - 2009 |
|--|------------|------------|--------------|-------------|
|  | Actual     | Enacted    | Request      | Change      |
|  | \$ 923,400 | \$ 988,790 | \$ 1,045,047 | \$ 56,257   |

Requested increase accounts for cost-of-living adjustments for all retirement and most survivor annuities as well as entitlement benefits authorized by the National Defense Authorization Act.

### Medical care

|  | 2007       | 2008       | 2009       | 2008 - 2009 |
|--|------------|------------|------------|-------------|
|  | Actual     | Enacted    | Request    | Change      |
|  | \$ 158,444 | \$ 195,930 | \$ 191,698 | \$ (4,232)  |

Decrease accounts for slightly lower projections for medical benefits. Once a member becomes eligible for Medicare, the Medicare-Eligible Retiree Health Care Fund (HFC) is responsible for these benefits.

**I. Changes in Full-Time Equivalents**

**Not Applicable**

# Department of Homeland Security

*United States Coast Guard*

*Boat Safety*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Boating Safety**

**I. Appropriation Overview.**

**A. Mission Statement for Boating Safety:**

The Coast Guard anticipates a program level of \$125.461 million and 8 FTE in FY 2009, a decrease of \$7.462 million under the FY 2008 enacted level of \$132.923 million. The Boating Safety (BS) program is designed, through preventive means, to minimize the loss of life, personal injury, property damage and environmental impact associated with the use of recreational boats in order to maximize safe use and enjoyment of U.S. waterways public. The program directly supports the Coast Guard's continuing and enduring role to ensure maritime safety. In its role as the designated National Recreational Boating Safety (RBS) Program Coordinator, the Coast Guard is charged with managing dedicated user fee funding to support the National Recreational Boating Safety Program provided from the Sport Fish Restoration and Boating Trust Fund (formerly Aquatic Resources Trust Fund). Under the provisions of the Sportfishing and Recreational Boating Safety Act of 2005 (Subtitle A, Title X, P.L. 109-59), the Coast Guard receives a percentage distribution of total trust fund receipts from the preceding fiscal year (i.e. FY09 funding will be a percentage of FY08 trust fund receipts), and a portion of the funds drawn out of the Boat Safety Account of the trust fund.

**B. Budget Activities:**

Boat Safety supports our Marine Safety mission and the Coast Guard's enduring maritime safety role.

**C. Budget Request Summary:**

The FY 2009 budget provides the anticipated amount that would be available from the trust fund for boating safety based on current estimates of FY 2008 trust fund receipts from the Office of Tax Analysis at the Department of the Treasury (adjusted to reflect amendments of current law enacted in P.L. 109-59). The estimated total distribution from the trust fund for boating safety in FY 2009 is \$125.461 million. Of that amount, \$5.500 million is available for use by the Coast Guard to coordinate and execute new and enhanced National RBS Program activities. The balance is authorized for the State RBS Federal Financial Assistance Program established by 46 U.S.C. 13101, et seq., minus not more than five percent for national boating safety activities of national non-profit public service organizations, and not more than two percent for Coast Guard expense to administer State RBS programs. This represents a \$7.462 million adjustment to the base from the FY 2008 enacted level.

Budget authority for personnel to conduct investigations and activities related to State recreational boating safety programs is not provided by regular, annual Coast Guard appropriations. It is available or transferred to the Coast Guard from trust accounts in the

Department of Treasury. While these amounts are available until expended, they are limited as to purpose and amount.

The FY09 Boating Safety budget includes 8 FTE for administering the Coast Guard RBS program. These FTE are displayed as reimbursable FTE within the Coast Guard Operating Expense (OE) appropriation in previous years.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Boat Safety**

**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                              | FY 2007 Actual |            | FY 2008 Enacted |            | FY 2009 Request |            | Total Changes |            | Increase (+) or Decrease (-) For FY 2009 |        | Adjustments-to-base |            |
|---|----------------|------------|-----------------|------------|-----------------|------------|---------------|------------|--|--------|---------------------|------------|
|   | FTE            | AMOUNT     | FTE             | AMOUNT     | FTE             | AMOUNT     | FTE           | AMOUNT     | FTE                                      | AMOUNT | FTE                 | AMOUNT     |
| I. Boat Safety  |                | \$ 111,993 | 8               | \$ 132,923 | 8               | \$ 125,461 | -             | \$ (7,462) |  |        |                     | \$ (7,462) |
| Subtotal, Enacted Appropriations and Budget Estimates | -              | \$ 111,993 | 8               | \$ 132,923 | 8               | \$ 125,461 | -             | \$ (7,462) |  |        |                     | \$ (7,462) |
| Less Adjustments for Other Funding Sources:           |                |            |                 |            |                 |            |               |            |  |        |                     |            |
| Net, Enacted Appropriations & Budget Estimates        | -              | \$ 111,993 | 8               | \$ 132,923 | 8               | \$ 125,461 | -             | \$ (7,462) |  |        |                     | \$ (7,462) |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Boat Safety  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: BOAT SAFETY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>\$111,993</b> |
| <b>2008 Enacted</b>          | ...                 | <b>8</b>   | <b>132,923</b>   |
| 2009 Adjustments-to-Base     |                     |            | -7,462           |
| <b>2009 Current Services</b> | ...                 | <b>8</b>   | <b>125,461</b>   |
| 2009 Program Change          | ...                 | ...        |                  |
| <b>2009 Request</b>          | ...                 | <b>8</b>   | <b>125,461</b>   |
| Total Change 2008-2009       | ...                 | ...        | -7,462           |

The Coast Guard requests \$125.461 million for this activity. This is a decrease of \$7.462 million under the FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Boating Safety program is designed, through preventive means, to minimize the loss of life, personal injury, property damage and environmental impact associated with the use of recreational boats in order to maximize safe use and enjoyment of public U.S. waterways. The program directly supports the Coast Guard's continuing and enduring role to ensure maritime safety. In its role as the designated National Recreational Boating Safety (RBS) Program Coordinator, the Coast Guard is charged with managing dedicated user fee funding to support the National Recreational Boating Safety Program provided from the Sport Fish Restoration and Boating Trust Fund (formerly Aquatic Resources Trust Fund). Under the provisions of the Sportfishing and Recreational Boating Safety Act of 2005 (Subtitle A, Title X, P.L. 109-59), the Coast Guard receives a percentage distribution of total trust fund receipts from the preceding fiscal year (i.e. FY09 funding will be a percentage of FY08 trust fund receipts), and a portion of the funds drawn out of the Boat Safety Account of the trust fund.

FY 2007 planned accomplishments include:

- Development of new National Boating Survey to establish key new measurement for Program's effectiveness and capture other vital data for effective planning purposes.
- Implementation of measures of effectiveness of key public awareness projects to enhance voluntary life jacket wear rates.

- Initial allocation of resources to key strategies/projects identified in the Program's Strategic Plan, thus enhancing the following:
  - knowledge and certification of recreational vessel operators.
  - wearing of life jackets to prevent drowning.
  - other areas that will significantly reduce recreational boating casualties.
- Achieve significant participation from the States during the implementation of the Vessel Identification System.
- Revise and update non-profit grant application procedures and guidance.

FY2008 funds requested will support:

- Achieving the target performance goal of 3,959 casualties or fewer through the following measures:
  - Enacting a legislative change proposal provides the USCG authority to require proof of proficiency for select recreational boat operators.
  - Conducting approximately 2,000 recreational boat manufacturer factory visits to check compliance with manufacturing standards, thereby enhancing compliance and safety.
  - Testing approximately 50 new recreational boats for compliance with flotation and capacity regulations, thereby enhancing compliance and safety.
  - Conducting national outreach efforts in conjunction with the National Safe Boating Council and grantee to promote life jacket wear. If voluntary measures to increase life jacket usage are unsuccessful, initiate mandatory requirements for life jacket usage in high risk areas.
  - Increasing boating safety law enforcement, education and search and rescue efforts by the States through availability of additional recreational boating safety grant funds.
  - Revising and updating boat accident reporting requirements and related forms.
  - Progressing in adopting regulations that: (1) require life jacket wear in high-risk recreational boating activities (i.e., operating boats less than 21 feet in length); (2) mandate recreational vessel proof of operator proficiency standards; (3) require installation and wear of emergency cut-off devices (mechanical or wireless) on vessels under a certain length; (4) require operators to turn off the vessel when a swimmer is in close proximity to the stern of the vessel; (5) revise and update requirements for state numbering systems and boat accident reporting.

FY2009 funds requested will support:

- Implementation of additional elements of the "You're in Command. Boat Responsibly!" awareness initiative.
- Focusing on assuring manufacturer compliance with boat construction standards (i.e., identifying boats and manufacturers whose boats are involved in accidents where carbon monoxide, flotation, capacity, or fuel systems are causal factors).
- Conducting observation studies that measure life jacket wear and initiatives to measure the effectiveness of awareness campaigns in increasing life jacket wear rates in specific areas of the country.
- Continuing progress in adopting, or finalizing, regulations that: (1) require life jacket wear in high-risk recreational boating activities (i.e., operating boats less

than 21 feet in length); (2) mandate recreational vessel operator proficiency standards; (3) require installation and wear of emergency cut-off devices (mechanical or wireless) on vessels under a certain length; (4) require operators to turn off the vessel when a swimmer is in close proximity to the stern of the vessel; (5) revise and update requirements for state numbering systems and boat accident reporting.

- A Boating Under the Influence initiative to reduce the number of casualties where the use of alcohol by a boat's occupants was a cause of the accident.
- An operator compliance initiative to reduce deaths due to navigation rules violations (i.e., Reckless/Negligent Operation, Excessive Speed, Improper Lookout, Operator Inattention, and Rules of the Road).
- Development and implementation of State program approval systems (i.e., adequate enforcement/sufficient patrol, adequate education, numbering system, casualty reporting system).

#### **IV. Program Justification of Changes**

**Not Applicable**

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Not Applicable**

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Boat Safety  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>         |
|--|-------------|------------|-----------------------|
| <b>2007 Actual</b>                     | -           | -          | <b>111,993</b>        |
| <b>2008 Enacted</b>                    | <b>8</b>    | <b>8</b>   | <b>132,923</b>        |
| <b>Adjustments-to-Base</b>             |             |            |                       |
| Increases                              |             |            |                       |
| Annualization of FY 2008 pay raise     | -           | -          | 7                     |
| FY 2009 Pay Raise                      | -           | -          | 55                    |
| Non-Pay Inflation                      | -           | -          | 2,489                 |
| Total Increases                        | -           | -          | <u>2,551</u>          |
| Decreases                              |             |            |                       |
| Termination of one-time costs          | -           | -          | (7,524)               |
| Management and Technology Efficiencies | -           | -          | (2,489)               |
| Total Decreases                        | -           | -          | <u>(10,013)</u>       |
| <b>Total Adjustments-to-Base</b>       | -           | -          | <u><b>(7,462)</b></u> |
| <b>2009 Current Services</b>           | <b>8</b>    | <b>8</b>   | <b>125,461</b>        |
| <b>2009 Request</b>                    | <b>8</b>    | <b>8</b>   | <b>125,461</b>        |
| <b>2008 to 2009 Total Change</b>       | -           | -          | <b>(7,462)</b>        |

C. Summary of Requirements

Department of Homeland Security  
U. S. Coast Guard  
Boat Safety  
Summary of Requirements  
(Dollars in Thousands)

|  | 2007 Actual |     | 2008 Enacted |     | 2009 Request |     | 2008 to 2009 Total Change |         |
|--|-------------|-----|--------------|-----|--------------|-----|---------------------------|---------|
|  | Pos.        | FTE | Pos.         | FTE | Pos.         | FTE | Pos.                      | FTE     |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |             |     |              |     |              |     |                           |         |
| Transfers  | -           | -   | -            | -   | -            | -   | -                         | -       |
| Increases  | -           | -   | -            | -   | -            | -   | -                         | -       |
| Decreases  | -           | -   | -            | -   | -            | -   | (7,462)                   | (7,462) |
| Total Adjustments-to-Base  | -           | -   | -            | -   | -            | -   | (7,462)                   | (7,462) |
| <b>2009 Current Services</b>   | -           | 8   | -            | 8   | -            | 8   | 125,461                   | 125,461 |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | -           | -   | -            | -   | -            | -   | -                         | -       |
| <b>2009 Request</b>  | -           | -   | -            | -   | -            | -   | 8                         | 125,461 |
| <b>2008 to 2009 Total Change</b>   | -           | -   | -            | -   | -            | -   | 8                         | (7,462) |

| Estimates by Program/Project Activity | 2008 Enacted |         | 2009 Adjustments-to-Base |         | 2009 Program Change |     | 2009 Request |         | 2008 to 2009 Total Change |         |
|---------------------------------------|--------------|---------|--------------------------|---------|---------------------|-----|--------------|---------|---------------------------|---------|
|                                       | Pos.         | FTE     | Pos.                     | FTE     | Pos.                | FTE | Pos.         | FTE     | Pos.                      | FTE     |
| I. Boat Safety                        | -            | 8       | -                        | -       | -                   | -   | -            | 8       | -                         | -       |
|                                       |              | 132,923 |                          | (7,462) |                     |     |              | 125,461 |                           | (7,462) |
| <b>Total</b>                          | -            | 8       | -                        | -       | -                   | -   | -            | 8       | -                         | (7,462) |

**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Boat Safety  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|---|-------------------|-------------------|-------------------|-----------------------|
| 11.1 Full-time permanent                            | -                 | 732               | 781               | 49                    |
| 11.3 Other than full-time permanent                 | -                 | -                 | -                 | -                     |
| 11.5 Other personnel compensation                   | -                 | 6                 | 6                 | -                     |
| 11.7 Military personnel                             | -                 | -                 | -                 | -                     |
| 11.8 Special service pay                            | -                 | -                 | -                 | -                     |
| 12.1 Civilian personnel benefits                    | -                 | 207               | 220               | 13                    |
| 12.2 Military personnel benefits                    | -                 | -                 | -                 | -                     |
| 13.0 Benefits-former                                | -                 | -                 | -                 | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ -</b>       | <b>\$ 945</b>     | <b>\$ 1,007</b>   | <b>\$ 62</b>          |
| Other Objects Classes:                              |                   |                   |                   |                       |
| 21.0 Travel   | 18                | 25                | 20                | (5)                   |
| 22.0 Transportation of things                       | -                 | -                 | -                 | -                     |
| 23.1 GSA rent                                       | -                 | -                 | -                 | -                     |
| 23.2 Other rent                                     | -                 | -                 | -                 | -                     |
| 23.3 Communication, utilities, and misc charges     | -                 | -                 | -                 | -                     |
| 24.0 Printing and reproduction                      | -                 | -                 | -                 | -                     |
| 25.1 Advisory and assistance services               | 855               | 1,171             | 947               | (224)                 |
| 25.2 Other services                                 | 5,573             | 7,641             | 6,408             | (1,233)               |
| 25.3 Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                     |
| 25.4 Operation & maintenance of facilities          | -                 | -                 | -                 | -                     |
| 25.5 Research and development                       | -                 | -                 | -                 | -                     |
| 25.6 Medical care                                   | -                 | -                 | -                 | -                     |
| 25.7 Operation and maintenance of equipment         | -                 | -                 | -                 | -                     |
| 25.8 Subsistence and support of persons             | -                 | -                 | -                 | -                     |
| 26.0 Supplies and materials                         | 7                 | -                 | -                 | -                     |
| 31.0 Equipment                                      | -                 | -                 | -                 | -                     |
| 32.0 Land and structures                            | -                 | -                 | -                 | -                     |
| 41.0 Grants, subsidies and contributions            | 105,540           | 144,525           | 117,079           | (27,446)              |
| 42.0 Insurance claims and indemnity                 | -                 | -                 | -                 | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ 111,993</b> | <b>\$ 153,362</b> | <b>\$ 124,454</b> | <b>\$ (28,908)</b>    |
| <b>Total Direct Obligations</b>                     | <b>\$ 111,993</b> | <b>\$ 154,307</b> | <b>\$ 125,461</b> | <b>\$ (28,846)</b>    |
| Unobligated balance, start of year                  | (16,155)          | (21,384)          | -                 | -                     |
| Unobligated balance, end of year                    | 21,384            | -                 | -                 | -                     |
| <b>Total Requirements</b>                           | <b>\$ 117,222</b> | <b>\$ 132,923</b> | <b>\$ 125,461</b> | <b>\$ (28,846)</b>    |

Note: Total direct obligations does not include advances and reimbursements.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
Boating Safety - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 - 2009    |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | -              | -               | -               | -              |
| GS-14   | -              | 3               | 3               | -              |
| GS-13   | -              | 4               | 4               | -              |
| GS-12   | -              | -               | -               | -              |
| GS-11   | -              | -               | -               | -              |
| GS-10   | -              | -               | -               | -              |
| GS-9  | -              | -               | -               | -              |
| GS-8  | -              | -               | -               | -              |
| GS-7  | -              | 1               | 1               | -              |
| GS-6  | -              | -               | -               | -              |
| GS-5  | -              | -               | -               | -              |
| GS-4  | -              | -               | -               | -              |
| GS-3  | -              | -               | -               | -              |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | -              | -               | -               | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | -              | 8               | 8               | -              |
| Unfilled Positions EOY                        | -              | -               | -               | -              |
| Total Perm. Employment (Filled Positions) EOY | -              | 8               | 8               | -              |
| <b>FTE</b>                                    | -              | 8               | 8               | -              |
| Headquarters                                  | -              | 8               | 8               | 8              |
| U.S. Field                                    | -              | -               | -               | -              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | -              | 8               | 8               | -              |
| <u>Position Data:</u>                         |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$0.00         | \$120,137.50    | \$122,050.00    | \$ 1,912.50    |
| <b>Average Grade, GS Positions</b>            | 0.00           | 12.63           | 12.63           | 0.00           |

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holidays, Sundays, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Boat Safety**  
**PPA I**  
**Funding Schedule**  
(Dollars in Thousands)

| Boat Safety                  |  | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|------------------------------|--|-------------------|-------------------|-------------------|-----------------------|
| <b>Object Classes</b>        |  |                   |                   |                   |                       |
| 11.1                         | Full-time permanent                            | -                 | 732               | 778               | 46                    |
| 11.3                         | Other than full-time permanent                 | -                 | -                 | -                 | -                     |
| 11.5                         | Other personnel compensation                   | -                 | 6                 | 6                 | -                     |
| 11.7                         | Military personnel                             | -                 | -                 | -                 | -                     |
| 11.8                         | Special service pay                            | -                 | -                 | -                 | -                     |
| 12.1                         | Civilian personnel benefits                    | -                 | 207               | 219               | 12                    |
| 12.2                         | Military personnel benefits                    | -                 | -                 | -                 | -                     |
| 13.0                         | Benefits-former                                | -                 | -                 | -                 | -                     |
| 21.0                         | Travel   | -                 | -                 | -                 | -                     |
| 22.0                         | Transportation of things                       | 100               | 100               | 100               | -                     |
| 23.1                         | GSA rent                                       | -                 | -                 | -                 | -                     |
| 23.2                         | Other rent                                     | -                 | -                 | -                 | -                     |
| 23.3                         | Communication, utilities, and misc charges     | -                 | -                 | -                 | -                     |
| 24.0                         | Printing and reproduction                      | -                 | -                 | -                 | -                     |
| 25.1                         | Advisory and assistance services               | -                 | -                 | -                 | -                     |
| 25.2                         | Other services                                 | 7,634             | 6,785             | 7,006             | 221                   |
| 25.3                         | Purchases of goods & svcs. from gov't accounts | -                 | -                 | -                 | -                     |
| 25.4                         | Operation & maintenance of facilities          | -                 | -                 | -                 | -                     |
| 25.5                         | Research and development                       | -                 | -                 | -                 | -                     |
| 25.6                         | Medical care                                   | -                 | -                 | -                 | -                     |
| 25.7                         | Operation and maintenance of equipment         | -                 | -                 | -                 | -                     |
| 25.8                         | Subsistence and support of persons             | -                 | -                 | -                 | -                     |
| 26.0                         | Supplies and materials                         | -                 | -                 | -                 | -                     |
| 31.0                         | Equipment                                      | -                 | -                 | -                 | -                     |
| 32.0                         | Land and structures                            | -                 | -                 | -                 | -                     |
| 41.0                         | Grants, subsidies and contributions            | 104,259           | 125,093           | 117,352           | (7,741)               |
| 42.0                         | Insurance claims and indemnity                 | -                 | -                 | -                 | -                     |
| <b>Total, Boat Safety</b>    |  | <b>\$ 111,993</b> | <b>\$ 132,923</b> | <b>\$ 125,461</b> | <b>\$ (7,462)</b>     |
| <b>Full Time Equivalents</b> |  | -                 | 8                 | 8                 | -                     |

### PPA Mission Statement

The Boating Safety (BS) program is designed, through preventive means, to minimize the loss of life, personal injury, property damage and environmental impact associated with the use of recreational boats in order to maximize safe use and enjoyment of public U.S. waterways. The program directly supports the Coast Guard's continuing and enduring role to ensure maritime safety. In its role as the designated National Recreational Boating Safety (RBS) Program Coordinator, the Coast Guard is charged with managing dedicated user fee funding to support the National Recreational Boating Safety Program provided from the Sport Fish Restoration and Boating Trust Fund (formerly Aquatic Resources Trust Fund). Under the provisions of the Sportfishing and Recreational Boating Safety Act of 2005 (Subtitle A, Title X, P.L. 109-59), the Coast Guard receives a percentage distribution of total trust fund receipts from the preceding fiscal year (i.e. FY09 funding will be a percentage of FY08 trust fund receipts), and a portion of the funds drawn out of the Boat Safety

## Summary Justification and Explanation of Changes

### Salaries and Benefits

|  | 2007<br>Actual |   | 2008<br>Enacted |     | 2009<br>Request |       | 2008 - 2009<br>Change |
|--|----------------|---|-----------------|-----|-----------------|-------|-----------------------|
|  | \$             | - | \$              | 945 | \$              | 1,003 | \$ 58                 |

The FY 2009 request includes funding for the proposed pay raise (currently predicted at 2.9%), medical benefits, other mandatory personnel entitlements.

### Transportation and Logistics

|  | 2007<br>Actual |     | 2008<br>Enacted |     | 2009<br>Request |     | 2008 - 2009<br>Change |
|--|----------------|-----|-----------------|-----|-----------------|-----|-----------------------|
|  | \$             | 100 | \$              | 100 | \$              | 100 | \$ -                  |

The FY 2009 request includes funding for transportation and logistics.

### Other Services

|  | 2007<br>Actual |       | 2008<br>Enacted |       | 2009<br>Request |       | 2008 - 2009<br>Change |
|--|----------------|-------|-----------------|-------|-----------------|-------|-----------------------|
|  | \$             | 7,634 | \$              | 6,785 | \$              | 7,006 | \$ 221                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Increased funding in FY 2009 is a result of increased costs to carry out and coordinate new and enhanced National Recreational Boating Safety (RBS) Program activities.

### Grants, Subsidies and Contributions

|  | 2007<br>Actual |         | 2008<br>Enacted |         | 2009<br>Request |         | 2008 - 2009<br>Change |
|--|----------------|---------|-----------------|---------|-----------------|---------|-----------------------|
|  | \$             | 104,259 | \$              | 125,093 | \$              | 117,352 | \$ (7,741)            |

Under the provisions of the Sportfishing and Recreational Boating Safety Act of 2005 (Subtitle A, Title X, P.L. 109-59), the Coast Guard receives a percentage distribution of total trust fund receipts from the preceding fiscal year (i.e. FY09 funding will be a percentage of FY08 trust fund receipts), and a portion of the funds drawn out of the Boat Safety Account of the trust fund.

## I. Changes in Full-Time Equivalents

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Boat Safety**  
Changes in Full-Time Equivalents

|   | FY 2007  | FY 2008  | FY 2009  |
|---|----------|----------|----------|
| <b>BASE: Start of Year (SOY) FTE levels</b>                         | <b>0</b> | <b>0</b> | <b>8</b> |
| <b>INCREASES</b>  |          |          |          |
| <b>Increase #1:</b> BS personnel management.                        | 0        | 8        | 0        |
| <b>Description:</b> Management and oversight of AC&I projects.      |          |          |          |
| <b>Subtotal, Increases:</b>   | <b>0</b> | <b>8</b> | <b>0</b> |
| <b>DECREASES:</b>   |          |          |          |
| <b>Decrease #1:</b>   | 0        | 0        | 0        |
| <b>Description:</b>   |          |          |          |
| <b>Subtotal, Decreases:</b>   | <b>0</b> | <b>0</b> | <b>0</b> |
| <b>Year-end Enacted / Estimated FTEs</b>                            | <b>0</b> | <b>8</b> | <b>8</b> |
| <b>Net Change from prior year SOY base to budget year estimate:</b> | <b>0</b> | <b>8</b> | <b>8</b> |

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

# Department of Homeland Security

*United States Coast Guard*

*Oil Spill Recovery*

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Fiscal Year 2009

Congressional Justification



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## **U. S. Coast Guard** **Oil Spill Recovery**

### **I. Trust Fund Account Overview**

#### **A. Mission Statement for Oil Spill Recovery:**

The Coast Guard estimates that expenditures from the Oil Spill Recovery fund will total \$149.095 million in FY 2009, an increase of \$1.825 million over the FY2008 enacted level. As the principal Federal agency charged with maritime safety, security, and environmental stewardship, the Coast Guard protects vital interests of the United States from internal and external threats. The Oil Spill Recovery fund provides a source of funds for removal costs and damages resulting from oil spills, or the substantial threat of a spill, into navigable waters of the United States.

In accordance with the provisions of the Oil Pollution Act of 1990 (OPA 90), the President may make available up to \$50.000 million annually from the fund for oil spill removal activities. The fund supports the Coast Guard's stewardship role by permitting payment of claims to remediate natural resource damages resulting from oil spills as well as payment of claims for other damages resulting from oil spills.

Federal, state, and Indian tribe trustees may present claims for natural resource damages resulting from a spill.

Government entities, the private sector or the general public may submit claims for: uncompensated removal costs; damage to real or personal property; loss of profits and earning capacity; loss of subsistence use of natural resources; loss of government revenues; and increased cost of public services resulting from an oil spill.

#### **B. Budget Activities:**

This funding directly supports our Marine Environmental Protection mission.

#### **C. Budget Request Summary:**

The Coast Guard estimates that expenditures from the Oil Spill Recovery fund will total \$149.095 million in FY 2009, an adjustment of \$1.825 million over the FY2008 enacted level. These estimated expenditures consist of a \$50.000 million expenditure transfer for oil spill response, an estimated \$1.100 million payment to the Oil Spill Recovery Institute, and \$97.995 million for payment of oil spill damages and natural resource damages claims.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Oil Spill Recovery  
Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                              | FY 2007 Actual |           | FY 2008 Enacted |            | FY 2009 Request |            | Increase (+) or Decrease (-) For FY 2009 |          |                     |          |
|---|----------------|-----------|-----------------|------------|-----------------|------------|--|----------|---------------------|----------|
|   | FTE            | AMOUNT    | FTE             | AMOUNT     | FTE             | AMOUNT     | Total Changes                            |          | Adjustments-to-base |          |
|   |                |           |                 |            |                 |            | FTE                                      | AMOUNT   | FTE                 | AMOUNT   |
| I. Oil Spill Recovery                                 | -              | \$ 87,278 | -               | \$ 147,270 | -               | \$ 149,095 | -  | \$ 1,825 | -                   | \$ 1,825 |
| Subtotal, Enacted Appropriations and Budget Estimates | -              | \$ 87,278 | -               | \$ 147,270 | -               | \$ 149,095 | -  | \$ 1,825 | -                   | \$ 1,825 |
| Less Adjustments for Other Funding Sources:           |                |           |                 |            |                 |            |  |          |                     |          |
| Net, Enacted Appropriations & Budget Estimates        | -              | \$ 87,278 | -               | \$ 147,270 | -               | \$ 149,095 | -  | \$ 1,825 | -                   | \$ 1,825 |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
U. S. Coast Guard  
Oil Spill Recovery  
Program Performance Justification  
(Dollars in Thousands)**

#### PPA I: OIL SPILL RECOVERY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>87,278</b>  |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>147,270</b> |
| 2009 Adjustments-to-Base     |                     |            | 1,825          |
| <b>2009 Current Services</b> | ...                 | ...        | <b>149,095</b> |
| 2009 Program Change          | ...                 | ...        | ...            |
| <b>2009 Request</b>          | ...                 | ...        | <b>149,095</b> |
| Total Change 2008-2009       | ...                 | ...        | 1,825          |

The Coast Guard requests \$149.095 million for this activity. This is an increase of \$1.825 million over the FY 2008 enacted.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Title I of the Oil Pollution Act of 1990 (OPA) provided for the use of a \$1.000 billion Oil Spill Liability Trust Fund (OSLTF) to pay for expeditious oil removal and uncompensated damages. In Section Seven of Executive Order 12777, the President delegated management responsibility for the OSLTF to the Secretary of the Department in which the Coast Guard is operating. Upon re-delegation by the Secretary, the Commandant of the Coast Guard delegated responsibility to the National Pollution Funds Center (NPFC), which oversees the OSLTF. OSLTF uses under OPA include:

- Removal costs incurred by the Coast Guard and U. S. Environmental Protection Agency (EPA) Federal On-Scene Coordinators (FOSCs);
- Payments to Federal, state and Indian tribe trustees to conduct Natural Resource Damage Assessments (NRDAs) and restorations;
- Payment of claims for uncompensated removal costs and damages; and Administrative, operational, and expenses incidental to implementation, administration, and enforcement of OPA and certain provisions of Section 311 of 33 U.S.C. 1321.

Accomplishments for FY 2007 include:

- Provided funding for over 400 oil spill responses and two natural resource damage assessments at a cost of \$47.400 million.
- Provided \$839,562 for the Oil Spill Recovery Institute appropriation.

- Paid \$38.0 million in claims for oil spill damages and for natural resource damages from the OSLTF (parent fund to the recovery fund).
- Appropriated \$74.1 million to support implementation of OPA 90.

Planned accomplishments for FY 2008 include:

- Provide funding for 500 projected oil spills at a cost of \$50.0 million.
- Provide an estimated \$1.1 million for the Oil Spill Recovery Institute appropriation.
- Pay claims for oil spill damages and natural resource damages from the OSLTF (parent fund to the recovery fund) at an estimated \$96.17 million.
- Provide funding to support implementation of OPA 90.

Planned accomplishments for FY 2009 include:

- Provide funding for 500 projected oil spills at a cost of \$50.0 million.
- Provide an estimated \$1.1 million for the Oil Spill Recovery Institute appropriation.
- Pay claims for oil spill damages and natural resource damages from the OSLTF (parent fund to the recovery fund) at a projected \$97.99 million.
- Provide funding to support implementation of OPA 90.

#### **IV. Program Justification of Changes**

**Not Applicable**

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Not Applicable**

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Oil Spill Recovery  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                                  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>  |
|----------------------------------|-------------|------------|----------------|
| <b>2007 Actual</b>               | -           | -          | <b>87,278</b>  |
| <b>2008 Enacted</b>              | -           | -          | <b>147,270</b> |
| <b>Adjustments-to-Base</b>       |             |            |                |
| Increases                        |             |            |                |
| Anticipated Mandatory Payments   | -           | -          | 1,825          |
| Total Increases                  | -           | -          | 1,825          |
| Decreases                        |             |            |                |
| Total Decreases                  | -           | -          | -              |
| <b>Total Adjustments-to-Base</b> | -           | -          | <b>1,825</b>   |
| <b>2009 Current Services</b>     | -           | -          | <b>149,095</b> |
| <b>2009 Request</b>              | -           | -          | <b>149,095</b> |
| <b>2008 to 2009 Total Change</b> | -           | -          | <b>1,825</b>   |



**D. Summary of Reimbursable Resources**

**Not Applicable**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
U. S. Coast Guard  
Oil Spill Recovery  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes                                      | 2007<br>Actual   | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|---|------------------|-------------------|-------------------|-----------------------|
| 11.1 Full-time permanent                            | -                | -                 | -                 | -                     |
| 11.3 Other than full-time permanent                 | -                | -                 | -                 | -                     |
| 11.5 Other personnel compensation                   | -                | -                 | -                 | -                     |
| 11.7 Military personnel                             | -                | -                 | -                 | -                     |
| 11.8 Special service pay                            | -                | -                 | -                 | -                     |
| 12.1 Civilian personnel benefits                    | -                | -                 | -                 | -                     |
| 12.2 Military personnel benefits                    | -                | -                 | -                 | -                     |
| 13.0 Benefits-former                                | -                | -                 | -                 | -                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>           |
| Other Object Classes:                               |                  |                   |                   |                       |
| 21.0 Travel   | -                | -                 | -                 | -                     |
| 22.0 Transportation of things                       | -                | -                 | -                 | -                     |
| 23.1 GSA rent                                       | -                | -                 | -                 | -                     |
| 23.2 Other rent                                     | -                | -                 | -                 | -                     |
| 23.3 Communication, utilities, and misc charges     | -                | -                 | -                 | -                     |
| 24.0 Printing and reproduction                      | -                | -                 | -                 | -                     |
| 25.1 Advisory and assistance services               | -                | -                 | -                 | -                     |
| 25.2 Other services                                 | 87,278           | 147,270           | 149,095           | 1,825                 |
| 25.3 Purchases of goods & svcs. from gov't accounts | -                | -                 | -                 | -                     |
| 25.4 Operation & maintenance of facilities          | -                | -                 | -                 | -                     |
| 25.5 Research and development                       | -                | -                 | -                 | -                     |
| 25.6 Medical care                                   | -                | -                 | -                 | -                     |
| 25.7 Operation and maintenance of equipment         | -                | -                 | -                 | -                     |
| 25.8 Subsistence and support of persons             | -                | -                 | -                 | -                     |
| 26.0 Supplies and materials                         | -                | -                 | -                 | -                     |
| 31.0 Equipment                                      | -                | -                 | -                 | -                     |
| 32.0 Land and structures                            | -                | -                 | -                 | -                     |
| 41.0 Grants, subsidies and contributions            | -                | -                 | -                 | -                     |
| 42.0 Insurance claims and indemnity                 | -                | -                 | -                 | -                     |
| <b>Total, Other Object Classes</b>                  | <b>\$ 87,278</b> | <b>\$ 147,270</b> | <b>\$ 149,095</b> | <b>\$ 1,825</b>       |
| <b>Total Direct Obligations</b>                     | <b>\$ 87,278</b> | <b>\$ 147,270</b> | <b>\$ 149,095</b> | <b>\$ 1,825</b>       |
| Unobligated balance, start of year                  | (18,043)         | -                 | -                 | -                     |
| Unobligated balance, end of year                    | -                | -                 | -                 | -                     |
| <b>Total Requirements</b>                           | <b>\$ 69,235</b> | <b>\$ 147,270</b> | <b>\$ 149,095</b> |                       |

Note: Total direct obligations does not include advances and reimbursements

**F. Permanent Positions by Grade**

**Not Applicable**

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

## H. PPA Budget Justifications

**Department of Homeland Security**  
**U. S. Coast Guard**  
**Oil Spill Recovery**  
**PPA I**  
**Funding Schedule**  
(Dollars in Thousands)

| Oil Spill Recovery               |  | 2007<br>Actual   | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|----------------------------------|--|------------------|-------------------|-------------------|-----------------------|
| <b>Object Classes</b>            |  |                  |                   |                   |                       |
| 11.1                             | Full-time permanent                            | -                | -                 | -                 | -                     |
| 11.3                             | Other than full-time permanent                 | -                | -                 | -                 | -                     |
| 11.5                             | Other personnel compensation                   | -                | -                 | -                 | -                     |
| 11.7                             | Military personnel                             | -                | -                 | -                 | -                     |
| 11.8                             | Special service pay                            | -                | -                 | -                 | -                     |
| 12.1                             | Civilian personnel benefits                    | -                | -                 | -                 | -                     |
| 12.2                             | Military personnel benefits                    | -                | -                 | -                 | -                     |
| 13.0                             | Benefits-former                                | -                | -                 | -                 | -                     |
| 21.0                             | Travel   | -                | -                 | -                 | -                     |
| 22.0                             | Transportation of things                       | -                | -                 | -                 | -                     |
| 23.1                             | GSA rent                                       | -                | -                 | -                 | -                     |
| 23.2                             | Other rent                                     | -                | -                 | -                 | -                     |
| 23.3                             | Communication, utilities, and misc charges     | -                | -                 | -                 | -                     |
| 24.0                             | Printing and reproduction                      | -                | -                 | -                 | -                     |
| 25.1                             | Advisory and assistance services               | -                | -                 | -                 | -                     |
| 25.2                             | Other services                                 | 87,278           | 147,270           | 149,095           | 1,825                 |
| 25.3                             | Purchases of goods & svcs. from gov't accounts | -                | -                 | -                 | -                     |
| 25.4                             | Operation & maintenance of facilities          | -                | -                 | -                 | -                     |
| 25.5                             | Research and development                       | -                | -                 | -                 | -                     |
| 25.6                             | Medical care                                   | -                | -                 | -                 | -                     |
| 25.7                             | Operation and maintenance of equipment         | -                | -                 | -                 | -                     |
| 25.8                             | Subsistence and support of persons             | -                | -                 | -                 | -                     |
| 26.0                             | Supplies and materials                         | -                | -                 | -                 | -                     |
| 31.0                             | Equipment                                      | -                | -                 | -                 | -                     |
| 32.0                             | Land and structures                            | -                | -                 | -                 | -                     |
| 41.0                             | Grants, subsidies and contributions            | -                | -                 | -                 | -                     |
| 42.0                             | Insurance claims and indemnity                 | -                | -                 | -                 | -                     |
| <b>Total, Oil Spill Recovery</b> |  | <b>\$ 87,278</b> | <b>\$ 147,270</b> | <b>\$ 149,095</b> | <b>\$ 1,825</b>       |
| <b>Full Time Equivalents</b>     |  | -                | -                 | -                 | -                     |

### PPA Mission Statement

The Oil Spill Recovery fund will provide a source of funds for removal costs and damages resulting from oil spills, or the substantial threat of a spill, into navigable waters of the U.S. In accordance with the provisions of the Oil Pollution Act of 1990, the President may make available up to \$50 million annually from the Fund for oil spill removal activities. The Fund also pays all valid claims for removal costs and damages resulting from oil spills.

## Summary Justification and Explanation of Changes

### Other services

|  | 2007      |    | 2008    |    | 2009    |    | 2008 - 2009 |
|--|-----------|----|---------|----|---------|----|-------------|
|  | Actual    |    | Enacted |    | Request |    | Change      |
|  | \$ 87,278 | \$ | 147,270 | \$ | 149,095 | \$ | 1,825       |

Other services include contracted services with non-Federal sources that are not otherwise classified under Object Class 25. Specifically, funding supports contracted consultant services such as training manuals, architectural and engineering services, independent/third-party analysis of Coast Guard programs in support of the President's Management Agenda and Program Assessment Rating Tool and other initiatives focused on improving performance of Coast Guard missions. Increased funding in FY 2009 is a result of anticipated claims to be paid for oil spill damages from the OSLTF (parent fund to the recovery fund).

**I. Changes in Full-Time Equivalents**

**Not Applicable**

# Department of Homeland Security

*United States Coast Guard*

*Miscellaneous Funds*

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Fiscal Year 2009

Congressional Justification



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**U. S. Coast Guard**  
**Miscellaneous Funds**

**I. General Gift Fund Overview**

**A. Mission Statement for General Gift Fund**

The Coast Guard estimates \$80.000 thousand in bequests in FY 2009. The Coast Guard General Gift Fund is authorized under Section 2601 of Title 10 USC provisions for such funds within the Department of Defense and the Coast Guard. The General Gift Fund is a vehicle that authorizes the Commandant of the Coast Guard to accept gifts and donations for the benefit of activities such as museums, chapels, and other organizations under the jurisdiction of the Coast Guard. A recent change also authorizes the Coast Guard to accept gifts to be used for the benefit of service members who are wounded, injured or taken ill while in the line of duty, as well as for those members' dependents and survivors.

**B. Budget Activities:**

The General Gift Fund enables the Coast Guard to accept gifts and donations which are deposited into the General Treasury. These gifts and donations are devised and bequests to support the Coast Guard, its institutions, and its qualifying service members and dependents.

**C. Budget Bequest Summary:**

The Coast Guard estimates \$80.000 thousand in bequests from various sources to the General Gift Fund in FY09.

**U.S. Coast Guard General Gift Fund**  
(Dollars in Thousands)

|                                | <b><u>Amount</u></b> |
|--------------------------------|----------------------|
| <b>2007 Actual</b>             | <b>\$1,380</b>       |
| <b>2008 Enacted</b>            | <b>80</b>            |
| <b>2009 Estimated Bequests</b> | <b>80</b>            |
| Total Change 2008-2009         | -                    |

**U. S. Coast Guard**  
**Miscellaneous Funds**

**II. Yard Fund Overview**

**A. Mission Statement for Yard Fund**

The Yard Fund is a revolving account supported by the Coast Guard's Operation Expense (OE) and Acquisitions, Construction & Improvements (AC&I) appropriations to pay for FTE and materials required for Coast Guard projects and work orders completed by the Coast Guard Yard, located in Curtis Bay, Maryland.

**B. Budget Activities:**

Through their completion of mission-essential logistics and engineering support (e.g., cutter drydocking), Coast Guard Yard personnel contribute to all Coast Guard missions: Search and Rescue (SAR); Marine Safety; Aids to Navigation (AtoN); Ice Operations; Marine Environmental Protection (MEP); Living Marine Resources (LMR); Drug Interdiction; Migrant Interdiction; Other Law Enforcement; Ports, Waterways and Coastal Security (PWCS); and Defense Readiness.

**C. Budget Request Summary:**

Not applicable.

**II. Supply Fund Overview**

**A. Mission Statement for Supply Fund**

The Supply Fund, in accordance with 14 U.S.C. 650, finances the procurement of uniform clothing, commissary provisions, general stores, technical material, and fuel for vessels over 180 feet in length. The fund is normally financed by reimbursements from sale of goods.

**B. Budget Activities:**

The Supply Fund enables the Coast Guard to fund the cost of uniforms, commissary provisions, stores, material and fuel.

**C. Budget Request Summary:**

Not applicable.

**III. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
U. S. Coast Guard  
Gift Fund**

**Summary of FY 2009 Budget Estimates by Program/Project Activity**  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                 | FY 2008 Enacted |              | FY 2009 Estimated Bequests |              | Total Changes |             | Increase (+) or Decrease (-) For FY 2009 |             | Adjustments-to-base |             |
|--|----------------|-----------------|-----------------|--------------|----------------------------|--------------|---------------|-------------|--|-------------|---------------------|-------------|
|  | FTE            | AMOUNT          | FTE             | AMOUNT       | FTE                        | AMOUNT       | FTE           | AMOUNT      | FTE                                      | AMOUNT      | FTE                 | AMOUNT      |
|  |                |                 |                 |              |                            |              |               |             |  |             |                     |             |
| I. General Gift Fund   | -              | \$ 1,380        | -               | \$ 80        | -                          | \$ 80        | -             | \$ -        | -  | \$ -        | -                   | \$ -        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>-</b>       | <b>\$ 1,380</b> | <b>-</b>        | <b>\$ 80</b> | <b>-</b>                   | <b>\$ 80</b> | <b>-</b>      | <b>\$ -</b> | <b>-</b>                                 | <b>\$ -</b> | <b>-</b>            | <b>\$ -</b> |
| <b>Less Adjustments for Other Funding Sources:</b>           |                |                 |                 |              |                            |              |               |             |  |             |                     |             |
| <b>Net, Enacted Appropriations &amp; Budget Estimates</b>    | <b>-</b>       | <b>\$ 1,380</b> | <b>-</b>        | <b>\$ 80</b> | <b>-</b>                   | <b>\$ 80</b> | <b>-</b>      | <b>\$ -</b> | <b>-</b>                                 | <b>\$ -</b> | <b>-</b>            | <b>\$ -</b> |

**IV. Current Services Program Description by PPA**

**Not Applicable**

**V. Program Justification of Changes**

**Not Applicable**

## **VI. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Not Applicable**

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
U. S. Coast Guard  
Gift Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|                               | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u> |
|-------------------------------|-------------|------------|---------------|
| 2007 Actual                   | -           | -          | 1,380         |
| 2008 Enacted                  | -           | -          | 80            |
| Adjustments-to-Base           |             |            |               |
| Total Adjustments-to-Base     | -           | -          | -             |
| 2009 Estimated Bequests       | -           | -          | 80            |
| <b>Program Changes</b>        |             |            |               |
| Program Increases/(Decreases) | -           | -          | -             |
| <b>Total Program Changes</b>  | -           | -          | -             |
| 2009 Estimated Bequests       | -           | -          | 80            |
| 2008 to 2009 Total Change     | -           | -          | -             |

### **C. Summary of Requirements**

**Not Applicable**

**D. Summary of Reimbursable Resources (applies only to Yard Fund)**

**Department of Homeland Security  
U. S. Coast Guard  
Yard Fund**

**Summary of Reimbursable Resources**  
(Dollars in Thousands)

| Collections by Source            | FY 2007 Actual |            | FY 2008 Enacted |            | 2009 Estimate |               | Increase/Decrease |            |               |
|----------------------------------|----------------|------------|-----------------|------------|---------------|---------------|-------------------|------------|---------------|
|                                  | Pos.           | FTE        | Amount          | Pos.       | FTE           | Amount        | Pos.              | FTE        | Amount        |
| U.S. Coast Guard                 | 573            | 521        | 136,644         | 586        | 505           | 91,609        | -                 | -          | 2             |
| <b>Total Budgetary Resources</b> | <b>573</b>     | <b>521</b> | <b>136,644</b>  | <b>586</b> | <b>505</b>    | <b>91,609</b> | <b>586</b>        | <b>507</b> | <b>91,609</b> |
|                                  |                |            |                 |            |               |               |                   |            |               |

1. Due to an administrative error in the FY07 President's budget, the civilian workforce was reduced by two FTE. The FY07 civilian FTE estimate should have been 490 vice 488. The two FTE have been added back.

**E. Summary of Requirements by Object Class**

**Not Applicable**

## F. Permanent Positions by Grade

**Department of Homeland Security  
U. S. Coast Guard  
CG Yard Fund - Military  
Permanent Positions by Grade**

| Grade                                       | 2007           | 2008            | 2009            | 2008 to 2009   |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| O-10  | -              | -               | -               | -              |
| O-9   | -              | -               | -               | -              |
| O-8   | -              | -               | -               | -              |
| O-7   | -              | -               | -               | -              |
| O-6   | 1              | 1               | 1               | -              |
| O-5   | 2              | 2               | 2               | -              |
| O-4   | 3              | 3               | 2               | (1)            |
| O-3   | 3              | 3               | 3               | -              |
| O-2   | 1              | 1               | 1               | -              |
| O-1   | -              | -               | -               | -              |
| CWO4  | 5              | 5               | 3               | (2)            |
| Cadet                                       | -              | -               | -               | -              |
| E-10  | -              | -               | -               | -              |
| E-9   | -              | -               | -               | -              |
| E-8   | -              | -               | -               | -              |
| E-7   | 1              | 1               | -               | (1)            |
| E-6   | 1              | 1               | -               | (1)            |
| E-5   | -              | -               | -               | -              |
| E-4   | -              | -               | -               | -              |
| E-3   | -              | -               | -               | -              |
| E-2   | -              | -               | -               | -              |
| E-1   | -              | -               | -               | -              |
| Other Graded Positions                      | -              | -               | -               | -              |
| Ungraded Positions                          | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | 17             | 17              | 12              | (5)            |
| Unfilled Positions EOY                      | -              | -               | -               | -              |
| Total Perm. Employment EOY                  | 17             | 17              | 12              | (5)            |
| <b>FTE*</b>                                 | 17             | 17              | 12              | (5)            |
| Headquarters                                | -              | -               | -               | -              |
| U.S. Field                                  | 17             | 17              | 12              | -              |
| Foreign Field                               | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>            | 17             | 17              | 12              | (5)            |
| <u>Position Data:</u>                       |                |                 |                 |                |
| <b>Average Salary, Officer Positions**</b>  | \$98,236.33    | \$102,885.27    | \$109,943.00    | \$7,057.73     |
| <b>Average Grade, Officer Positions</b>     | 3              | 3               | 3               | 0              |
| <b>Average Salary, Enlisted Positions**</b> | \$64,390.50    | \$67,441.50     | \$73,694.00     | \$6,252.50     |
| <b>Average Grade, Enlisted Positions</b>    | 7              | 7               | N/A             | N/A            |

The CG Yard was reduced by 50 FTE and 50 FTP as a result of the FY06 DHS Appropriations Act (P.L. 109-90). All 50 were initially shown to be taken from the civilian workforce; however in executing the reductions, five FTE/FTP were taken from the military. As such, five FTE/FTP have been reduced from the military workforce and added to the civilian workforce.

\*The Coast Guard manages the military workforce by end strength, not FTE. The military FTE represented in these numbers are monthly end strengths averaged over the year.

\*\*The military pay and allowances averages include the costs associated with all pay and allowances paid to a particular paygrade, including: Basic Pay, Basic Allowance for Housing, Basic Allowance for Subsistence, Federal Insurance Contributions, Incentive/Special Pays, Clothing Allowances, Cost-of-Living Allowances and Selective Re-enlistment Bonus payments. The term "Officer" includes Chief Warrant Officers, Cadets and Officer Candidates.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
U. S. Coast Guard  
CG Yard Fund - Civilian  
Permanent Positions by Grade**

| Grade   | 2007           | 2008            | 2009            | 2008 to 2009   |
|---|----------------|-----------------|-----------------|----------------|
|   | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Pos. |
| Total, SES                                    | -              | -               | -               | -              |
| Total, EX                                     | -              | -               | -               | -              |
| GS-15   | 1              | 1               | 1               | -              |
| GS-14   | 3              | 4               | 3               | (1)            |
| GS-13   | 7              | 11              | 6               | (5)            |
| GS-12   | 25             | 22              | 25              | 3              |
| GS-11   | 28             | 26              | 28              | 2              |
| GS-10   | -              | -               | -               | -              |
| GS-9  | 9              | 5               | 9               | 4              |
| GS-8  | 1              | 2               | 1               | (1)            |
| GS-7  | 11             | 8               | 10              | 2              |
| GS-6  | 1              | 2               | -               | (2)            |
| GS-5  | 8              | 4               | 6               | 2              |
| GS-4  | 2              | -               | 2               | 2              |
| GS-3  | -              | 1               | -               | (1)            |
| GS-2  | -              | -               | -               | -              |
| Other Graded Positions                        | 460            | 483             | 483             | -              |
| Ungraded Positions                            | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>556</b>     | <b>569</b>      | <b>574</b>      | <b>5</b>       |
| Unfilled Positions EOY                        | 63             | 69              | 63              | (6)            |
| Total Perm. Employment (Filled Positions) EOY | 493            | 500             | 511             | 11             |
| <b>FTE</b>                                    | <b>507</b>     | <b>488</b>      | <b>495</b>      | <b>7</b>       |
| Headquarters                                  | -              | -               | -               | -              |
| U.S. Field                                    | 556            | 569             | 574             | 5              |
| Foreign Field                                 | -              | -               | -               | -              |
| <b>Total Permanent Positions</b>              | <b>556</b>     | <b>569</b>      | <b>574</b>      | <b>5</b>       |
| <u>Position Data:</u>                         |                |                 |                 |                |
| <b>Average Personnel Costs, ES Positions</b>  | n/a            | n/a             | n/a             | n/a            |
| <b>Average Personnel Costs, GS Positions</b>  | \$83,451.04    | \$91,767.44     | \$92,715.00     | \$947.56       |
| <b>Average Grade, GS Positions</b>            | 10             | 11              | 10              | (1)            |

The CG Yard was reduced by 50 FTE and 50 FTP as a result of the FY06 DHS Appropriations Act (P.L. 109-90). All 50 were initially shown to be taken from the civilian workforce; however in executing the reductions, five FTE/FTP were taken from the military. As such, five FTE/FTP have been reduced from the military workforce and added to the civilian workforce

The average personnel costs shown above include basic/locality pay, lump sum payments, awards, overtime, benefits such as retirement, health care and life insurance, and other compensation such as holiday, Sunday, hazardous duty, reemployment annuitant and severance pays, night differential, non foreign Cost-of-Living Allowance, premium compensation for firefighters. Civilian FTP is presented as a count of full time positions, vice full time employees.

**G. Capital Investment and Construction Initiative Listing**

**Not Applicable**

**H. PPA Budget Justifications by Object Class**

**Not Applicable**

**I. Changes in Full-Time Equivalents**

**Not Applicable**

# Department of Homeland Security

*U. S. Coast Guard*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

# **FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

## **U. S. COAST GUARD (USCG)**

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## A. Mission and Description of Component

The U. S. Coast Guard, one of the nation's five armed services, is the principal Federal agency responsible for maritime safety, security and stewardship. As such, we protect the vital economic, environmental and security interests of the United States including the personal safety and security of the maritime public, our natural and economic resources, the global commerce infrastructure and the integrity of our maritime borders. We are committed to addressing all threats and hazards in a manner consistent with the law and in alignment with the Department of Homeland Security's (DHS) goals and objectives. We do this throughout the maritime domain including in U.S. ports and inland waterways, along the coasts, on the high seas and in other regions where our maritime equities are at stake.

The Coast Guard delivers value to the public through its roles and missions that ensure maritime safety, security and stewardship. These roles and missions are enduring – long-standing responsibilities accrued over two centuries of service. They are inherently governmental, serve the collective good, and are best accomplished by a single Federal maritime force.

The Coast Guard's enduring roles and missions also complement one another to serve the greater public good. For example, the Nation's responses to the terrorist attacks of September 11<sup>th</sup> and Hurricane Katrina, as well as the increasing pressures on our waterways and marine resources, are informing the development of new regimes for the U.S. maritime domain, borders, and sensitive environmental areas. Moreover, in this time of change, the Coast Guard's multi-mission nature, which is a major value proposition to the nation, is taking on new dimensions and significance:

- Our long-standing efforts and expertise in marine safety reinforce new initiatives and standards for vessel and facility security.
- Our waterways management capacity and expertise are essential to maritime preparedness and port resilience, poised to rapidly restore commerce and economic stability after an attack or disaster.
- Our efforts with Ports, Waterways and Coastal Security systemically couple with supporting Coast Guard missions and operations to enhance Maritime Domain Awareness (MDA) and reinforce our layered defense against terrorism and other threats and hazards.
- Our missions to protect the marine environment and resources are complemented by our safety and security missions; ensuring access to waterways and resources is balanced and sustainable.

### **Major Commands:**

Atlantic Command – Portsmouth, VA  
Pacific Command – Alameda, CA  
1<sup>st</sup> District – Boston, MA  
5<sup>th</sup> District – Portsmouth, VA  
7<sup>th</sup> District – Miami, FL  
8<sup>th</sup> District – New Orleans, LA  
9<sup>th</sup> District – Cleveland, OH  
11<sup>th</sup> District – Alameda, CA  
13<sup>th</sup> District – Seattle, WA  
14<sup>th</sup> District – Honolulu, HI  
17<sup>th</sup> District – Juneau, AK  
Coast Guard Headquarters – Washington, D.C.

### **Employees:**

|                   |        |
|-------------------|--------|
| Military          | 40,243 |
| Civilian          | 6,241  |
| Selected Reserves | 8,103  |
| Auxiliary         | 34,885 |

### **Major Assets:**

|                     |       |
|---------------------|-------|
| Major Cutters       | 41    |
| Patrol Boats        | 119   |
| Icebreakers         | 13    |
| Buoy Tenders        | 77    |
| Helicopters         | 144   |
| Fixed Wing Aircraft | 54    |
| Boats               | 1,709 |

- Our enforcement of laws and treaties protects the nation’s maritime borders from drugs, contraband, weapons, illegal immigration and terrorist mobility and exploitation.
- In moments of national crisis the Coast Guard serves as the lead Maritime Operational Threat Response (MOTR) Forces component for DHS, and readily and seamlessly operates with other military forces, as well as Federal, state, local and tribal partners and stakeholders.
- In moments of international crisis, the Coast Guard provides unique and complementary war-fighting, infrastructure protection and capacity-building capabilities to the Department of Defense and the Department of State. We are highly experienced in working with both foreign Ministries of Defense and Ministries of Interior.
- As a member of the Intelligence Community (IC), and in support of the National Strategy for Maritime Security, the Coast Guard collects, fuses and shares critical intelligence, data and information through the Global Maritime Intelligence Integration (GMII) and Global Maritime Situational Awareness (GMSA) programs.
- Most importantly, our multi-mission flexibility ensures all Coast Guard forces can respond to incidents of national significance, scaling quickly up to a Katrina and/or a 9/11-level response when our nation is in peril.

Coast Guard missions are integrated to protect and strengthen our interests in economic and national security throughout the maritime domain. For example, the United States’ maritime Exclusive Economic Zone (EEZ) encompasses energy, minerals, fishery resources, supports tourism, and acts as a highway for international commerce. It is also a critical layer of the nation’s maritime border serving to protect and warn of imminent threats to the homeland.

We are only able to protect such a broad array of valuable resources in the EEZ and elsewhere in the maritime domain through a wide-ranging spectrum of authorities and capabilities. Where we have gaps in authorities or capabilities, we are seeking to continue closing them in FY 2009. The resources we are requesting in the FY 2009 budget, coupled with our core values of honor, respect, and devotion to duty, ensure the Coast Guard is always ready to answer the call for the American public.

There are eleven specific statutorily-mandated Coast Guard mission-programs defining the Coast Guard’s primary roles of safety, security and stewardship.<sup>1</sup> While each of the Coast Guard’s mission-programs has a direct linkage to one of these three roles, many also overlap to support others. Table 1 shows the primary alignment of Coast Guard mission-programs with these enduring roles.

| <b>Safety</b><br><i>Saving lives &amp; protecting people</i> | <b>Security</b><br><i>Establishing &amp; maintaining a secure maritime system while facilitating its use for the national good</i>                  | <b>Stewardship</b><br><i>Managing the sustainable &amp; effective use of inland, coastal and ocean waters &amp; resources for the future</i> |
|--|---|--|
| Search and Rescue<br>Marine Safety                           | Ports, Waterways & Coastal Security<br>Illegal Drug Interdiction<br>Undocumented Migrant Interdiction<br>Defense Readiness<br>Other Law Enforcement | Marine Environmental Protection<br>Living Marine Resources<br>Aids to Navigation<br>Ice Operations   |

Table 1

<sup>1</sup> The term “mission-program” is used by the Coast Guard to identify each of its 11 statutorily mandated missions that guide Coast Guard budget presentations as well as strategic planning, programming and performance.

## B. Major Activities and Key Strategic Goals

### Major Activities

In FY 2008, the Coast Guard received \$783.3 million to improve operational capability through the Integrated Deepwater System (IDS) program, including \$165.7 million to finalize certifications and complete acquisition of the first three National Security Cutters (NSC) and purchase long-lead material for NSC #4. Additionally, we received \$170 million to complete the purchase of four HC-144A Maritime Patrol aircraft, \$89.6 million for new Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) packages for our Deepwater and legacy fleet and \$55.5 million to fund operational and maintenance costs associated with new vessel and aviation assets. These initiatives provide needed capabilities and increased availability of assets to execute our missions. The assets improve the capability to detect, intercept, and interdict potential threats in the maritime domain using a layered defense of major cutters, patrol boats, helicopters, and maritime patrol aircraft through a single command and control architecture. IDS is pushing the nation's borders outward, not only ensuring national economic and environmental regulations are enforceable throughout our EEZ, but proactively providing forward security presence at sea, far away from our shores whenever possible.

The Coast Guard also received \$80.3 million to continue replacing the National Distress and Response System (NDRS) with the Rescue 21 system and \$12 million to expand coverage of Nationwide Automatic Identification System (NAIS) transmit and receive capabilities. These projects facilitate improved mission execution by processing more data prior to and during an incident. In addition, they provide enhanced communications and information-sharing among Coast Guard command centers and responding forces.

The Coast Guard is also taking steps to begin addressing a \$1.0 billion backlog of shore infrastructure priorities with \$41 million in projects to improve the living and working conditions of its personnel. This backlog includes a \$13.3 million Rescue Swimmer Training Facility to replace a facility built in 1948.

### Performance Milestones

In FY 2007, the Coast Guard issued the U.S. Coast Guard Strategy for Maritime Safety, Security and Stewardship (CGS) to provide the framework and strategic guidance for our doctrine and operations. CGS identifies strategic priorities for implementation across all Coast Guard mission-programs. We intend to make significant progress toward meeting the CGS' objectives and the associated mission program performance targets in FY 2009.

**Aids to Navigation (AtoN):** In FY 2007, our AtoN mission-program did not meet its performance target. We are working to better align our capabilities and results with performance targets. In FY 2007, the Coast Guard initiated an independent analysis of our Short Range Aids to Navigation system. In FY 2008, we intend to expand carriage requirements for Automatic Identification Systems and Electronic Chart Systems as well as continue a review of our Short Range Aid to Navigation system (currently being studied by the Center for Naval Analysis). This mission-program provides transportation safety and efficiency (mobility) improvements, and recovery from disasters on U.S. waterways through new construction, improvements or refurbishment of existing infrastructure. Waterway infrastructure projects respond to requirements from expanded U.S. Army Corps of Engineers (ACOE) activity or replace critical aging/damaged AtoN structures. Expansive growth in the global maritime industry continues with substantial increases in large, ocean-going merchant

vessels, U.S. Flag passenger vessels, and offshore oil industry vessels. Our program is supporting this growth while improving the Nation's AtoN system and safeguarding maritime commerce.

**Defense Readiness:** In FY 2007, our defense readiness mission-program did not meet its performance target, largely due to Port Security Units (PSUs) readiness remaining below standards. In addition, declining readiness in our aging legacy fleet limited asset availability to combatant commanders and affected the readiness measurement. We expect this trend to continue until new Integrated Deepwater System assets are fielded. In support of the Global War on Terrorism, the Coast Guard, protected and safely escorted nearly 75 military sealift movements carrying over six million square feet of indispensable military cargo in FY 2007. In the Arabian Gulf, six patrol boats, two Law Enforcement Detachments (LEDET) and their support and command elements bolstered the naval component commander's ability to secure the sea lanes, prosecute terrorism at sea, train Iraqi naval forces and protect the vital off shore oil structures of Iraq. A high endurance cutter conducted maritime security operations throughout the US Central Command region, including piracy suppression operations off Somalia and the Gulf of Aden. The Coast Guard continued port security deployments to Guantanamo Bay, Cuba in support of DoD operations. Coast Guard cutters and other forces supported theater security cooperation operations under the National Security and Defense Strategies off of West Africa and Central and South America. For FY 2008 and 2009, the Coast Guard is focusing on more extensive deployment of PSUs by increasing staffing levels to 95 percent and improving command and control. These efforts support naval combatant commanders involved with OPERATION IRAQI FREEDOM and OPERATION ENDURING FREEDOM. Additionally, the Coast Guard's strategic modernization efforts will provide "one stop shopping" for combatant commanders, resulting in simplified relationships and more effective sourcing of Coast Guard forces for defense operations."

**Drug Interdiction:** In FY 2007, our drug interdiction mission-program successfully met its performance target. Despite smugglers shifting tactical use of certain conveyances, the Coast Guard removed a record 355,754 pounds of cocaine with a street value almost half of the Coast Guard budget (\$4.6 billion). We continue expanding Airborne Use of Force (AUF) capabilities and capacities to deployed Coast Guard, U.S. Navy and Allied helicopters engaged in Drug Interdiction missions to maximize law enforcement and interdiction effectiveness. In FY 2008, the Coast Guard is improving Drug Interdiction capabilities by increasing its number of international liaison officers and establishing the Atlantic Area Deployment Center with ten AUF equipped and re-engined MH-65C helicopters in Jacksonville, Florida. These efforts continue into FY 2009 when additional counter-drug intelligence and operational analysts are assigned.

**Domestic Ice Operations:** In FY 2007, our ice operations mission-program successfully met its performance target. This was a result of cutter icebreaking efforts, particularly the new USCGC MACKINAW providing ice breaking services that resulted in no lost days for shipping in the Great Lakes Region due to ice accumulation. In FY 2008 and 2009, the Coast Guard intends to implement recommendations from internal studies to preserve readiness during rehabilitation efforts on our fleet of aging WTBG-140 foot icebreaking tugs.

**Living Marine Resources (Domestic Fisheries) and Other Law Enforcement (Foreign Fisheries):** In FY 2007, our foreign fisheries mission-program successfully met its target while our domestic fisheries mission-program did not. Foreign fishery enforcement efforts were notably successful in working with the Department of State (DOS) to engage Central American Governments and ensure their fishing fleets honor U.S. Exclusive Economic Zone (EEZ) restrictions in

the Pacific Ocean. Guided by intelligence and threat analysis and supported by strong multi-agency coordination, Coast Guard domestic fisheries enforcement uncovered significant regulatory compliance shortfalls in a number of Northeastern Atlantic fisheries. Increased violations in these fisheries were the primary driver for the program not meeting its performance target for 2007. In FY 2008 and 2009, performance in both mission-programs will be temporarily affected by the reduction in available patrol boats, as these assets are taken out of service to undergo Mission Effectiveness Program (MEP) enhancements. These effects are short-term set-backs that will ultimately yield more sustained long-term performance as the legacy patrol boats return to service. Offsetting this decline is the addition of our first three new Maritime Patrol Aircraft, each of which will provide added monitoring and detection capabilities.

**Marine Environmental Protection (MEP):** In FY 2007, our MEP mission-program was successful in meeting its performance target. Effective industry partnerships resulted in mandatory vessel response and salvage plans onboard vessels, barges, and facilities handling hazardous materials. The Coast Guard, along with the Environmental Protection Agency (EPA), led the 2007 Spill of National Significance (SONS) Exercise, which tested the entire National Response System at the local, regional and national levels and increased preparedness for large oil and hazardous material spills resulting from a natural disaster. The exercise included participation from 11 states, 14 federal agencies and multiple non-governmental/industry entities. The Coast Guard is also working to update a joint contingency plan between the United States and Mexico (MEXUS) which establishes guidelines in coordinating bilateral responses to pollution incidents that occur in, or threaten, coastal waters or areas of the border zones between Mexico and the United States. In addition, the National Strike Teams and National Strike Team Coordination Center were transferred to the new Deployable Operations Group (DOG), integrating the MEP mission into the Coast Guard's Deployable Specialized Forces (DSF) and adaptive force packaging structure. In FY 2008, the Coast Guard will enforce the mandatory ballast water management program to prevent the introduction of invasive species into U.S. waterways. Additionally, the Coast Guard will continue to engage the Government of Canada to develop and implement a Joint Oil Spill Contingency Plan. In FY 2009, we will continue these efforts by conducting a national District Response Advisory Team (DRAT) conference to better share best-practices in environmental protection.

**Marine Safety:** In FY 2007, our Marine Safety mission-program did not meet its performance targets because of a recent addition of untested performance targets for recreational boating injuries. In FY 2007, the Coast Guard, as the lead U.S. delegate to the 167 member-state International Maritime Organization (IMO), continued to spearhead efforts for completion of a Voluntary Member State audit. We also continued implementation of the Global Maritime Distress and Safety System-based Long Range Identification and Tracking (LRIT) program. On the domestic front, the Coast Guard partnered with state governments to increase Personal Flotation Device (PFD) use in high-risk recreational boating activities. These efforts continue in FY 2008 and include new recreational boating initiatives such as ensuring manufacturer compliance with recreational boating standards. Moreover, the Coast Guard is encountering serious stakeholder concern about our capacity to conduct marine inspections, investigations and rulemaking. In FY 2008, we received funding to increase rulemaking throughput, and our FY 2009 budget request includes funding to increase our marine safety inspectors. The overall goal is to provide the highest quality service possible and meet the anticipated growth of the maritime industry. Since the establishment of 35 field-level Sectors (e.g. Sector New York, Sector Los Angeles/Long Beach, Sector Miami, etc.) the Coast Guard has integrated safety and security missions on the front lines while employing a business model focused on efficient, consistent, high quality service delivery to industry and the public.

**Ports, Waterways, and Coastal Security (PWCS):** In FY 2007, our PWCS mission-program achieved its performance target. Of particular note, interagency partnerships improved by the Spill of National Significance (SONS) exercise and TOPOFF 4. In partnership with TSA, the Coast Guard is implementing the Transportation Worker Identification Card (TWIC) and is responsible for establishing and enforcing TWIC access control requirements at regulated vessels and facilities and anticipates publishing a final rule on cardreader requirements by the SAFE Port Act deadline of April, 2009. The Coast Guard is partnering closely with the Domestic Nuclear Detection Office (DNDO) to equip Coast Guard boarding teams with radiation detection equipment and implement the Preventative Radiation/Nuclear Detection (PRND) Pilot Program. This latter program, currently in early stages, will deploy preventive radiation/nuclear detection (PRND) capabilities in the ports of Seattle and San Diego. Internationally, initial country visits with all U.S. foreign maritime partners were completed in 2007, which furthered efforts to reduce maritime risks. Nearly 50 U.S. and Canadian officers completed eight days of joint training in July 2007 at the Maritime Law Enforcement Academy in Charleston, SC. This effort culminated in the award of U.S. and Canadian law enforcement “cross-designations” for each nation and the authority to carry arms and enforce laws in opposing jurisdictions. The Coast Guard received \$45.000 million in FY 2008 to procure an additional 14 RB-M vessels, and we expect they will be operational in FY 2009. In addition, the FY 2008 appropriation provided \$29.400 million to procure 26 additional RB-S vessels and 238 FTE. In FY 2009, the publishing of final performance-based regulations governing security screening standards onboard ferries will continue to enhance the effectiveness of the PWCS mission-program.

**Undocumented Migrant Interdiction:** In FY 2007, our Undocumented Migrant Interdiction mission-program met the legacy outcome performance metric being phased-out in 2008 but did not meet the performance target for its new measure. The Coast Guard interdicted a 12 year high in Cuban migrants and observed an increase in the use of high-speed vessels by Cuban migrant smugglers. The Coast Guard countered this increased threat with vessel-on-vessel use of force tactics and high speed interdiction boats. In FY 2008, the Coast Guard received \$11.500 million to fund additional maintenance requirements associated with double-crewing 110-ft patrol boats in the Seventh District (Florida and the Caribbean). Double-crewing stems a gap in patrol boat resource hours that significantly improves migrant interdiction performance including “at-sea” biometric identification, assistance with prosecution and reduction in recidivism. Since the maritime biometric identification proof-of-concept began in the Mona Pass in November of 2006, the Coast Guard has observed a 53 percent reduction in the flow of migrants from the Dominican Republic. Improved border surveillance capability through integration and cooperation with other DHS components’ programs such as the Secure Border Initiative (SBI) will help to further improve program performance. Continued progress on the Deepwater MEP for WMECs and WPBs is delivering upgraded operational and communications capabilities on legacy assets necessary for all mission responsibilities.

**Search and Rescue (SAR):** In FY 2007, the SAR mission-program successfully met its performance target. Installation of 406 MHz Direction Finding (DF) capability onboard C-130 aircraft resulted in successful prosecution of several notable search and rescue cases. Delays in fielding Rescue 21 and Response Boat – Medium limited further SAR improvements due to continued reliance on older and less effective equipment. In FY 2008, SAR mission performance is expected to benefit from the additional installation of improved technologies of 406 MHz direction finders on more aircraft and Digital Selective Calling capability onboard additional Cutters and small boats. The addition of SAR and exercise planning to National Maritime Security Plan will enhance the incident

management expertise necessary to improve national SAR performance. These efforts will carry into FY 2009 which, together with the completed roll-out of the majority of SAR-related technology upgrades and delivery of 14 RB-M vessels from the FY 2008 appropriation will improve mission performance.

## Key Strategic Issues

The President's FY 2009 Budget Request will fund a mission-focused Coast Guard capable of answering the Nation's call. Events such as the 9/11 terrorist attacks and Hurricane Katrina demonstrated the complexity of emerging threat situations and highlighted our nation's growing vulnerability. While the U.S. capacity to save lives in the aftermath of these tragedies was exceptional, more can be done to prevent, protect, respond and recover from the next major disaster. The Coast Guard faces the following five major challenges:

**Recapitalizing and Preserving Aging Infrastructure:** The Coast Guard needs to replace aging vessels, aircraft and shore infrastructure. The cost of maintaining and operating the Coast Guard's assets is continually increasing, while operational availability is decreasing. In addition to vessels and aircraft, the vital shore infrastructure required to maintain our front line assets is in critical need of renovation and repair. Finally, housing shortages and lack of adequate barracks adversely affect the quality of life for service members. Ultimately, the future operational success of the Coast Guard is dependent upon a comprehensive recapitalization of front line assets, as well as support and shore infrastructure.

**Enhancing Marine Safety:** Coast Guard partnerships with maritime industry enable continual improvement of our public safety and security programs. The success of the maritime industry is bolstered by an integrated Coast Guard approach to safety and security. The goals in preventing or responding to a major safety or security incident in our ports and waterways are the same: save lives and minimize damage to property, the environment and the global economy. We recognized the threat posed to our nation by radical extremists and taken prompt and substantial action to fortify our ports, waterways, coastal areas and maritime infrastructure. With maritime security needs better-addressed, we are again continuing our long-standing efforts to enhance marine safety. Among other initiatives, our FY 2009 request includes funding to increase our marine inspector complement and build rulemaking capacity. Additional ongoing initiatives include streamlining licensing and documentation for our merchant marine customers and further development of Flag Officer oversight of program management and industry relations. This renewed focus on regulatory functions will meet the needs of the maritime community while continuing to provide for the safety of commerce in the maritime domain.

**Improving Command and Control:** The maritime environment continues to grow in complexity as the global marketplace expands. The Coast Guard faces a critical need to update its command and control capability to better identify and classify potential threats in the maritime realm in a real-time environment. The lack of offshore sensors and joint-service personnel to staff command and intelligence centers reduces our ability to protect crucial coastal resources and port infrastructure. The lack of adequate information-sharing and secure communications capability negatively impacts identification of potential terrorists while still at-sea. The Command 21 initiative, which received \$9.100 million in FY 2008, and other Maritime Domain Awareness projects such as the Nationwide Automatic Identification System and Long Range Identification and Tracking leverage technology, will increase the flow of information and enhance unity of effort across all levels of government.

Cooperative efforts such as the Joint Harbor Operations Centers (JHOC) with the U.S. Navy (i.e., including the newly established facility in Seattle, WA) and Project SeaHawk with the Departments of Justice and State as well as local partners from Charleston, SC demonstrate the benefits of improving information-sharing and interagency command center operations nationwide. Interagency command centers supported by Command 21, will provide operational commanders and National-level decision-makers with a continuous flow of port-level information and will link with the DHS Common Operating Picture (COP) to provide increased command and control capability government-wide. The Coast Guard will leverage the \$60 million received in FY 2008 to advance the interagency operations center initiative.

**Maintaining Polar Presence and Capabilities:** Recent years have seen a significant increase in Arctic activity, including efforts by multiple polar nations to define and claim Arctic seabed and access to natural resources. The Government of Russia recently completed an expedition to establish the geological relation between the North Pole zone, the Siberian platform, and Russia's continental shelf. The Government of Canada recently decided to establish a port in Nanisivik on the north end of Baffin Island. The Bering Strait serves as a critical choke-point providing access to the Northern Sea Route and Northwest Passage. Already the primary access route, the Bering Strait will become even more critical with expected growth in maritime activity in the Arctic region. The need to address energy security, U.S. sovereignty, increased Arctic shipping, prevention and response activities and the growing need for maritime domain awareness will increase the tempo of Coast Guard operations in the Arctic. Often, the Coast Guard is the sole federal presence in these regions and the only entity positioned and able to enforce all aspects of U.S. sovereignty while supporting scientific research. The Coast Guard is aggressively considering alternatives to improve and sustain operational presence in the Arctic. Due to the long lead time required for acquisition of Polar-capable assets, infrastructure needs are being assessed concurrent with ongoing U.S. policy review for this region.

**Establishing Comprehensive Intelligence and Awareness Regimes:** Collecting, fusing, and sharing intelligence are critical for protecting the American public against our determined enemies. It is equally important to safeguard our intelligence resources from compromise and exploitation. As a member of the Intelligence Community (IC), the Coast Guard must be fully and properly vested in both intelligence-sharing and long range tracking activities and partnerships such as the Global Maritime Intelligence Integration (GMII) and Global Maritime Situational Awareness (GMSA). In our unique role as the lead intelligence agency for DHS in the maritime domain, we provide intelligence partners with a critical maritime and homeland security perspective during intelligence collection, fusion, analysis and sharing. A key component of our efforts to expand Maritime Domain Awareness is the continued cooperation and collaboration with other IC partners that expand our visibility into the maritime domain through technical means and in cooperation with IC partners including the National Security Agency (NSA), National Reconnaissance Office (NRO) and National Geospatial-Intelligence Agency (NGA). The Coast Guard received \$11.600 million in FY 2008 to increase intelligence watchstanders. The FY 2009 request includes funding for intelligence integration, counter-intelligence and cryptologic services.

### C. Resources Requested and Performance Impact

**Improving Service Delivery with our Base:** The Coast Guard is modernizing its command and control structures, support systems, and business intelligence practices to make it more agile and responsive to the threats and challenges our nation faces in the 21st century. This strategic modernization is funded primarily from within our base in FY 2007, FY 2008 and FY 2009. The

major changes include the merging of the Atlantic and Pacific Area Commands into one Coast Guard Operations Command (OPCOM) and the establishment of a Coast Guard Forces Readiness Command (FORCECOM) to eliminate programmatic redundancy posed by two regional Area Commands. Creating these single-points of field accountability, each responsible for their respective functional areas (i.e., operations and force readiness), will address the challenges we face in our current construct resulting from dilution of functions by distribution of duplicative responsibility among Headquarters, two separate Areas and two Maintenance and Logistics Commands. Most importantly, it will improve service delivery to the American public.

Additionally, the Coast Guard will create the Headquarters office of the Deputy Commandant for Operations (DCO) which will provide a single point of accountability for the Coast Guard's 11 mission-programs. This will give full credence to the fact that all Coast Guard operations have an equal level of precedence; none is more or less critical to America's safety, security and stewardship. DCO will eliminate program stovepipes among competing mission-programs in our Headquarters construct while providing for the integrated development, implementation, and oversight of operational policy, planning and engagement at the strategic level. DCO will also maintain relations with industry, public advocacy groups, DoD and the Service's interagency partners, i.e. CBP, TSA, FEMA, FBI, EPA, NOAA, etc. at the national level, and provide the necessary capabilities to meet all Coast Guard operational requirements. Similarly, formulation of the Headquarters office of the Deputy Commandant for Mission Support (DCMS) will consolidate and integrate into a single entity, the responsibilities for developing and overseeing policies and programs for Coast Guard human resources management, acquisitions, engineering and logistics support of operating forces and shore infrastructure; as well as the technical aspects of the information systems utilized to carry out Coast Guard operations. This will enable more effective acquisition governance and oversight while mitigating current challenges with programs such as Deepwater. The creation of DCMS will standardize maintenance processes and lead to strict configuration control across the enterprise, providing single-point accountability for life-cycle management of assets and human resource management. In turn, DCMS will further relieve operational commands of support obligations, enabling them to fully focus on Coast Guard mission execution.

The Coast Guard's strategic service-wide modernization will improve global resource allocation, force generation, and overall risk management, and enhance the Service's unity of effort within the Department of Homeland Security and at all levels of government. It will result in stronger Headquarters and Field alignment, improved readiness management, and enhanced mission execution across all Coast Guard operations.

The Coast Guard also intends to create efficiencies which shift resources to support new Deepwater assets scheduled for delivery in FY 2009 and offset the annualizations required from new program initiatives in FY 2008. These efficiencies include the termination of FY 2008 one-time \$36.211 million costs; the decommissioning of four older or less efficient cutters that will save over \$9.536 million and 127 FTEs; and the decommissioning of six Coast Guard aircraft at a savings of over \$22.382 million and 106 FTEs. In addition, a base reduction across the Coast Guard's operating and maintenance (PPA IV) and training and recruiting (PPA III) accounts will generate \$34.098 million to help offset the increased annualization of new programs from FY 2008. The replacement of legacy assets with more capable Deepwater cutters and aircraft will improve overall performance levels.

The Coast Guard remains fully committed to achieving greater efficiency through implementation of President's Management Agenda (PMA). For example, to meet the Competitive Sourcing component of the PMA, the Coast Guard's Research and Development center has completed a streamlined

competition within its technical services function which has resulted in a 10% savings in FTE. Similarly, in alignment with the PMA's E-Government "To-Be" architecture, the Coast Guard continues to promote the principles of interoperability and consolidation by incorporating aviation, finance, and vessel data into one business model and Information Technology system.

As good stewards, the Coast Guard is determined to effectively and efficiently meet our mission execution and mission support requirements. To achieve this, we are aggressively pursuing a comprehensive (i.e., high performing organization-type) functional and organizational evaluation and modernization. Experience designing our own Civil Engineering program HPO (CE HPO) has convinced us of both the merit and the value of that type of approach. The CE HPO's improved set of business practices and related organizational realignment will serve as a model for our impending national Strategic Modernization efforts. Strategic Modernization is a complex transformation effort that will leverage experience the Coast Guard has gained through its Competitive Sourcing program. Coast Guard Strategic Modernization will enable a top to bottom, iterative alignment of strategy, policy, investment and performance. Such an alignment is not fully possible within our current national organization and functional distribution. Successful Strategic Modernization will drive our increased relevance and at the same time, improve the Coast Guard's value proposition to the nation. We are leveraging the tenants of High Performing Organization initiatives to become a higher performing agency. We are also in the process of centralizing our leased real property inventory which will enable strategic asset management for the entire Coast Guard real property portfolio (both leased and owned). Additionally, the Coast Guard created the Office of Financial Transformation and Compliance to coordinate the transformation of financial policy, processes, information technology systems, and personnel practices in order to improve financial business processes and improve financial support to operational field units. These achievements represent a comprehensive Financial Strategy for Transformation and Audit Readiness through which the Coast Guard expects to be in a position to earn an unqualified internal control assertion statement by FY 2010.

D. Program Performance Highlights, Resources, and Alignment to Strategic Goals

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars and FTE, and main performance measure/s are shown below. For many of the programs, more performance information may be found on the OMB web site [Expectmore.gov](http://Expectmore.gov) (program names may differ slightly from those used in this document).

**Performance Budget Highlights by Program**  
USCG  
2009 OMB

|   |           |             |             |             |             |             |
|---|-----------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Aids to Navigation (AtoN)</b>   |           |             |             |             |             |             |
| <b>Performance Goal:</b> Minimize disruptions to the movement of goods and people, while maximizing recreational enjoyment and environmentally sound use of our navigable waters. |           |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 3.2 (98%); 4.1 (2%)   |           |             |             |             |             |             |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>   | \$945,827 | \$1,152,794 | \$1,155,749 | \$1,156,153 | \$1,101,355 | \$1,027,703 |
| <b>FTE</b>  | 6,749     | 6,985       | 7,526       | 8,549       | 7,330       | 7,269       |

Performance Plan Measure

|  |
|--|
| <b>Measure:</b> Five - Year Average of Number of Collisions, Allisions, and Groundings (CAG) |
|--|

**Description of Measure:** The mission of the Coast Guard's Waterways Management program is to manage, influence, and provide access to a safe, secure, efficient and environmentally sound waterways system. Several statutes clearly link the various components (Navigation Systems, Marine Transportation System services, and Bridge Administration) back to this mission. The program facilitates maritime commerce by minimizing disruptions to the movement of goods and people, while maximizing recreational enjoyment and environmentally sound use of navigable waters, all while maintaining robust waterway restoration capabilities when disruptions do occur.

Alignment to DHS objective 3.2.

| <b>Fiscal Year:</b> | FY 2004        | FY 2005        | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------|----------------|----------------|---------|---------|---------|---------|
| <b>Target:</b>      | 1,923 or fewer | 1,831 or fewer | 1,748   | 1,664   | 1,756   | 1752    |
| <b>Actual:</b>      | 1,876          | 1825           | 1,765   | 1,823   | N/A     | N/A     |

### Additional Measures

**Measure:** Federal Aids to Navigation Availability

**Description of Measure:** The aid availability rate is based on an international measurement standard established by the International Association of marine Aids to navigation and Lighthouse Authorities (IALA), which published Recommendations on Availability Objectives of Aids to Navigation Services, IALA Recommendation O-130 in December 2004. The Integrated Aids to Navigation Information System (I-ATONIS) is the official system used by the Coast Guard to store pertinent information relating to short-range aids to navigation. The Total time short range Aids to Navigation are expected to be available is determined by multiplying the total number of federal aids, by the number of days in the reporting period they were deployed, by 24 hours. The result of the aid availability calculation is dependent on the number of federal aids in the system on the day the report is run. A short range Aid to Navigation is counted as not being available from the initial time a discrepancy is reported until the time the discrepancy is corrected. Temporary changes to the short-range Aids to Navigation System are not considered discrepancies.

Alignment to DHS objective: 4.1

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Target:</b>      | 99.7%   | 97.5%   | 97.5%   | 97.5%   | 97.5%   | 97.5%   |
| <b>Actual:</b>      | 97.5%   | 97.1%   | 97.0%   | 97.9%   | N/A     | N/A     |

### **Program: Defense Readiness**

**Performance Goal:** Improve our national security and military strategies by ensuring assets are at the level of readiness required by the combatant commander.

**DHS strategic objectives supported and % allocation of activities:** The Defense Readiness mission-program aligns to multiple DHS objectives: 1.1 (99%) and 3.1 (1%)

| <b>Fiscal Year:</b> | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
|---------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>\$ Thousands</b> | \$229,068 | \$612,554 | \$509,691 | \$601,494 | \$659,788 | \$547,707 |
| <b>FTE</b>          | 996       | 2,942     | 2,076     | 4,038     | 3,644     | 3,422     |

### Performance Plan Measure

**Measure:** Percent of time that Coast Guard assets included in the Combatant Commander Operational Plans are ready at a Status of Resources and Training System (SORTS) rating of 2 or better.

**Description of Measure:** This metric measures the readiness of Port Security Units, 110 foot Patrol boats, and High Endurance Cutters against the requirements of DOD operational plans. Coast Guard expeditionary forces provide non-redundant capabilities to combatant commanders to assist, among other reasons, in meeting the major objective of the National Strategy for Combating Terrorism to battle

terrorism overseas rather than inside our borders. Asset readiness is reported through the Navy Status of Readiness and Training System (SORTS) assessment program. The data includes readiness information about the unit's people (such as training and billet-fill), equipment (physical operating condition), and health of its supplies and logistics - in essence, all pertinent information that could bear on a unit's war fighting capability. No pertinent data is excluded. Data is always current; the automated collection system is required to be updated immediately upon a change in readiness. There are no limitations (with regard to timeliness, completeness, or accuracy, etc.) to using this data for measurement purposes.

Alignment to DHS Objective: 1.1

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Target:</b>      | 100%    | 100%    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | 76%     | 69%     | 62%     | 50.66%  | N/A     | N/A     |

### Additional Measures

#### **Measure:** Defense Readiness of Patrol Boats

**Description of Measure:** This measure is the percent of time that the number of units called for in combatant commander operational plans are ready at SORTS category 2 or better. Coast Guard expeditionary forces provide non-redundant capabilities to combatant commanders to assist, among other reasons, in meeting the major objective of the National Strategy for Combating Terrorism to battle terrorism overseas rather than inside our borders. Asset readiness is reported through the Navy Status of Readiness and Training System (SORTS) assessment program. The data includes readiness information about the unit's people (such as training and billet-fill), equipment (physical operating condition), and health of its supplies and logistics - in essence, all pertinent information that could bear on a unit's warfighting capability. No pertinent data is excluded. Data is always current; the automated collection system is required to be updated immediately upon a change in readiness. There are no limitations (with regard to timeliness, completeness, or accuracy, etc.) to using this data for measurement purposes.

Alignment to DHS Objective: 3.1

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Target:</b>      | None    | None    | 100%    | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | None    | None    | 100%    | 100%    | N/A     | N/A     |

#### **Measure:** Defense Readiness of Port Security Units (PSUs)

**Description of Measure:** This measure is the percent of time that the number of units called for in combatant commander operational plans are ready at SORTS category 2 or better. Coast Guard expeditionary forces provide non-redundant capabilities to combatant commanders to assist, among other reasons, in meeting the major objective of the National Strategy for Combating Terrorism to battle terrorism overseas rather than inside our borders. Asset readiness is reported through the Navy Status of Readiness and Training System (SORTS) assessment program. The data includes readiness information about the unit's people (such as training and billet-fill), equipment (physical operating condition), and health of its supplies and logistics - in essence, all pertinent information that could bear on a unit's warfighting capability. No pertinent data is excluded. Data is always current; the automated collection system is required to be updated immediately upon a change in readiness. There are no limitations (with regard to timeliness, completeness, or accuracy, etc.) to using this data for measurement purposes.

Alignment to DHS Objective: 3.1

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006         | FY 2007 | FY 2008 | FY 2009 |
|---------------------|---------|---------|-----------------|---------|---------|---------|
| <b>Target:</b>      | None    | None    | 100%            | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | None    | None    | less than<br>1% | 4.52%   | N/A     | N/A     |

#### **Program:** Drug Interdiction

**Performance Goal:** Reduce the flow of illegal drugs entering the U.S. via non – commercial maritime

|  |           |             |             |             |             |             |
|--|-----------|-------------|-------------|-------------|-------------|-------------|
| shipping sources.  |           |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 (100%) |           |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | \$907,232 | \$1,017,478 | \$1,243,683 | \$1,115,654 | \$1,041,395 | \$1,100,893 |
| <b>FTE</b>   | 5,494     | 4,662       | 6,333       | 6,159       | 6,006       | 5,798       |

### Performance Plan Measure

|   |         |         |         |                                     |         |         |
|---|---------|---------|---------|-------------------------------------|---------|---------|
| <b>Measure:</b> Removal rate for cocaine that is shipped via non - commercial maritime means.   |         |         |         |                                     |         |         |
| <b>Description of Measure:</b> The removal rate is the amount of drugs lost to the smuggler through seizure, jettison, or purposeful destruction (to avoid seizure), divided by the non-commercial maritime (NMCM) cocaine flow. Removal information is provided through the Consolidated Counter-Drug Database; the NCM is provided by the Interagency Assessment of Cocaine Movement. Both sources of information are independently derived, and not subject to Coast Guard approval. |         |         |         |                                     |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007                             | FY 2008 | FY 2009 |
| <b>Target:</b>  | 15%     | 19%     | 22%     | 26%                                 | 28%     | 23.8%   |
| <b>Actual:</b>  | 30.7%   | 27.3%   | 25.3%   | 355,754lbs<br>of Cocaine<br>Removed | N/A     | N/A     |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Ice Operations</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Limit disruption of maritime commerce due to ice.   |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> The Ice Operations mission program aligns to DHS objectives: 1.1 (57%) and 3.2 (43%) |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$184,793 | \$185,926 | \$111,025 | \$115,414 | \$128,745 | \$115,028 |
| <b>FTE</b>   | 1,295     | 1,149     | 906       | 854       | 810       | 791       |

### Performance Plan Measure

|  |   |                       |                       |                       |                       |                    |
|--|---|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|
| <b>Measure:</b> Number of days critical waterways are closed due to ice.   |   |                       |                       |                       |                       |                    |
| <b>Description of Measure:</b> This measure is an indicator of Coast Guard Icebreaking impact on preventing disruptions to maritime commerce due to ice. It is an indicator of the annual number of days critical Great Lakes waterways are closed with the St. Marys River as the reference point.<br>Alignment to DHS Objective: 3.2 |   |                       |                       |                       |                       |                    |
| <b>Fiscal Year:</b>  | FY 2004                                 | FY 2005               | FY 2006               | FY 2007               | FY 2008               | FY 2009            |
| <b>Target:</b>   | 2(avg), 8<br>(severe)                   | 2(avg), 8<br>(severe) | 2(avg), 8<br>(severe) | 2(avg), 8<br>(severe) | 2(avg), 8<br>(severe) | 2(avg), 8 (severe) |
| <b>Actual:</b>   | 4 closure<br>days,<br>average<br>winter | 0 Closures            | 0 Closures            | 0 closures            | N/A                   | N/A                |

### Additional Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent Success Rate in Meeting Request for Ice Breaking  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is the percentage of CG provided icebreaking support provided as requested by the National Science Foundation.<br>Alignment to DHS Objective: 1.1 |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |

|                |      |      |      |      |      |      |
|----------------|------|------|------|------|------|------|
| <b>Target:</b> | 100% | 100% | 100% | 100% | 100% | 100% |
| <b>Actual:</b> | 100% | 100% | 100% | 100% | N/A  | N/A  |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Living Marine Resources (LMR)</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> Achieve sustained fisheries regulation compliance on our Nation's Oceans. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 3.1 (100%)               |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$741,938 | \$720,113 | \$765,909 | \$847,606 | \$670,252 | \$719,097 |
| <b>FTE</b>   | 4,567     | 4,022     | 4,208     | 4,849     | 3,955     | 3,841     |

**Performance Plan Measure**

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of fishermen complying with federal regulations.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure is the number of Coast Guard boardings that resulted in no significant fisheries violation, divided the total number of Coast Guard fisheries boardings. The measure is an observed compliance rate: the Coast Guard does not randomly board fishing vessels, but rather targets boardings to those vessels deemed most likely to be in violation based on intelligence, operational experience, and other factors. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | 97      | 97      | 97%     | 97%     | 97%     | 97%     |
| <b>Actual:</b>   | 96.3%   | 96.4%   | 96.6%   | 96.2%   | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Marine Environmental Protection (MEP)</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Reduce oil and chemical discharge incidents and mitigate impacts when they occur.  |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> The Marine Environmental Protection mission-program aligns to: 3.1 (29%) and 4.1 (71%). |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$349,570 | \$255,124 | \$336,631 | \$182,043 | \$194,881 | \$181,507 |
| <b>FTE</b>  | 1,944     | 1,460     | 1,356     | 1,222     | 1,174     | 1,138     |

**Performance Plan Measure**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> 5-yr Average number of Oil Spills >100 gallons per 100 Million Short Tons Shipped   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is a lagging indicator of Coast Guard Marine Environmental Protection Program impact on the long-term trend of significant oil spills. It is a simple moving average of Coast Guard investigated oil spills greater than 100 gallons discharged into navigable waters of the United States for the current and four previous fiscal years, divided by the 5-year average annual foreign and domestic short tons (100 million) of Oil & Oil Products shipped in U.S. waters.<br>Aligns to DHS objective: 3.1 |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  |         |         |         |         | 13.5    | 13.0    |
| <b>Actual:</b>  |         |         |         |         |         |         |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> 5-yr Average number of Chemical Discharge Incidents per 100 Million Short Tons Shipped  |  |  |  |  |  |  |
| <b>Description of Measure:</b> This measure is a lagging indicator of Coast Guard Marine Environmental Protection Program impact on the long-term trend of chemical discharge incidents. It is a simple moving average of Coast Guard investigated chemical discharge incidents into navigable waters of the United States for the current and four previous fiscal years, divided by the 5-year average annual |  |  |  |  |  |  |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| foreign and domestic short tons (100 million) of Chemical & Chemical Products shipped in U.S. waters.<br>Aligns to DHS objective: 3.1 |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  |         |         |         |         | 26.6    | 25.9    |
| <b>Actual:</b>  |         |         |         |         |         |         |

### Additional Measures

|  |         |         |         |         |          |         |
|--|---------|---------|---------|---------|----------|---------|
| <b>Measure:</b> Percentage of oil removed or otherwise mitigated as compared to the amount of oil released for reported spills of 100 gallons or more.   |         |         |         |         |          |         |
| <b>Description of Measure:</b> This measure will take into account all methods used to remediate an oil spill from impacting the environment and thus includes the amount of oil mechanically removed from both the water and shore, dispersed, insitu burned, or evaporated. This is a new metric that will be baselined starting the third quarter of FY08 when the mechanisms are in place to properly collect the data. Since collection points for all data sets will not be available until then, the targets for FY08 and FY09 are estimates only and will be refined once sufficient trend data can be analyzed.<br>Aligns to DHS objective: 4.1 |         |         |         |         |          |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008  | FY 2009 |
| <b>Target:</b>   |         |         |         |         | 15%      | 16%     |
| <b>Actual:</b>   |         |         |         |         | Baseline | N/A     |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Marine Safety</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> Reduce maritime fatalities and injuries on our Nation's oceans and waterways. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 3.2 (100%)                   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$487,391 | \$613,843 | \$786,051 | \$557,196 | \$538,244 | \$542,788 |
| <b>FTE</b>   | 3,223     | 5,528     | 4,012     | 4,109     | 3,806     | 3,801     |

### Performance Plan Measure

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> 5-yr Average number of Commercial Mariner Deaths & Injuries  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This is a measure of the long-term performance trend of the Coast Guard Marine Safety Program impact on commercial Mariner fatalities and injuries. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   |         |         |         |         | 501     | 499     |
| <b>Actual:</b>   |         |         |         |         |         |         |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> 5-yr Average number of Commercial Passenger Deaths & Injuries  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This is a measure of the long-term performance trend of the Coast Guard Marine Safety Program impact on commercial Passenger fatalities and injuries. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   |         |         |         |         | 225     | 224     |
| <b>Actual:</b>   |         |         |         |         |         |         |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> 5-yr Average number of Recreational Boating Deaths & Injuries  |  |  |  |  |  |  |
| <b>Description of Measure:</b> This is a measure of the long-term performance trend of the Coast Guard Marine Safety Program impact on Recreational Boating fatalities and injuries. |  |  |  |  |  |  |

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      |         |         |         |         | 4252    | 4248    |
| <b>Actual:</b>      |         |         |         |         |         |         |

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Migrant Interdiction</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Eliminate the flow of undocumented migrants via maritime routes to the U.S. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 (100%)                 |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$244,803 | \$548,675 | \$503,949 | \$761,406 | \$439,918 | \$444,149 |
| <b>FTE</b>   | 1,518     | 3,065     | 2,467     | 4,392     | 2,481     | 2,395     |

**Performance Plan Measure**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of undocumented migrants who attempt to enter the U.S. via maritime routes that are interdicted or deterred.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The Coast Guard has been charged through Executive Orders and Presidential Decision Directive to enforce the Immigration and Nationality Act. Performance is measured by the percent of undocumented migrants who are interdicted while, or deterred from, attempting to enter the U.S. via maritime routes. Haitian, Cuban, Dominican Chinese are tracked, as they constitute the majority of the migrant flow entering the U.S. via maritime means. The measure is computed by dividing the number of successful landings by the migrants who actually attempt illegal immigration or were deterred from making an attempt. Subtracting this percentage from 100% gives the total migrants interdicted or deterred. The migrant flow is provided by the Coast Guard Intelligence Coordination Center; interdictions and landings are reported by Coast Guard units other law enforcement agencies. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | 91%     | 93%     | 95%     |
| <b>Actual:</b>  | None    | None    | None    | 93.7%   | N/A     | N/A     |

**Additional Measures**

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of undocumented migrants who attempt to enter the U.S. via maritime routes that are interdicted.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This is the new measure that will become the main outcome metric for FY08. The Coast Guard has been charged through Executive Orders and Presidential Decision Directive to enforce the Immigration and Nationality Act. Performance is measured by the percent of undocumented migrants of all nationalities who are interdicted while attempting to enter the U.S., its possessions, or territories via maritime routes. The measure is computed by dividing the number of successful landings by the number of migrants who attempt illegal immigration. Subtracting this percentage from 100% gives the migrant interdiction rate. Migrant interdictions and landings are reported by Coast Guard units and other law enforcement agencies. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 67%     | 65%     | 69.9%   |
| <b>Actual:</b>   | None    | None    | None    | 65.2%   | N/A     | N/A     |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Program: Other LE (law enforcement)</b>  |  |  |  |  |  |  |
| <b>Performance Goal:</b> Reduce the number of illegal foreign fishing vessel incursions into the United States Exclusive Economic Zone (EEZ). |  |  |  |  |  |  |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 1.1 (100%)  |  |  |  |  |  |  |

|                     |           |          |           |           |          |           |
|---------------------|-----------|----------|-----------|-----------|----------|-----------|
| <b>Fiscal Year:</b> | FY 2004   | FY 2005  | FY 2006   | FY 2007   | FY 2008  | FY 2009   |
| <b>\$ Thousands</b> | \$102,958 | \$94,642 | \$107,742 | \$139,768 | \$90,865 | \$117,603 |
| <b>FTE</b>          | 657       | 445      | 703       | 758       | 587      | 575       |

**Performance Plan Measure**

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of incursions into the U.S. Exclusive Economic Zone.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This program's mission is to provide effective and professional at-sea enforcement to advance national goals for the conservation and management of living marine resources (LMR) and their environments. The program has both a maritime security and stewardship nexus. The program's primary focus is to prevent illegal encroachment of the U.S. Exclusive Economic Zone by foreign fishing vessels thereby protecting U.S. sovereignty from foreign fishing encroachment. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | 202     | 200     | 199     | 199     | 195     | 195     |
| <b>Actual:</b>  | 247     | 171     | 164     | 119     | N/A     | N/A     |

|  |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Program: Ports Waterways and Coastal Security (PWCS)</b>  |             |             |             |             |             |             |
| <b>Performance Goal:</b> Manage terror - related risk in the U.S. Maritime Domain to an acceptable level.  |             |             |             |             |             |             |
| <b>DHS strategic objectives supported and % allocation of activities: The PWCS mission program aligns to objectives:</b> 1.1 (4%); 1.3 (1%); 2.1 (4%); 2.2 (4%); 3.1 (46%); 3.2 (35%); and 4.1 (6%). |             |             |             |             |             |             |
| <b>Fiscal Year:</b>  | FY 2004     | FY 2005     | FY 2006     | FY 2007     | FY 2008     | FY 2009     |
| <b>\$ Thousands</b>  | \$1,833,794 | \$1,625,391 | \$1,610,087 | \$1,187,824 | \$1,795,534 | \$2,240,548 |
| <b>FTE</b>   | 14,670      | 12,268      | 12,906      | 7,710       | 13,864      | 15,066      |

**Performance Plan Measure**

|   |         |   |         |         |         |         |
|---|---------|---|---------|---------|---------|---------|
| <b>Measure:</b> Percent reduction in the Maritime terrorism risk over which the Coast Guard has influence   |         |   |         |         |         |         |
| <b>Description of Measure:</b> Annually, a quantitative self-assessment is conducted by gathering Subject Matter Experts from representative CG Commands and ports. Normative expert facilitators then solicit the Subject Matter Experts to assess the overall effectiveness of all relevant CG activities (regime, awareness and operational) against a comprehensive set of maritime terror scenarios previously identified through an extensive strategic risk assessment. Maritime Security Risk Analysis Model (MSRAM) data is utilized for the assessment of 13 of 15 strategic scenarios and when able, to apply field level effectiveness judgments. |         |   |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | N/A     | Full implementation of planned activities geared towards lowering the risk due to terrorism in the maritime domain. | 14%     | 15%     | 15%     | 21%     |
| <b>Actual:</b>  | N/A     | 3.4%  | 17%     | 15%     | N/A     | N/A     |

**Additional Measures**

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Risk Reduction percentage for the transfer of a Terrorist(s) Meta-scenario  |  |  |  |  |  |  |
| <b>Description of Measure:</b> Estimated percent of terrorist-related maritime risk reduction in the transfer of a terrorist(s) through the maritime domain (as a percent of the risk that the Coast Guard has the ability to impact). This is a risk-based measure that involves the scoring (by maritime security representatives) with respect to threat, vulnerability and consequence of the transfer of a terrorist(s) into the United States with intent and capability to carry out terror attacks within the United States where vessels en route from foreign countries are used as a means of conveyance. Such scoring generates an index of |  |  |  |  |  |  |

"raw risk" that exists in the maritime domain. Next, Coast Guard incremental interventions (awareness, operational and regulatory -based) that have taken place throughout the fiscal year are scored with regard to the effectiveness that each has been estimated to have afforded. The resultant measure shows the change in "raw risk" (due, in large part, to things outside of the Coast Guard's ability to control) and the reduction in total risk the Coast Guard estimates that it has affected.

Aligns to DHS objective: 1.1

|                     |         |         |         |           |         |         |
|---------------------|---------|---------|---------|-----------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007   | FY 2008 | FY 2009 |
| <b>Target:</b>      |         |         |         | Base line | 21%     | 21%     |
| <b>Actual:</b>      |         |         |         | 21%       | N/A     | N/A     |

**Measure:** Number of Transportation Workers Identification Credential (TWIC) spot checks per year by CG officials

**Description of Measure:** Number of TWIC spot checks per year by Coast Guard officials. This is a new metric that is being base lined this year. It is anticipated that the Coast Guard will purchase TWIC card readers in FY08 and will spot check TWIC cards during vessels and facility inspections. Annually, the Coast Guard averages approximately 6,600 facility inspections (11 spot checks per visit) and 7,300 vessels inspections (3 spot checks per vessel).

Aligns to DHS objective: 1.3

|                     |         |         |         |          |         |         |
|---------------------|---------|---------|---------|----------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008 | FY 2009 |
| <b>Target:</b>      |         |         |         |          | 30,000  | 94,500  |
| <b>Actual:</b>      |         |         |         | Baseline | N/A     | N/A     |

**Measure:** Risk Reduction percentage for the transfer of a Weapon of Mass Destruction Meta-scenario

**Description of Measure:** Estimated percent of terrorist-related maritime risk reduction in the transfer of a Weapon of Mass Destruction (WMD)/ materials into the United States through the maritime domain (as a percent of the risk that the Coast Guard has the ability to impact). This is a risk-based measure that involves the scoring (by maritime security representatives) with respect to threat, vulnerability and consequence of the transfer of a WMD/materials into the United States to support ongoing terrorist operations where vessels en route from foreign countries are used as a means of conveyance. Such scoring generates an index of "raw risk" that exists in the maritime domain. Next, Coast Guard incremental interventions (awareness, operational and regulatory -based) that have taken place throughout the fiscal year are scored with regard to the effectiveness that each has been estimated to have afforded. The resultant measure shows the change in "raw risk" (due, in large part, to things outside of the Coast Guard's ability to control) and the reduction in total risk the Coast Guard estimates that it has affected. This scenario is a composite of chemical, biological, radiological and nuclear material; presently the metric doesn't allow the level of fidelity to separate out biological and nuclear / radiological material - in alignment with the DHS objectives. The Coast Guard is continually maturing and improving its strategic risk management including the risk assessment portion that is comprised of this and other scenarios.

Aligns to DHS objective: 2.1 and 2.2

|                     |         |         |         |           |         |         |
|---------------------|---------|---------|---------|-----------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007   | FY 2008 | FY 2009 |
| <b>Target:</b>      |         |         |         | Base line | 4%      | 3%      |
| <b>Actual:</b>      |         |         |         | 4%        | N/A     | N/A     |

**Measure:** Critical Infrastructure Required Visit Rate

**Description of Measure:** This measure is the accomplishment rate of required visits to maritime critical infrastructure.

Aligns to DHS objective: 3.1

|                     |         |         |           |         |         |         |
|---------------------|---------|---------|-----------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006   | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      |         |         | Base line | 100%    | 100%    | 100%    |

|                |  |  |     |     |     |     |
|----------------|--|--|-----|-----|-----|-----|
| <b>Actual:</b> |  |  | 73% | 67% | N/A | N/A |
|----------------|--|--|-----|-----|-----|-----|

|  |         |         |           |         |         |         |
|--|---------|---------|-----------|---------|---------|---------|
| <b>Measure: High Capacity Passenger Vessel Required Escort Rate</b>  |         |         |           |         |         |         |
| <b>Description of Measure:</b> This measure is the accomplishment rate of required escorts of high capacity passenger vessels.<br>Aligns to DHS objective: 3.2 |         |         |           |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006   | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   |         |         | Base line | 100%    | 100%    | 100%    |
| <b>Actual:</b>   |         |         | 59%       | 58%     | N/A     | N/A     |

|   |         |           |         |         |         |         |
|---|---------|-----------|---------|---------|---------|---------|
| <b>Measure: Risk Reduction Due to Consequence Management</b>  |         |           |         |         |         |         |
| <b>Description of Measure:</b> Estimated percent of terrorist-related maritime risk reduction due to consequence management. (As a percent of the risk that the Coast Guard has the ability to impact.) This is a risk-based outcome measure that involves the scoring (by maritime security representatives) of likely high-consequence maritime terrorist attack scenarios with respect to threat, vulnerability, and consequence. Such scoring generates an index of "raw risk" that exists in the maritime domain. Next, Coast Guard incremental interventions (both operational and regulatory -based) that have taken place throughout the fiscal year are scored against the attack scenarios with regard to the percent decrease in threat, vulnerability and consequence that each has been estimated to have afforded. The resultant measure shows the change in "raw risk" (due, in large part, to things outside of the Coast Guard's ability to control) and the reduction in total risk the Coast Guard estimates that it has affected.<br>Aligns to DHS objective: 4.1 |         |           |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  |         | Base line | 5.5%    | 4.1%    | 5%      | 6%      |
| <b>Actual:</b>  |         | 5.5%      | 6.0%    | 4.2% %  | N/A     | N/A     |

|  |             |           |           |           |           |           |
|--|-------------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Search and Rescue (SAR)</b>  |             |           |           |           |           |           |
| <b>Performance Goal:</b> Save people in imminent danger on our Nations oceans and waterways. |             |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 4.1 (100%)         |             |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004     | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$1,575,664 | \$910,887 | \$832,089 | \$810,201 | \$779,183 | \$797,618 |
| <b>FTE</b>   | 4,845       | 4,136     | 4,652     | 5,004     | 4,893     | 4,826     |

**Performance Plan Measure**

|  |                 |                 |         |         |         |         |
|--|-----------------|-----------------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of mariners in imminent danger saved.  |                 |                 |         |         |         |         |
| <b>Description of Measure:</b> The Search and Rescue (SAR) program minimizes loss of life, injury, and property damage by rendering aid to persons in distress and property in the maritime environment. The SAR program response involves multi - mission stations, cutters, aircraft and boats linked by a command and control network. In order to accomplish the SAR mission, the Coast Guard maintains facilities on the East, West and Gulf coasts; in Alaska, Hawaii, Guam, and Puerto Rico, as well as on the Great Lakes and inland U.S. waterways. |                 |                 |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004         | FY 2005         | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | 85% lives saved | 86% lives saved | 86%     | 86%     | 87%     | 87%     |
| <b>Actual:</b>   | 86.8%           | 86.1%           | 85.3%   | 85.4%   | N/A     | N/A     |

**E. Digest of 2009 Budget Estimates by Activity and FYHSP Program**

**Digest of FY 2009 Budget Estimates by Activity and FYHSP Program  
U. S. Coast Guard  
Total Appropriations  
(Dollars in Thousands)**

| Budget Activity                                 | FY 2007            |                  | FY 2008       |                  | FY 2009       |                  | Increase (+) or Decrease (-) For FY 2009 |                |                 |                   | Adjustments-to-base |                  |            |                  |
|---|--------------------|------------------|---------------|------------------|---------------|------------------|--|----------------|-----------------|-------------------|---------------------|------------------|------------|------------------|
|   | Actual Obligations |                  | Enacted       |                  | Request       |                  | Total Changes                            |                | Program Changes |                   | FTE                 |                  |            |                  |
|   | FTE                | Amount           | FTE           | Amount           | FTE           | Amount           | FTE                                      | Amount         | FTE             | Amount            | FTE                 | Amount           |            |                  |
| <b>1. Maritime Safety</b>                       |                    |                  |               |                  |               |                  |  |                |                 |                   |                     |                  |            |                  |
| Search and Rescue (SAR)                         | 5,004              | \$ 1,717,880     | 4,893         | \$ 1,660,399     | 4,826         | \$ 1,677,226     | (72)                                     | \$ 16,827      | 11              | \$ (3,752)        | (83)                | \$ 20,579        | (75)       | \$ 22,692        |
| Marine Safety                                   | 4,109              | 959,431          | 3,814         | 903,761          | 3,809         | 923,680          | (5)                                      | 19,919         | 8               | (2,773)           | (8)                 | (979)            | (8)        | (2,113)          |
|   |                    | 758,449          |               | 756,638          |               | 753,546          |  | (3,092)        | 3               | (979)             |                     |                  |            |                  |
| <b>2. Maritime Mobility</b>                     |                    |                  |               |                  |               |                  |  |                |                 |                   |                     |                  |            |                  |
| Aids to Navigation (AtoN)                       | 8,549              | \$ 1,469,690     | 8,140         | \$ 1,425,173     | 8,060         | \$ 1,322,250     | (80)                                     | \$ (102,923)   | (7)             | \$ (28,672)       | (73)                | \$ (74,251)      | (57)       | \$ (60,676)      |
| Ice Operations (IO)                             | 854                | 1,335,858        | 7,330         | 1,275,979        | 7,269         | 1,189,133        | (61)                                     | (86,846)       | (4)             | (26,170)          | (57)                | (60,676)         | (16)       | (13,575)         |
|   |                    | 133,832          |               | 149,194          |               | 133,117          |  | (16,077)       | (3)             | (2,502)           |                     |                  |            |                  |
| <b>3. Protection of Natural Resources</b>       |                    |                  |               |                  |               |                  |  |                |                 |                   |                     |                  |            |                  |
| Marine Environmental Protection (MEP)           | 6,071              | \$ 1,311,928     | 5,129         | \$ 1,150,799     | 4,979         | \$ 1,192,510     | (150)                                    | \$ 41,711      | (5)             | \$ 85,644         | (145)               | \$ (43,933)      | (35)       | \$ (8,094)       |
| Living Marine Resources (LMR)                   | 1,222              | 300,558          | 1,174         | 373,330          | 1,138         | 359,283          | (36)                                     | (14,047)       | (1)             | (5,953)           | (110)               | (35,839)         | (110)      | (35,839)         |
|   | 4,849              | 1,011,370        | 3,955         | 777,469          | 3,841         | 833,227          |  | 55,758         | (4)             | 91,597            |                     |                  |            |                  |
| <b>4. Maritime Security</b>                     |                    |                  |               |                  |               |                  |  |                |                 |                   |                     |                  |            |                  |
| Drug Interdiction                               | 19,019             | \$ 3,814,762     | 22,938        | \$ 3,905,155     | 23,834        | \$ 4,519,871     | 896                                      | \$ 614,716     | 279             | \$ 295,367        | 617                 | \$ 319,349       | (193)      | \$ (84,941)      |
| Migrant Interdiction                            | 6,159              | 1,337,215        | 6,006         | 1,207,949        | 5,798         | 1,275,705        | (208)                                    | 67,756         | (15)            | 152,697           | (84)                | (12,259)         | (10)       | (13,932)         |
| Other Law Enforcement (Oth-LE)                  | 4,392              | 908,877          | 2,481         | 510,440          | 2,395         | 514,620          | (86)                                     | 4,180          | (2)             | 16,439            | (84)                | (12,259)         | (10)       | (13,932)         |
| Ports, Waterways, and Coastal Security (PWCS)   | 758                | 167,772          | 587           | 105,328          | 575           | 136,323          | (12)                                     | 30,995         | (2)             | 44,927            | (10)                | (13,932)         | (10)       | (13,932)         |
|   | 7,710              | 1,400,898        | 13,864        | 2,081,438        | 15,066        | 2,593,223        | 1,202                                    | 511,785        | 298             | 81,304            | 904                 | 430,481          |            |                  |
| <b>5. National Defense</b>                      |                    |                  |               |                  |               |                  |  |                |                 |                   |                     |                  |            |                  |
| Defense Readiness (DR)                          | 4,038              | \$ 710,316       | 3,644         | \$ 765,627       | 3,422         | \$ 634,165       | (222)                                    | \$ (131,462)   | (41)            | \$ (3,521)        | (181)               | \$ (127,941)     | (181)      | \$ (127,941)     |
|   | 4,038              | 710,316          | 3,644         | 765,627          | 3,422         | 634,165          |  | (131,462)      | (41)            | (3,521)           |                     |                  |            |                  |
| <b>Subtotal, Budget Authority (All Sources)</b> | <b>47,644</b>      | <b>9,024,576</b> | <b>48,558</b> | <b>8,907,153</b> | <b>48,930</b> | <b>9,346,022</b> | <b>372</b>                               | <b>438,869</b> | <b>237</b>      | <b>\$ 345,066</b> | <b>135</b>          | <b>\$ 93,803</b> | <b>135</b> | <b>\$ 93,803</b> |

For comparability purposes, FY08 excludes \$9,584M Rescission of unobligated balances from section 505 of P.L. 109-295 pursuant to P.L. 110-161.

# Department of Homeland Security

*United States Coast Guard*

*Operating Expenses*

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Fiscal Year 2009

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# Department of Homeland Security

*Science and Technology Directorate*

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**i. Summary of FY 2009 Budget Estimates**

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration**

Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actual |                    | FY 2008 Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|--|-------------------|--------------------|-----------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|  |                   |                    |                 |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|  | FTE               | AMOUNT             | FTE             | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Management and Administration                                | 259               | \$134,567          | 350             | \$138,600        | 257                | \$132,100        | (93)                                     | (\$6,500)       | ---             | \$0             | (93)                | (\$6,500)      |
| Research, Development, Acquisitions, and Operations          | ---               | 889,015            | ---             | 691,735          | 124                | \$736,737        | 124                                      | 45,002          | ---             | 31,002          | 124                 | 14,000         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>259</b>        | <b>\$1,023,582</b> | <b>350</b>      | <b>\$830,335</b> | <b>381</b>         | <b>\$868,837</b> | <b>31</b>                                | <b>\$38,502</b> | <b>0</b>        | <b>\$31,002</b> | <b>31</b>           | <b>\$7,500</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                    |                 |                  |                    |                  |  |                 |                 |                 |                     |                |

**ii. Homeland and Non-Homeland Allocation**

**Department of Homeland Security  
Science and Technology Directorate**  
Homeland and Non-Homeland Allocation by Program/Project Activity  
(Dollars in Thousands)

| Budget Activity  | 2007<br>Enacted |                  |              |                  |            |                  | 2008<br>Enacted |                  |              |                  |            |                  | 2009<br>Request |                  |              |                  |            |                  |
|--|-----------------|------------------|--------------|------------------|------------|------------------|-----------------|------------------|--------------|------------------|------------|------------------|-----------------|------------------|--------------|------------------|------------|------------------|
|  | Homeland        |                  | Non-Homeland |                  | Total      |                  | Homeland        |                  | Non-Homeland |                  | Total      |                  | Homeland        |                  | Non-Homeland |                  | Total      |                  |
|  | FTE             | Amount           | FTE          | Amount           | FTE        | Amount           | FTE             | Amount           | FTE          | Amount           | FTE        | Amount           | FTE             | Amount           | FTE          | Amount           | FTE        | Amount           |
| <b>Management and Administration</b>                       | ---             | \$0              | 257          | 135,000          | 257        | \$135,000        | ---             | \$0              | 350          | \$138,600        | 350        | \$138,600        | ---             | \$0              | 257          | \$132,100        | 257        | \$132,100        |
| Other Salaries and Expenses                                | ---             | ---              | 257          | 135,000          | 257        | 135,000          | ---             | ---              | 350          | 138,600          | 350        | 138,600          | ---             | ---              | 257          | 132,100          | 257        | 132,100          |
| <b>Research, Development, Acquisitions, and Operations</b> | ---             | <b>838,131</b>   | ---          | ---              | ---        | <b>838,131</b>   | ---             | <b>691,735</b>   | ---          | ---              | ---        | <b>691,735</b>   | <b>124</b>      | <b>736,737</b>   | ---          | ---              | <b>124</b> | <b>736,737</b>   |
| Border and Maritime  | ---             | 33,436           | ---          | ---              | ---        | 33,436           | ---             | 25,479           | ---          | ---              | ---        | 25,479           | ---             | 35,300           | ---          | ---              | ---        | 35,300           |
| Chemical and Biological                                    | ---             | 313,553          | ---          | ---              | ---        | 313,553          | ---             | 208,020          | ---          | ---              | ---        | 208,020          | ---             | 200,408          | ---          | ---              | ---        | 200,408          |
| Command, Control and Interoperability                      | ---             | 57,634           | ---          | ---              | ---        | 57,634           | ---             | 56,980           | ---          | ---              | ---        | 56,980           | ---             | 62,390           | ---          | ---              | ---        | 62,390           |
| Explosives*  | ---             | 110,231          | ---          | ---              | ---        | 110,231          | ---             | 77,654           | ---          | ---              | ---        | 77,654           | ---             | 96,149           | ---          | ---              | ---        | 96,149           |
| Human Factors  | ---             | 6,800            | ---          | ---              | ---        | 6,800            | ---             | 14,206           | ---          | ---              | ---        | 14,206           | ---             | 12,460           | ---          | ---              | ---        | 12,460           |
| Infrastructure and Geophysical                             | ---             | 74,781           | ---          | ---              | ---        | 74,781           | ---             | 64,500           | ---          | ---              | ---        | 64,500           | ---             | 37,816           | ---          | ---              | ---        | 37,816           |
| Innovation   | ---             | 38,000           | ---          | ---              | ---        | 38,000           | ---             | 33,000           | ---          | ---              | ---        | 33,000           | ---             | 45,000           | ---          | ---              | ---        | 45,000           |
| Laboratory Facilities                                      | ---             | 105,649          | ---          | ---              | ---        | 105,649          | ---             | 103,814          | ---          | ---              | ---        | 103,814          | 124             | 146,940          | ---          | ---              | 124        | 146,940          |
| Test and Evaluation, Standards                             | ---             | 25,432           | ---          | ---              | ---        | 25,432           | ---             | 28,520           | ---          | ---              | ---        | 28,520           | ---             | 24,674           | ---          | ---              | ---        | 24,674           |
| Transition   | ---             | 24,040           | ---          | ---              | ---        | 24,040           | ---             | 30,265           | ---          | ---              | ---        | 30,265           | ---             | 31,830           | ---          | ---              | ---        | 31,830           |
| University Programs  | ---             | 48,575           | ---          | ---              | ---        | 48,575           | ---             | 49,297           | ---          | ---              | ---        | 49,297           | ---             | 43,770           | ---          | ---              | ---        | 43,770           |
| <b>Total Direct Appropriations and Budget Estimates</b>    | ---             | <b>\$838,131</b> | <b>257</b>   | <b>\$135,000</b> | <b>257</b> | <b>\$973,131</b> | ---             | <b>\$691,735</b> | <b>350</b>   | <b>\$138,600</b> | <b>350</b> | <b>\$830,335</b> | <b>124</b>      | <b>\$736,737</b> | <b>257</b>   | <b>\$132,100</b> | <b>381</b> | <b>\$868,837</b> |

### **iii. Status of Congressional Requested Studies and Reports**

**Department of Homeland Security  
Science and Technology Directorate**

| <b>Fiscal Year</b> | <b>Due Date</b>                                      | <b>Reference/Citation</b>   | <b>Requirement</b>   | <b>Status</b>   |
|--------------------|--|---|--|---|
| 2008               | None specified                                       | House Report 110-181, Title IV, p 120   | However, \$13,818,000 requested to procure approximately 125 low rate initial production units (for the BioWatch generation 3 program) has been denied. Before this procurement can occur, S&T must review and respond to the results from the National Academy of Sciences study recommended and discussed under the Office of Health Affairs. The Committee requires this study to ensure that BioWatch detection systems are the most cost effective detection approach.  | S&T review and response regarding the LRIP is pending the completion of the NAS study by OHA.   |
| 2008               | None specified                                       | House Report 110-181, Title IV, p 120 and Senate Report 110-84, Title IV, p 116 | HOUSE: Bill language is included that prohibits the obligation of funds for ADVISE until the DHS completes a Privacy Impact Assessment for this program as recommended by the GAO. SENATE: The report accompanying the House passed FY 2007 Homeland Security Appropriations bill (House Report 109-476) directed the Department to submit a program plan, including goals and costs, by November 3, 2006. This report has not been submitted. The Committee recommends no funding for this program in FY 2008. Future year funding will depend on the Department's willingness to provide a program plan and a privacy statement. | ADVISE has been terminated. A letter was submitted to Congress on October 2, 2007, acknowledging the cancellation of ADVISE.  |
| 2008               | Spring of 2008                                       | House Report 110-181, Title IV, p 121   | In fiscal year 2006, Congress appropriated \$30,000,000 for S&T to conduct three air cargo screening pilots programs to test different concepts of operations. Results to date from the three airports participating in the pilots appear promising. The Committee eagerly awaits the results of this work, which is scheduled to be completed in December 2007, with a final report due in the spring of 2008.  | Currently, the program is scheduled to be completed in Spring of 2008, the final report scheduled for completion three months after, in approximately June of 2008. |
| 2008               | End of fiscal year 2009, per requested extension     | Senate Report 110-84, Title IV, p 115   | The Committee directs the Department to report on the first portion of (Counter MANPADS) Phase III testing by the end of fiscal year 2008 and provide a recommendation on whether these systems are suitable for deployment or not.  | Deadline has been extended to the 4th quarter of fiscal year 2009.  |
| 2008               | <b><u>120 days from enactment of Approps Act</u></b> | Senate Report 110-84, Title IV, p 116   | Transportation Security Laboratory: The Committee directs S&T to report on the costs and benefits of charging companies for certification of their products in light of the potential to provide enhanced certification services and the capital improvement needs of the laboratory housing the ITE program. S&T is directed to report to the Committee on this cost-benefit analysis by February 5, 2008.  | Future requirement  |
| 2007               | 1/23/2007  | Conference Report 109-699, Title I, p. 124                                      | The ADVISE program is designed to extract relationships and correlations from large amounts of data to produce actionable intelligence on terrorists. A prototype is currently available to analysts in Intelligence and Analysis using departmental and other data, including some on U.S. citizens. The conferees understand up to \$40,000,000 has been obligated for ADVISE. The ADVISE program plan, total costs and privacy impacts are unclear and therefore the conferees direct the Inspector General to conduct a comprehensive program review and report within nine months of enactment of this Act.                   | ADVISE has been terminated. A letter was submitted to Congress on October 2, 2007, acknowledging the cancellation of ADVISE.  |
| 2006               | 3rd report - 12/19/2007; final report - 6/17/2008    | Conference Report 109-241, Title IV, p. 79.                                     | The conferees direct \$30,000,000 be used to conduct three cargo screening pilot programs to test different concepts of operation, as described in the House report. The conferees direct S&T to begin all pilots in fiscal year 2006, to report on the initial results of the pilots every six months after initiation of the first pilot, and to report on the final results four months after the last pilot is completed.  | S&T has submitted three Air Cargo reports. The final report is due 6/17/2008.   |
| 2006               | 4th Quarter 2009                                     | Conference Report 109-699, Title IV, p. 170                                     | The conferees provide \$35,000,000 as proposed by the Senate for a comprehensive passenger aircraft suitability assessment. The conferees urge S&T to include the passenger airline industry in the evaluation phase of this assessment. The conferees direct the Under Secretary to brief the Committees on Appropriations, no later than 60 days after the enactment of this Act, on the expenditure plan for this suitability assessment.   | Report due in 4th Quarter of 2009.  |

**iv. Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
Science and Technology Directorate**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity  |                            |                  |                               |                  |
|--|----------------------------|------------------|-------------------------------|------------------|
|  | Last Year of Authorization | Authorized Level | in Last Year of Authorization | FY 2009 Request  |
|  | Fiscal Year                | Amount           | Amount                        | Amount           |
| <b>Management and Administration</b>                     | N/A                        | N/A              | N/A                           | <b>\$132,100</b> |
| <b>Research, Development, Acquisition, and Operation</b> | N/A                        | N/A              | N/A                           | <b>\$736,737</b> |
| Border and Maritime                                      | N/A                        | N/A              | N/A                           | \$35,300         |
| Chemical and Biological                                  | N/A                        | N/A              | N/A                           | \$200,408        |
| Command, Control and Interoperability                    | N/A                        | N/A              | N/A                           | \$62,390         |
| Explosives   | N/A                        | N/A              | N/A                           | \$96,149         |
| Human Factors  | N/A                        | N/A              | N/A                           | \$12,460         |
| Infrastructure and Geophysical                           | N/A                        | N/A              | N/A                           | \$37,816         |
| Innovation   | N/A                        | N/A              | N/A                           | \$45,000         |
| Laboratory Facilities                                    | N/A                        | N/A              | N/A                           | \$146,940        |
| Test and Evaluation, Standards                           | N/A                        | N/A              | N/A                           | \$24,674         |
| Transition   | N/A                        | N/A              | N/A                           | \$31,830         |
| University Programs                                      | N/A                        | N/A              | N/A                           | \$43,770         |
| <b>Total Direct Authorization/Appropriation</b>          | N/A                        | N/A              | N/A                           | <b>\$868,837</b> |

# Department of Homeland Security

*Science and Technology Directorate*

*Management and Administration*

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Fiscal Year 2009  
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# BUDGET REQUEST AND SUPPORTING INFORMATION

## SCIENCE AND TECHNOLOGY DIRECTORATE MANAGEMENT AND ADMINISTRATION

### I. Appropriation Overview

#### **A. Mission Statement for Management and Administration:**

The Management and Administration (M&A) appropriation provides for salaries and expenses related to 257 full time equivalent (FTE) personnel in Washington, D.C. This appropriation provides for the operation of the Science and Technology (S&T) Directorate's Washington, D.C. headquarters, including business operations, contributions to the DHS Working Capital Fund, and other administrative functions associated with the management of the S&T Directorate and its resources.

#### **B. Budget Activities:**

The M&A appropriation provides for salaries and benefits related to 257 FTE at the S&T Directorate headquarters. The 257 FTE provide executive direction to the S&T Directorate for policy analysis, planning, financial management and guidance formulation. FTE's also conduct program management, program execution oversight, program analysis, and operations and maintenance support for all S&T Directorate programs.

The M&A appropriation additionally provides for all business operations and financial management activities, including those covered by the DHS Working Capital Fund. The Business Operations functions include paying for rent, office supplies, utilities, and other operational functions associated with the S&T Directorate's Washington DC headquarters. This account pays for the training and travel associated with senior management of the S&T Directorate, and contractor staff who support the execution of headquarters functions, such as financial management, facility planning and maintenance, and other administrative functions. M&A also funds the administration of the S&T Directorate's regulatory and treaty compliance activities, the management of the Small Business Innovation Research (SBIR) program and the financial and programmatic databases. The M&A appropriation does not fund the contractor support or travel associated with the direct execution of Research, Development, Test and Evaluation (RDT&E) programs across the S&T Directorate.

The S&T Directorate implemented several efficiency initiatives to make better use of its resources. Overall, the S&T Directorate reduced Business Operations costs by more than 50 percent over the last two years. This includes consolidating the National Capital Region floor space to one location by bringing the Counter-Man-Portable-Air-Defense-Systems (C-MANPADS) Special Program Office to the headquarters office space. In FY 2009, the S&T Directorate plans to consolidate floor space at EML to decrease the rent and operations and maintenance costs. In addition, the S&T Directorate holds each of its Divisions to managing their programs to less than 10 percent for SBIR, contractor staff, travel, conferences and Intergovernmental Personnel Agreements (IPAs). The S&T Directorate reduced the number of

employees hired through IPAs by 20 percent, and reduced its reliance on contractor staff by increasing its Federal staff, to the full request of 381 by the end of FY 2008.

**C. Budget Request Summary:**

The S&T Directorate requests 257 positions, 257 FTE for M&A and \$132,100,000 for FY 2009, a decrease of \$6,500,000 from FY 2008. The total adjustment-to-base, 93 less FTEs, includes a transfer of 124 FTE to the Research and Development Appropriation and the annualization of 31 FTE within the Management and Administration Appropriation. There are no program increases for FY 2009.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

Department of Homeland Security  
Science and Technology Directorate  
Management and Administration

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actual |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |            |                     |                  |
|--|----------------|------------------|-----------------|------------------|-----------------|------------------|--|------------------|-----------------|------------|---------------------|------------------|
|  | FTE            | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | Total Changes                            |                  | Program Changes |            | Adjustments-to-Base |                  |
|  |                |                  |                 |                  |                 |                  | FTE                                      | AMOUNT           | FTE             | AMOUNT     | FTE                 | AMOUNT           |
| Salaries and Expenses  | 257            | 134,567          | 350             | 138,600          | 257             | 132,100          | (93)                                     | (6,500)          | ---             | ---        | (93)                | (6,500)          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>257</b>     | <b>\$134,567</b> | <b>350</b>      | <b>\$138,600</b> | <b>257</b>      | <b>\$132,100</b> | <b>(93)</b>                              | <b>(\$6,500)</b> | <b>---</b>      | <b>\$0</b> | <b>(93)</b>         | <b>(\$6,500)</b> |
| Less: Adjustments for Other Funding Sources:                 |                |                  |                 |                  |                 |                  |  |                  |                 |            |                     |                  |
|  |                |                  |                 |                  |                 |                  |  |                  |                 |            |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>257</b>     | <b>\$134,567</b> | <b>350</b>      | <b>\$138,600</b> | <b>257</b>      | <b>\$132,100</b> | <b>(93)</b>                              | <b>(\$6,500)</b> | <b>---</b>      | <b>\$0</b> | <b>(93)</b>         | <b>(\$6,500)</b> |

\* FY 2009 Request includes a realignment of 124 FTE to the Research and Development Appropriation and an annualization of 31 FTE within the Management and Administration Appropriation.

### III. Current Services Program Description by PPA

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Program Performance Justification**

(Dollars in thousands)

PPA: MANAGEMENT AND ADMINISTRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       | <b>335</b>          | <b>257</b> | <b>\$134,567</b> |
| <b>2008 Enacted</b>          | 381                 | 350        | 138,600          |
| 2009 Adjustments-to-Base     | ...                 | -93        | (6,500)          |
| <b>2009 Current Services</b> | <b>381</b>          | <b>257</b> | <b>132,100</b>   |
| 2009 Program Change          | ...                 | ...        |                  |
| <b>2009 Request</b>          | <b>381</b>          | <b>257</b> | <b>132,100</b>   |
| Total Change 2008-2009       | ...                 | ...        | (6,500)          |

The S&T Directorate requests \$132.100 million for this activity. This is a decrease of \$6.500 million over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The M&A appropriation provides for salaries and benefits related to 257 FTE at the S&T Directorate headquarters. The 257 FTE provide executive direction to the S&T Directorate for policy analysis, planning, financial management and guidance formulation. FTE also, conduct program management, program execution oversight, program analysis, and operations and maintenance support for all S&T Directorate programs.

The M&A appropriation provides all of the corporate level functions in the S&T Directorate that allow the technical divisions to manage the RDT&E programs. Those functions include the Strategy, Policy and Budget Division which includes the functions of Chief Financial Officer; the Business Operations Division, which manages the facilities, personnel and the information technology infrastructure; the Operations Analysis Division, which provides science-based risk analyses and other tools; and the Corporate Communications Division, which coordinates internal and external information. The DHS Working Capital Fund provides those shared services that the components rely on to execute their missions such as contracting officers and the DHS-wide information technology infrastructure.

**Strategy, Policy and Budget Division**

The Strategy, Policy and Budget Division provides the S&T Directorate with high-quality, efficient, and cost-effective financial management services through four branches. The Program Analysis and Evaluation (PA&E) Branch develops long-term plans for resource allocation, execution plans, Congressional Justifications, and management of financial resources within the S&T Directorate. The Strategy, Planning and Integration (SPI) Branch manages and provides training for the S&T Directorate's Planning, Programming, Budgeting, and Execution (PPBE)

system and associated processes, including PPBE database development and implementation. SPI also develops and implements internal and external performance metrics for S&T Directorate programs, as well as risk assessment methodologies to help inform programming decisions. The Acquisition Branch develops the S&T Directorate's acquisition strategy, and manages the travel and purchase card programs. The Financial Operations Branch, is dedicated to: sound fiscal stewardship of the S&T Directorate's appropriations and reimbursable funding; timely and accurate budget execution, financial management and financial reporting; and a sound monitoring process of programs and activities to provide reasonable assurance about the adequacy of the internal controls program within the S&T Directorate.

### **Business Operations Division**

The Business Operations Division provides critical infrastructure support to the S&T Directorate and is composed of eight components: Facilities, Human Capital Office (HCO), Office of the Chief Information Officer (OCIO), Executive Secretariat, Office of the Chief Administrative Officer (CAO), Office of Administration and Audits, Central Security Office (CSO), and Readiness and Operational Coordination (ROC). In compliance with Presidential Directives, Federal Regulations and Department guidance, the Business Operations Division provides support and continuous process improvement through problem identification and solution, sound policy and procedure development, and high-quality service.

Facilities Branch - The Facilities Branch focuses primarily on the S&T Directorate's headquarters offices and is dedicated to providing its customers with a facility that is fully operational, well maintained and conducive to business operations, while focusing on, and providing excellent customer service. This branch also funds rent and Federal Protective Services for S&T Directorate headquarters facilities.

Human Capital Branch (HCO) - The HCO leads, manages and coordinates the delivery of the full range of human capital services in support of the S&T Directorate. The S&T Directorate supports the Department's initiatives to enhance employee satisfaction and motivation. Consistent with the Department's goals, the S&T Directorate is committed to a human capital management approach that achieves the following goals: recruit, train, and retain a workforce skill set mix focused on research and transition; maintain a personnel evaluation system that is based on performance and is fair; and recognize the contributions by personnel at all levels.

HCO provides a full range of human resource services in support of staffing: recruitment; labor and employee relations; position management and classification; performance management; compensation and benefits; employee and workforce development; manpower and strength management; in and out processing; awards management; and internal management controls. HCO implements DHS Human Capital policies and acts as a liaison with the DHS Management Directorate, Chief, Human Capital Office.

HCO maintains the S&T Directorate's Staffing Management System (SMS). It maintains real-time information regarding the S&T Directorate's staffing positions, the details regarding its staff (Federal, contractors, detailees), and resources used by the staff, such as offices and government-issued equipment. The system assists in developing workforce plans, facility plans, equipment acquisition plans and future-year budgets.

HCO has enacted policies concerning Tele-work/Tele-commute and Alternate Work Schedules to establish a family-friendly workforce environment. HCO is responsible for Workforce Development and external training and education. This includes coordinating courses for managers and supervisors that discuss current human resource issues and policies and the implementation of the e-pilot tool for performance management and evaluation and DHScovery, an on-line learning management system.

Office of the Chief Information Officer (OCIO) - The S&T Directorate's OCIO advises senior leadership and program offices on all aspects of Information Technology (IT) business processes, policies, standards and guidelines for the development of IT and compliance with DHS and Federal policies. OCIO ensures the delivery of information technology services to support the S&T Directorate's mission, goals and objectives; and represents S&T Directorate priorities on DHS and cross-agency IT initiatives, which support distributed and centralized technical and business operations to increase cost-effectiveness. OCIO accomplishes this by: (1) Business Planning – efficient and cost effective management of the S&T Directorate's IT investments, oversight & maintenance of the IT budget, capital planning and investment control, and Enterprise Architecture; (2) IT Engineering and Technology – technical service and guidance in IT infrastructure design and build-out of core systems and applications to improve timeliness, accuracy, and comprehensiveness of the S&T Directorate; (3) IT Systems Standards and Interoperability – standard data structures, databases, communications security, and solutions engineering to improve the collection, access, analysis, and dissemination of systems and data; (4) IT Infrastructure – infrastructure to ensure reliability, security and asset management; and (5) IT Security – information assurance services, oversees and coordinates security planning, testing, certification, and routine monitoring of S&T Directorate systems, and Federal Information Security Management Act of 2002 (FISMA) compliance.

Executive Secretariat (S&T Exec Sec) - The Office of the S&T Exec Sec oversees official communications to and from the Under Secretary for Science and Technology and ensures compliance with the roles and responsibilities stated in DHS Management Directive 10100. The S&T Exec Sec is a critical communicative instrument between the S&T Directorate and DHS components and other S&T Directorate customers. The S&T Exec Sec works with S&T Directorate staff on behalf of the Under Secretary to respond to congressional requests, Government Accountability Office (GAO) and DHS Office of Inspector General (DHS OIG) requests, general public requests and other inquiries. The S&T Exec Sec provides administrative support on behalf of the Under Secretary to include record management, forms management, document control and establishing correspondence procedures for the S&T Directorate. Additionally, the S&T Exec Sec interfaces with DHS components and external customers.

Office of the Chief Administrative Officer (CAO) - The CAO provides and manages quality services and assets that enable the S&T Directorate to achieve its mission. The CAO provides services, policy and oversight to the S&T Directorate and liaises with the DHS Management Directorate for real and personal property, environmental management, compliance and planning, historic and cultural preservation, employee health and safety, emergency preparedness and energy management. In addition, it maintains a liaison with the DHS Management Directorate for mail management, records management, printing and library services.

Office of Administration & Audits - The Administration & Audits office works as a liaison for the S&T Directorate to DHS OIG and GAO, and the general public regarding the Freedom of Information Act (FOIA). All three areas require policy and procedures to keep in compliance with specific Presidential Directives, Federal regulations and Congressional oversight.

Central Security Office (CSO) - The S&T CSO supports and provides the government and contractor personnel the security information and expertise to perform the S&T Directorate's mission. The CSO implements and adheres to policies, management directives and regulations implemented by DHS Headquarters, and ensures the protection of facilities and of critical information from unauthorized disclosure.

Readiness and Operational Coordination (ROC) - The ROC enhances operational coordination, integration, communications and decision-support of incident management through scientific and technical support to Federal, State, tribal and local decision makers. The ROC also provides operational coordination of the S&T Directorate's role in the Department's operations and response programs to ensure the scientist-to-responder link. Additionally, the ROC maintains the S&T Directorate's Continuity of Operations program to ensure the effectiveness and survivability of DHS and S&T Directorate capabilities to execute critical mission essential functions.

### **Operations Analysis Division**

The Operations Analysis Division provides the S&T Directorate with a wide range of scientific and technical tools to inform planning and management activities. The division provides information to decision-makers and program managers resulting from research, studies, operational analyses, risk analyses, analytic and computational models, simulations, war-games, and experimentation events that it oversees. The division uses these technical and analytical support activities to establish baseline operational capabilities and goals, integrate policy and program planning, and inform management decisions and the development of strategic objectives. The Operations Analysis Division has primary oversight of the activities of the Homeland Security Institute (HSI), other Federally Funded Research and Development Centers (FFRDCs), and the Homeland Security Science and Technology Advisory Committee (HSSTAC), in addition to managing gaming and simulation and other experimentation activities.

### **Corporate Communications Division**

The Corporate Communications Division communicates the objectives and status of homeland security technology programs, disseminates information regarding opportunities for private sector entities (corporate and academic), and ensures that DHS technologies and programs are understood and accurately represented by the media. The Corporate Communications Division holds conferences and manages the S&T Directorate's presence at other information sharing events to improve contact among technology developers, vendors, and acquisition personnel, as well as reports on demonstrations of technologies both intramural and extramural. They also promote the participation of colleges, universities, private research institutes, and companies (and consortia thereof) in the research process by disseminating information regarding research conducted or sponsored by the Department, and provide public communication support to FFRDCs. This is achieved through the S&T Directorate's business-based web presence, which

provides information for persons seeking guidance on how to pursue proposals to develop or deploy technologies that would enhance homeland security.

**Working Capital Fund**

Funds provided within the M&A appropriation acquire services through the DHS Working Capital Fund, this includes: IT services, human resources, procurement operations, and financial systems. Other services provided are consolidated subscriptions, government-wide mandated services and DHS crosscutting activities.

#### **IV. Program Justification of Changes**

**Not Applicable**

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Justification of Proposed Changes in Management and Administration  
Appropriation Language**

For salaries and expenses of the Office of the Under Secretary for Science and Technology, and for management and administration of programs and activities as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), [\$138,600,000] 132,100,000: *Provided*, That not to exceed \$15,000 shall be for official reception and representation expenses. (Department of Homeland Security Appropriations Act, 200[8]9)

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u>  | <u>FTE</u>   | <u>Amount</u>    |
|--|--------------|--------------|------------------|
| <b>FY 2007 Actuals</b> .....                                 | <b>279</b>   | <b>257</b>   | <b>\$134,567</b> |
| <b>2008 Enacted</b> .....                                    | <b>381</b>   | <b>350</b>   | <b>138,600</b>   |
| <b>Adjustments-to-Base</b>                                   |              |              |                  |
| Increases  |              |              |                  |
| Annualization of 2008 pay raise.....                         | ---          | ---          | 386              |
| 2009 pay increase.....                                       | ---          | ---          | 1,129            |
| Non pay inflation.....                                       | ---          | ---          | 1,630            |
| Inflation GSA Rent.....                                      | ---          | ---          | 104              |
| Annualization of partial year FTE funding.....               | ---          | 31           | 4,251            |
| <b>Total Increases</b> .....                                 | <b>---</b>   | <b>31</b>    | <b>7,500</b>     |
| Decreases  |              |              |                  |
| Transfer to Research and Development - Laboratory Facilities | (124)        | (124)        | (14,000)         |
| <b>Total Decreases</b> .....                                 | <b>(124)</b> | <b>(124)</b> | <b>(14,000)</b>  |
| <b>Total Adjustments-to-Base</b> .....                       | <b>(124)</b> | <b>(93)</b>  | <b>(6,500)</b>   |
| <b>2009 Current Services</b> .....                           | <b>257</b>   | <b>257</b>   | <b>132,100</b>   |
| <b>2009 Request</b> .....                                    | <b>257</b>   | <b>257</b>   | <b>132,100</b>   |
| <b>2008 to 2009 Total Change</b> .....                       | <b>(124)</b> | <b>(93)</b>  | <b>(6,500)</b>   |

### C. Summary of Requirements

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |       |           |
|--|--------------|-------|-----------|
|  | Perm. Pos.   | FTE   | Amount    |
| <b>FY 2007 Actual</b>  | 279          | 257   | \$134,567 |
| <b>2008 Enacted</b>  | 381          | 350   | 138,600   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |       |           |
| Transfers  | ---          | ---   | ---       |
| Increases  | ---          | 31    | 7,500     |
| Decreases  | (124)        | (124) | (14,000)  |
| Total Adjustments-to-Base  | (124)        | (93)  | (6,500)   |
| <b>2009 Current Services</b>   | 257          | 257   | 132,100   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---   | ---       |
| <b>2009 Total Request</b>  | 257          | 257   | 132,100   |
| 2008 to 2009 Total Change  | (124)        | (93)  | (6,500)   |

| Estimates by Program/Project Activity | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |             |                  | 2009 Program Change |            |            | 2009 Request |            |                  | 2008 to 2009 Total Change |             |                  |
|---------------------------------------|--------------|------------|------------------|--------------------------|-------------|------------------|---------------------|------------|------------|--------------|------------|------------------|---------------------------|-------------|------------------|
|                                       | Pos.         | FTE        | Amount           | Pos.                     | FTE         | Amount           | Pos.                | FTE        | Amount     | Pos.         | FTE        | Amount           | Pos.                      | FTE         | Amount           |
| 1 Salaries and Benefits               | 381          | 350        | 138,600          | (124)                    | (93)        | (6,500)          | ---                 | ---        | ---        | 257          | 257        | 132,100          | (124)                     | (93)        | (6,500)          |
| <b>Total</b>                          | <b>381</b>   | <b>350</b> | <b>\$138,600</b> | <b>(124)</b>             | <b>(93)</b> | <b>(\$6,500)</b> | <b>---</b>          | <b>---</b> | <b>\$0</b> | <b>257</b>   | <b>257</b> | <b>\$132,100</b> | <b>(124)</b>              | <b>(93)</b> | <b>(\$6,500)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source            | FY 2007 Estimate |          |            | 2008 Estimate |          |            | 2009 Estimate |          |            | Increase/Decrease |            |           |
|----------------------------------|------------------|----------|------------|---------------|----------|------------|---------------|----------|------------|-------------------|------------|-----------|
|                                  | Pos.             | FTE      | Amount     | Pos.          | FTE      | Amount     | Pos.          | FTE      | Amount     | Pos.              | FTE        | Amount    |
| Department of Defense            | 1                | 1        | \$300      | 1             | 1        | \$309      | 1             | 1        | \$318      | ---               | ---        | 9         |
| National Intelligence            | 1                | 1        | 200        | 1             | 1        | 206        | 1             | 1        | 212        | ---               | ---        | 6         |
| Customs and Border Protection    | 1                | 1        | 100        | 1             | 1        | 103        | 1             | 1        | 106        | ---               | ---        | 3         |
| <b>Total Budgetary Resources</b> | <b>3</b>         | <b>3</b> | <b>600</b> | <b>3</b>      | <b>3</b> | <b>618</b> | <b>3</b>      | <b>3</b> | <b>636</b> | <b>---</b>        | <b>---</b> | <b>18</b> |

| Obligations by Program/Project Activity | FY 2007 Estimate |          |            | 2008 Estimate |          |            | 2009 Estimate |          |            | Increase/Decrease |            |           |
|---|------------------|----------|------------|---------------|----------|------------|---------------|----------|------------|-------------------|------------|-----------|
|   | Pos.             | FTE      | Amount     | Pos.          | FTE      | Amount     | Pos.          | FTE      | Amount     | Pos.              | FTE        | Amount    |
| Other Salaries and Expenses             | 3                | 3        | \$600      | 3             | 3        | \$618      | 3             | 3        | \$636      | ---               | ---        | 18        |
| <b>Total Obligations</b>                | <b>3</b>         | <b>3</b> | <b>600</b> | <b>3</b>      | <b>3</b> | <b>618</b> | <b>3</b>      | <b>3</b> | <b>636</b> | <b>---</b>        | <b>---</b> | <b>18</b> |

Explanation of Increase/Decrease.  
Increase for pay inflation.

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>EOY Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-----------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$24,252              | \$37,365         | \$32,280         | (\$5,085)             |
| 11.3 Other than full-time permanent                   | 3,448                 | ---              | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | 775                   | 4,357            | 4,708            | 351                   |
| 12.1 Benefits   | 6,850                 | 10,164           | 8,791            | (1,373)               |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$35,325</b>       | <b>\$51,886</b>  | <b>\$45,779</b>  | <b>(\$6,107)</b>      |
| Other Object Classes:                                 |                       |                  |                  |                       |
| 21.0 Travel   | 744                   | 1,199            | 920              | (279)                 |
| 22.0 Transportation of things                         | 100                   | 10               | ---              | (10)                  |
| 23.1 GSA rent   | 5,290                 | 5,217            | 6,445            | 1,228                 |
| 23.3 Communications, utilities, & other misc. charges | ---                   | 347              | 431              | 84                    |
| 24.0 Printing and reproduction                        | 18                    | 50               | 50               | ---                   |
| 25.1 Advisory and assistance services                 | 9,888                 | 35,364           | 31,968           | (3,396)               |
| 25.2 Other services                                   | 34,923                | 1,761            | 1,649            | (112)                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 39,127                | 36,526           | 37,876           | 1,350                 |
| 25.5 Research and development contracts               | 285                   | ---              | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | 1,914                 | ---              | ---              | ---                   |
| 26.0 Supplies and materials                           | 1,696                 | 805              | 805              | ---                   |
| 31.0 Equipment  | 5,257                 | 5,435            | 6,177            | 742                   |
| <b>Total, Other Object Classes</b>                    | <b>\$99,242</b>       | <b>86,714</b>    | <b>86,321</b>    | <b>(393)</b>          |
| <b>Total, Direct Obligations</b>                      | <b>\$134,567</b>      | <b>\$138,600</b> | <b>\$132,100</b> | <b>(\$6,500)</b>      |
| Unobligated balance, start of year                    |                       |                  |                  |                       |
|   | ---                   | ---              | ---              | ---                   |
| Reimbursable Program                                  |                       |                  |                  |                       |
|   | 304                   | ---              | ---              | ---                   |
| Unobligated balance, end of year                      |                       |                  |                  |                       |
|   | (304)                 | ---              | ---              | ---                   |
| Recoveries of prior year obligations                  |                       |                  |                  |                       |
|   | ---                   | ---              | ---              | ---                   |
| <b>Total requirements</b>                             | <b>\$134,567</b>      | <b>\$138,600</b> | <b>\$132,100</b> | <b>(6,500)</b>        |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|--------------------|-----------------|-----------------|------------------------|
|                                  | Pos.               | Pos.            | Pos.            | Total                  |
| Total, SES                       | 12                 | 12              | 12              | ---                    |
| Total, EX                        | 2                  | 2               | 2               | ---                    |
| GS-15                            | 148                | 147             | 128             | (19)                   |
| GS-14                            | 64                 | 64              | 37              | (27)                   |
| GS-13                            | 41                 | 41              | 16              | (25)                   |
| GS-12                            | 22                 | 22              | 8               | (14)                   |
| GS-11                            | 15                 | 15              | 5               | (10)                   |
| GS-10                            | ---                | ---             | ---             | ---                    |
| GS-9                             | 18                 | 18              | 7               | (11)                   |
| GS-8                             | 5                  | 5               | 4               | (1)                    |
| GS-7                             | 4                  | 4               | 1               | (3)                    |
| GS-6                             | 2                  | 2               | ---             | (2)                    |
| GS-5                             | 1                  | 1               | ---             | (1)                    |
| GS-4                             | ---                | ---             | ---             | ---                    |
| GS-3                             | 1                  | 1               | ---             | (1)                    |
| GS-2                             | ---                | ---             | ---             | ---                    |
| Other Graded Positions           | 48                 | 47              | 37              | (10)                   |
| Ungraded Positions               | ---                | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>383</b>         | <b>381</b>      | <b>257</b>      | <b>(124)</b>           |
| Unfilled Positions EOY           | 104                | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 279                | 381             | 257             | (124)                  |
| <b>FTE</b>                       | <b>257</b>         | <b>350</b>      | <b>257</b>      | <b>(93)</b>            |
| Headquarters                     | 216                | 214             | 214             | ---                    |
| U.S. Field                       | 167                | 167             | 43              | (124)                  |
| Foreign Field                    | ---                | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>383</b>         | <b>381</b>      | <b>257</b>      | <b>(124)</b>           |
| <b>Average ES Salary</b>         | \$ 153,222         | \$ 157,206      | \$ 161,922      | \$ 4,716               |
| <b>Average GS Salary</b>         | \$ 109,661         | \$ 112,951      | \$ 116,339      | \$ 3,389               |
| <b>Average GS Grade</b>          | 14.00              | 15.00           | 15.00           | ---                    |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Salaries and Expenses  
Funding Schedule  
(Dollars in Thousands)**

| PPA: PPA Name                             |  | 2007<br>EOY Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|---|--|--------------------|------------------|------------------|------------------------|
| <b>Object Classes:</b>                    |  |                    |                  |                  |                        |
| 11.1                                      | Perm Positions                             | \$24,252           | \$37,365         | \$32,280         | (\$5,085)              |
| 11.3                                      | Other than perm                            | 3,448              | ---              | ---              | ---                    |
| 11.5                                      | Other per comp                             | 775                | \$4,357          | 4,708            | 351                    |
| 12.1                                      | Benefits                                   | 6,850              | \$10,164         | 8,791            | (1,373)                |
| 21.0                                      | Travel                                     | 744                | 1,199            | 920              | (279)                  |
| 22.0                                      | Transportation of things                   | 100                | 10               | ---              | (10)                   |
| 23.1                                      | GSA rent                                   | 5,290              | 5,217            | 6,445            | 1,228                  |
| 23.3                                      | Communication, Utilities, and misc charges | ---                | 347              | 431              | 84                     |
| 24.0                                      | Printing                                   | 18                 | 50               | 50               | ---                    |
| 25.1                                      | Advisory & Assistance Services             | 9,888              | 35,364           | 31,968           | (3,396)                |
| 25.2                                      | Other Services                             | 34,923             | 1,761            | 1,649            | (112)                  |
| 25.3                                      | Purchase from Govt. Accts.                 | 39,127             | 36,526           | 37,876           | 1,350                  |
| 25.5                                      | Research & Development                     | 285                | ---              | ---              | ---                    |
| 25.7                                      | Operation & maintenance of equipment       | 1,914              | ---              | ---              | ---                    |
| 26.0                                      | Supplies & materials                       | 1,696              | 805              | 805              | ---                    |
| 31.0                                      | Equipment                                  | 5,257              | 5,435            | 6,177            | 742                    |
| <b>Total, Investigations - Operations</b> |  | <b>\$134,567</b>   | <b>\$138,600</b> | <b>\$132,100</b> | <b>(\$6,500)</b>       |
| Full Time Equivalents                     |  | 257                | 350              | 381              | 31                     |

### PPA Mission Statement

The Management and Administration (M&A) appropriation provides for salaries and expenses related to 381 full time equivalent (FTE) personnel in Washington, D.C. and in the field. Field operations include the Plum Island Animal Disease Center (PIADC), Environmental Measurements Laboratories (EML), the National Biodefense Analysis and Countermeasures Center (NBACC), the Chemical Security Analysis Center (CSAC), and the Transportation Security Laboratory (TSL). This appropriation also provides for the operation of the S&T Directorate's Washington, D.C. headquarters including business operations, contributions to the DHS Working Capital Fund, and other administrative costs associated with the management of the S&T Directorate and its resources.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|-------------------|----------------|----------------|---------------------|
|                              | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$35,325          | \$51,886       | \$45,779       | (\$6,107)           |

Salaries and Benefits includes costs for 257 FTEs. The FY 2009 request includes an increase of \$1,221,000 for the proposed January 2009 2.9-percent increase in personnel compensation, \$454,000 for annualization of the prior-year pay raise, an increase of \$4,183,000 to annualize 102 federal positions to be filled in FY 2008 and non pay inflation of \$1,734,000. Also included is the transfer of 124 FTE and \$14,000,000 to the Laboratory Facilities PPA.

|               | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|-------------------|----------------|----------------|---------------------|
|               | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$744             | \$1,199        | \$920          | (\$279)             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. A decrease of \$279,000 is included to help cover increased GSA rent costs.

|                                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-------------------|----------------|----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$100             | \$10           | \$0            | (\$10)              |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. A decrease of \$10,000 is included to cover increased GSA Rent costs.

|                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|-------------------|----------------|----------------|---------------------|
|                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | \$5,290           | \$5,217        | \$6,445        | \$1,228             |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. A increase of \$1,228,000 is required to cover the increased costs associated GSA Rent for additional space required by additional new federal employees.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$0               | \$347          | \$431          | \$84                |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. An increase of \$84,000 is required to cover increased costs of Communications and Utilities.

|                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|-------------------|----------------|----------------|---------------------|
|                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | <b>18</b>         | <b>50</b>      | <b>\$50</b>    | <b>\$0</b>          |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-------------------|-----------------|-----------------|---------------------|
|   | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$9,888</b>    | <b>\$35,364</b> | <b>\$31,968</b> | <b>(\$3,396)</b>    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. A decrease in Advisory and Assistance Services is required to cover additional costs in GSA Rent, Working Capital Fund.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$34,923</b>   | <b>\$1,761</b> | <b>\$1,649</b> | <b>(\$112)</b>      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. A decrease to Other Services is required to cover required equipment purchases in FY 2009.

|  | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-------------------|-----------------|-----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$39,127</b>   | <b>\$36,526</b> | <b>\$37,876</b> | <b>\$1,350</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. An increase of \$1,350,000 is required to cover the increased cost of the working capital fund.

|                                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-------------------|----------------|----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$285</b>      | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|   | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-------------------|----------------|----------------|---------------------|
|   | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$1,914</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-------------------|----------------|----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$1,696</b>    | <b>\$805</b>   | <b>\$805</b>   | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-------------------|----------------|----------------|---------------------|
|                  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$5,257</b>    | <b>\$5,435</b> | <b>\$6,177</b> | <b>\$742</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. An increase of \$607,000 is included to annualize 102 federal positions to be filled in FY 2008. An additional increase of \$135,000 is included to cover increased costs associated with IT equipment.

## I. Changes In FTE

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                          | 213     | 257     | 350     |
| <b>INCREASES</b>   |         |         |         |
| Staffing Increase  | 44      | 93      | 31      |
| Description: Hiring staff to reach to authorized level of 381. |         |         |         |
| Sub-Total Increases  | 44      | 93      | 31      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Transfer to Research and Development - Laboratory Facilities   |         |         | -124    |
| Sub-Total Decreases  | 0       | 0       | -124    |
| Year-end Actual/Estimated FTEs                                 | 257     | 350     | 257     |
| Net Change from prior year base to Budget Year Estimate:       | 44      | 93      | -93     |

J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity

**Department of Homeland Security  
Science and Technology Directorate  
Management and Administration**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                  | FY 2007 EOY<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|---|-----------------------|------------------------|------------------------|---------------------------------------|
|   | AMOUNT                | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| Fee for Service Activity                  | \$28,979              | \$33,744               | \$36,334               | \$2,590                               |
| Government-wide Mandated Service Activity | \$314                 | \$271                  | \$313                  | \$42                                  |
| DHS Cross Cutting Activity                | \$305                 | \$159                  | \$174                  | \$15                                  |
| WCF Management Activity                   | \$61                  | \$69                   | \$103                  | \$34                                  |
| <b>Total Working Capital Fund</b>         | <b>\$29,659</b>       | <b>\$34,243</b>        | <b>\$36,924</b>        | <b>\$2,681</b>                        |

# Department of Homeland Security

*Science and Technology Directorate*

*Research, Development, Acquisitions, and Operations*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## SCIENCE AND TECHNOLOGY DIRECTORATE RESEARCH, DEVELOPMENT, ACQUISITIONS, AND OPERATIONS

### I. Appropriation Overview

#### **A. Mission Statement for Research, Development, Acquisitions, and Operations:**

The Science and Technology (S&T) Directorate is the primary research and development (R&D) arm of the Department of Homeland Security (DHS). The S&T Directorate will improve homeland security by providing to our customers, the operating components of DHS and State, local, tribal and territorial emergency responders and officials, state-of-the-art technology that helps them accomplish their missions.

The S&T Directorate will fulfill its mission by:

- Developing and deploying state-of-the-art, high performance, low-operating-cost systems and technology to prevent, detect, and mitigate the consequences of chemical, biological, and explosive attacks;
- Developing equipment, protocols, and training procedures for response to and recovery from all-hazards including chemical, biological, and explosive attacks;
- Enhancing the technical capabilities of the Department's operational elements and other Federal, State, local, and tribal agencies to fulfill their homeland security related missions;
- Developing methods and capabilities to test and assess threats and vulnerabilities, and prevent technology surprise and anticipate emerging threats;
- Developing technical standards and establishing certified laboratories to evaluate homeland security and emergency responder technologies, and evaluate technologies for SAFETY Act certification; and
- Supporting U.S. leadership in science and technology.

A FY 2007 review of strategy and technology requirements resulted in a shift in the S&T Directorate's focus to a new strategic approach. This new approach, reflected in a realigned organization and research portfolio management strategy, allows the S&T Directorate to better identify, enable, and transition new capabilities to our customers to better protect the Nation. To that end, the S&T Directorate develops and manages an integrated program of science and technology, from basic research through technology product transition.

The S&T Directorate is customer-focused and delivers capabilities that DHS components can rely on to meet their operational needs. To accomplish this, the S&T Directorate facilitated customer-led Capstone Integrated Product Teams (IPTs) charged with identifying functional capability requirements across the Department. The S&T Directorate uses the outcomes of these IPTs to identify the highest priority needs and allocate resources to those programs that support

the priorities established by its DHS customers. The S&T Directorate's new business model of structured Capstone IPTs ensures that product transition investments align to customer mission requirements.

The Capstone IPTs are led by senior leadership from DHS Components in the following 11 major Homeland Security functional areas:

- Border Security;
- Cargo Security;
- Chemical/Biological Defense;
- Cyber Security;
- Explosive Prevention;
- Incident Management
  - Interoperability
  - Prep & Response
- Information Sharing/Management;
- Infrastructure Protection;
- Maritime Security; and
- People Screening.

Each Capstone IPT works to identify, validate, and prioritize capability requirements across the Department (within a functional area) that the S&T Directorate can address. The interaction of technologists and operators has improved the prioritization of efforts, and the focus on relevant, cost-effective solutions that make a significant difference. The S&T Directorate's product transition process ensures that appropriate technologies are harvested and integrated into the DHS acquisition system for our customers. As part of this process, the Homeland Security Institute (HSI) provides capability gap analysis and quick-response studies on topics that arise during the S&T Directorate's capstone IPT process. Outputs from the IPTs were used to formulate the FY 2009 budget request, reflecting the important role the IPTs play in determining priorities.

About 20 percent of the S&T Directorate's budget goes toward basic research. Work in this area establishes partnerships among academia, industry and national laboratories to study fundamental science to develop the understanding of the relevant basic science that will eventually provide the technical solutions our customers' need. In addition, through the scholars and fellows program in University Programs, S&T develops the future science and engineering workforce by educating and encouraging the academic and professional development of scientists and engineers in fields relative to homeland security. The S&T Directorate uses four criteria to drive its basic research investment:

- Areas unique to DHS (e.g., psychology of terrorism, hostile intent, and informed decision making in terrorist risk-based analysis);
- Areas where there are DHS customer capability gaps, but no near-term or innovative solutions exist;
- Areas where DHS can leverage basic research investment of other government agencies or international partners (e.g., National Science Foundation, Department of Defense); and

- Areas of mandated investment (e.g., Congress or DHS leadership) or areas of technology discovery/surprise (i.e., how to counter a new technology that could be used by terrorists).

## **B. Budget Activities:**

### Border and Maritime Security

The Border and Maritime Security Division develops and transitions tools and technologies that improve the security of our Nation's borders and waterways without impeding the flow of commerce and travelers.

### Chemical and Biological

The Chemical and Biological Division works to increase the Nation's preparedness against chemical and biological threats through improved threat awareness, advanced surveillance and detection, and protective countermeasures.

### Command, Control, and Interoperability

The Command, Control, and Interoperability Division develops interoperable communication standards and protocols for emergency responders; cyber security tools for protecting the integrity of the Internet; and automated capabilities to recognize and analyze potential threats.

### Explosives

The Explosives Division develops the technical capabilities to detect, interdict, and lessen the impacts of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation and critical infrastructure.

### Human Factors

The Human Factors Division applies the social and behavioral sciences to improve detection, analysis, and understanding of the threats posed by individuals, groups, and radical movements; it supports the preparedness, response, and recovery of communities impacted by catastrophic events; and it advances homeland security by integrating human factors into homeland security technologies.

### Infrastructure and Geophysical

The Infrastructure and Geophysical Division develops technology to increase the Nation's preparedness for and response to natural and man-made threats through superior situational awareness, emergency response capabilities, and critical infrastructure protection.

### Innovation

Innovation activities focus on homeland security R&D that could lead to significant technology breakthroughs that would greatly enhance DHS operations. The Office of the Director of Innovation oversees the Homeland Security Advanced Research Project Agency (HSARPA). HSARPA funds R&D of homeland security technologies to "support basic and applied homeland security research to promote revolutionary changes in technologies that would promote homeland security; advance the development, testing and evaluation, and deployment of critical

homeland security technologies; and accelerate the prototyping and deployment of technologies that would address homeland security vulnerabilities.”

#### Test & Evaluation and Standards

The Test & Evaluation and Standards programs provide technical support and coordination to assist the Nation’s emergency responders in the acquisition of equipment, procedures and mitigation processes that are safe, reliable, and effective.

#### Transition

The Transition Office focuses on delivering near-term products and technology enhancements by working with the Department’s components to expedite the technology transition process. The transition budget also houses the Directorate’s FFRDC funding including the Homeland Security Institute (HSI).

#### Laboratory Facilities

Laboratory Facilities programs are executed through the Office of National Laboratories (ONL). ONL provides the Nation with a coordinated, enduring core of productive science, technology and engineering laboratories, organizations and institutions, which can provide the knowledge and technology required to secure our homeland.

#### University Programs

University Programs engages the academic community to conduct research and analyses and provides education and training programs to support DHS priorities and enhance homeland security capabilities.

### **C. Budget Request Summary:**

The S&T Directorate requests \$736,737,000 for Research, Development, Acquisitions, and Operations for FY 2009. This is an increase of \$45,002,000 above the FY 2008 Enacted level in support of the development of additional technologies for specific high-priority, customer-identified needs identified during the S&T Capstone IPT process, specifically:

- Border and Maritime Security:
  - Maritime Security; and
  - Border Officers Tools and Safety.
- Command, Control and Interoperability:
  - Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS); and
  - Sensors & Investigative Tools.
- Explosives:
  - Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) to improve large threat mass detection in such areas as the transit environment, special events and other large areas
  - Additional efforts in Render Safe; and
  - Additional efforts in Detection and Neutralization Tools.
- Human Factors:

- Suspicious Behavior Detection to provide a culturally independent, real-time, multi-modal (behavioral, physiological, and auditory), automated capability to detect suspicious behavior that indicates the intent to cause harm.
- Infrastructure and Geophysical
  - High-priority technology gaps in Infrastructure Protection and Emergency Incident Management.
- Laboratory Facilities:
  - Operations costs for the National Biodefense Analysis and Countermeasures Center (NBACC) and pre-construction costs of the National Bio and Agro-Defense Facility (NBAF);
  - Salaries and benefits of full-time equivalents located at the laboratories; and
  - One-time cost for final cleanup of Environmental Measurements Laboratory (EML) space.

## II. Summary of FY 2009 Budget Estimates by Program/Project (PPA)

**Department of Homeland Security**  
**Science and Technology Directorate**  
**Research, Development, Acquisitions, and Operations**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007 Actuals |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease(-) For FY 2009 |                 |                 |                 |                     |                 |
|--|-----------------|------------------|-----------------|------------------|-----------------|------------------|---|-----------------|-----------------|-----------------|---------------------|-----------------|
|  |                 |                  |                 |                  |                 |                  | Total Changes                           |                 | Program Changes |                 | Adjustments-to-Base |                 |
|  | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE                                     | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT          |
| Border and Maritime  | ---             | \$48,531         | ---             | \$25,479         | ---             | \$35,300         | ---                                     | \$9,821         | ---             | \$9,821         | ---                 | \$0             |
| Chemical and Biological                                      | ---             | \$348,348        | ---             | \$208,020        | ---             | \$200,408        | ---                                     | (\$7,612)       | ---             | (\$7,612)       | ---                 | \$0             |
| Command, Control and Interoperability                        | ---             | \$74,672         | ---             | \$56,980         | ---             | \$62,390         | ---                                     | \$5,410         | ---             | \$5,410         | ---                 | \$0             |
| Explosives   | ---             | \$121,584        | ---             | \$77,654         | ---             | \$96,149         | ---                                     | \$18,495        | ---             | \$18,495        | ---                 | \$0             |
| Human Factors  | ---             | \$6,501          | ---             | \$14,206         | ---             | \$12,460         | ---                                     | (\$1,746)       | ---             | (\$1,746)       | ---                 | \$0             |
| Infrastructure and Geophysical                               | ---             | \$91,807         | ---             | \$64,500         | ---             | \$37,816         | ---                                     | (\$26,684)      | ---             | (\$26,684)      | ---                 | \$0             |
| Innovation   | ---             | \$21,945         | ---             | \$33,000         | ---             | \$45,000         | ---                                     | \$12,000        | ---             | \$12,000        | ---                 | \$0             |
| Laboratory Facilities  | ---             | \$72,230         | ---             | \$103,814        | 124             | \$146,940        | 124                                     | \$43,126        | ---             | \$29,126        | 124                 | \$14,000        |
| Test and Evaluation, Standards                               | ---             | \$24,910         | ---             | \$28,520         | ---             | \$24,674         | ---                                     | (\$3,846)       | ---             | (\$3,846)       | ---                 | \$0             |
| Transition   | ---             | \$30,221         | ---             | \$30,265         | ---             | \$31,830         | ---                                     | \$1,565         | ---             | \$1,565         | ---                 | \$0             |
| University Programs  | ---             | \$48,266         | ---             | \$49,297         | ---             | \$43,770         | ---                                     | (\$5,527)       | ---             | (\$5,527)       | ---                 | \$0             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---             | <b>\$889,015</b> | ---             | <b>\$691,735</b> | <b>124</b>      | <b>\$736,737</b> | <b>124</b>                              | <b>\$45,002</b> | ---             | <b>\$31,002</b> | <b>124</b>          | <b>\$14,000</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                 |                  |                 |                  |                 |                  |   |                 |                 |                 |                     |                 |
| Less Prior Year Recission, P.L. 109-90                       | ---             | (\$125,000)      | ---             | ---              | ---             | ---              | ---                                     | ---             | ---             | ---             | ---                 | ---             |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---             | <b>\$764,015</b> | ---             | <b>\$691,735</b> | <b>124</b>      | <b>\$736,737</b> | <b>124</b>                              | <b>\$45,002</b> | ---             | <b>\$31,002</b> | <b>124</b>          | <b>\$14,000</b> |

### III. Current Services Program Description by PPA

PPA: BORDER AND MARITIME SECURITY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 48,531</b> |
| <b>2008 Enacted</b>          |                     |            | <b>25,479</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>25,479</b>    |
| 2009 Program Change          |                     |            | 9,821            |
| <b>2009 Request</b>          |                     |            | <b>35,300</b>    |
| Total Change 2008-2009       |                     |            | 9,821            |

The Science and Technology Directorate requests \$35.300 million for this activity, of this amount \$0.883 million supports the SBIR Program. This is an increase of \$9.821 million above FY 2008. The FY 2009 program increase allows the Border and Maritime Security Division to develop additional technologies for specific high-priority, customer needs identified during the S&T Capstone IPT process – specifically, it will fund efforts for Maritime Security and Border Officer Tools and Safety.

#### **CURRENT SERVICES PROGRAM DESCRIPTION**

The Border and Maritime Security Division develops and transitions tools and technologies that improve the security of our Nation’s borders and waterways without impeding the flow of commerce and travelers. The division works closely with its operational customers to identify and generate the best technologies for securing U.S. borders, including ports-of-entry and vast stretches of remote terrain and waterways – with the ultimate goal of stopping threats before they enter the United States.

The primary Federal customers for the Border and Maritime Security Division are the Department’s Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE) and the U.S. Coast Guard (USCG). Requirements from these customers are reflected in the FY 2009 activities. Successful transition of these capabilities and technologies will improve DHS components’ performance and support the Secretary’s goals of:

- Protecting the Nation from dangerous people; and
- Protecting the Nation from dangerous goods.

**Border Watch Thrust Area** – Develops and applies technologies and tools that increase detection of illegal border activity, reduce manpower, improve agent response times and increase officer safety. Programs include developing a network of advanced sensor and communication technologies that will connect law enforcement officers to crucial information and alerts about illegal activities along the U.S. border. Currently, border operations, both at and between ports-of-entry, depend highly on a professional’s institutional knowledge and outdated technology.

Through Border Watch technologies, law enforcement officers will be able to access information about events in progress from wherever they operate, even in remote areas.

Activities in the Border Watch thrust area support the Secure Border Initiative (SBI), a comprehensive multi-year plan to secure America's borders and reduce illegal migration, and Command 2010, an initiative to enhance command-and-control capabilities for the Coast Guard. The thrust area includes the following programs that address different aspects of the border security mission: Border Technologies, Maritime Technologies, and Border Officer Tools and Safety.

***Border Technologies Program*** – FY 2008: \$14,893; FY 2009 estimate: \$13,650. Delivers technologies to provide advanced detection, identification, apprehension and enforcement capabilities along land and maritime borders. The program develops:

- Detection, classification, and localization sensor technologies to monitor illegal border activity with a wider range and greater accuracy than current technologies;
- Command and control systems that deliver more comprehensive information about events-in-progress to different levels of law enforcement; and
- Communications systems that provide connectivity to law enforcement officers working in remote locations.

These technologies and systems will help ensure border security assets are used efficiently and effectively and give law enforcement officers access to robust and reliable information when they need it. The following projects are within the Border Technologies program:

***Border Detection Grid Project*** – Provides a grid of advanced sensors and detection, classification, and localization technologies to detect and classify cross-border movement (e.g., friendly forces, animals, weather or illegal activity). This technology will revolutionize border control by providing a way for a single Border Patrol officer to effectively monitor more than 10 miles of border. In FY 2007, the project investigated and reported on advanced power sources and energy storage methods for sensors in remote locations; developed a buried tripwire system to both sense intrusions and provide communications to remote locations; and evaluated electro-optic (daytime/visual) camera technologies. In FY 2008, the project will pilot a tripwire technology that can locate activity anywhere along many miles of the border (on the order of 4 miles). In FY 2009, the project plans to complete these activities and transition to the operational end-user (CBP, ICE and USCG).

***BorderNet Project*** – Develops BorderNet, a wireless data network that will connect law enforcement officers in the field to real-time, tactical, scene-awareness information, including geographic features, sensor data, and agent location data; as well as provide access to law enforcement databases. In FY 2007, the S&T Directorate expanded BorderNet surveillance capabilities along the southwest border by extending access to multiple law enforcement databases; deploying an in-field, 10-fingerprint reading system; improving radio direction finding of individuals conducting counter-surveillance for illegal activities; and adding a law enforcement asset location tracking capability (blue force tracking). In FY 2008, the project will install a Northern Border testbed demonstration in a northeast Border Patrol sector that will

provide technology insertion and lessons learned to the Secure Border Initiative Network (SBI<sup>net</sup>). The testbed will include a multi-sensor fusion, field-level, scene-awareness capability and a law enforcement data base query capability. In FY 2009, the project plans to transition these technologies to the operational end-user (CBP, ICE, and USCG).

*Sensors/Data Fusion and Decision-Aids Project* – Develops systems to enable law enforcement officers and commanders to have full situational awareness, enabling effective decision making and execution in complex and dynamic operational environments. Current operations rely mostly on verbal coordination for real-time operational knowledge and situational awareness. This project will:

- Provide the capability to fuse tactical information from multiple data sources such as sensors and databases (both law enforcement and commercial databases);
- Provide real-time situational awareness;
- Eliminate scene clutter;
- Automatically identify and track high-risk targets (e.g., people, vehicles, and vessels);
- Provide decision aids; and
- Facilitate multi-agency coordination for rapid response.

In response to a CBP request, the S&T Directorate tested technologies during Operation NorthGuard, a western Lake Erie pilot project conducted in the summer of 2007, which demonstrated the operational utility of coupling advanced sensor fusion and tracking technology with a common operational picture for detecting and apprehending border violators in a maritime environment. This effort gave insight into operational issues such as the effectiveness of the Trusted Traveler program, required assets to effectively shut down illegal activities, needed collaboration between Federal and state and local law enforcement agencies, and reconciliation of multiple policies and regulations. In FY 2008, the project will develop Automated Scene Understanding (ASU) and visualization tools for maritime and inland waterways. In FY 2009, the project plans to develop and demonstrate an advanced ASU system for land applications.

*SBI Systems Engineering and Modeling & Simulation Project* – Helps border enforcement agencies make informed decisions in immigration/border security policy and operations using systems engineering tools and models. It provides systems engineering, analysis, and trade-off studies to SBI. In FY 2007, the project developed an immigration model that will support immigration reform decision making. In FY 2008, the S&T Directorate will add the capability to model materials and goods, both legal and illegal, through the U.S. In FY 2009, the project plans to review the System of Systems model and ensure that it correctly represents the SBI and provide modeling capability for other projects.

*BorderTech Project* – In FY 2009, the S&T Directorate plans to initiate a project called BorderTech for the development, integration and testing of sensor technologies in an operational environment to provide in-the-field capabilities, improving mission effectiveness and agent safety. This project will develop, demonstrate and test unproven technologies as a risk reduction activity for the SBI Network (SBI<sup>net</sup>). It will include:

- BorderTech Testbed – provides a test platform for evaluating technologies in an operational environment, enabling agent training and tactics development;
- Advanced Sensor Technologies – investigates technologies and methodologies for improving operational performance of unattended ground sensors, electro-optical/infrared (EO/IR) devices and associated sensor signal processing; and
- Advanced Ground Surveillance Radar – assesses active and passive technologies and develops/demonstrates a system for detecting and tracking humans.

In FY 2009, the project plans to demonstrate and insert the BorderTech Testbed and Advanced Ground Surveillance Radar technologies into *SBI<sub>net</sub>*.

***Maritime Technologies Program*** – FY 2008: \$0; FY 2009 estimate: \$5,000. Starting in FY 2009, this program plans to address a wide range of capability gaps generated through the S&T Directorate’s Capstone IPT process. The majority of the capability gaps were identified by USCG, CBP, the Transportation Security Administration (TSA) and ICE. The program will develop:

- Advanced detection, identification, apprehension and enforcement capabilities along the maritime borders; and
- Technologies that support a framework for rapid, coordinated responses to maritime anomalies and threats.

A science and technology investment in these areas will provide significant risk mitigation and be completely complimentary to proposed major acquisition efforts, such as the USCG’s Command 21 program. These technologies and systems will help to ensure that border security assets are used efficiently and effectively and enable law enforcement to have access to robust and reliable information when they need it. The Maritime Technologies program includes the following projects: Sensors and Surveillance; and Situational Awareness and Information Management.

***Sensors and Surveillance Project*** – Starting in FY 2009, this project plans to assess, document and demonstrate visual and non-visual technologies for monitoring the maritime border. Visual technologies provide an eyes-on capability that enables agents to verify visually if an activity is illegal. Non-visual technologies provide low-cost, long-endurance monitoring to detect and track objects that are not captured by cameras. The project will include the following visual and non-visual technologies:

- Affordable Wide-Area Surveillance (WAS) Capability – demonstrates persistent and WAS commercial off-the-shelf/government off-the-shelf (COTS/GOTS) technologies to explore Concept of Operations (CONOPS) and data integration issues associated with the detection, tracking and classification of vessel traffic 12-120 nautical miles offshore;
- Advanced Geospatial Intelligence (AGI) Technical Exploitation – demonstrates a processing and exploitation capability that provides wide-area surveillance of the offshore maritime environment;
- Port and Coastal Radar Improvement – documents radar performance, maintainer/operator proficiency, and recommended improvements, and implements a

prototype radar system enhanced for harbor and 0-20 nautical miles offshore to detect, track, and identify vessels in ports and coastal regions and;

- Small Boat Harbor Surveillance Study/Pilot – assesses near-term technologies for tracking small boats in a port environment then demonstrates the improved situational awareness through an operational test/pilot program.

*Situational Awareness and Information Management Project* – Starting in FY 2009, this project plans to provide law enforcement agents the ability to know instantaneously when a threat presents itself at the maritime border and to rapidly provide required information to decision makers and security forces. These functions are performed through an arrangement of personnel, equipment, communications, and facilities as well as the procedures agents employ in operations. The project will include:

- Advanced Automated Scene Understanding (ASU) – Improves efficiency and effectiveness of the watchstanders/agents by autonomously detecting prohibited, suspicious, and anomalous behaviors based on self-learning of normal behaviors or operator-generated rules;
- Covert Illegal Contraband Tracker – Provides the ability to track illegal contraband to its final location after being detected by law enforcement, linking illegal shipments to the organizations that are smuggling them; and
- Boarding Team Communication – Enhances the USCG’s ability to more quickly, safely, and effectively board and inspect vessels by providing boarding teams continuous, reliable, inter-deck, team-to-ship, and team-to-command-center communications platform for voice and data.

***Border Officer Tools and Safety Program*** – FY 2008: \$0; FY 2009 estimate: \$3,851. Provides tools and technologies to border security law enforcement officers to efficiently, effectively and safely perform inspections of vehicles and vessels. This program will provide a wide variety of tools, possibly leveraged from other Departments, which can be adapted for CBP and USCG.

*Border Officer Tools Project* – Develops a prototype of a repeater-based communications system that will meet specific Coast Guard requirements. This type of system permits communication among boarding team members, no matter where they are in the vessel. Repeaters are small transmission devices that are deployed like breadcrumbs as officers enter and search a vessel. In FY 2008, the project will transition a deployable communications repeater for boarding teams. Starting in FY 2009, the Border Officer Tools and Safety Program plans to expand the scope of the project to include land and maritime law enforcement efforts. It will improve Coast Guard boarding teams’ and Border Agents’ effectiveness and enhance officer/agent safety while searching vessels/vehicles. Many of these tools will leverage technology currently under development by DHS or Department of Defense (DOD) for other purposes. These tools will provide:

- Secure communications (i.e., voice and data) between field operators, and between field operators and their command centers;
- Intrusive (i.e., requires contact) as well as non-intrusive, non-destructive technologies to aid in the identification of contraband; and

- A technology survey to identify documentation resolution versus bandwidth solutions for providing 24-hour real-time image transmission of high-definition images and documents.

*Border Officer Safety Project* – Starting in FY 2009, this project plans to integrate technologies that will enable border security law enforcement agents to more safely perform their mission. These technologies include, but are not limited to:

- Enhanced Ballistic Protection – will deliver lighter weight, more durable and higher strength materials and equipment to increase the level of a field agent’s ballistic protection while reducing his equipment load;
- Automatic Facial Recognition – will capture images of individuals and compare them to law enforcement databases;
- Hidden Compartment Inspection Device – will allow for agents to non-intrusively detect, from greater stand-off ranges, people and contraband hidden behind walls and other barriers; and
- Pursuit Termination-Vehicle/Vessel Stopping – will provide for a user-safe, non-lethal means of stopping uncooperative vehicles and vessels attempting to evade apprehension.

In FY 2009, the project plans to develop and document ballistic vest performance requirements for border security as well as develop gun-fire location requirements for law enforcement officers.

**Cargo Security Thrust Area** – Develops technologies to ensure the integrity of cargo shipments and enhance the end-to-end security of the supply chain – from the manufacturer of goods to final delivery. One of the most significant potential terrorist threats to the Nation is the vast numbers of shipping containers that flow through our borders each year, most of which enter without physical inspection. This thrust area will deliver technological capabilities that address supply chain vulnerabilities – reducing the risk that cargo conveyed across various transit modes in the international supply chain can be manipulated for terrorist activity. This includes the ability to communicate container status as well as security information that will assure government customs agents and shippers of the integrity of containers and cargo. Private industry has expressed interest in the cargo security technologies being developed within this thrust area based on their added potential to increase business efficiency.

**Cargo and Conveyance Security Program** – FY 2008: \$9,949; FY 2009 estimate: \$15,825. Improves supply chain security and practices in order to secure the Nation’s borders and cargo – reducing illegal immigration and preventing the transport of illegal drugs, contraband, and weapons of mass destruction into the United States. Using a system-of-systems approach, the program develops advanced sensor and communication technologies within a security architecture that encompasses the world’s supply chain – from the manufacturer of goods to final delivery. Some technologies developed in this program will enable CBP officers to identify tampering events and their location, track shipping containers, and ensure that alarm data is communicated reliably and securely. The program will transition most of these technologies to the commercial sector which will then be purchased by industry and adopted as an international

standard that will meet DHS's core security requirements. The program carries out its activities through the following projects:

*Marine Asset Tag Tracking System (MATTS) Project* – Establishes a remote global communications and tracking network to be used with the Advanced Container Security Device (ACSD). The MATTS communicates world-wide, even when stacked in a yard of densely-packed metal containers that can block communication. The project will ensure that container alarm conditions are reliably communicated to CBP officers, to enable more informed targeting and high-risk container inspection decisions. In addition, industry can know the status of and track cargo as it moves through the supply chain. In FY 2007, the project tested MATTS prototypes domestically and internationally (including a port-to-port and an in-bond shipment tracking test) to demonstrate that they work in operational environments. In FY 2008, final technical requirements will be released and MATTS will be available for transition to industry.

*Advanced Container Security Device (ACSD) Project* – Develops an advanced sensor system for monitoring the container's integrity. The ACSD is a small unit that attaches to the inside of a container to monitor all six sides of the container to report any intrusion or door opening. It will also detect the presence of humans in the container. If ACSD detects an intrusion, breach, door opening or human, it will transmit this alarm information through MATTS to CBP. The ACSD will also build in a standard plug-and-play interface capability so that other security or commercial sensors (e.g., radiological/nuclear, chemical/biological) can be easily integrated through the standard interface. The ACSD must be able to withstand the harsh environmental conditions of global shipping and be economical for shippers to use. In FY 2007/2008, the project delivered 20 ACSD prototypes each from two vendors and integrated them with the MATTS global communications system. In FY 2008, the project will deliver a complete prototype system for testing. In FY 2009/2010, the project plans to complete field testing of the ACSD prototypes and conduct a large-scale operational test.

*Container Security Device (CSD) Project* – Develops a device whose sensor(s) can detect the opening of container doors. Since the ACSD's development will not be complete for two to three years and since the current generation of mechanical seals can be easily circumvented, the CSD will focus solely on monitoring the status of container doors as a stop-gap measure until ACSD is available. The CSD is a small, low-cost device mounted on or within a container. It detects the opening or removal of both container doors and reports to CBP. CBP Officers can then interdict the container if it poses a security threat. In addition, the S&T Directorate, in coordination with DHS Policy Directorate and CBP, is developing CSD technical requirements that they will couple with an overall concept-of-operations to ensure interoperability with DHS targeting systems and ease of integration with commercial systems. In FY 2007-2008, the project will have completed the development and laboratory testing of one CSD prototype solution and integrated the MATTS global communications system. In FY 2008, a second CSD prototype will be completed. Additionally, the project will support CBP's evaluation of solutions submitted in response to the Conveyance Security Device Request for Information. In FY 2009, the project plans to conduct vulnerability assessments and communications testing of CSDs selected by CBP for evaluation.

*Advanced Screening & Targeting (ASAT) Project* – Provides next-generation risk assessment and targeting tools, such as automated anomaly detection and pattern discovery algorithms, for determining high-risk cargo. ASAT develops computer algorithms and software that will

automatically collect, combine and analyze shipping container information to find suspicious patterns. The S&T Directorate will incrementally transition ASAT to DHS targeting systems and will significantly improve targeting containers for inspection. In FY 2007, the project transitioned software and supporting documentation to CBP for operational use by their cargo analysts. In FY 2008, the project will complete design reviews and beta testing of desktop anomaly detection software. Starting in FY 2009, the project results will allow CBP to identify and prioritize which containers to search and provide dynamic targeting patterns that adjust to changes in cargo movement patterns over time. Also, the project plans to conduct requirements analysis for improved algorithms and architecture interoperability for CBP and TSA.

*Supply Chain Security Architecture (SCSA) Project* – Maps the international supply chain including: all the various nodes (e.g., point of stuffing, port of entry); participants (e.g., shippers, CBP, foreign Customs); and information flow (e.g., container manifest is provided to CBP 24 hours before the container is loaded on a ship). This security architecture should provide DHS the framework to incorporate near-term (CSD) and future container security technologies (ACSD) into supply chain operations. CSD and ACSD alarm information will be transmitted to CBP through the architecture's information backbone. The architecture defines the standards with which vendor technology must comply to ensure secure and reliable data communication. These standards will lead to the development of information management systems that will support improved data collection and risk assessment. In FY 2007, the project completed the final architecture and technical requirements. The SCSA project was completed in FY 2007.

*Composite Container Project* – Develops a potential next-generation International Standards Organization (ISO) shipping container with embedded security sensors to detect intrusions. The container will be constructed from composite materials with embedded sensors. Composites are stronger than steel; and composite shipping containers are 40 percent lighter than current shipping containers. Saving weight benefits shippers by allowing them to load more goods per container than with steel containers. Also, composites are easier to repair, therefore decreasing their overall life cycle costs compared to existing steel containers. In FY 2007, and in 2008, the project will build two full-size ISO-compliant composite container prototypes and conduct a full-scale design review. The project will complete security sensor system development. The composite container will be available to industry in FY 2009.

*Air Cargo Composite Container Project* – Starting in FY 2009, this project plans to expand upon the composite material developed in the Composite Container project to determine whether it can be used to develop an Air Cargo Composite Container that will be able to detect tampering or intrusion with potential blast-resistant capability. The project's success depends on ensuring weight comparability to existing aluminum containers and interoperability with existing aircraft loading infrastructure. In FY 2009, the project plans to conduct requirements and critical design reviews with the air cargo community, complete security sensor system development, and complete structural system design and weight optimization.

*CanScan Project* – Starting in FY 2009, CanScan plans to develop capability enhancements to existing, secondary, non-intrusive inspection (NII) systems to detect or identify terrorist contraband items (e.g., drugs, money, illegal firearms) or humans. These system enhancements will provide increases in penetration, resolution, and throughput compared to existing NII systems. The project will integrate Future Automatic Target Recognition (ATR) capability into

the CanScan system. This project addresses the Cargo Security IPT's highest capability gap to enhance cargo screening and examination systems through advanced non-intrusive inspection. Additionally, the capabilities developed will apply to air cargo security. This project aligns with the Secretary's Secure Freight Initiative to deploy next-generation tools and integrated systems to scan maritime container cargo and gather imagery data. In FY 2009, the project plans to develop technical requirements for non-intrusive system capability enhancements.

*Secure Carton Project* – Starting in FY 2009, the Secure Carton project plans to leverage and further develop an S&T Directorate Small Business Innovative Research (SBIR) project to develop a shipping carton with embedded security sensors that detect tampering/opening of the carton once it has been sealed. The carton will communicate, via radio frequency identification (RFID), any tampering event. This project provides improved supply chain visibility and security closer to the point of manufacture or packing. It is scalable and applicable across various shipping modalities including maritime, ground and air cargo. The development phase of this project will end in FY 2008, and in FY 2009, the project plans to conduct prototype field experiments and perform testing in an air cargo environment.

PPA: CHEMICAL AND BIOLOGICAL

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>     |
|------------------------------|---------------------|------------|-------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 348,348</b> |
| <b>2008 Enacted</b>          |                     |            | <b>208,020</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                 |
| <b>2009 Current Services</b> |                     |            | <b>200,408</b>    |
| 2009 Program Change          |                     |            | (7,612)           |
| <b>2009 Request</b>          |                     |            | <b>200,408</b>    |
| Total Change 2008-2009       |                     |            | (7,612)           |

The Science and Technology Directorate requests \$200.408 million for this activity, of this amount \$5.010 million supports the SBIR Program. This is a decrease of \$7.612 million below FY 2008. This reduction is primarily a result of several projects coming to an end in the Surveillance and Detection R&D Program within the Biological Countermeasures Thrust Area and in the Detection Program within the Chemical Countermeasures Thrust Area. The decrease is also a result of the S&T Capstone IPT process, which shifted funds to high-priority R&D projects such as the explosive countermeasure program.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Chemical and Biological Division works to increase the Nation’s preparedness against chemical and biological threats through improved threat awareness, advanced surveillance and detection, and protective countermeasures. The division carries out its activities through three thrust areas: Biological Countermeasures, Agriculture, and Chemical Countermeasures.

**Biological Countermeasures Thrust Area** – Provides the understanding, technologies and systems needed to protect against possible biological attacks on the Nation’s population or infrastructure. The thrust area places its emphasis on those biological attacks that have the greatest potential for widespread catastrophic damage. These include – but are not limited to – aerosolized anthrax and smallpox. Where appropriate, the program incorporates biodefense as part of an integrated chemical, biological, radiological, nuclear and explosive (CBRNE) defense across civil and military agencies. This thrust area supports the President’s *Biodefense Strategy for the 21<sup>st</sup> Century*, Homeland Security Presidential Directive (HSPD-10), which provides a comprehensive framework for our Nation’s biodefense. This thrust area carries out its activities through six main programs:

- Systems studies and decision support tools;
- Threat awareness;
- Surveillance and detection research and development;
- Surveillance and detection operations;
- Forensics; and
- Response and restoration.

This work includes advanced technologies for BioWatch, a bio-aerosol monitoring system designed to provide cities the earliest possible detection of a biological attack, and the National Biodefense Analysis and Countermeasures Center (NBACC), which supports the assessment, characterization and forensic analysis of biological agents.

***Systems Studies and Decision Tools Program*** – FY 2008: \$6,754; FY 2009 estimate: \$9,001. Provides the analysis and tools that help generate requirements for program execution within the Chemical and Biological Division. Activities include conducting system studies and net assessments that are used to identify effective measures for deterrence, detection, and mitigation of biological terrorism acts against the U.S. population and infrastructure. A portion of this work supports system design and systems tradeoffs for future BioWatch systems. In addition, Federal, State, and local emergency responders use tools developed in this thrust area, such as Biological Warning and Incident Characterization (BWIC) operational models.

***Biodefense Net Assessments Project*** – Conducts net assessments of this Nation’s overall biodefense strategy every four years as required by HSPD-10, *Biodefense for the 21<sup>st</sup> Century*, to provide “recommendations for re-balancing and refining investments among the pillars of our overall biodefense policy.” This project addresses the HSPD-10 requirement through a series of reports that analyze and provide fresh perspectives on the fundamental assumptions underlying the current national biodefense strategy. In FY 2008, the project will deliver the first of these Biodefense Net Assessments (BNAs) to Homeland Security Council (HSC). They will address 10 fundamental questions related to the strategy contained in HSPD-10. In FY 2009, the project will initiate the second round of BNAs. These BNAs will take a longer range strategic perspective that focuses on our and our adversaries’ competitive strengths, tipping points and potential responses to our actions.

***Decision Support Tools Project*** – Plans to develop fully integrated operational tools for surveillance, detection, incident characterization, and response systems, including improved models of transportation systems and their associated response options and concepts of operations (CONOPS) for chemical and biological attacks. These tools provide architecture design and supporting tools for detection, incident characterization, and response systems. Starting in FY 2009, the project plans to transition tools and data to the DHS Office of Health Affairs’ (OHA) Biological Warning and Incident Characterization (BWIC) Program and the Interagency Modeling and Atmospheric Assessment Center (IMACC) to support various architectures for both chemical and biological detection systems and incident characterization systems. Additionally in FY 2009, the project plans to use real-world data to support the validation of subway models that are currently used in systems studies and deployed operational systems.

***System Studies Project*** – Performs studies that use reference scenarios to assess the capability of the Nation’s current biodefense, identify critical gaps, and perform cost-benefit tradeoffs of different options for addressing those gaps. The OHA and the Secretary of Homeland Security use the results of system studies to help coordinate DHS-led biodefense for the Nation, such as operation of the third-generation (Gen 3) BioWatch system. In FY 2007, the project completed preliminary Gen 3 Biowatch systems tradeoffs (e.g., How sensitive is the deployment architecture to the final level of detection attained by the new Gen 3 detectors?). In FY 2008, the

project will transition the final Gen 3 BioWatch system architecture design and deployment strategy to OHA, which operates the BioWatch system. The project will conduct red-teaming of BioWatch operations to influence the ongoing refinement of BioWatch CONOPS. In FY 2008 and FY 2009, the project plans to shift its focus to the analysis of detect-to-warn systems and indoor facility/critical infrastructure protective architectures.

***Threat Awareness Program*** – FY 2008: \$33,061; FY 2009 estimate: \$37,360. Characterizes threats posed by biological weapons, anticipates future threats, and conducts comprehensive threat and risk assessments to guide prioritization of the Nation's biodefense investments. The *Project BioShield Act of 2004* launched an effort to develop modern, effective medical countermeasures to protect Americans against attack by chemical, biological, radiological, or nuclear weapons. It assigned DHS the lead in conducting threat analyses to determine what constitutes a significant material threat to public health and national security. The primary output – which is used by OHA, the HSC and partnering agencies [e.g., Department of Health and Human Services (DHHS), Environmental Protection Agency (EPA), U.S. Department of Agriculture (USDA), and the Intelligence Community] – is an intelligence-informed, scientific characterization and prioritization of bio-terrorist risks to the Nation.

In FY 2007, the program completed the Project BioShield material threat determinations for all traditional biothreat agents of significant public health concern. These determinations are required before the President and Office of Management and Budget (OMB) can authorize use of the BioShield Special Reserve Fund to procure new medical countermeasures.

The threat awareness program carries out these activities through two main operational facilities that it sustains: the Biological Threat Characterization Center (BTCC) and the Biodefense Knowledge Center (BKC).

***Biological Threat Characterization Center (BTCC)*** – Conducts two major activities: (1) biennial, systematic end-to-end risk assessments on both traditional and advanced biological agents; and (2) laboratory studies to close major scientific gaps that could significantly impact how the nation structures its defenses. Foremost amongst the analytical studies are the biennial Bioterrorism Risk Assessments (BTRAs) that are required under HSPD-10. The BTRA provides the basis for risk-informed investments for National strategic biodefense planning while identifying key knowledge gaps and defining critical vulnerabilities. The BTRA accomplishes this via a thorough analysis of the likelihood and consequence of a biological attack – from the acquisition and production of an agent, to its dissemination in a broad range of scenarios, to the human health and economic impacts of those attacks. The resulting information is used to prioritize the risks posed by various agents, to identify vulnerabilities, and to identify associated major scientific knowledge gaps.

The BTCC also conducts laboratory studies, which help to answer key knowledge gaps identified in the BTRAs and reduce associated uncertainties with biological agents of interest. In FY 2008, the BTCC will provide the second BTRA report and an associated risk assessment tool to HSC. This BTRA expands the agents of concern in the risk assessment to include enhanced biological threat agents and agricultural threats while also providing an assessment of the associated economic and public health consequences. The utility and success of the BTRAs conducted to

fulfill HSPD-10 requirements has led to an HSPD-18, *Medical Countermeasures Against Weapons of Mass Destruction*, requirement that a biennial integrated risk assessment across all of chemical, biological, radiological and nuclear (CBRN) threats. The first such assessment is due to the HSC in June, 2008, and every two years thereafter. In 2009, activities will focus on the BTRA and the iCBRN Risk Assessments due in 2010 – including improved treatment of the intelligent adversary, simplified modeling tools that allow a greater range of ‘what if’ exercises, and inclusion of economic affects for all the threats. Also in FY 2008, the BTCC will conduct laboratory studies that close key knowledge gaps for traditional agents (e.g., “What is the infectious dose for a particular agent in air, food and water and how long does that agent remain infectious once in the environment or when processed in food?”). The BTCC should close the remaining gaps on most of the classical, known agents by FY 2009, at which time, attention will be increasingly focused on addressing future threats.

*Biodefense Knowledge Center (BKC)* – The BKC is responsible for providing analysis and operational support to DHS and other Federal agencies – including 24/7 science and technology reachback for the DHS National Operations Center (NOC) and tailored, in-depth analysis of biodefense issues. The BKC also supports knowledge discovery tools for data integration, analysis, and visualization, as well as software pilots to DHS users so they can more rapidly characterize and understand biological threats. In FY 2007 and 2008, the BKC will provide analysis and operational support activities, including the delivery of all the high-priority biological Population Threat Assessments (PTAs) to DHHS and OHA. PTAs provide an estimate of the number of people exposed to different dose levels of an agent under a plausible high consequence scenario and are used by DHHS to inform their subsequent health effects modeling in support of defining requirements for new medical countermeasures. BKC, also piloted a web-based Biodefense Knowledge Management System (BKMS) allowing users easier access to BKMS data sources and analysis capabilities. In FY 2008 and 2009, the BKC plans to perform PTAs for new material threats identified in the 2008 BTRA and iCBRN Risk Assessment and to provide an improved BKMS with additional curated data sources and enhanced analysis capabilities.

***Surveillance and Detection R&D Program*** – FY 2008: \$62,496; FY 2009 estimate: \$38,099. This program develops next-generation detectors for biological threat agents, including fully autonomous detection capabilities for the third generation (Gen 3) BioWatch system. These detectors will operate with lower costs and faster detection times – thus allowing a significant increase in the portion of the U.S. population that can be protected. In addition, this program works to develop the assays (i.e., signatures or fingerprints of biological agents) needed by detectors to accurately recognize a biological agent. Another focus is on developing detect-to-protect systems specifically for use indoors as well as detection systems for protecting food products.

*BioWatch Generation 3 (Gen 3) Detection System Project* – Develops the Gen 3 BioWatch detection system, including development of: (1) the Bio-Agent Autonomous Networked Detector (BAND), an automated, fully integrated “lab-in-a-box” that is capable of aerosol collection, molecular analysis and identification, and reporting of results with networking capability for real-time control of the entire sensor network; and (2) Deployable Aerosol

Collection Systems (DACS), remotely programmable, automated samplers that can preserve viable samples for one to three days.

The automated detection capability provided by BAND and DACS will significantly reduce BioWatch operational costs thereby, allowing expanded and more frequent monitoring of the U.S. population. In FY 2007, the project developed field prototypes of the leading Gen 3 designs and they will be field tested in late FY 2007 and early 2008. In FY 2008, the Gen 3 BioWatch detection system and initial assays will be transitioned to OHA for the operational Gen 3 BioWatch pilot. The S&T Directorate will provide approximately 26 detection units, associated consumables and technical support to support the OHA-led pilot tests. Funding toward completion and transition of BAND systems will end in FY 2008. In FY 2009, the project will complete full characterization of the DACS, an augment to the BAND and prior BioWatch systems to enable capture and maintenance of viable bioaerosol particles.

*BioAssays - Near Term Project* – Develops the assays (fingerprint signatures of biological agents) that detectors use to recognize biological agents. This project develops bioassays for use in U.S. Government-deployed systems with the very high sensitivity and specificity needed to give government officials an extremely high confidence that the detection warrants further action and investigation. These government-specific operational assays will allow Gen 2 and Gen 3 BioWatch to detect the top-twenty aerosolized biological threats identified in the 2006 BTRA. For security reasons, these assays are closely held and are not available for general commercial use. Therefore, this project is also establishing a mechanism to independently evaluate and validate assays for use in commercial instruments used by first-responders and the private sector. This ensures instruments have sufficiently high quality to have the confidence of the Public Health Community and would be deemed Public Health Actionable Assays (PHAAs). In FY 2007, the project developed signatures for the top-ten biothreat assays. In FY 2008, the project will develop signatures for the next 10 biothreat assays and pilot the PHAA process. In FY 2009, the project plans to transition validated assays to OHA for use in the BioWatch system and to establish an initial operational capability for the PHAA process.

*BioAssays – Next Generation Project* – Develops new approaches for detecting the broad range of possible future threats. The current strategy is to use basic biological building blocks – the subsystems that enable an agent to infect a person, to grow, and to multiply – as a way to identify future threats. Research efforts are focused on identifying these fundamental building blocks – e.g., infectivity-, virulence-, and antibiotic resistance-mechanisms – and developing appropriate assays for them. The S&T Directorate will use these new assays and their associated detection platforms to create novel sensing technologies. In FY 2007, the project focused on evaluating these fundamental building blocks and the initial development of potential applications for novel sensing technologies. In FY 2008, the project will begin laboratory studies to provide an initial proof-of-concept for novel sensing technologies. The project will also develop performance requirements, based on the performance characteristics of current operational systems and input from DHS customers and will identify a number of possible approaches for meeting those requirements. Because of the difficulty of this problem it will be necessary to conduct research on a number of these approaches before determining which is the most likely to succeed. Thus in FY 2009, this project plans to initiate multiple research efforts aimed at identifying the most promising approach for detecting a broad range of possible future threats.

*Detect to Protect (DtP): Remote Sensors and Triggers and Confirmers Projects* – Develop low-cost, bio-aerosol sensors and triggers to detect biological agents within a minute (acting as reliable ‘bio smoke alarms’) for protection of high-value facilities and their occupants. The goal is to provide commercially available detection systems that could enable transportation, entertainment, and other high-value facilities to monitor for airborne hazards and take low-regret precautions (e.g., turning off ventilation systems) to protect people by preventing mass exposure. In FY 2007, the comprehensive system and modeling designs will be independently verified at a government standardized testbed. In FY 2008, the project will develop prototypes suitable for extended field testing, with plans to subsequently conduct extended field testing and transition the systems to the private sector through product commercialization. Funding for this project ends in FY 2008.

*Food Biological Agent Detection Sensor (FBADS) Project* – Develops cost-effective detectors for use in central processing facilities for the food distribution system, with initial focus on liquid protein products. The FBADS detectors have very low false negative and false positive rates and can be used by personnel having only modest technical skills without slowing down current production processes. Funding for this project ends in FY 2007.

*National BioSurveillance Integration System (NBIS) Project* – Provides decision makers early identification of biological events of national significance such as disease outbreaks, the potential use of biological agents, and emerging biohazards. The S&T Directorate supports OHA’s operation of NBIS by providing subject matter expertise and developing modeling tools. NBIS acquires, integrates, analyzes, and disseminates information from existing human disease, food, agriculture, water, meteorological, and environmental surveillance systems and relevant threat and intelligence information. NBIS is currently developing a robust, domestic system, called Project Hyperion to assist with biosurveillance and provide the core of a permanent open-source biosurveillance capability. This project significantly improves information sharing and situational awareness for decision-makers and provides a common operating picture for all participating agencies to enable a timely response to biological events. The S&T Directorate’s support to NBIS will include subject matter expertise and development of modeling tools. In FY 2007, the S&T Directorate provided subject matter experts (SME) in bioinformatics and information technology systems for a customer requirements task force for the NBIS project and director. The S&T Directorate’s support also included the initiation of Project Hyperion development. In FY 2008, the S&T Directorate will continue providing SME support for bioinformatics and information technology systems, and in FY 2009, the project plans to model development within Project Hyperion to bring the overall system to an initial operating capability.

*Next Gen Biological Detection Project* – Starting in FY 2009, this project plans to develop technologies and systems to detect enhanced, emerging and advanced biological threats. The project will focus on developing universal detection technologies that do not require prior knowledge of the biological threat target. The goal is to develop an automated, fully integrated, end-to-end (collection, identification and reporting) system that can indicate the presence of a novel agent of concern, provide rough quantification of the amount of that agent and preserve samples for analysis. This project will both draw on and inform the BioAssay – Next Generation

project described above. Combined, these two projects will provide the Nation with a greatly enhanced surveillance and detection capability for addressing future threats. The S&T Directorate plans to initiate the Next Generation Detection project in FY 2009, with the solicitation of technology concepts, selection of performers, and initiation of laboratory studies to demonstrate technical feasibility.

*Portable Bio Detector Project* – Starting in FY 2009, this project will develop hand-held biological detector/identifier in spiral development process, beginning with a target to classify unknown samples as potential biological threats (or not) and culminating in approaches that identify at species level across an array of known agents. Target users are customs/border agents as well as responders. The project plans to start with the identification of technology solutions for the rapid, on-site discrimination of potential biological agents and initiation of development of concepts of operation for these technologies in target application environments.

***Surveillance and Detection Operations Program*** – FY 2008: \$5,800; FY 2009 estimate: \$0. Prior to FY 2007, this program operated the BioWatch monitoring system and the piloting of the associated BWIC system.<sup>1</sup> In FY 2007, responsibility and associated funding requirements for operating these systems was transferred to OHA. Additional support to these activities, specifically the procurement of units for BioWatch Gen 3 pilot testing and the initial increment of low rate initial production units, will end in FY 2008.

***Forensics Program*** – FY 2008: \$24,002; FY 2009 estimate: \$28,370. In fulfillment of the President's *Biodefense for the 21<sup>st</sup> Century* (HSPD-10), this program operates the National BioForensics and Analysis Center (NBFAC) and conducts bioforensics research in support of criminal investigations and attribution by the appropriate Federal agency. These activities provide facilities, tools (e.g., assays, protocols, strain libraries), analyses, and rigorous chain-of-custody controls needed to support the FBI and others in their investigation of potential biocrimes or acts of bioterrorism. The center analyzes a large number of samples for the Federal Bureau of Investigation (FBI) and other national security partners in secure, contamination-free, biocontainment laboratories.

*National BioForensics Operations (NBFAC) Project* – As designated in HSPD-10, NBFAC is the Nation's lead facility for technical analysis of samples from potential biocrimes or bioterrorism. As an operational facility NBFAC provides:

- Secure, state-of-the-art, contamination-free, biocontainment space for the analysis of evidentiary material;
- Validated protocols for the biological, chemical and physical 'fingerprints' that those samples may contain;
- Rigorous 'chain-of-custody' and quality-control procedures to ensure the integrity of the sample and its analysis; and
- 'Spoke laboratories' to provide specialized capabilities.

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<sup>1</sup> BWIC interprets warning signals from BioWatch, public health surveillance data, and incident characterization tools (plume and epidemiological models) to quickly determine the impacts a release may have. Together, the BioWatch and BWIC systems provide public health and emergency personnel with the information they need to respond effectively and initiate life-saving medical countermeasures.

NBFAC provides the Nation with a unique capability to conduct forensic analysis of evidence from biocrimes or bioterrorism. This helps prevent and deter biocrime and terrorism by providing unimpeachable data for attribution. Throughout FY 2007-2009 the NBFAC will continue to provide scientific analysis and support to the FBI to analyze biological threat evidence. In FY 2007, NBFAC earned initial ISO 17025 accreditation for sample handling, tracking, and analyses procedures; and validated forensic assays for the top-twenty threat agents. In FY 2008, the NBFAC facility is scheduled to move to the new NBACC facility. In FY 2009, NBFAC plans to complete validation of forensic assays for the top-thirty biological threat agents.

*Bioforensics R&D - Near Term & Long Term Projects* – These projects develop next-generation tools for collecting and concentrating samples and for biological, chemical, and physical characterization of the sample and its surrounding materials and improved methods for extracting genetic materials and proteins from samples. This is achieved by providing the scientific foundation for material attribution, developing protocols for the characterization and identification of biological threat agents, and developing a robust sample management, molecular signatures and physical/chemical analysis research program to address FBI/NBFAC requirements. Bioforensics R&D - Near Term provides NBFAC with tools to analyze the top-thirty agents of concern and methods for analyzing enhanced and engineered threats. Bioforensics - Long Term advances forensics science, establishes an inter-disciplinary approach to the Bioforensics problem, and engages academia in scientific research that supports homeland security. In FY 2007, assays for the top-twenty biothreat agents were transitioned from bioforensics R&D to NBFAC operations. In FY 2008, this project will transition assays for the top-twenty-eight bio threat agents from Bioforensics R&D to the NBFAC for operational use. Additionally, the S&T Directorate will draft a Bioforensics R&D Plan for developing forensics assays for advanced agents. In FY 2009, planned activities include investigating methods for enhanced biological threats, with an anticipated transfer of these methods to NBFAC for operational use in FY 2010.

***Response and Restoration Program*** – FY 2008: \$5,171; FY 2009 estimate: \$6,467. Provides advanced planning, develops concepts-of-operation, and funds exercises and training for responding to and recovering from a large-scale biological attack. Biological agents have the potential to contaminate large portions of a city, covering multiple city blocks and the facilities therein. The objective is to provide a more rapid and less expensive post-attack cleanup and restoration in such situations. This program is developing a systems approach for the restoration of citywide areas and of critical facilities, such as major transportation hubs, and is not developing specific decontamination technologies. Restoration demonstrations, which bring together Federal, State, and, local partners to develop, test, and then share the concepts-of-operations for key scenarios, are at the heart of this approach. In carrying out these efforts, the S&T Directorate partners with EPA, who has the overall lead in this area.

*Systems Approaches for Restoration Project* – Develops a coordinated systems approach to the restoration of wide urban areas, to include high-traffic areas (transit/transportation facilities) and Department of Defense (DOD) infrastructures, following the aerosol release of a biological agent. Prior activities focused on guidelines and protocols for protecting and restoring airports and other critical transportation hubs, e.g., subways. These activities were successfully

concluded in FY 2007, the S&T Directorate is now focusing on restoring wide urban areas, like city neighborhoods, following a biological attack. This is being accomplished through the Interagency Biological Demonstration (IBRD), conducted in partnership with the DOD, the EPA, DHHS, Seattle, and county authorities and agencies. When completed, IBRD will provide a set of concepts, protocols and tools that can then be adopted and modified by other communities in developing their restoration plans. During FY 2007, the project established user requirements. In FY 2007 and 2008 the project is developing restoration plans and templates; conducting technology readiness assessments; establishing requirements; and developing policy and implementation guidance. In FY 2009, the project plans to conduct an exercise and demonstration of wide-area decontamination methods and restoration system tools. These exercises and demonstrations will be performed through a series of tabletops, field exercises, and workshops.

**Agriculture Thrust Area** – Expands current and develops new agricultural countermeasures and plans to provide safe, secure, state-of-the-art biocontainment laboratories for researching foreign and zoonotic diseases. The President’s *Defense of the U.S. Agriculture and Food*, Homeland Security Presidential Directive (HSPD-9) is the primary driver of this thrust. The thrust area also supports work related to the operations and research conducted at the Plum Island Animal Disease Center (PIADC) as well as the conceptual planning of the soon-to-be constructed National Bio and Agrodefense Facility (NBAF). Additionally, this thrust supports the Joint Agro-Defense Office (JADO), which is being established to coordinate, integrate and oversee an interagency agrodefense R&D program.

**Foreign Animal Diseases Program** – FY 2008: \$17,382; FY 2009 estimate: \$21,170. Develops technology to defend the Nation against the natural and intentional introduction of selected foreign animal diseases (FAD), in partnership with the U.S. Department of Agriculture (USDA). The program includes the following projects:

**FAD Modeling Project** – Develops national-scale modeling to inform decision makers on the advantages and disadvantages of various outbreak control strategies, to guide the formulation of countermeasure requirements and to support responders during an outbreak. Through FY 2007, this program developed a national scale-model that coupled the spread of foreign animal diseases with their economic impacts to evaluate strategies for controlling outbreaks. Scenarios developed on the first generation of this model, known as MESA, the Multi-scale Epidemiologic and Economic Simulation Analysis Decision Support System, have been used by both DHS and USDA to analyze a variety of scenarios to help better understand the roles of movement controls, diagnostics and vaccines in controlling outbreaks. Beginning in FY 2008, the project will expand the modeling effort to add two other elements critical to developing future generations of models: focused analysis of key strategic issues in FAD modeling and a longer-term R&D effort involving a broad segment of academia. The focused strategic analysis will draw on the leading modelers worldwide to examine the following key issues:

- How to validate models in the absence of real-world outbreak data; and
- Necessary detail to make a model (e.g., individual animal, herd, farm, county) to support national decision making or local responses to an outbreak.

In FY 2007, this project transitioned a foot-and-mouth (FMD) MESA model to the Biodefense Knowledge Center (BKC). In FY 2008, the long-term R&D element will partner with the new National Science Foundation (NSF) Mathematical Biology Center and will provide a venue for academics interested in modeling FAD defense, including disease, economic, and immune systems modeling and analyses of animal genomics. The partnership will begin with focused strategic analyses and select a limited number of initial projects for both NSF Mathematical Biology Center and the S&T Directorate. By FY 2009, the project plans to extend the MESA model to support analysis of additional FADs of interest. Additionally, the project will start to use results from the first strategic analyses (e.g., how detailed must a model be depending on its intended use) to guide its efforts.

*FAD Vaccine and Diagnostics – Near & Long Term Projects* – Researches and diagnoses FADs, initially developing more effective vaccines and biotherapeutics for FMD, the nation’s top-priority animal pathogen. This research will result in more effective vaccines for FMD. This project focus develops “trade friendly” Differentiating Infected from Vaccinated Animals (DIVA) (distinguish infected from vaccinated animals) vaccines. DIVA vaccines cause an animal to develop protective antibodies that can be differentiated from antibodies that are associated with the presence of disease or infection. Ultimately, DIVA vaccines will allow animals to be vaccinated against a disease without the fear that, once vaccinated, healthy animals will test positive for disease due to the presence of protective antibodies in their bloodstream. This project will additionally research vaccines for FADs, for which no vaccine exists. In FY 2007-2009, the project plans to conduct pilot tests on next-generation FMD vaccines for one new serotype (i.e., major FMD variants, such as type A24, Asia, and O1) per year. These vaccines are currently serotype-specific, and FMD has multiple serotypes and sub-serotypes. In FY 2008, the project will test to determine how quickly this generation of serotype-specific FMD vaccines provides immunity and how long that immunity lasts. In FY 2009, this project plans to complete: licensure testing for its FMD vaccine for the first targeted FMD serotype; advanced development testing on the vaccine for the second FMD serotype; and work with USDA to identify the lead candidates for the third FMD serotype.

*Joint Agro Defense Office (JADO)* – Provides coordination and oversight of an integrated R&D program for defending against foreign animal diseases. JADO is the S&T Directorate-led interagency office formulated by the National Science and Technology Council (NSTC). JADO enables better leveraging and integration of interagency agro-defense research and development, which speeds the transition of FAD modeling, veterinary countermeasures and diagnostics to operational users. Initial efforts focused on defining and initiating an integrated modeling program. In FY 2008, JADO will establish the Joint Modeling Operations Center (JMOC) and related research modeling centers to provide decision makers with well documented, validated, version-controlled models to support policy decisions and requirements generation. JADO will also develop detailed integrated roadmaps for future efforts in vaccine and diagnostics development. In FY 2009, JADO plans to support interagency FAD analyses and exercises, add improved transportation models to the JMOC, and begin developing a transition path for the next-generation FMD vaccines to the National Veterinary Stockpile (NVS).

**Chemical Countermeasures Thrust Area** – Develops technology to reduce the Nation’s vulnerability to chemical warfare agents (CWAs) and commonly used toxic industrial chemicals

(TICs) and provides countermeasures to emerging non-traditional chemical threat agents (NTAs). The program's objectives are to:

- Provide a comprehensive understanding and analyses of domestic chemical threats;
- Develop pre-event assessment, discovery, and interdiction capabilities for chemical threats;
- Develop warning, notification, and timely analysis of chemical attacks;
- Optimize technologies and processes for recovery from chemical attacks; and
- Enhance capability to identify chemical attack sources.

The S&T Directorate coordinates with interagency partners, such as DOD and EPA, to maximize resources and minimize duplication. While DOD's program focuses on the needs of the battlefield, the S&T Directorate's program actively seeks to incorporate DOD technologies where they have relevant impact against domestic needs. DHS investments provide amplification to EPA's program to ensure that major operational gaps in domestic chemical defense are addressed.

***Analysis Program*** – FY 2008: \$12,431; FY 2009 estimate: \$14,212. Develops a robust and enduring analytical capability to support the chemical countermeasures development. Activities focus on: (1) developing a fundamental understanding of toxic chemical threat properties and conducting risk and vulnerability assessments based on those properties; (2) developing and sustaining expert reach-back capabilities to provide rapid support in domestic emergencies; and (3) developing and validating forensic methodologies and analytical tools, such as chemical signatures, which are used to help identify the nature and origin of chemical threats used by terrorists and criminals. In addition, the S&T Directorate maintains infrastructure, consisting of receipt, laboratory, and storage spaces to accommodate highly toxic chemicals and associated evidence, to provide a fully operational capability. This includes trained and fully certified scientific and technical staff available, to process this type of evidence. To ensure a cohesive effort to describe threats and countermeasures, the Chemical Security Analysis Center (CSAC) conducts key analytical assessments, such as Population Threat Assessments (PTAs). The Office of Intelligence and Analysis (I&A) is the primary DHS customer for the CSAC, funded by the Chemical Analysis Program. CSAC provides completed PTAs to DHHS to fulfill BioShield requirements.

**CSAC** – The CSAC is a national resource that develops and sustains expert reach-back capabilities to provide rapid support in domestic emergencies. Once fully operational (anticipated in FY 2008), the CSAC will be the Nation's first centralized repository of chemical threat information (hazard and characterization data) for analysis of the Nation's vulnerabilities to chemical agent attacks. This will assist the Department and the interagency community with planning for responses to chemical threats. The CSAC researches the fundamental toxic chemical threat properties and assesses risk and consequence due to chemical attacks on population and infrastructure. In FY 2007, the CSAC delivered the Chemical Source Book II: Organophosphorus Pesticides to I&A. In addition, CSAC transitioned all high-priority chemical PTAs to HHS to fulfill BioShield requirements. PTAs characterize the threat posed by specific chemical agents and help to inform policy, acquisition, and deployment considerations on medical countermeasures. In FY 2008, the CSAC will deliver the first Chemical Terrorism Risk

Assessment (CTRA) to the HSC. In FY 2009, the CSAC plans to deliver the biennially updated CRTA to OHA. From FY 2007-2009 the program plans to continue offering a CSAC technical reach-back capability for decision makers as well as a common direct access point for chemical threat data for interagency partners.

*Chemical Infrastructure Risk Assessment Project* – Develops tools to help assess the risk to the chemical industry by identifying and quantifying various infrastructure gaps and vulnerabilities, and potential key hazardous chemicals and associated processes. It also maintains a fully operational reach-back capability that supports the development of chemical security regulations. The project will begin in FY 2008, with a comprehensive assessment of chemical dispersion models' validity and user benefit. Such models are used to measure the downwind hazard and downstream impacts from sabotage or disruption of chemical infrastructure. In FY 2009, the project plans to complete assessment of chemical dispersion models and downstream impacts from infrastructure disruptions. Also in FY 2009, the project plans to assess safer alternative processes that may reduce risk to a select subset of high-volume toxic chemicals.

*Large-Scale Chemical Transport Release Modeling* – Starting in FY 2009, this project will develop an improved understanding of the consequences of release of large volumes of hazardous chemical in transport (e.g., rail cars or tankers). In FY 2009, the project plans to conduct a critical assessment of existing dispersion models as applied to observations made during and following releases from rail car accidents. Subsequent efforts will identify improvements in models that promise to more closely approximate the actual effects of large scale releases and seek to validate those improvements through test and comparison with existing field data.

*Chemical Forensics and Attribution (FAP) Project* – Develops and maintains new chemical forensics and attribution analytical tools, techniques, and enduring technical capabilities for chemical threat agents and associated evidence. The Chemical FAP is developing the technical capability to rapidly, accurately and credibly characterize and support the attribution of origins of intercepted, or collected, hazardous chemical materials. This capability will support the investigation of terrorist and criminal incidents involving chemical threat agents by enabling attribution to the original source. FAP provides essential information for criminal prosecutions and intelligence analysis activities, which serves to prevent, deter, detect, disrupt and respond to chemical terrorists and chemical incidents. In addition, Chemical FAP gives decision makers the information necessary to determine appropriate government action. In FY 2007, the project validated forensic analytical methodologies for G-series<sup>2</sup> nerve agents. In FY 2008, the project will validate forensic analytical methods for H-series blister agents. Also in FY 2009, the project plans to validate forensic analytical methodologies for V-series nerve agents.

**Detection Program** – FY 2008: \$25,217; FY 2009 estimate: \$21,021. Develops technology to warn and notify of a chemical threat release. It includes technologies responders need to survey potentially contaminated scenes, while limiting their exposure to chemical agents. This program aims to provide technologies that can, in a single package, sense chemical agents and more commonly monitored chemicals, at costs that will support dual-use application. Developing this capability requires a leap forward in technology for next-generation systems. Due to the various

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<sup>2</sup> Letters such as G, H and V denote classes of chemical warfare agents.

physical properties associated with detecting high-vapor pressure versus low-vapor pressure chemical threats, an array of technologies is required to ensure that the full spectrum of chemical hazards is adequately addressed. This program will develop the five detection systems described below. The Office of Infrastructure Protection (OIP) is the primary DHS customer and will be responsible for supporting transition of many detection programs to local communities.

Two of the detection systems – The Autonomous Rapid Facility Chemical Agent Monitor (ARFCAM) and the Lightweight Autonomous Chemical Identification System (LACIS) – are the first-generation chemical detection systems for facility monitoring and handheld use, respectively. Current systems are unable to detect a wide range of CWAs and TICs and often exhibit high false-alarms rates. ARFCAM and LACIS address these gaps.

*ARFCAM Project* – Develops a low-cost, fully autonomous, networkable chemical monitor that will “detect-to-warn” the presence of up to 20 CWAs and high-priority TICs simultaneously within a single device. This project will improve protection of facility occupants through its ability to detect a wide range of agents with increased reliability. In FY 2007, the project completed testing of laboratory prototypes. In FY 2008, the S&T Directorate will refine the ARFCAM algorithm using the results from testing in the Washington Metropolitan Area Transit Authority (WMATA) Metro testbed. In FY 2009, the project plans to conduct independent laboratory test and evaluation of prototypes.

*LACIS Project* – Develops a networkable handheld detector for responders, which will detect up to 20 TICs and CWAs in a single sensor package. LACIS hopes to detect TICs and CWAs below the Immediately Dangerous to Life and Health (IDLH) level, emphasizing a very low false-negative response. This system allows for more reliable detection across a broader range of chemical agents for improved protection of responders to a chemical incident. Additionally, it will enable enhanced detection capabilities at borders, portals and other nodes of people and cargo flow. In FY 2007, the project completed testing of laboratory prototypes. In FY 2008, the S&T Directorate will evaluate LACIS prototypes in an operational testbed. FY 2009, the project plans to conduct independent laboratory testing of field prototypes.

The S&T Directorate is developing the following other detection systems:

*Integrated CBRNe Detection System Project* – Develops an architecture that integrates reporting from disparate chemical, biological, radiological, and potentially nuclear and explosive (CBRNe) detection/collection systems. This system will provide timely CBRNe detection, identification, and assessment of the threat and enables appropriate response by local, State and Federal officials. It will greatly improve the integration of alarm and response assets across multiple potential attack modes, resulting in more rapid and informed decisions at the appropriate response level. In FY 2007, the project conducted a study of potential architectures. In FY 2008, the project will conduct a two-city pilot of the chemical and biological portions of the integrated CBRNe Detection. In FY 2009, the project plans to expand Integrated CBRNe pilot testing to include radiological and explosive detection. Upon successful pilot testing of all portions of the Integrated CBRNe Detection System, the project plans to perform a full-scale demonstration.

*Low-Vapor Pressure Chemicals Detection Systems (LVPCDS) Project* – Investigates transportable technology to detect and identify persistent low vapor pressure chemical threats on surfaces. This system will enable a rapid, stand-off survey of areas potentially contaminated with persistent chemical agents, thus accelerating facility restoration. In FY 2007, the project demonstrated a laboratory prototype. In FY 2008, the project will conduct independent test and evaluation on laboratory prototypes. In FY 2009, the project plans to conduct test and evaluation of the field prototype systems in a simulated operational environment.

*Non-Intrusive Container Monitor Project* – Starting in FY 2009, this project plans to investigate technology to rapidly and efficiently determine the contents of suspicious containers in cargo or passing through security portals. Work will focus on enhancing security at portals within and at the perimeter of key elements of our national infrastructure. This technology will promote the interception and confiscation of illicit materials by a variety of customs, law enforcement, and responder personnel. In FY 2009, the project plans to explore new concepts, including the characterization of the range of hazards that can be effectively interrogated through common packaging materials.

*Rapidly Deployable Chemical Detection System (RDCDS) Project* – Develops a deployable chemical monitoring system, consisting of airborne and ground based elements, that can monitor special events and emergency situations for seven CWAs and at least 19 TICs. The S&T Directorate transitioned this project to OHA in FY 2007.

***Response and Recovery Program*** – FY 2008: \$10,504; FY 2009 estimate: \$19,698. Provides technologies for returning a chemically contaminated area to a normal condition. This work primarily supports the development of technologies and guidelines for decontamination and the analysis of contaminated areas both before and after restoration processes. This program includes:

- Development of a mobile chemical analysis laboratory;
- Development of fixed-site chemical analysis laboratories for CWAs; and
- Development and demonstration of facility restoration and decontamination technologies and guidelines.

Taken together, these efforts will decrease the unacceptably long duration of cleanup efforts after attack with a persistent chemical on key infrastructure.

*Facility Restoration Demonstration Project* – Develops a systems approach to restoration and response (R&R) of critical transportation facilities following a chemical agent release. This project will develop efficient planning tools, identify decontamination methods, identify sampling methods, and develop analysis tools. Facility Restoration Demonstration will enable rapid recovery from a chemical agent release in a major transportation facility, minimize the economic impact of a chemical agent release, and provide defensible public health decisions concerning the re-opening of major transportation facilities following a chemical agent release. In FY 2007, the project completed draft remediation guidance and submitted it for peer review. In 2008, the project will complete a final restoration plan. The project plans to complete a final, full-scale facility restoration demonstration in FY 2009.

*Fixed Laboratory Response Capability Project* – Develops prototype environmental laboratories and protocols to assist with the assessment and remediation of CWA contamination. These laboratories will have full EPA quality certification, standard methods for analysis of CWAs agents in environmental matrices, and standard reporting protocols. The laboratories will be located in high-threat areas and be available to assist law enforcement with rapid identification of unknown chemical hazards. The optimization of laboratory protocols will maximize overall throughput and the capability will be appropriately sized to assist in remediation of incidents involving CWA or non-traditional agents (NTAs) releases. This project will greatly reduce the time needed to restore contaminated facilities and inform public health decisions regarding re-use. In FY 2007, this project established three initial prototype laboratories in the northeast region and an ultradilute CWA standards program. In FY 2008, it will establish laboratories for prototyping in the west and southeast regions and will determine the laboratory capacity required to enable acceptable remediation times in context of plausible contamination scenarios. In FY 2009, the project plans to complete optimization of the high-throughput analytical methods, jointly with EPA, and initiate transition to EPA.

*Portable High-throughput Integrated Laboratory Identification System (PHILIS) Project* – Implements a rapidly deployable, mobile chemical laboratory system to support high throughput analysis (several hundred samples per day) of environmental samples that may contain TICs and CWAs. On-site, high-throughput analysis of environmental samples will facilitate accelerated disposition of the high volume of samples collected during the hazard mapping, decontamination, and remediation phases, which will enable rapid return to normal use. In FY 2007, the project completed final design, fabrication and initial operational demonstration of this capability. In FY 2008, the project will complete documentation, to include detailed standard operating procedures, maintenance documentation and cost-of-ownership analysis; the project will transition a final prototype and technical data package to the EPA.

*NTA Mobile High-Throughput Laboratory Project* – Starting in FY 2009, this project plans to develop a mobile, rapidly deployable chemical laboratory system for analysis and identification of NTAs. The project will enable high-throughput analysis (several hundred samples per day) for rapidly mapping contamination and supporting the recovery of contaminated areas. This project will help government officials make rapid determinations and expedite the return of areas contaminated with classified chemical threats to normal use. In FY 2009, the project plans to complete initial conceptual designs.

*Integrated Detection/Decontamination Demonstration Project* – Starting in FY 2009, this project plans to demonstrate newly evolving tools for detecting the release of chemical threats, mapping chemical contamination, and monitoring the decontamination process through facility clearance. This project plans to reduce the overall time for recovery of critical infrastructure by focusing response on affected areas. In FY 2009, this project plans to define and identify operational test environments and perform a market survey of existing detection/decontamination technologies.

*Chemical Decontamination R&D Project* – Develops and tests technologies that decontaminate NTAs, CWAs, and persistent TICs. The project will assess the validity of current techniques for decontamination of NTAs, describe performance gaps, and begin to fill performance gaps

through a measured R&D program. In FY 2007, the project initiated a laboratory assessment of efficacy of commercial and available developmental decontamination approaches. In FY 2008, the project will continue this testing. In FY 2009, the project plans to complete the testing and describe key performance gaps. The project plans to initiate a R&D program to develop improved technologies that address the full range of persistent CWAs, TICs, and NTAs.

*Integrated Consortium of Laboratory Networks (ICLN) Project* – Starting in FY 2009, the S&T Directorate plans to initiate funding the ICLN. The ICLN consists of a national homeland security infrastructure with a coordinated and operational system of laboratory networks that provide timely, high-quality, interpretable results for early detection and effective consequence management of acts of terrorism and other events requiring an integrated laboratory response. This project will provide optimized national laboratory preparedness by improving 1) coordination of laboratory response to incidents and 2) common standards of performance across laboratory response assets. In FY 2009, the project plans to complete execution of an interagency plan for the validation of methods used in detection of anthrax contamination in facilities and to initiate the integration of the nation's laboratory response networks with the National Biosurveillance Integration System (NBIS).

PPA: COMMAND, CONTROL, AND INTEROPERABILITY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 74,672</b> |
| <b>2008 Enacted</b>          |                     |            | <b>56,980</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>56,980</b>    |
| 2009 Program Change          |                     |            | 5,410            |
| <b>2009 Request</b>          |                     |            | <b>62,390</b>    |
| Total Change 2008-2009       |                     |            | 5,410            |

The Science and Technology Directorate requests \$62.390 million for this activity, of this amount \$1.560 million supports the SBIR Program. This is an increase of \$5.410 million above FY 2008. This increase allows the Command, Control, and Interoperability Division to develop additional technologies for specific high priority customer-identified needs identified during the S&T Capstone IPT process – specifically it will fund efforts in Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS).

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Command, Control, and Interoperability Division (CID) focuses on operable and interoperable communications for emergency responders; security and integrity of the Internet; and the development of automated capabilities to recognize potential threats. The division meets its goals by transforming new and promising concepts into a real operational capability through the judicious blending of new technologies and current capabilities. CID supports partners in Federal, State, local, and tribal emergency response; DHS operational components (in predicting, detecting, and responding to all hazards); and private sector partners who own, operate, maintain, and use much of the Nation’s cyber infrastructure.

CID thrust areas include: Cyber Security; Communication, Interoperability, and Compatibility; Knowledge Management Tools; Basic/Futures Research; Surveillance, Reconnaissance and Investigative Technologies; and Emergent Threat Assessment.

**Cyber Security Thrust Area** – Leads cyber security RDT&E to secure the Nation's current and future critical cyber infrastructure. Cyber attacks are increasing in frequency and impact. As outlined in the President’s *National Strategy to Secure Cyberspace* (NSSC), our Nation’s economy and national security depend on information technology and the information infrastructure. Information networks directly support the operation of all sectors of our economy – energy (electric power, oil and gas), transportation (rail, air, merchant marine), finance and banking, information and telecommunications, public health, emergency services, water, chemical, defense industrial base, food, agriculture, and postal and shipping. Computer networks also control electrical transformers, trains, pipeline pumps, chemical vats, radars, etc. Cyber attacks can have serious consequences including the disruption of critical operations, loss of revenue and intellectual property, and loss of life.

Activities in this thrust area are carried out through three programs: Information Infrastructure Security, Research Tools and Techniques, and Next Generation Technologies.

***Information Infrastructure Security (IIS) Program*** – FY 2008: \$9,880; FY 2009 estimate: \$11,181. Facilitates implementing the President’s NSSC. This program leverages the collective resources of private companies and technology vendors to identify and demonstrate new technologies to help protect the nation’s infrastructure. Through the IIS program, the S&T Directorate engages with industry, government, and academia to ensure that the core functions of the Internet develop securely and benefit all owners, operators and users, including Internet Operations Organizations. In addition, the IIS program addresses economic assessment, risk analysis, and modeling requirements on implementation and deployment of cyber security technologies that support internal DHS customers and external partners. This program includes the following projects: Secure Protocols, Process Control Systems; and Cyber Security Assessment.

*Secure Protocols Project* – Develops secure protocols for the cyber-components that make up the Internet, specifically the Internet’s Domain Name System (DNS) and routing infrastructure. This project combines Domain Name Security System Security (DNSSEC) and Secure Protocol for the Routing Infrastructure.

In the area of DNS security, activities focus on enabling all DNS-related traffic on the Internet to be compliant with the DNSSEC standard protocol that secures DNS communications. The DNS translates alphabetic domain names (such as website addresses) into their corresponding numeric Internet Protocol (IP) addresses, which is what computers, networks, and Internet sites actually use to ‘call’ one another. The entire Internet relies on DNS to function, so its security is paramount. In FY 2007, within DNSSEC, the program developed secure domain resolvers (the mechanism that DNS uses to find the correct IP address), associated end-system resolvers and DNSSEC-aware software applications. The project also inserted DNSSEC standard protocol into the *Federal Information Security Management Act (FISMA)*, which requires that government agencies deploy the DNSSEC standard protocol. In FY 2008, the project will complete the modification of end-user applications, such as web browsers and e-mail clients, to make them DNSSEC-aware, providing end-to-end security for Internet users to assure authenticity and integrity of information coming to the end system. In FY 2009, the project plans to include increasing deployment of the DNSSEC protocol and gathering operational DNSSEC query data, with the goals of further analyzing DNS security, and initializing deployment within government networks.

This project also develops a more secure routing infrastructure for the Internet by engaging private-sector internet infrastructure owners and operators as well as government agencies. In FY 2008, the project will develop and deploy a Public Key Infrastructure (PKI) (a system of ‘keys’ that securely ‘locks’ and ‘unlocks’ information passing through the Internet) with the American Registry for Internet Numbers (ARIN), which controls and allocates IP addresses for North America. The PKI with ARIN will ensure that when addresses are distributed there can be mutual authentication between ARIN and the entity receiving the address. The PKI will enable Internet Service Providers (ISPs) to generate more accurate route filters to process Border Gateway Protocol (BGP) update messages and to detect entities attempting to “hijack” address

space. The project will also work with ARIN to cleanup the ARIN database, eliminating many of routing errors and vulnerabilities to cyber attacks that are caused by inaccurate information in the database. In FY 2009, the project plans to continue deployment of the routing PKI with global registries in addition to ARIN.

*Process Control Systems (PCS) Security Project* – In FY 2009, this project plans to support improved security for PCS associated with the Nation’s infrastructure. PCS deal with organizing architectures, mechanisms, and algorithms for controlling the output of specific processes. PCS control with water supply, electrical power, gas and oil pipelines, and other distributed processes. Planned activities include developing a PCS architecture document and a PCS model for the oil and gas sector. It will be a guiding document provided to vendors to produce products that create and/or maintain interoperability with existing PCS systems. This interoperability will allow PCS systems to easily integrate new products into existing systems and enhance information sharing within the critical infrastructure sectors using PCS.

*Cyber Infrastructure and Emerging Threats Project* – The Distributed Environment for Critical Infrastructure Decision-Making Exercises (DECIDE) effort is a distributed scenario-based exercise (war-gaming) environment designed to enable large businesses in critical infrastructures to develop coordinated responses to a variety of disruptions based on their individual and collective business models. In FY 2008, the S&T Directorate will award the contract. In FY 2009, the project plans to complete the Software Requirements Specification, Software Project Management Plan, System Design Document, Functional Design Document, including a draft system architecture, and Concept of Operations Document. Additionally in FY 2009, the project will deliver the Alpha Version (including Source Code, Test Plan, Test Results, Updated Design Documents).

*Network Identity Management* – In FY 2008 the S&T Directorate will establish and operate a computer Network Identity Management Testbed to test, pilot and validate an ongoing stream of technology, process and policy concepts for managing user identities, rights, and authorities within, and external to, an organization’s computer networks. The project will enhance the security of DHS information-sharing environments by improving authentication for persons, hardware devices, and software applications. Planned test scenarios include: identity federation (SAML 2.0 / WS-Federation), SAML profiling, use of XACML for access control, Secure Token Service, fine-grained authorization, malicious internal user simulation, auditing capabilities, and intrusion detection.

*Cyber Security Research Tools and Techniques (RTT) Program* – FY 2008: \$7,160; FY 2009 estimate: \$6,971. Provides secure facilities and methods for testing cyber security technologies under real-life conditions. Neither existing research network infrastructures nor the operational Internet provide adequate means for testing defense technologies. To accelerate research, development and deployment of effective defenses for U.S.-based computer networks, CID is developing a cyber security testing infrastructure that allows researchers, developers and operators from government, industry and academia to experiment with potential cyber security technologies. CID will produce scientifically rigorous testing frameworks and methodologies to support national-scale experimentation. The program includes three projects: Experimental Research Testbed, Research Data Repository, Experiments and Exercises and Internet Route

Monitoring. The end-users for these research tools and techniques include cyber security researchers, developers, and operators.

*Experimental Research Testbed Project* – Provides a cyber security testbed to evaluate defense mechanisms against attacks on the infrastructure and support mitigation of attacks. The project supports the S&T Directorate by working with the National Science Foundation (NSF) to create the Defense Technology Experimental Research (DETER) cyber security testbed. Existing testing facilities cannot handle experiments on a large enough scale to represent today's operational networks or the portion of the Internet that might be involved in a security attack. Industry has only been able to test and validate new security technologies in small- to medium-scale private research laboratories that do not adequately simulate a real networking environment. The DETER cyber security testbed will address these gaps. In FY 2007, the project combined several other government-funded testbeds to increase capabilities to create a realistic model of the Internet to test cyber security technologies. In FY 2008, the project will increase the testbed's capacity to allow large-scale malicious-code experiments. The project will also increase the number of testbed users and large-scale data set applications. In FY 2009, the project plans to test five new technologies that may include: worm defense, routing security, distributed denial of service defense, malware detection and domain name system security.

*Research Data Repository Project* – Creates and maintains a large-scale data set repository of real network and system traffic for use by the cyber security research community to accelerate design, production, and evaluation of next-generation cyber security solutions, including commercial products. In FY 2007, the project finalized certification of the Protected Repository for the Defense of Infrastructure against Cyber Threats (PREDICT) dataset portal and process. It also rolled out the PREDICT program to stakeholders. Through FY 2008-2010, the program plans to continue building datasets, with a goal of having 250 data sets added to the protected repository by FY 2010. These datasets may consist of netflow, packet traces, critical infrastructure data, topology data, performance data, network management data, voice over IP data, and blackhole traffic.

*Experiments and Exercises Project* – Addresses cyber security requirements from internal DHS customers in support of their operational missions in critical infrastructure protection. Through this project, DHS participates in experiments and exercises that facilitate the development and deployment of technologies to significantly improve the security of key infrastructure sectors. In FY 2007, through a public-private partnership with several companies from the oil and gas sector, including Chevron, Citgo, British Petroleum, and Ergon, the S&T Directorate demonstrated a framework for assessing risks and evaluating new technologies to reduce vulnerabilities in oil and gas sector PCS. This framework helps to identify, integrate, and demonstrate commercial event detection and correlation technologies that can significantly enhance situational awareness on distributed control systems (DCS) networks and secure the DCS used in refineries and other large industrial facilities.

*Internet Route Monitoring Project* – Starting in FY 2009, this project plans to identify critical internet infrastructure, incorporating an understanding of geographic and topological mapping of internet hosts and routers. The goal is to complete geographic router-level maps in FY 2010.

These maps will enhance internet monitoring and modeling capabilities to identify threats and predict the cascading impacts of various damage scenarios.

***Next-Generation Technology (NGT) Program*** – FY 2008: \$2,841; FY 2009 estimate: \$0. Addresses next-generation cyber security R&D needs in support of DHS components' mission requirements. It will define technical areas of interest, based on customer requirements, and allow university and private sector researchers to submit their best and most innovative ideas to the S&T Directorate. This program will accelerate transition of new cyber security technologies into commercial products and services. End-users for these technologies include: first responders, critical infrastructure providers, the banking and finance sector, private industry, and government.

In FY 2007, the program continued IP network vulnerability and compliance assessment software (VCAS) trials, expanding from three sites to six sites. VCAS analyzes proposed network configuration changes for vulnerabilities and compliance issues before the change is implemented. Detection of vulnerabilities stemming from configuration errors will significantly improve the security of operational IP networks. In FY 2008, the program will develop technology and infrastructure to allow secure government data and video communication and coordination using hand-held devices. DHS users will be able to ensure secure communications wherever they are located. By the end of FY 2008, the project will offer tools and techniques to defend against identity theft attacks and other financial system attacks to the commercial marketplace, business and financial sectors, DHS and other government infrastructures. In FY 2009, the S&T Directorate plans to continue to foster partnerships to accelerate transition of new technology into commercial cyber security products and services.

**Communications, Interoperability and Compatibility Thrust Area** – Strengthens interoperable wireless communications and improves effective information sharing. Currently, the Nation's capacity for interoperable voice and data communications is hindered by poor and fragmented planning and coordination. This thrust area addresses this critical capability gap by developing tools to enhance overall planning and coordination at all levels of government. The thrust area has two programs: the Office for Interoperability and Compatibility (OIC) and the Integrated Federal, State, and Local (IFSL) Information Sharing.

***OIC Program*** – FY 2008: \$10,290; FY 2009 estimate: \$11,084. Strengthens and integrates interoperability and compatibility activities to improve preparedness and response among Federal, State, local, and tribal governments. OIC addresses the myriad complexities of improving interoperable communications, including:

- Spectrum allocation;
- Incompatible proprietary systems and infrastructure;
- Inadequate standard operating procedures (SOPs); and
- Multi-jurisdictional, multi-disciplinary governance structures.

Emergency responders – police officers, fire personnel, emergency medical services – need to share vital voice and data information across disciplines and jurisdictions to successfully respond to day-to-day incidents and large-scale emergencies. Unfortunately, responders often cannot talk

to some parts of their own agencies – let alone across cities, counties, and states. Ineffective communications risk the lives of responders in the field and can mean the difference between life and death for those awaiting help. OIC relies heavily on input from State and local emergency responders and works cooperatively with the Nation's 60,000 emergency response agencies, State homeland security officials, associations, and policy makers throughout all levels of government. OIC also conducts the RDT&E and standards aspects of the SAFECOM program. In FY 2008, OIC will support the following projects:

- Compliance Assessment;
- Outreach;
- Public Safety Architecture Framework (PSAF);
- Standards and Modeling;
- Statement of Requirements (SoR); and
- Technology Demonstration Projects.

FY 2009 will serve as a transition year as OIC's project portfolio reprioritizes funding to meet DHS customer requirements resulting from the S&T Directorate's Interoperability Integrated Product Team (IPT). By FY 2009, OIC will transition to the emergency response community the products of the following projects: Public Safety Architecture Framework (PSAF), the Statement of Requirements (SoR), and the practitioner-focused interoperability tools developed under the Outreach project(s). The FY 2009 planned project portfolio is as follows:

- Project 25 (P25) Interfaces;
- Emergency Data Exchange Language (EDXL) Data Standards;
- Compliance Assessment;
- IP Backbone Test & Evaluation; and
- Wireless Broadband Production.

Through these projects, OIC will promote and achieve both near- and long-term interoperability by developing technologies, best practices, and methodologies that close explicit gaps within DHS components.

In FY 2009, CID plans to split its Standards and Modeling activities into two projects to distinguish between activities related to P25 standards and other initiatives. The P25-related aspects of the Standards and Modeling project will shift to the P25 Interfaces project and the non-P25-related aspects of the Standards and Modeling project will shift to the EDXL Standards project.

*P25 Interfaces Project* – Accelerates emergency response interoperable communications through the development of national voluntary consensus standards. It was created in partnership with the S&T Directorate's standards efforts and the National Institute of Standards and Technology (NIST). Through this project, OIC participates on the Telecommunications Industry Association's P25 Interfaces standards committee. P25 is a suite of manufacturing standards for interoperable, digital, two-way wireless communications products. The project will ultimately enable connections between multi-vendor and multi-jurisdiction communications infrastructure components and allow for greater interoperability and flexibility. In FY 2008, the project will

test, model and evaluate broadband standards. In FY 2009, the project plans to launch a demonstration between Voice over Internet Protocol (VoIP) and P25 gateways. The project will also accelerate the development and testing of P25 IP-based interfaces for:

- Infrastructure Inter-Radio Frequency Subsystem Interface (ISSI) that will promote the ability of any jurisdictional network to communicate with any neighboring network and/or vendor system;
- Console Subsystem Interface (CSSI) that will provide a common language for dispatch (console) equipment to communicate with land-mobile radio systems; and
- Fixed/Base Station Subsystem Interface (FSSI) that will directly promote communications system hardware interoperability.

*Emergency Data Exchange Language (EDXL) Standards Project* – Facilitates the RDT&E of practitioner-driven information-sharing standards and encourages their implementation into software, systems, and devices. Activities in FY 2009 will address the emergency response community's growing need for new standards for newly developed technologies. Development of these standards will ensure that new technologies improve interoperability for both legacy and state-of-the-art communications systems. In FY 2009, the EDXL Standards project plans to significantly expand the OIC program's existing standards work by developing and piloting data messaging standards for emergency response (e.g., computer aided dispatch systems and emergency operations software systems) as well as identifying other core messaging standards via extensive outreach to the practitioner community. In addition, this project plans to expand messaging standards to work seamlessly with emergency responders, including police, fire and health personnel, in emergency-related exchanges.

*Compliance Assessment Project* – Evaluates existing and emerging technologies to ensure operational effectiveness and conformance to standards. Current work validates that P25 standardized systems are indeed P25-compliant and that equipment from different manufacturers can interoperate, thereby ensuring that Federal grant dollars are being used appropriately. OIC works with NIST and the Department of Justice (DOJ) to execute this project. The overall objective is to develop complimentary test procedures to ensure equipment from different manufacturers can interoperate. In FY 2007, the project completed the first informal round of compliance assessment testing. In FY 2008, the compliance assessment process will be fully operational. In FY 2009, the project plans to begin VoIP testing and data messaging verification.

*IP Backbone Test and Evaluation Project* – Starting in FY 2009, this project plans to research IP-enabled communication backbones and evaluate promising technologies. Backbones are the core "back office" components of communications systems. Standards-based, IP-enabled backbones will provide greater flexibility and increasingly scalable architectures. Through this project, the emergency response community will be able to confidently deploy and use IP backbones and integrate cell phone and satellite communications into interoperable communications networks. In FY 2009, the project plans to sponsor an industry VoIP summit and begin analysis of commercial IP applications, as well as begin equipment testing of bridging solutions with basic VoIP audio connectivity. In future years, the project plans to conduct relevant gap analyses and gather stakeholder requirements for VoIP-related communications technology.

*Wireless Broadband Productization Project* – Starting in FY 2009, this project plans to test and evaluate commercially available and emergent wireless broadband products. The overall goal of the project is to ensure that technologies developed in the laboratory work in a real-world environment to support the emergency response community. The testing and evaluation will reveal capability gaps. Ultimately, emergency response agencies will be able to purchase solutions that meet their needs and remain interoperable as future networks are deployed. In FY 2009, the project plans to analyze IP applications and develop a migration strategy to help emergency responders shift to IP applications.

***Integrated Federal, State, and Local (IFSL) Information Sharing Program*** – FY 2008: \$2,674; FY 2009 estimate: \$0. Develops technologies, techniques and processes to discover new and secure methods for disseminating threat information among Federal, State, local, and tribal government entities. The program activities include rapid prototyping, experimentation, and operational demonstrations of new processes and applications being developed by DHS and in other government agencies. During FY 2007, DHS demonstrated the effectiveness of leveraging existing public safety networks and regional initiatives as the conduit to share public safety information nationwide. In FY 2008, the IFSL program will develop new capabilities to allow a mobile law enforcement official in a remote location to issue a single query that simultaneously accesses multiple databases across jurisdictions. In FY 2009, CID plans to transition legacy IFSL activities that address capability gaps identified by the S&T Directorate's Information Sharing IPT to new projects in the Knowledge Management Tools thrust area.

**Knowledge Management Tools Thrust Area** – Provides knowledge management capabilities to reduce the risk of terrorist attacks and to prepare for and respond to natural and man-made disasters. The thrust area is developing new capabilities for the DHS Office of Intelligence and Analysis (I&A) and the DHS information enterprise, which is a gateway for users to retrieve information, services or resources from the Department. This includes tools and methods to handle massive amounts of information that is widely dispersed in a great variety of forms. The best way to save lives is to find pertinent information, understand its meaning, and then use it to assess an actual threat and determine the level of risk *before an attack or incident occurs*. Work in this thrust area is collaborative and complements efforts in the intelligence, law enforcement, and homeland security communities. In addition, the thrust area focuses on applied R&D in visualization and information analytics, which are critical to the usability and effectiveness of converting raw data into useful information. This thrust area conducts its work through the Knowledge Frameworks, Analytical Research, and Collaborative Information Sharing programs.

***Knowledge Frameworks Program*** – FY 2008: \$9,555; FY 2009 estimate: \$13,425. Develops and tests technologies that can rapidly integrate threat information and provide targeted and actionable information to the various operational entities within DHS and those Federal, State, and local agencies which perform homeland security missions. The program also provides the ability to process structured and unstructured data from a variety of sources and in a variety of formats. In prior years, this program consisted of two projects: the Interagency Center for Applied Homeland Security Technology (ICAHST) Project and the Architecture and Framework Project. To address capability gaps identified through the S&T Directorate's Information

Sharing IPT, the thrust area in FY 2008 will reorganize these efforts, with plans to initiate five new projects in FY 2009.

*Interagency Center for Applied Homeland Security Technology (ICAHST) Project* – Provides a laboratory environment where the Department and our homeland security partners can effectively cooperate in experimentation, testing, and evaluation activities. ICAHST activities focus on testing and evaluating algorithms, software, systems, and architectural options for processing information within the homeland security community. In FY 2008, ICAHST will evaluate high-priority needs identified in the community research agenda. In FY 2009, the Division plans to transition legacy ICAHST activities that address capability gaps identified by the S&T Directorate's Information Sharing IPT to other projects.

*Architecture and Framework Project* – Delivers products and tools to DHS components to address their emerging data processing and visualization needs. These components have near real-time analytical application of current intelligence targeting international Weapons of Mass Effect (WME) procurement networks and other applications to help secure the nation. In FY 2007, this project focused on developing a secure, integrated framework known as Analysis, Dissemination, Visualization, Insight and Semantic Enhancement (ADVISE) to better understand and identify linkages in terror groups' activities, organizations, and consequent threats. The project conducted a pilot of the Everest stand-alone visualization tool to view multiple data points for the U.S. Computer Emergency Readiness Team (US-CERT) and developed a multi-dimensional representation of data information sources (a data cube) for the Immigration and Customs Enforcement (ICE)/Office of Investigations. The S&T Directorate is not funding this project beyond FY 2007.

*Cross Target Threat Awareness Project* – Develops technologies for correlating terrorist attack attempt information across potential targets to create broad, terrorists threat awareness. In FY 2008 and FY 2009, this project will extend and apply pattern recognition technologies to cross-target threat applications (e.g., aviation to rail) in order to develop a terrorist attack pattern recognition tool to alert analysts to events that could be part of a developing, coordinated terrorist attack based on data from all-source intelligence leads and incident reports.

*Collective Situational Awareness Project* – Starting in FY 2009, this project plans to begin developing architecture for accessing and exchanging situational awareness information among the U.S. Coast Guard and its maritime, law enforcement, and intelligence partners. The project will establish information-sharing protocols to enable the exchange of information across disparate national security networks. In FY 2009, this project plans to identify collective situational awareness architecture and design specifications and conduct an analysis of existing laboratory and commercial technologies for collective situational awareness.

*Common Operating Picture (COP) Data Fusion Technologies Project* – Starting in FY 2009, this project plans to begin developing sensor-integration technology to fuse massive volumes of potential hostile surveillance activity information from government agency and private-sector sensor systems. It will enable operators to rapidly analyze the nature, composition, and pattern of the threat in support of a common operating/intelligence picture. In FY 2009, the project

plans to identify operator requirements for hostile-surveillance sensor fusion and initiate analysis of laboratory and commercial sensor fusion and integrated analysis technologies.

*Integrated Data Processing and Analysis Project* – Starting in FY 2009, this project plans to begin developing a single, scalable framework for the integrated analysis of free text, database records, audio, video, imagery, transactional data, geographical data, and sensor information. According to the 9/11 Commission report, this provides technological tools to connect the dots of information that has been legally collected to protect the homeland. In FY 2009, the project plans to assess operator requirements as well as analyze laboratory and commercial data processing and analysis technologies.

*Law Enforcement and Intelligence Sensor Fusion Project* – Starting in FY 2009, this project plans to begin developing comprehensive sensor-fusion standards and protocols for sharing sensor information between traditional law-enforcement organizations and intelligence partners. It will also accelerate the integration of sensor fusion standards and protocols into DHS' cross-domain threat assessment and mitigation systems to support a common operating picture. In FY 2009, this project plans to conduct standards and policy assessments for data exchange with law-enforcement and intelligence partners, and develop design specifications for sensor-fusion standards and exchange protocols.

*Real Time Data Processing and Visualization Project* – Starting in FY 2009, this project plans to begin developing a technology suite for the dynamic, real-time processing and visualization of information in multiple forms and from diverse, distributed sources. It will automate the selection, ranking, and correlation of relevant information for purpose-driven decision making. In FY 2009, the Real Time Data Processing and Visualization project plans to transition the Everest visualization tool to ICE and US-CERT. The project will also identify user requirements for real-time decision making and perform an analysis of existing laboratory and commercial data processing and visualization technologies.

***Collaborative Information Sharing Program*** – FY 2008: \$0; FY 2009 estimate: \$9,133. Starting in FY 2009, in response to the S&T Directorate's Information Sharing IPT, CID plans to establish this program to focus on the development and deployment of advanced technologies to support inter-organizational and multi-level dissemination of information and intelligence products. This includes:

- Pattern recognition and correlation technologies for creating broad threat awareness;
- Operational support capabilities for protecting infrastructure, guarding against threats, and providing relevant, actionable intelligence to operators;
- Strategic analysis capabilities to recognize, track, and accurately assess the significance of patterns and trends in suspicious activity reports; and
- Advanced encryption and redaction tools, digital rights management technologies, and automated destruction capabilities to increase the multi-level security of distributed products.

Projects within this new program include Data Privacy Technologies, Threat Dissemination Standards, Multi-Level Information Dissemination, and Suspicious Activity Reporting.

*Data Privacy Technologies Project* – Begin developing technologies to enable lawful use of U.S. persons data for counter terrorism intelligence analysis. This includes the automatic identification of U.S. persons information using the National Information Exchange Model (NIEM) or other markup languages, and advanced data integrity techniques to automatically purge or anonymize and protect the privacy of data that cannot be otherwise legally retained. If probable cause is established, it will enable the retention of key attributes to support lawful disambiguation and recovery of encrypted U.S. persons data. In FY 2009, the project plans to review Privacy Act rules and integrate these with intelligence oversight purge requirements. The project also plans to perform Privacy Act and DHS intelligence policy assessments for use of data requiring privacy safeguards.

*Threat Dissemination Standards Project* – Begin developing information sharing technical standards and protocols for rapidly sharing terrorism information within and between homeland security sectors (such as energy, banking and finance, transportation and others outlined in the DHS National Infrastructure Protection Plan) with common vulnerabilities or mission needs. The project will accelerate integration of information sharing standards and protocols into DHS' new and legacy cross-sector, threat assessment and mitigation systems. In FY 2009, the project plans to evaluate a DHS information and assurance, cross-target modeling, event-detection solution across multiple data sources.

*Multi-Level Information Dissemination Project* – Starting in FY 2009, this project plans to begin providing secure inter-organizational and multi-level dissemination capabilities for its information and intelligence products. The advanced multi-level security and multi-level of trust technologies resulting from this project will support the distribution of intelligence products to State, local, tribal, and industrial homeland security mission partners. Some examples of these technology topics include advanced encryption and redaction tools to increase security of distributed products, digital rights management, and automated destruction capabilities. Ultimately, this project will enable the secure, accurate, timely, and thorough distribution of DHS finished intelligence products to external homeland security partners will ultimately improve coordinated threat assessment and mitigation activities across the nation. In FY 2009, the project plans to conduct a phased comparative scenario-based exercise to evaluate implementation of the Controlled Unclassified Information (CUI) framework. The CUI provides a framework for all controlled unclassified information and replaces the older, chaotic, Federal framework which included the 'Law Enforcement Sensitive' and 'For Official Use Only' designations. The project's first step in FY 2009 will be the exercise to determine the role of new technologies in the framework.

*Suspicious Activity Reporting Project* – Starting in FY 2009, this project plans to begin developing a DHS cross agency suspicious activity reporting system to track, in real-time, all encounters with individuals on government watch lists, including outcomes and adjudication statuses and while protecting privacy. It will build and sustain a strategic analysis capability to recognize, track, and accurately assess the significance of patterns/trends in suspicious activity reports. In FY 2009, the project plans to gather interagency suspicious activity reporting requirements as well as conduct a system design and integration review.

**Basic/Futures Research Thrust Area (formerly the Analytical Research program)** – FY 2008: \$4,235; FY 2009 estimate: \$4,536. In FY 2009, CID plans to re-direct its Analytical Research program into a Basic/Futures Research Thrust Area to focus on long-term and fundamental basic research that will support activities throughout the division. The objective of this new thrust area will be to identify, investigate, and develop techniques supporting an effective risk management approach to homeland security that is usable by the Department as well as its various Federal, State, local, and tribal partners. The thrust area will carry out its activities through two programs: the Visual Analytics and Physics-based Simulation Program and the Data-intensive Computing, Privacy and Forensics Program.

**Visual Analytics and Physics-based Simulation Program** – Builds on current activities in the Analytical Research program, which focuses on developing new methods by which analysts and operators can discover, comprehend, and apply information – specifically, by presenting large, diverse, and dynamic datasets in easy-to-use visual forms. Activities in this program are supported by the National Visualization and Analytics Center (NVAC) – established by the S&T Directorate in 2005 at the Pacific Northwest National Laboratory (PNNL). The overall objectives are to create a single, common analytical framework for all data types; to provide a truly scalable capability, which maintains its real-time nature as the amount and variety of data increases; and to develop application-specific interfaces and analytical capabilities for systems ranging from handheld, mobile devices to single-analyst computers to command-center installations suitable for wide-area situation-awareness.

In FY 2007, NVAC completed development of several first-generation applications, including strategic visualization capabilities for critical infrastructure protection and pandemic visual analytics. In FY 2008, the program will develop and install extensive enhancements, including interactive, full-text, analytical visualization capabilities for up to one million documents simultaneously and visual analytics tools suitable for mobile and hand-held devices. It will also significantly advance core capabilities to enable new applications of visual analytics and simulation tools, such as a streaming foreign news interactive touch-screen display; a privacy-preserving foundation for visual analytics; and visual analytics for social-behavioral research on terrorist motivations and the public's response to terrorist threats. Most importantly, the program will initiate a new collaborative effort with the National Science Foundation on the Mathematical Foundations for Visual Analytics. In FY 2009, the program plans to initiate development of a multi-modal (text, audio, video, imagery) common visual analytics framework. This project plans to expand the NVAC Industry Consortium to 35 members. In addition, the program will integrate the current University Programs' Institute for Discrete Sciences and its University Affiliates with the NVAC and its current Regional Visualization and Analytics Centers (RVACs). The program also plans to complete a visual analytics prototype capability to support joint Federal, State, and local information sharing and analysis for the Seattle, Washington region in preparation for the 2010 Olympics. In FY 2009, NVAC plans to conduct research and development of a large incident-scale simulation capability based on real physical parameters and conditions, rather than artificial or computer-generated models as is common now.

**Data-intensive Computing, Privacy, and Forensics Program** – Starting in FY 2009, this program plans to begin developing and applying next-generation knowledge management capabilities to perform comprehensive threat assessment. A key focus is on R&D and

application of data-intensive, rather than numerically intensive, computing techniques that provide the basis for the use of the visually based analytical and physics-based simulation capabilities. Such techniques depend on novel, advanced software algorithms and hardware architectures that are not addressed by most academic, commercial, and federally funded research activities. Research in data-intensive computing will also enable the development of new, effective privacy-ensuring capabilities that can be intrinsic (or built-in) to automated information management systems and efficient computer forensics capabilities.

In FY 2009, the program plans to focus on simpler, more efficient software algorithms and hardware architectures for CID transition efforts. The program also plans to initiate R&D of novel, effective, privacy-ensuring capabilities for automated information management systems. CID will investigate and develop algorithms for providing comprehensive, real-time information on threat agents or hazards and their potential environmental, human, and economic impacts.

**Surveillance, Reconnaissance and Investigative (SRI) Technologies Thrust Area** – Research and develop technologies that aid in the discovery, investigation, and prosecution of terrorists and criminals, with a major emphasis on support to the United States Secret Service (USSS) and Federal Air Marshal Service (FAMS). Current activities underway within this thrust area will be completed with FY 2008 funds and new programs are planned in FY 2009. Examples of specific projects coming to completion in 2008 include:

- Advanced Route Evaluation System (ARES) – an automated system that enables FAMS to associate risk with flight routes;
- Forensic Speaker Recognition tool – an automated USSS tool that reduces the time it takes to analyze certain types of evidence from tens of hours to less than an hour;
- Enhanced “Safe-Cracker” – a tool that will enable law enforcement investigators to determine (and testify about) the way the information was accessed; and
- Fully Searchable Digital Ink Library – a fully searchable database of 8,500 samples that automated the USSS ink library’s analog collection of binders.

**Sensors and Investigative Tools (SIT) Program** – FY 2008: \$1,155; FY 2009 estimate: \$0. Starting in FY 2009, this program plans to begin enhancing the capabilities of law enforcement (LE) officers, investigators, analysts and examiners by developing prototypes that increase operational efficiency and create new capabilities in the areas of criminal and terrorist investigations. The program will build upon the projects developed in the USSS Support Program and broaden the customer base beyond the USSS, to include the entire DHS LE community [including FAMS, the Coast Guard, Federal Protective Services, CBP, and ICE]. In addition, as technologies developed in the SIT program mature, they will benefit the LE community at large including the FBI as well as State, local and tribal practitioners.

**Emergent Threat Assessment Thrust Area** – Performs all-source assessments of chemical, biological, cyber security, and advanced explosives threats, as well as threats against infrastructure. The goal is to understand terrorist group capabilities and intentions in each area, and to develop an overall understanding of the types of threats and tactics likely to be used against the United States. This thrust area also provides components of DHS, the Intelligence Community and other government agencies programmatic and technical expertise in emerging

threats, risk sciences and other areas applicable to homeland security that may be especially sensitive, classified or requiring extraordinary security protection

***Countermeasures Development Program*** – FY 2008: \$1,482; FY 2009 estimate: \$1,800.

Addresses the dynamic nature of threats and anticipates and responds to these new and evolving threats. This program recognizes that modern science and technology may enable new threats to be developed, as well as new ways to employ them. The program focuses on developing capabilities to counter emergent threats for which countermeasures capabilities do not yet exist. It also fosters innovative and creative exploratory RDT&E projects to anticipate and counter new and dynamic emerging threats.

***Countermeasures Development Project*** – In FY 2007, this project developed countermeasure prototypes for two ongoing mission support areas and these prototypes were turned over to DHS component(s) for operational test and evaluation; conducted testing to determine the feasibility of a specific mass transit mitigation strategy to a specific vulnerability; teamed with the U.S. Air Force (USAF) to develop a countermeasure to Man Portable Air Defense Systems (MANPADS) for small aircraft and Unmanned Aerial Vehicles (UAV). In FY 2008, the project will complete operational development of two countermeasures for ongoing mission support and turn over those countermeasures to DHS component(s) for field deployment. In addition, the project will participate with the USAF in conducting live-fire testing of a unique small aircraft and UAV defense system. The project will also initiate countermeasure development for those high-priority emerging threats identified and assessed in FY 2007. In FY 2009, the project plans to assess the current state of countermeasure capabilities and initiate countermeasure development for those high-priority emerging threats identified in FY 2008. These efforts will continue to be conducted, as appropriate, with other Federal agencies in the Intelligence Community and DOD.

***Identification and Assessment Program*** – FY 2008: \$3,813; FY 2009 estimate: \$2,400.

Focuses on anticipating and defining potential threats arising from new scientific and technological advances as well as evaluating terrorist use of existing capabilities in new or unexpected ways. It includes identifying and assessing emerging threats to the national infrastructure, such as transit systems and the electric power grid, and conducting emerging threat assessments in support of mission requirements for operational components of the Department. The program carries out its activities through two projects: the Identification and Assessments Project and the Risk Sciences Project.

***Identification and Assessments Project*** – In FY 2007, this project completed eight studies that address the following topics:

- Globalization of biotechnology;
- Vulnerability of the Nation's electric power grid;
- Identification of future biological threats;
- Identification and assessment of emerging threats specific to the mission requirements of DHS components; and
- Vulnerability of underwater mass-transit and vehicular tunnels and countermeasures that can be used to mitigate the threat.

The project also completed one conference titled “Assessing Progress on the War on Terror” co-sponsored with the National Counterterrorism Center (NCTC) and continued a project that uses a structured ‘red team’ process in which imaginative capabilities and ingenuity of potential terrorists are captured and potential threat scenarios are analyzed for feasibility, vulnerability and consequence.

In FY 2008, the project will sponsor follow-on reports for synthetic DNA screening, conduct a fourth installment of emerging tactics that can be used against DHS components, evaluate sensors, complete an initial report on future biological threats and conduct studies that are focused on aviation assessments.

Additionally, the project will transfer its transit security work to the S&T Directorate’s Infrastructure and Geophysical Division for further development of mitigation measures. The project also will complete a classified identification and assessment of emerging threats in support of mission requirements of DHS components.

In FY 2009, the project plans to complete additional future studies on topics identified during FY 2008. The project will conduct additional classified ‘red team’ studies to identify and assess emerging threats and tactics and plans to continue to team with other agencies within the Department, the Intelligence Community and DOD, to identify and assess emerging technologies and how they may be used to threaten the Nations.

*Risk Sciences Project* – Develops a long-term, strategic, view of risk to help DHS components in their risk-assessment work and improve DHS understanding of how to use risk assessment in making risk-based decisions.

In FY 2007, the project completed a paper examining highly problematic characteristics of the homeland security problem space (especially uncertainty, complexity and ambiguity) and the difficulties those characteristics pose for homeland security risk analysts and risk management decision makers. The S&T Directorate will use this paper to inform future project activities and improve Department-wide understanding of risk and its use in informing homeland security decision-making.

In FY 2008, the project will support development of a risk-assessment methodology model using actual information from one of the transit security projects. It will continue to help focus the Department’s efforts in risk identification and assessment and will assist the Department in using a risk-informed process for critical strategic and tactical decisions. The project will conduct additional studies, such as RAND studies, to continue to identify critical parameters in ongoing efforts to secure the homeland.

In FY 2009, this project plans to foster more systematic, transparent, and goal-focused application of risk concepts and tools to provide better support to strategic, operational and tactical decision-makers across the national homeland security enterprise. The project plans to foster a DHS “community of interest” on risk, with a longer-term goal of building a true “community of practice” to help create a unifying departmental perspective on important risk concepts and the ways in which risk can be used to inform homeland-security decision-making.

In FY 2009, the project plans to sponsor additional work in risk assessment methodology and testing, conduct ongoing evaluations of terrorist behaviors and responses to security measures, and independently evaluate current homeland security efforts to identify potential blind spots in the homeland security R&D framework.

***Future Capabilities Research and Development Program*** – FY 2008: \$2,472; FY 2009 estimate: \$300. Conducts high-risk, high-payoff basic research in areas relevant to emerging threats to homeland security. Activities include research on risk assessment methods and research collaboration with external agencies and international partners on emerging technologies. Specific products are classified.

PPA: EXPLOSIVES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>     |
|------------------------------|---------------------|------------|-------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 121,584</b> |
| <b>2008 Enacted</b>          |                     |            | <b>77,654</b>     |
| 2009 Adjustments-to-Base     |                     |            | 0                 |
| <b>2009 Current Services</b> |                     |            | <b>77,654</b>     |
| 2009 Program Change          |                     |            | 18,495            |
| <b>2009 Request</b>          |                     |            | <b>96,149</b>     |
| Total Change 2008-2009       |                     |            | 18,495            |

The Science and Technology Directorate requests \$96.149 million for this activity, of this amount \$2.404 million supports the SBIR Program. This is an increase of \$18.495 million above FY 2008. The increase in FY 2009 supports the Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) Program, the Render Safe Program, and the Detection and Neutralization Tools Program. The increase in funding in the VBIED/SBIED will allow the Explosives Division to improve large threat mass detection in the transit environment, special events and other large areas.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Explosives Division develops the technical capabilities to detect, interdict and lessen the impact of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation and critical infrastructure. This includes passenger-, baggage-, and cargo-screening technologies; blast-resistant aircraft construction; and integrated protective systems for high-value facilities.

The primary customers for the Explosives Division are the Transportation Security Administration (TSA), U.S. Secret Service (USSS), Customs and Border Protection (CBP), U.S. Coast Guard (USCG), and first responders.

The Explosives Division carries out its activities through five thrust areas: Explosives Detection, Mitigation, Counter-MANPADS, Research, and Counter-IED.

**Explosives Detection Thrust Area:** Develops advanced technologies to detect explosive threats to the Nation’s aviation, rail and ship transportation systems. Activities in this thrust area: (1) improve existing explosive detection methods; (2) develop new detection methods for screening people, baggage and cargo; and (3) ensure freedom-of-movement for people and commerce.

The Explosives Detection Thrust Area includes the following programs: Homemade Explosives, Cargo, Check Point, Checked Baggage, and Manhattan II.

***Homemade Explosives (HMEs) Program*** – FY 2008: \$0; FY 2009 estimate: \$7,000. Investigates all potential detection technologies capable of detecting and distinguishing explosives and flammable liquids from benign liquids (e.g., drinks, hygiene products and contact lens solutions). This program supports the ongoing effort to counter the threat of homemade explosives. In FY 2008, this program

will consist of the Homemade Explosives project. In FY 2009, this program plans to include characterization, stand-alone detection, and technology integration.

*Homemade Explosives (HMEs) Project* – Investigates all potential detection technologies capable of detecting and distinguishing explosives and flammable liquids from benign liquids. This project supports the work to counter the recent increased threats from HMEs. This project improves products and systems capable of detecting HMEs, supports the research and development of next-generation, novel technologies, algorithms or prototypes for the detection of HMEs and addresses potential operational venues, including airport and mass-transit checkpoints for passengers and carry-on baggage (not cargo or checked baggage). In FY 2007, the project conducted test and evaluation of commercial-off-the-shelf (COTS) devices. In FY 2008, the project will complete COTS technology demonstrations and produce final report for TSA. In FY 2009, the project plans to complete new technology test and evaluation and provide a report to TSA.

*Home Made Explosives Characterization Project* – Provides a better understanding of how to protect aircraft from HME threats as well as the potential damage HME can cause. This will help the S&T Directorate determine what technologies are needed to counter HME threats. In FY 2007, the S&T Directorate conducted detonation assessment tests (to determine the combination/quantity of chemicals that will explode from various ignition sources) and analyzed results for the first group of HME formulas. The S&T Directorate, in coordination with TSA, determined which HME formulas to study based on potential threat, lethality, availability of materials or chemicals to potential terrorists, and any other considerations based on intelligence information. In FY 2008, the S&T Directorate will conduct detonation assessment tests and analyze results for the second group of HME formulas. In FY 2009, this plans to become a stand-alone project that plans to determine the impact, friction, and electrostatic discharge sensitivities of HME threats. Researchers need characterization information to safely handle and store volatile materials used to develop explosive detection systems and other countermeasures. The yearly test results will assist S&T Directorate customers in assessment of potential risk to various transportation modalities and improve DHS's ability to counter HME threats.

*Home Made Explosives Stand-Alone Detection Project* – This new project plans to provide a stand-alone detection capability for HME or novel explosives by improving COTS technologies. The S&T Directorate will develop these technologies and integrate them into a suite of technologies to detect multiple types of HMEs. The S&T Directorate will conduct the Stand-Alone Detection project in conjunction with the yearly assessment of different HME formulas in the HME Characterization project. This will allow the S&T Directorate to prioritize its technology development to counter HMEs that cause the most damage to the mass-transit infrastructure. In FY 2009, the project plans to complete COTS detection assessments for the first group of HME formulas, produce a technical report for TSA, and complete spiral upgrades to COTS equipment.

*Home Made Explosives Technology Integration Project* – This new project plans to develop integrated detection technologies for HME or novel explosives. This project will evaluate stand-alone technologies in COTS equipment for integration into passenger screening portals. This capability will provide customers with an assessment of next-generation Explosive Detection System

capabilities for passenger-concealed HME threats. In FY 2009 and FY 2010 the project plans to test and evaluate spiral upgrades to integrated equipment.

***Cargo Program*** – FY 2008: \$2,306; FY 2009 estimate: \$3,450. Develops advanced air-cargo screening systems and improves canine detection capabilities. This program builds on the congressionally directed Air Cargo Pilot program with a broadened investment strategy to mitigate the threat of explosives placed in air cargo containers. To address DHS customer capability gaps, the Explosives Division plans to enable DHS canine user agencies such as TSA, CBP, USSS and Office of Infrastructure Protection (OIP) to meet new threats and increased demand for canine inspections. The program will continue to research, develop, test and evaluate the next-generation of air cargo screening systems. The program includes two projects: Air Cargo and Canine Explosives Detection.

***Air Cargo Project*** – Develops technologies to enable screening of 100-percent of cargo with minimal false alarms and reduces operational costs. Based on the FY 2006 pilots, the project will conduct a system-of-systems study in FY 2007 and FY 2008, with TSA participation, to determine the optimal points in airport systems for security interventions (e.g., trusted shippers, freight forwarders or airport sites). Results will contribute to TSA's development of an integrated approach to prevent explosives in air cargo. In FY 2008, the project will continue to research, develop, test and evaluate the next generation of air cargo screening systems, develop technology to detect metallic IED components and disable intact IEDs in cargo. In FY 2009, the project plans to complete technology demonstrations and transition technology to TSA.

***Canine Explosives Detection Project*** – Develops more effective training aids and advanced training techniques to improve canine detection of improvised explosives (e.g., homemade or liquid explosives) as well as their performance in complex screening environments (e.g., airport, terminal or mass transit venues with numerous lots of passengers and baggage). In FY 2009, the project plans to develop improved canine training aids and advanced canine training techniques. In addition, the project will explore Remote Air Sampling Canine Olfaction (RASCO) sensors, which are embedded in a jacket worn by a trained canine to augment its detection ability and provide a link to a remote monitoring system. The project will provide a recommendation report on Cargo Screening and the integration of additional sensor capabilities embedded in jackets worn by trained canines. The project plans to prepare status reports on progress and accomplishments each fiscal year, with the goal of transitioning training aids to end-users.

***Check Point Program*** – FY 2008: \$28,407; FY 2009 estimate: \$11,653. Develops advanced capabilities to detect explosives and concealed weapons, including small IEDs or HMEs, which terrorists could use in the hostile takeover of mass transit. This program develops passenger and carry-on-baggage screening systems. These technologies will meet TSA requirements for automation, efficiency, and cost reduction. The program is developing a next-generation checkpoint that will enable passengers to travel seamlessly from public areas to secure areas via a high-tech corridor that will automatically screen for and identify threats. The corridor would contain an integrated system of detectors (sensors, biometrics, radio frequency identification technologies) networked with command control operations. Specific projects under the Check Point program include:

*Automated Carry-On Detection Project* – Develops advanced capabilities to detect explosives and concealed weapons, including IEDs or HMEs that could be detonated in passenger cabins and weapons that could be used in the hostile takeover of mass-transit. This project also plans to introduce new standalone technologies or adjunct technologies, such as computed tomography (CT), to continue improving detection performance and the detection of novel explosives. In FY 2009, the project plans to award a development contract for the detection of novel explosives in the next-generation checkpoint detection system.

*Next Generation Carry-On Detection Project* – Develops automated, carry-on-bag detection system requirements, performance goals and demonstrations. In FY 2007 the project completed testing and evaluation of the automated carry-on-bag detection system. In FY 2008, the project will complete new technology demonstrations for TSA. Project funding ends in FY 2008.

*Next Generation Passenger Check Point Project* – Develops a next-generation detection system to screen passengers for explosives at mass transit checkpoints. This project will facilitate the development of requirements for domain, operations and screening policies to ensure identification of streamlined, innovative, risk-based solutions. It integrates emerging threats, such as liquid- and gel-based explosives, into a complete system. In FY 2007, the project conducted systems studies on the passenger checkpoint technology. In FY 2008, the project will complete a technology demonstration on the passenger checkpoint system and deliver a fully functional laboratory breadboard portal to improve passenger checkpoint throughput using real-time sampling of the passenger's wake while walking through the portal (no stopping required). The project will transition a dual-energy checkpoint detection system to TSA in FY 2009 that identifies potential threats based on atomic number, mass, and other physical characteristics.

*Explosives Trace Detection Project* – Develops automation capabilities, increases efficiency and reduces cost in explosive detection. It will enhance passenger screening by increasing throughput (i.e., the speed at which passengers can pass through screening checkpoints). In FY 2009, the Explosives Trace Detection (ETD) project plans to deliver a fully functional laboratory breadboard portal to improve passenger checkpoint throughput by sampling a passenger's wake while he/she walks through the portal (no stopping required).

***Checked Baggage Program*** – FY 2008: \$6,000; FY 2009 estimate: \$0. Identifies and develops the next generation of checked baggage screening systems and supports continuous improvements toward the Congressionally directed goal of 100-percent screening of aviation checked baggage by electronic or other approved means, with minimum or no impact to the flow of people or commerce. Goals include reducing the rate of false alarms and lowering operating costs. TSA is the primary customer for this program, while the end-users are the aviation industry and transportation screeners.

*Improvements to Deployed Check Baggage Technology Project* – Improves current technologies used in airports and other transit centers across the Nation. It evaluates systems operations, taking into account how useable, reliable, maintainable and operable they are. Understanding the root cause of false alarms will help develop technological advances to reduce their frequency. In FY 2007, the project completed a system false alarm analysis and provided the results to TSA. The project also finalized its certification of Explosive Detection Systems (EDS) for their ability

to detect smaller amounts of explosives. In FY 2008, the project will conduct spiral upgrades to existing developed and deployed check baggage technologies. Program funding ends in FY 2008.

***Manhattan II Program*** – FY 2008: \$14,000; FY 2009 estimate: \$12,641. Initiates cost-performance tradeoff studies to provide TSA better information upon which to acquire the “best performance and affordability” screening systems. In FY 2007, the S&T Directorate, in close coordination with TSA, restructured the Manhattan II program to meet customer requirements. The objective is to stimulate commercial development of next-generation systems that provide the best-value combination of performance and affordability for screening checked baggage. The program will measure performance based on the probability of detection, level of false alarms, and throughput. The project will measure affordability based on initial purchase price, operating costs, maintainability, and other components of full life-cycle costs. The program has multiple phases:

- Phase 0 – Baseline Determination and Identification of Technology Gaps completed in FY 2007– assessed the current state of EDS (e.g., strengths and weakness of such systems). This assessment refines the R&D investment and acquisition strategy for subsequent phases of the program.
- Phase I – Novelty Explosive Characterization and Data Collection initiated in FY 2007 – Collects raw data and images for the various EDS for new HME machines now in commercial operation or soon to be in commercial operation. These data were compiled by both industry and government laboratories and filed in a common, non-proprietary data base. Information will assist government and industry in determining modifications necessary to future hardware and software to provide better detection performance and a larger portfolio of explosives threats.
- Phase II – Performance Standard Development will begin in FY 2008 and FY 2009 – will develop a performance standard that will describe how hardware and software for future EDS systems are linked, collaborated by Government and industry.

**Mitigation Thrust Area** – Reduces the effects of bombs that cannot be detected or be rendered safe through available means. This thrust area concentrates on Conveyance Protection – the hardening of a vehicle against threats (e.g., blast-resistant cargo containers) or the protection of high-value or prominent buildings and infrastructure (e.g., blast-resistant building materials, tunnels, and bridges).

***Conveyance Protection Program*** – FY 2008: \$3,200; FY 2009 estimate: \$1,500. Assesses risks and mitigates consequences of intentional assault on air, surface and marine vehicles. The overall objectives are to:

- Assess the vulnerability and survivability of commercial vehicles to high-energy explosives;
- Develop materials, technologies, and techniques to decrease vulnerability or improve survivability of commercial vehicles;

- Develop domain awareness systems and other information technology that help security organizations thwart intentional assault; and
- Develop information systems that allow first responders to respond in the most effective way to terrorist attack, other intentional assault, natural disaster, or other catastrophes.

TSA is the primary customer for this program, while the end-users are the aviation, maritime and transportation industry. Specific projects under the Conveyance Protection program include Aircraft Hardening and Aircraft Vulnerability Tests.

*Aircraft Hardening Project* – Develops technologies to harden passenger cabins and cargo holds against blasts for retrofit into existing aircraft or incorporation into new aircraft design. This project addresses the risk of catastrophic loss of passenger aircraft, resulting from small IEDs or HMEs detonated in the passenger cabin or cargo hold. This project will deliver ready-for-production designs that meet TSA and Federal Aviation Administration (FAA) requirements. The ultimate goal is to establish another layer of defense capable of defeating IEDs or HMEs not caught by airport explosives detection systems.

*Aircraft Vulnerability Tests Project* – Assesses the vulnerability of narrow- and wide-body aircraft passenger cabins and cargo holds to homemade, commercial, military and other novel explosives. These assessments will help understand damage effects, such as the minimum quantities of explosives needed to cause catastrophic damage to various aircraft types and necessary screening equipment sensitivity to detect a minimum quantity of explosive material. In FY 2007, the project completed vulnerability testing of wide-body aircraft and overhead bins. In FY 2008, the S&T Directorate will continue assessments on aircraft vulnerability, focusing on narrow-body aircraft and blast testing of fuselage liners. In FY 2009, the project plans to deliver computational models to predict aircraft vulnerability to HME threats at various locations within the passenger cabins and cargo holds.

**Counter-MANPADS Thrust Area** – Develops countermeasures to detect and divert incoming Man-Portable-Air-Defense-Systems (MANPADS), protecting the host aircraft from hits. This thrust area, Counter- MANPADS, looks at the viability of equipping commercial transport aircraft with defense systems for mitigating shoulder-fired, surface-to-air missile attacks.

***Counter-MANPADS Directed Infrared Countermeasures (DIRCM) Program*** – FY 2008: \$1,500; FY 2009 estimate: \$0. Evaluates available technologies in three major areas: system performance, system suitability and cost for countering MANPADS attacks by equipping commercial transport aircraft with defense systems. The program has three phases that include developing two Counter-MANPADS prototypes (JETEYE<sup>TM</sup> and GUARDIAN<sup>TM</sup>), performing systems analyses and flight tests, and devising a plan to permit modifications of commercial aircraft with the least disruption and out-of-service costs to the airline industry. Funding for this program ends in FY 2008.

**Research Thrust Area** – Develops integrated countermeasures to explosives threats. The thrust area carries out its activities through the Explosives Research Program.

***Explosives Research Program*** – FY 2008: \$4,175; FY 2009 estimate: \$8,423. Improves explosives detection capabilities by performing multi-disciplinary research and development in imaging, particle physics, chemistry, and algorithms. These result in the development of enhanced detection capabilities and lead to next-generation detection systems. Projects in this program include Fundamental Particle Physics; Algorithm and Analysis of Raw Images; Liquid and Homemade Explosives Chemical Characterization; and Detection Technology and Material Science.

***Fundamental Particle Physics Project*** – Improves comprehension of how technology can be used to best exploit particle behavior and properties. This fundamental research can lead to developing new sampling technologies and enhancing currently used devices. The next generation of sampling technologies could spring from advances made in the understanding of particle behavior. In FY 2007, the project conducted an Enabling Science workshop with subject matter experts from industry, the national laboratories and academia to identify key enabling technologies for future investment in support of S&T Directorate Explosives Detection program objectives. In FY 2008, the project will develop a multi-year, integrated research plan. In FY 2009, the project plans to conduct preliminary data analysis to identify potential application to customer capability gaps.

***Algorithm and Analysis of Raw Images Project*** – Collects and consolidates Computed Tomography (CT) and Digital Radiography (DR) images from commercial vendors and coordinates purchase of additional images and data from CT, EDS, Trace, and new emerging detection devices. The S&T Directorate will coordinate development of a non-proprietary database of images for detection program participants. The evaluation of images will determine how an image's quality impacts false alarm rates, detection accuracy and image resolution. In FY 2007, the project completed the evaluation of algorithm concepts for deployed Explosive Detection Systems equipment for checked baggage screening. In FY 2008, the project will focus on collecting and consolidating images from commercial vendors, and other sources of additional images from various devices and systems, to include novel explosives and other technologies. In FY 2009, the project plans to complete preliminary research and data analysis with identification of potential application to customer capability gaps and detection programs.

***Liquid and Home Made Explosives Chemical Characterization Project*** – Qualifies and quantifies the physical and chemical properties of HME threats. This project supports the ongoing effort to counter recent, increased HME threats. This project will identify explosive properties including density, dielectric constant, chemical composition of products, molecular structure, thermal decomposition rates, etc. In FY 2007, the project completed data collection and analysis for a first group of HMEs' physical and chemical properties and provided test results to the explosive-detection community. In FY 2008, the project will complete data collection and analysis for a second group of HME physical and chemical properties. FY 2009 the project plans to continue work based on prior year analysis.

***Detection Technology and Material Science Project*** – Employs the latest advances in high-performance materials to enhance aircraft survivability in the event of an onboard blast. The project focuses on blast-resistant materials and develop advanced materials to reduce the effects of an explosives detonation, including the attenuation of the explosive shock wave and containment of blast fragmentation (shrapnel). The main goal is to enhance the survivability of

the aircraft and limit casualties in the event of a blast. In FY 2007, the project conducted an Enabling Science workshop with subject matter experts from industry, national laboratories and academia to identify key enabling technologies for future S&T Directorate investments. In FY 2008, the project will develop strategies for blast resistant and blast mitigating building materials to reduce casualties from explosives threats. In FY 2009, the project plans to integrate the promising materials technologies into products to improve protection of persons, conveyances and infrastructures.

**Counter IED Thrust Area** – FY 2008: \$14,625; FY 2009 estimate: \$49,078. Starting in FY 2008, the S&T Directorate will accelerate and bolster the R&D to deliver critical counter IED technologies and products. This work will directly support HSPD-19 and its resulting *National Strategy for Improvised Explosive Devices*, which calls for protection against domestic threats. Existing solutions developed for the military and used in the Afghanistan and Iraq theater of operations have limited adaptability to domestic protection of people and property. This thrust area will address three major domestic threats: suicide bombers, vehicle borne IEDs, and devices targeting valuable infrastructure. To support these activities, the S&T Directorate, in conjunction with the NPPD's Office of Bombing Prevention (OBP) and the U.S. Secret Service, will leverage existing multi-agency counter-IED investment. The IED Thrust Area will carry out its activities through five programs (Deter, Predict, Detect, Respond/Defeat, and Mitigate) that will apply scientific disciplines of four S&T Divisions (Explosives, Infrastructure Protection and Geophysical, Human Factors, and T&E/Standards divisions).

**Deter Program** – Conducts social and behavioral sciences research to identify actionable indicators and warnings of IED threats posed by individuals and groups in the U.S. Activities in this program will:

- Uncover the pathways to radicalization and the role of communities in supporting or preventing terrorist violence;
- Analyze indicators that groups and individuals are moving towards IED use and identify points of intervention; and
- Integrate motivation-and intent-based indicators and tools to augment existing indication and warning systems.

This program will provide practical tools for intelligence analysts, law enforcement personnel, and policymakers by synthesizing social science analyses of state-of-the-art databases, case studies, surveys, and fieldwork. In FY 2008, the program will document the organizational characteristics of groups that use IEDs. Additionally, drawing on previous U.S. and international case study efforts, the program will develop an integrated coding scheme that will be applied to the cases of individuals and groups who have engaged in IED attacks in the United States. In FY 2009, the program will conduct case studies, analyze the successes and failures of various intent-based IED countermeasures, and initiate the development of an integrated framework for intelligence analyst use.

**Predict Program** – Develops technologies to secure U.S. borders that will automatically identify, alert on, and track suspicious behaviors that precede a suicide bombing attack; and automatically identify and prioritize the risk of likely potential targets of attack. These capabilities will

enhance DHS operational components' people screening by reducing reliance on manual and subjective processes. This program will include two projects that address different aspects of IED prediction: Predictive Screening and Risk Prediction.

*Predictive Screening Project* – Develops technologies to automatically identify, alert authorities to, and track suspicious behaviors that precede suicide-bombing attacks. This project will leverage existing indicators of suspicious behavior that statistically relate to illegal-weapons and false-documents possession; video tracking algorithms; and maturing video-based behavior identification algorithms. The S&T Directorate will test technologies at ports of entry, transit portals and special events. Operational benefits derived from predictive screening include increased probability of identifying suicide bombing behaviors before an attack occurs; significant expansion of active surveillance within a target environment; and increased deterrence of travelers carrying illegal weapons and false documents. In FY 2009, the S&T Directorate plans to transition behavioral indicators of suicide bombers to DHS operational customers and begin operational testing.

*Risk Prediction Project* – Develops technology to rapidly and automatically identify potential IED targets and staging areas within the United States. This project will leverage existing geo-behavioral pattern discovery algorithms from overseas attacks and the understanding of domestic infrastructure, terrorist tactics and demographic data, to identify U.S. vulnerabilities. Operational benefits from risk prediction research included support for interdiction and resource allocation prioritization decisions; better indication and warning assessments; and training. In FY 2009, the project will develop multi-cultural data sets related to IED use and begin operational tests at customer sites.

***Detect Program*** – Develops advanced technologies to detect explosive threats to the Nation's aviation, rail and ship transportation systems. Activities in this program will:

- Improve existing explosive detection methods;
- Develop new detection methods for screening people, baggage and cargo; and
- Ensure freedom-of-movement for people and commerce.

This program includes projects that address five specific aspects of IED detection: Suicide Bomber Improvised Explosive Device Detection, Technology Demo/System Integration, Vehicle-Borne Improvised Explosive Device Detection, Canine Detection Research and Development, Standards, Tagging and Modeling and Simulation.

*Suicide Bomber Improvised Explosive Devices (SBIED) Detection Project* – investigates potential technologies capable of detecting all types of explosive threats such as homemade, commercial and military explosives. In FY 2008, the S&T Directorate will test a prototype backscatter x-ray portal. In FY 2009, the project plans to increase funding to both transitional technologies and basic research. The basic research will focus on a balanced, broad, and long-term strategy that will apply fundamental sciences to enable improved detection of SBIEDs. Basic research efforts will include expanded chemical characterization and small-scale testing for detonability of threats; the advancement of scientific understanding behind deposition,

sampling, removal and trace detection of explosive particles on people and packages; and fundamental science behind explosive particle behavior for insight into sampling technology.

For the transitional portion of this project, in FY 2009, the S&T Directorate will expand contamination studies for non-intrusive sampling and detection of explosives residues, algorithm development for fusing multiple technologies, and investigate increased automation for SBIED detection.

*Technology Demo/System Integration Project* – Consolidates work with first responders, State and local public safety officials as well as Federal homeland security officials in developing a comprehensive plan and venue for technology demonstrations, to determine and validate system-integrated technologies to detect IEDs to improve system performance definition and integration. In FY 2009, the project plans to conduct a larger-scale NSSE technology field demonstration.

*Vehicle-Borne Improvised Explosive Devices (VBIED) Detection Project* – Develops technologies to:

- Detect or image the physical Improvised Explosives Device (IED) within a vehicle;
- Sample and detect explosive residues and components non-intrusively;
- Fuse multiple technologies and provide a level of automation for VBIED detection; and
- Provide automation to help to speed screening and enable security screeners to concentrate on potentially high-risk vehicles.

In FY 2008, the project will complete the assessment and demonstration of vibrometric- and neutron-based technologies to screen VBEIDs. In FY 2009, the S&T Directorate plans to conduct expanded contamination studies for sampling and trace detection of explosives residues from vehicles.

*Canine Detection Research & Development Project* – Significantly broadens the Canine Detection investment. In FY 2008, this project will initially convene a panel of subject matter experts from other Government departments such as DOD, DOJ and law enforcement agencies to develop a comprehensive Canine Research Investment Strategy. In FY 2009 the project plans to initiate the following Canine Detection R&D efforts:

- Improve cross generalization of canine performance for threat materials;
- Investigate common components or markers, such as stabilizers in commercial explosives, as opposed to training canines on specific threats;
- Improve quality control aids to monitor performance of canines in the field; and
- Conduct a systematic analysis of Remote Air Sampling Canine Olfaction (RASCO) collection and screening to determine failure modes, technical basis for success or failure and enhanced reverse engineering of the actual canine receptor functioning for olfactory sampling and recognition.

The project will also conduct extensive modeling of canine sampling to support further basic research in canine pattern recognition for trace detection, which will facilitate development of an electronic nose to mimic canine detection of trace particles and vapor for threat materials.

*Standards Project* – Supports the development of a comprehensive set of performance standards and evaluation criteria for IED detection and defeat technologies. This project will support technology and standards to ensure that the developed products meet user-validated performance metrics and that the manufacturers understand their technology objectives. In FY 2009, the S&T Directorate will develop minimum performance standards for Portable X-Ray and 3D imaging systems.

***Respond/Defeat Program*** – Conducts R&D to better respond to and defeat explosive threats. This program plans to:

- Provide tools to assess explosive threats once they are detected or partially detonated and then render them safe for disposal; and
- Develop advanced technologies to defeat IEDs by means other than the current practice of detonation.

The program will complement other S&T Directorate R&D efforts for response to and defeat of explosives. The program includes the following Response and Defeat projects: (Defeat) Electronic Countermeasures, Robotics, Render Safe/Diagnostics and Directed Energy and (Response) Post Blast Forensics, Bomb Components, Body Armor and Outreach.

*Electronic Countermeasures Project* – Develops new radio frequency (RF) or infrared (IR) jamming technologies to inhibit RF hazardous devices while allowing the bomb squad to maintain the RF capabilities of their robot and communications system during an emergency. In FY 2008, the S&T Directorate will initiate the development of a prototype and users' manual. In FY 2009, the project plans to test and evaluate the prototype and manuals for their transition to private industry for further development and production.

*Robotics Project* – Improves robotics design and ability to defeat and disarm IEDs using fast, lightweight robotic platforms with a suite of tools for emerging explosive threats. In FY 2009, the S&T Directorate plans to conduct developmental test, evaluation and customer concept-of-operations (CONOP) planning on a prototype. Additional efforts will improve IED robotic standards and compliance tests, workshops with users/responders on robotic applications to IED situations and guides, practices, and test methods for using robots to defeat IEDs.

*Render Safe / Diagnostics Project* – Increases standoff capabilities, reduces collateral damage, and provides precision disruption and disablement capabilities and techniques. In FY 2009, the project plans to deliver a complete IED tool characterization guide to aid bomb technicians in the tactical decision making process for disabling the threat device. Also in FY 2009, the project plans to develop technologies for precision disruption, aiming and ranging systems to disable and render safe IEDs, to assist bomb squads in accessing and analyzing an improvised terrorist device.

*Directed Energy Project* – Develops technology to defeat IEDs by means of directed energy (e.g., laser, etc.) aimed to destroy critical components (e.g., a power source, igniter or detonator) and prevent detonation of the explosive. This project plans to identify and mature advanced

directed-energy technologies, demonstrations and pilot activities. In FY 2009 and FY 2010, the projects plan to develop technology roadmaps and a demonstration plan for this new technology.

*Post Blast Forensics Project* – Develops and enhances technologies, tools and procedures used by post-blast forensic teams to improve investigation and data collection. In FY 2009 and 2010, the S&T Directorate plans to develop improved post-blast forensic technology for demonstration and follow-on feasibility studies.

*Bomb Components Project* – Develops and enhances technologies, tools and procedures available to detection teams to improve the tracking and detection capabilities of commercial explosive components. This project will investigate critical IED component detection, advanced/improved IED component analysis, as well as conduct demonstrations and pilots. In FY 2009, this project plans to deliver to DHS customers a list of critical components used to construct IEDs, which will enhance decisions on policy, tracking and detection of these components.

*Body Armor Project* – Develops improved and advanced body armor for new threats and improves wearability in adverse environmental conditions. In FY 2008, the project will deliver a prototype, body-armor system for developmental testing and CONOPS planning. In FY 2009, the project plans to complete a study of the cost benefit of new body armor materials.

*Outreach Project* – Coordinates requirements from user communities/first responders/public safety officials and various Federal organizations. The project will include requirements understanding and development, vetting and coordination, as well as coordinating Test and Evaluation Master Plans. Each year, the S&T Directorate will conduct an outreach meeting with first responders and other customers to further develop requirements for new technology advancements.

*Mitigation Program* – Reduces the effects of bombs that cannot be detected or cannot be rendered safe through practical and available means. This project plans to concentrate on Conveyance Protection –the hardening of a vehicle against threats (for example, blast-resistant cargo containers) – or the protection of high-value or prominent buildings and infrastructure (for example, blast-resistant building materials, tunnels, and bridges). The program area contains the following projects: Infrastructure Blast Mitigation, Conveyance Blast Mitigation, Marking, Tagging, Advanced Surveillance, Inerting and Modeling & Simulation.

*Infrastructure Blast Mitigation Project* – Develops proof-of-concept technologies to mitigate the explosive and damaging force from an IED. This project will include basic research studies on advanced mitigation technologies, including new glass materials and deflecting structures that reduce damage to critical infrastructure or personnel. In FY 2008, the project will to conduct test and evaluation of prototype technologies to evaluate blast mitigation performance and to conduct proof-of-concept demonstrations. In FY 2009, the project plans to begin to develop models to further determine the vulnerability of infrastructure, bridges, and tunnels to various explosive threats.

*Conveyance Protection Project* – Enhances and broadens the investment in the Conveyance Protection Program, which focuses on aircraft hardening and the risk of catastrophic loss of passenger aircraft, resulting from various sizes of IEDs detonated in the passenger cabins or cargo holds. In FY 2008, the project will continue assessments on aircraft vulnerability, focusing on narrow-body aircraft and blast testing of fuselage liners. In FY 2009, the project plans to deliver computational models to predict aircraft vulnerability to homemade explosives threats at various locations within the passenger cabins and cargo holds.

*Marking (Forensics) Research & Development Project* – Identifies and matures enabling technologies that improve ‘marking’ capabilities so explosives can be reliably identified pre-detonation as to manufacturer, production location, distribution and sales. This project plans to develop technology to improve pre-detonation marking, and identify efficient processes in production/manufacturing. In FY 2009, the project will conduct a cost-benefit analysis of marking technologies.

*Tagging Research & Development Project* – Identifies and matures enabling technologies to improve ‘tagging’ capabilities so explosives can be reliably identified post-detonation as to manufacturer, production location, distribution and sales. This project plans to develop technology to improve post-detonation tagging and identify of efficient processes in production/manufacturing. In FY 2009, the project will conduct a cost-benefit analysis of marking technologies.

*Advanced Surveillance Project* – Develops technology to provide constant surveillance of a post-blast event to protect first responders from being baited to a secondary blast or from being further endangered by unstable structures. This project will investigate surveillance of high-value infrastructure to evaluate threats before and after an event. In FY 2009, this project will investigate using automatic target recognition, data processing and imaging to address the large number assets.

*Inerting Project* – Develops advanced applications, improved strategies and implementation planning to render a compound non-explosive. This project plans to investigate advanced inerting applications and technologies and perform cost-benefit analyses as well as technology and pilot demonstrations. In FY 2009, the project will deliver a cost-benefit analysis and a list of potential inerting materials.

PPA: HUMAN FACTORS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 6,501</b> |
| <b>2008 Enacted</b>          |                     |            | <b>14,206</b>   |
| 2009 Adjustments-to-Base     |                     |            | 0               |
| <b>2009 Current Services</b> |                     |            | <b>14,206</b>   |
| 2009 Program Change          |                     |            | (1,746)         |
| <b>2009 Request</b>          |                     |            | <b>12,460</b>   |
| Total Change 2008-2009       |                     |            | (1,746)         |

The Science and Technology Directorate requests \$12.460 million for Human Factors, of this amount \$0.312 million supports the SBIR Program. This is a \$1.746 million decrease below FY 2008 as a result of no additional R&D funding for the Institute for Homeland Security Solutions.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Human Factors Division applies the social and behavioral sciences to improve detection, analysis, and understanding of the threats posed by individuals, groups, and radical movements; it supports the preparedness, response, and recovery of communities impacted by catastrophic events; and it advances homeland security by integrating human factors into homeland security technologies.

**Human System Research and Engineering Thrust Area** (*formerly Human Research and Engineering Thrust Area*) – Focuses on integrating human factors into the development and use of homeland security technologies across the S&T Directorate, with the goal of achieving high levels of system effectiveness, safety, and acceptance. The division, in some cases, directly manages programs or the relevant portion of programs housed in other divisions, and provides guidance and tools where needed. The division helps homeland security customers identify critically needed human systems integration initiatives.

**Human Systems Optimization Program** – FY 2008: \$0; FY 2009 estimate: \$228. Starting in FY 2009, this program plans to develop and validate a suite of technologies and procedures designed to insert the operational user into and throughout the development process of physical- and information-based systems. This will reduce programmatic risk and increase effectiveness, efficiency, and user acceptance for DHS operational customers.

**Human Performance Project** – Builds upon accepted human systems integration principles and ensures that human knowledge, skills, and abilities are embedded into requirements, design, testing, and logistics components of the larger life-cycle development process for new technologies. Accepted human systems integration principles and processes include task analyses, modeling and simulation, structured experimentation and operations research, functional- and participatory-based design and testing, and operator-based effectiveness evaluations. Key planned deliverables include establishing a technical baseline of existing technologies and a concept-of-operations for a test program in FY 2009.

***Personal Identification Systems Program*** – FY 2008: \$2,842; FY 2009 estimate: \$3,400.

Develops biometrics-based technologies to identify known terrorists and criminals and prevent their movement into and out of the United States. Projects in this program are Biometrics, Credentialing, Commercial Data Source and Mobile Biometrics.

*Biometrics Project* – Develops biometric tools to identify accurately – without physical contact – known terrorists and criminals using fingerprints, iris scans/images, and facial recognition, while allowing the unconstrained movement of legitimate travelers. Currently, no contact-free identification system exists. The goal of the project is to have a system that can perform with 99.5-percent accuracy from 30 feet away within 15 seconds. In FY 2007, the project refined an existing multi-modal (finger, face and iris) biometric framework for test and evaluation activities. In FY 2008, the project will complete a multi-modal biometrics system design and enhance capturing face and iris images for multi-modal systems. In FY 2009, the program plans to deliver an enhanced multi-modal (face, iris, finger) biometrics T&E framework for government-sponsored multi-modal vendor testing. Additionally, in FY 2009 the program plans to initiate development of a contactless multi-modal biometrics identification prototype and create corresponding reference datasets. The datasets are key to system design and prototype delivery.

*Credentialing Project* – Develops tamper-proof credentialing systems that incorporate biometric information; such as a biometrics-based, card-and-reader system. Homeland Security Presidential Directive 12 (HSPD-12), *Policy for a Common Identification Standard for Federal Employees and Contractors* directed the use of this technology for DHS personnel. This project also supports development of the Transportation Worker Identification Credential (TWIC), which will produce a tamper-proof, electronic, biometrics/biographical credential to identify 850,000 port and transportation workers. In FY 2007, the S&T Directorate supported the TWIC Los Angeles/Long Beach port demonstration project by assisting the development of a test and evaluation plan and conducting the control testing of TWIC card-and-reader prototypes. In FY 2008, the program will initiate research efforts for a phase IV, non-contact, biometrics card-and-reader-system. In FY 2009, the program plans to initiate research efforts for secure contactless technologies.

*Commercial Data Source Project* – Starting in FY 2009, the project plans to improve screening and interviewing processes at the borders. Additionally, this effort will examine the utility of multiple commercial data sources to improve screening during interviews conducted by the Citizenship and Immigration Services (CIS), CPB, and TSA. The program plans to demonstrate prototypes, validate requirements and quantify gaps for interview support.

*Mobile Biometrics System Project* – Starting in FY 2009, the project plans to develop mobile biometrics systems for use at remote sites along U.S. borders, during disasters and terrorist incidents, or at sea, where only wireless network access would be available. In FY 2009, the program plans to define system requirements and develop design and demonstration plans for multiple implementations. The goal is to demonstrate high-data-rate communications and near-real-time biometrics processing.

***Technology Acceptance and Integration Program*** – FY 2008: \$350; FY 2009 estimate: \$350. Addresses user acceptance and application of new technologies. Research examines peoples’ attitudes toward new technologies and factors that drive their successful adoption to guide technology and process improvements.

*Community Acceptance of Technology (CAT) Panel* – Brings together industry, public interest, and community-oriented organizations to better understand and integrate their perspectives and issues in the development, deployment, and public acceptance of technology. In FY 2007, the division established a process of how the panel will operate. In FY 2008 through FY 2013, the program plans to coordinate three to five meetings per year, resulting in recommendations on strategies to facilitate the acceptance of new technologies.

***Transportation Technology-Human Integration Program*** – FY 2008: \$1,438; FY 2009 estimate: \$0. Addresses integration of human-in-the-loop technology systems used by transportation screeners. The program’s objectives include increasing the effectiveness and efficiency of transportation screening systems, decreasing physical stress and fatigue, and reducing human error in the transportation screening process while reducing training requirements and overall cost.

*Enhanced Screener-Technology Interface Project* – Characterizes screener-performance issues, propose new screener technologies and procedures, and develops training curricula to optimize security effectiveness and reduce human fatigue and injury, while reducing training requirements and overall cost. Starting in FY 2008, work will initially focus on a display for baggage screening sensors used at transportation checkpoints, for which significant data on screeners’ perceptual and cognitive processes already exists. The results will be integrated into system upgrade designs. Program funding ends in FY 2008. The results will be integrated into system upgrade designs.

**Social Behavioral Threat Analysis (SBTA) Thrust Area** – Applies social and behavioral sciences to improve the detection, analysis, and understanding of threats posed by individuals, groups, and radical movements. It also addresses the psychological, social, and economic impacts of catastrophic events to inform risk analyses, risk communications, preparedness, response, resiliency, and recovery efforts. Programs within SBTA include Community Preparedness, Response, and Recovery; Motivation and Intent; and Suspicious Behavior Detection.

***Community Preparedness, Response, and Recovery Program*** – FY 2008: \$917; FY 2009 estimate: \$725. Sponsors analytical work to support the preparedness, response, and recovery of communities impacted by catastrophic events. The objective is to enhance the government’s and public’s ability to prepare for catastrophic events, and to respond to and recover from such events with effective risk communications and identification of public needs during emergencies. The program includes two projects: enhancing public response and community resilience; and researching risk perception, public trust and communication. This work enhances the mission performance of numerous DHS components, including the Policy Directorate, the Preparedness Directorate, Federal Emergency Management Agency (FEMA), and the Office of Public Affairs, as well as our State and local partners tasked with preparedness, response, and recovery efforts.

*Enhancing Public Response and Community Resilience Project* – Develops a database of public needs that were unmet during Hurricanes Katrina and Rita to make recommendations to address those needs during future emergencies. In FY 2007, the project was delayed, but in FY 2008, the project will provide a report detailing temporal analysis of needs for shelter, food, disaster relief, and others as identified by callers into the Texas 2-1-1 System during Hurricanes Katrina and Rita. In FY 2009, the project plans to provide a report detailing geospatial analysis of these needs.

*Risk Perception, Public Trust and Communication Project* – Identifies effective messaging strategies for diverse groups (varying socioeconomic, cultural, and ethnic backgrounds) to be used before, after and during a catastrophic event. In FY 2007, the project collected data during a large official homeland security exercise. In FY 2008, the project is analyzing this data to establish statistical baselines to improve communications with the public during catastrophic events. In FY 2009, the project plans to deliver a report detailing the most effective messaging strategies when communicating with diverse groups.

***Motivation and Intent (M&I) Program*** – FY 2008: \$576; FY 2009 estimate: \$3,029. Applies social and behavioral science research and theory to understand terrorist intent to engage in violence. This information enhances the understanding of analytical, operational, and policy concerns related to terrorist activities. This program develops capabilities to model likely scenarios for groups engaged in violence and develops a comprehensive global terrorist incident database to support analysis of trends, targets, and group violence. Current projects include Group Violent Intent Modeling and the Global Terrorism Database.

*Group Violent Intent Modeling Project* – Develops a computerized analytical framework and modeling tools focused on determining whether radical groups are likely to engage in violence and what ideological, organizational, and contextual factors may contribute to the emergence of violence as a means to further ideological goals. The social and behavioral framework will build upon work done in FY 2007 that assessed multiple modeling approaches and developed Version 1.0 of the system. In FY 2008, this project will conduct a demonstration of a social behavioral analytical framework/system and modeling capabilities, Version 2.0, a user site. In FY 2009, the project plans to add one additional modeling capability for delivery in FY 2010 as well as to identify new mechanisms for building out the ability to fuse data and analyze unstructured content.

*Global Terrorism Database (GTD) Project* – Funds the update of the unclassified GTD, housed at the DHS Center of Excellence for the Study of Terrorism and Responses to Terrorism (START). The GTD is the largest unclassified terrorist event database, with more than 80,000 events, and includes worldwide terrorist attacks that have occurred since 1970. Beginning in FY 2008, START will maintain the GTD.

***Suspicious Behavior Detection Program*** – FY 2008: \$416; FY 2009 estimate: \$4,417. Builds the capability to detect suspicious behavior indicating the intent to cause harm.

*Hostile Intent Detection-Automated Prototype Project* – Starting in FY 2009, the project plans to demonstrate real-time, non-invasive, automated, behavioral intent detection and to incorporate expanded multi-cultural intent indicators. Ultimately, this effort will provide a real-time, non-invasive, multi-modal, and culturally independent, hostile-intent detection prototype (behavioral, physiological, and auditory) to identify unknown or potential terrorists through an interactive process with 75 percent accuracy. The S&T Directorate will transition the indicators identified through this work to TSA for integration into their operational and training programs.

*Hostile Intent Detection-SPOT Project* – Starting in FY 2009, this project plans to provide cross-cultural validation of behavioral indicators contained within TSA's Suspicious Passenger by Observation Technique (SPOT), which currently supports screening at air portals, complementing the automated prototype work. This will support development of an enhanced capability to detect stand-off non-verbal indicators of hostile intent.

*Insider Threat Detection Project* – Starting in FY 2009, this project plans to develop technologies and methods for identifying an insider's intent to do harm. Insider threats originate from individuals or groups that have authorized physical or electronic access to information and infrastructure resources and therefore possess a greater opportunity to exploit vulnerabilities. In FY 2009, the project plans to conduct a market survey of existing insider countermeasure technologies and develop a concept-of-operations. Ultimately, this project will pilot and transition the product to critical industrial bases and to Federal and State agencies.

*Institute for Homeland Security Solutions* – FY 2008: \$7,313; FY 2009 estimate: \$0. As directed by Congress, in FY 2008, the Human Factors Division will fund the Institute for Homeland Security Solutions to conduct applied technological and social science research with universities, other Federal agencies, State and local security agencies and the private sector. The project will focus on developing near-term technological solutions to practical, real world problems that have broad applications. In addition, this project will address critical policy and operational implications of new technologies and will narrowly focus on information analysis tools and policies, including anomaly detection.

PPA: INFRASTRUCTURE AND GEOPHYSICAL DIVISION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 91,807</b> |
| <b>2008 Enacted</b>          |                     |            | <b>64,500</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>64,500</b>    |
| 2009 Program Change          |                     |            | (26,684)         |
| <b>2009 Request</b>          |                     |            | <b>37,816</b>    |
| Total Change 2008-2009       |                     |            | (26,684)         |

The Science and Technology Directorate requests \$37.816 million for this activity, of this amount \$0.945 million supports the SBIR Program. This is a decrease of \$26.684 million below FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Infrastructure and Geophysical Division’s mission is to increase the Nation’s preparedness for and response to natural and man-made threats through superior situational awareness, emergency response capabilities, and critical infrastructure protection. The division develops technical solutions and reach-back capabilities to improve Federal, State, local, tribal, and private sector preparedness for and response to all-hazards events impacting the U.S. population and critical infrastructure. The Division also develops modeling and simulation and analysis capabilities applicable to communities, regions, the Nation and its critical infrastructures to determine how various scenarios will affect each sector, provide decision support tools to guide decision makers in identifying gaps and vulnerabilities, and develop predictive tools and methods to aid in preparing for and responding to various catastrophes. The primary Federal customers for the Infrastructure and Geophysical Division are the Department’s Office of Infrastructure Protection (OIP), National Protection and Programs Directorate (NPPD) and the Federal Emergency Management Agency (FEMA), who represent end-users including first responders; Federal, State, and local emergency managers; and critical infrastructure owners and operators.

Successful transition of the technologies contained within this Division will substantially improve DHS components’ performance and support the Secretary’s goals of:

- Protecting the Nation from dangerous people;
- Protecting the Nation from dangerous goods;
- Protecting Critical Infrastructure;
- Building a nimble and responsive emergency response system; and
- Strengthening and unifying DHS operations and management.

The Infrastructure and Geophysical Division carries out its activities through three thrust areas: Critical Infrastructure Protection, Preparedness and Response, and Geophysical.

**Critical Infrastructure Protection (CIP) Thrust Area** – Conducts research and development (R&D) activities on the 17 Critical Infrastructure/Key Resource (CI/KR) sectors identified in the *National Infrastructure Protection Plan* (NIPP). This meets the requirements of the OIP in the NPPD, and those that the President set forth in Homeland Security Presidential Directive 7 (HSPD-7), *Critical Infrastructure Identification, Prioritization, and Protection*. The NIPP provides the overarching approach for integrating the Nation’s many CI/KR protection initiatives into a single national effort. The CI/KR sectors, identified by HSPD-7 and the NIPP are: agriculture and food; the defense industrial base; energy; public health and healthcare; national monuments and icons; banking and finance; drinking water and water treatment systems; chemical; commercial facilities; dams; emergency services; commercial nuclear reactors, materials, and waste; information technology; telecommunications; postal and shipping; transportation systems; and government facilities.

***Protective Technologies (formerly Risk Reduction Technologies) Program*** – FY 2008: \$5,250; FY 2009 estimate: \$8,367. Conducts research on sector-specific and region-specific needs, as identified by OIP, or as requested from critical infrastructure sectors and Sector Specific Agencies (SSAs) (as designated by HSPD-7). The primary customer for these technologies is OIP, although end-users may include the SSAs, State and local governments, and in some cases the private sector. The program is developing revolutionary capabilities to protect the Nation’s most vital critical infrastructure targets primarily against blast loads and blast effects such as shrapnel from the weapon, flying debris fragments formed by the blast, and fire. The program will add other high-priority physical threats in future years. This will enable owners and operators of those infrastructure sites to implement effective, affordable and reliable materials, design procedures, and innovative construction methods to reduce the risk to critical infrastructure assets. The following projects support this program.

***Blast/Projectile Protection Project*** – Conducts basic research to understand the blast failure mechanisms of the most vital critical infrastructures such as dams, tunnels and bridges. The project develops suites of advanced materials, design procedures, and innovative construction methods that enable hardening or increasing the resiliency of assets deemed most vital to the safety, economy, and security of the Nation. It will leverage existing Department of Defense (DOD), Department of Transportation (DOT), and Department of Energy (DOE) R&D, along with other Federal, State, and private sector R&D efforts. In FY 2007, the program developed a program plan and began physical testing and numerical modeling of blast effects on embankment dams and mitigation (hardening) measures for tunnels and bridge cables. Based on adjustments to the FY 2008 funding levels, the project will no longer establish the foundation or first spiral for the unified blast tool nor study dimensional blast and reflection effects in urban “canyons” formed by tall buildings. In FY 2008, the project will evaluate blast effects and mitigation measures for dams, tunnels, and bridges which will feed into the transition projects below. There is no funding requested for this effort in FY 2009.

***Blast/Projectile - Advanced Materials Design Project*** – Conducts basic research in conjunction with existing Federal investments in nano-technology and other materials science efforts to develop extremely strong, lightweight, resilient materials. These advanced materials, design procedures for their use, and innovative construction methods will enable more effective and affordable hardening or increasing the resiliency of assets deemed most vital to the safety,

economy, and security of the Nation, for both existing infrastructure and new construction. In FY 2009, this project plans to: identify existing materials to consider; identify the appropriate scale of materials; identify the appropriate types of numerical analysis codes needed to model these materials at the molecular level; assemble a team of experts from universities, private industry, national and government laboratories, and international experts, to formulate the project plan; and begin first year modeling and testing efforts for the new materials.

*Blast/Projectile - Protective Measures and Design Tools Project* – Builds upon the basic research conducted up through FY 2008. The program will provide enhanced and additional protective measures along with the tools required to design them for the Nation’s most critical infrastructure assets. Protective measures could include blast protection, rapid mitigation and restoration technologies, and other defensive measures. In addition, the project plans to numerically analyze designs against blast and projectile threats and to conduct physical demonstrations. This work will help mature and expand existing protective measures such as developing ways to make existing designs less expensive, easier to apply, more effective, and derive entirely new materials and design concepts for additional classes of infrastructure. In FY 2009, the project plans to: (1) mature the protective measures for tunnels developed in the basic research project, update the respective design tools; (2) begin development of protective measures for additional classes of vital critical infrastructure such as bridges, dams, and other classes of CI/KR identified by OIP. Additionally in FY 2009, the project plans to demonstrate and conduct field experiments of the existing and new prototype protection measures for tunnels.

*Blast/Projectile - Unified Blast Analysis Tool Project* – Develops the next spiral for the uniform platform for practical, fast analysis of existing vulnerabilities and effectiveness of protective upgrades developed in the basic research FY 2007 and FY 2008 program. This tool will improve CI/KR capabilities to design against threats from blast and projectiles, by providing advanced analysis capabilities to the communities that design protective measures for key assets. In FY 2009, the program plans to develop additional vulnerability and mitigation design models for the most vital critical infrastructure and add these modules to the unified blast analysis toolkit.

***Modeling, Simulation, and Analysis Program*** – FY 2008: \$2,677; FY 2009 estimate: \$2,731. Develops modeling, simulation and analysis (MSA) capabilities that can improve the ability of decision makers to evaluate CI/KR risks and changes to risks (including interdependencies). This capability will help public service and private industry policy and decision makers, owners/operators, planners and responders to understand the consequences of policy and investment options before enacting solutions, and to provide support during crises. The program will enable:

- Rapid examination of interdependencies;
- Trade-offs between risk reduction benefits and protective action costs;
- Incorporation of threat information;
- Vulnerability assessments; and
- Understandings of disruption consequences.

*Interdependencies Model Build-Out (CIPDSS) Project* – Develops a risk-informed decision support system. It provides information for making critical infrastructure protection decisions by considering all 17 critical infrastructure sectors and their primary interdependencies, and

computing human health and safety, economic, public confidence, national security, and environmental impacts. In FY 2007, the project built out the CIP Decision Support System (CIPDSS) to include physical/natural disaster disruption and completed cyber-based attack scenarios. The project delivered the completed CIPDSS tool to OIP at the end of FY 2007.

*Sector and Threat Specific MSA Project* – Develops and implements a transition plan for deployment of the CIPDSS to the National Infrastructure Simulation and Analysis Center (NISAC) and pilots interdependencies tool to model regional interdependencies. The project will also develop the tool and capability to analyze infrastructure interdependencies within a discrete geographic region vice a more generic national or metropolitan level. It supports OIP-driven interactions with key stakeholders, such as the Homeland Infrastructure Threat and Risk Analysis Center (HITRAC), Government and Private Sector Coordinating Councils (GCCs and SCCs) (as described in the NIPP) and Sector Specialists, to vet metropolitan and national-scale CIPDSS models and provide analysis support for national exercises. In FY 2007, the project completed sector- and threat-specific analysis and studies and it will then deliver to customer-designated organizations such as HITRAC and dam sector agencies. Based on adjustments to FY 2008 funding levels, the project will integrate with the Real-time Decision Support Tool Project. The project will provide the framework for the FY 2009 efforts in the Real-Time Decision Support Tool to develop a more robust, interdependencies and cascading effects model that accounts for multiple threat attack types and vectors, and is capable of analyzing infrastructures down to the asset level.

*Real-time Decision Support Tool Project* – Activities will focus on interdependencies and cascading effects and the dynamics of multi-event and multi-vector attacks. This effort will provide significant improvements in timelines, quality and usability of information, so that decision makers are given up-to-date information to make informed decisions during an event. The program will leverage the capabilities developed for CIPDSS and sector-specific MSA to begin development and architectural design of a real-time decision support system (RT-DSS). The need for a dynamic updating capability for databases is a current analytical limitation to real-time modeling and simulation. The program will address this problem by improving the control and collection of information used by the RT-DSS models, allowing for testing of alternative solutions before, during, and after an event. In FY 2009, the program plans to continue the development of RT-DSS, based on the architecture design started in FY 2008, and include updated databases, as well as focus on the systems level design and interfaces of the technology.

***The National Critical Infrastructure Protection R&D Plan Program*** – FY 2008: \$1,000; FY 2009 estimate: \$634. The S&T Directorate prepares an annual update to the *National Critical Infrastructure Protection Research and Development Plan* (NCIP R&D Plan), as required by HSPD-7. This plan supports the implementation of the *National Infrastructure Protection Plan* (NIPP), and by corollary, the supporting Sector Specific Plans (SSPs), the Sector Annual Reports and the National Annual Report (NAR) in collaboration with OIP. The NIPP, the SSPs, the NAR, and the NCIP R&D Plan integrate near-term (i.e., NIPP), mid-term (i.e., SSPs), and long-term (i.e., NCIP R&D) research objectives to form a coordinated approach to technology development to meet sector infrastructure protection goals and work toward a national vision of a secure homeland. In FY 2007, the program completed an update to the plan, with synthesis across past annual plans, integrating information from the NIPP National Annual Report so that

Federal budgets and milestones are coordinated to meet sector and national R&D goals and preparedness metrics. In FY 2008, the program will update the plan to reflect improvements on baseline information established in previous years, unless there is a fundamental change in strategic direction or a transformational technical advance that requires restructuring of the plan. In FY 2009, the program plans to update the plan based on advances in technology. All these activities (in both FY 2008 and FY 2009) will be closely coordinated with the NPPD, the SSAs (as designated by HSPD-7), private industry through the NIPP Coordinating Council System, and all other agencies involved in funding R&D relevant to CIP, including international technical collaboration through the agreements established by the S&T Directorate.

***Advanced Surveillance and Detection Systems Program*** – FY 2008: \$0; FY 2009 estimate: \$3,986. Conducts R&D on the surveillance of the 17 CI/KR sectors identified in the NIPP and HSPD-7. The program will address OIP requirements by automating and increasing the fidelity of tasks currently performed by operators, allowing for detection of subtle changes against a background environment, and incorporating advanced sensors (including optical, infrared, ultraviolet, and acoustic). The program aims to provide advanced, automated, affordable technologies for monitoring, surveillance and detection that improve the ability of infrastructure owners and operators to more efficiently and effectively monitor their infrastructure assets. The project may also integrate affordable, effective chemical, biological detection equipment into critical infrastructure as appropriate.

***Advanced Surveillance Systems Project*** – Develops advanced surveillance technologies to more effectively monitor critical infrastructure and reduce manpower requirements. Activities will focus on developing automated anomaly detection that will replace operator-dependent monitoring of large numbers of cameras. The project will design the systems to interpret information from multiple surveillance modes (such as closed-circuit television cameras, infrared cameras, intrusion detection alarms, acoustic sensors) and provide actionable information to infrastructure operators. In FY 2009, the project plans to conduct an analysis of Commercial-Off-The-Shelf (COTS) advanced surveillance technologies and select sets of sensor systems (optical, infrared, ultraviolet, and acoustic) appropriate for monitoring infrastructure in both heavily populated urban settings and remote locales.

***Underwater Surveillance-Dams and Tunnels Project*** – Provide advanced, automated, affordable underwater monitoring and surveillance technologies to detect underwater threats against dams and tunnels. Since these structures are particularly vulnerable to a water-borne attack, detection of suspicious activity is critical to asset protection. Technologies must be capable of operating in harsh environments for extended periods, and should seamlessly and transparently integrate into existing infrastructure security operations. In FY 2009, the project plans to identify, prioritize, and select potential solutions for underwater surveillance based on cost, performance and integration.

***Underwater Surveillance Project*** – Conducts basic research to support the Underwater Surveillance-Dams and Tunnels project (described above). It will develop an underwater surveillance technique that links changes in the surrounding natural environment to the presence of potential threats. In FY 2009, the project plans to work closely with the USCG and DOD R&D investment on underwater monitoring, such as evaluating ways to use native fish and other

species to monitor changes in their environment indicative of an intruder. The project will also investigate interdiction of entry into underwater space to achieve required stand off distances from waterside critical infrastructure such as dams.

***Response and Recovery Technologies Program*** – FY 2008: \$0; FY 2009 estimate: \$4,521. Provides pioneering, automated response and rapid recovery technologies for the Nation's most vital infrastructure assets and their long-lead time components. Activities will focus on those infrastructure types where effective, affordable protective measures have not been previously addressed. The technologies developed in this program will provide all-hazards infrastructure resilience against multiple natural and man-made threats. Many infrastructure assets need these capabilities to prevent or limit structural failure, and maximize life safety; these measures also add to a layered defense system, thus further buying down risk. The following projects support this program.

***Recovery Transformer Project*** – Partners with OIP and DOE to specify, design, build, and demonstrate a new type of electrical power transformer to be used during recovery from emergency grid blackouts. The recovery transformer will be easy to transport and install, have low maintenance and long service life. This capability will eliminate the two-year lag in transformer replacement and will increase the resiliency of the power grid. In FY 2009, the project plans to design and demonstrate a recovery transformer in a laboratory environment.

***Rapid Mitigation and Recovery (for Critical Infrastructure) Project*** – Develops rapid mitigation and recovery technologies for CI/KR assets to limit damage and consequences and to more quickly resume normal operations. The project will investigate rapid response and recovery technologies in addition to conducting basic research for the most vital infrastructure assets, such as underwater tunnels, bridges, levees, and dams. In FY 2009, the project plans to develop and demonstrate protective sealing materials to mitigate the damage to a storage tank or railcar from a puncture or small-caliber weapon impact.

***Community Based CIP Institute Program*** – FY 2008: \$10,725; FY 2009 estimate: \$0. Supports university and private industry partnerships to develop community-based homeland security technologies and mature them so that they can become commercially viable. Products include: continuous monitoring of beef cattle; monitoring and securing milk from farm to processor; advances in less expensive biometrics for iris and handprint imaging; and development of affordable nanomaterials for blast mitigation. In FY 2007, the program designed and tested lightweight passenger/freight railcar armor against projectiles, IEDs, and explosives in-car or buried under track. It also tested multi-functional, carbon materials for modular assembly and spray-able foam coatings to provide blast mitigation, radiation/chemical protection, and enhanced electronic security. Based on additional funds in FY 2008, the program will continue to support partnerships to develop community-based homeland security technologies. There is no funding requested for FY 2009.

**Preparedness and Response (P&R) Thrust Area** – Develops and deploys capabilities that improve the Nation's ability to prepare for, respond to, and recover from all-hazards emergencies. P&R is dedicated to applying the best available science and technology to the safety and security of our emergency responders and homeland security professionals so that they effectively and efficiently perform their jobs – saving lives, minimizing damage and

restoring critical services. All programs will be compliant with the National Incident Management System (NIMS) and the National Response Plan (NRP), and in accordance with all HSPDs that enable all government, private-sector, and nongovernmental organizations to work together during domestic incidents of all sizes.

***Incident Management Enterprise (formerly Incident Management and Decision Support) Program*** – FY 2008: \$5,000; FY 2009 estimate: \$10,292. Develops advanced, scalable, interoperable, and non-proprietary incident information-management, decision-making, and training tools for emergency responders and incident commanders to use during everyday episodes to events of national significance that increasingly demand more highly coordinated responses. The need to manage incidents in a comprehensive and transparent way across the government and with various agencies is paramount to the first responder's ability to prepare, protect, and respond to all hazard incidents.

The program includes logistics and resource tracking systems that are critical in restoring services, replenishing critical infrastructure, and helping disaster victims in a timely fashion. The logistics systems will provide total asset visibility to incident responders and commanders and will help to manage the entire logistics supply chain – from inventory management to distribution and verification of supply disbursements.

***Interagency Modeling and Atmospheric Assessment Center (IMAAC)*** – Coordinates national capabilities in atmospheric modeling and provides the single Federal prediction of atmospheric hazards and their consequences. Incident commands across Federal, State and local jurisdictions use IMAAC model predictions for improved situational awareness. In FY 2007, IMAAC provided support to over 20 real-world incidents and participated in the planning and conduct of exercises (i.e., TOPOFF 4 Command Post Exercise) in support of the NRP and the National Preparedness Goal. It also supported the National Exercise program and instituted a suite of scientifically accredited models for atmospheric hazard predictions. In FY 2008, the program will deliver an accredited event reconstruction and building infiltration models. In FY 2009, the S&T Directorate plans to prepare for transition of the operational aspects of IMAAC to another DHS component.

***Unified Incident Command and Decision Support (UICDS) Project*** – Develops the UICDS framework based on the NIMS/Incident Command System (ICS) and NRP. It is developing compliant tools to manage and share incident information that will enhance incident command systems and multi-agency coordination with common situational awareness and decision support during all types of incidents. The UICDS framework will be based on an open-architecture to allow multiple responding organizations (using their own equipment) to jointly manage personnel, direct equipment, and seamlessly communicate, gather, store, redistribute, and secure any mission-critical information needed by incident commanders and emergency responders during an emergency situation. In FY 2007, the project selected a performer for the Phase II efforts. Due to adjustments to FY 2008 funding levels, UICDS will be unable to achieve its original plans, however it will use prior year funding to develop a draft information management architecture and pilot in an urban environment to demonstrate multi-jurisdiction incident response. In FY 2008, the project will deploy pilot implementations of the architecture at one or more Regional Technology Integration (RTI) cities. The project will initiate efforts to transition

into the Advanced Incident Management Enterprise System (AIMES) project described below. In FY 2009, the project will complete an advanced concept technology demonstration of the UICDS architecture, publish the UICDS standards-based architecture and integrate this into the DHS Grant Guidance process through the Department's Office of Grants and Training. Using this standards-based architecture will enable incident decision-makers to better manage a unified response and share a common situational awareness with organizations providing support and coordination.

*Training, Exercise & Lessons Learned (TELL) Project* – Develops a simulation-based training and exercise capability that uses advanced computer models and will allow responders at all levels to affordably train and exercise for large and complex events in a virtual/constructive/live environment. TELL will link multiple agencies, functions, and jurisdictions to improve preparedness for emergency responders and managers so they can improve their decision-making. TELL incorporates training objectives, scenarios, and metrics defined by other programs, and the capability to capture lessons learned for use in after-action reviews. TELL also enables the successful implementation of the NIMS and provides a quick, repeatable, economical, and effective means of training incident commanders so they can be better prepared to handle complex incidents. In FY 2007, the project completed development of system requirements that support national, interoperable simulation-based training and exercises. It subsequently conducted advanced concept demonstrations, which included the capability to simulate large-scale emergency response operations that require nationwide deployment of resources from Federal, State and local response organizations. In FY 2008, the project will develop a system prototype based on the architecture developed in FY 2007. In FY 2009, the project plans to conduct several joint training exercises, using the TELL prototype, across the United States with various first responder communities. The prototype will incorporate lessons-learned to enhance the functionality of the system prior to deployment of the pilot program. In FY 2009, the project plans to deploy the TELL architecture at the Seattle and Anaheim RTI cities. In FY 2009, the project also plans to identify sub-components to migrate to the AIMES project, described below.

*Advanced Incident Management Enterprise System (AIMES) Project* – Develops the next-generation incident management enterprise system that will revolutionize the way our Nation's responders handle incidents. It builds upon the UICDS architecture and TELL framework by providing an integrated interoperable, and unified common operating picture with total visibility into: incident information, resources, environment, logistics supply chain, response and recovery plans, methods, tactics, and policies. AIMES will integrate all elements of the incident management enterprise in order to provide a secure, scalable, interoperable, and unified situational awareness to the responder community. In FY 2009, the project plans to establish overall system requirements for AIMES through a series of workshops with customers such as FEMA and end-users in the emergency response communities. In FY 2009, the project plans to complete an execution plan and develop a system concept prototype to establish a high-level architecture for AIMES based on the UICDS effort, demonstrate its functionality, and validate and prioritize its requirements.

*Incident Logistics and Resource Tracking System Project* – Provides a comprehensive and transparent disaster logistics tracking system across the entire area of responsibility of all disaster response, public and private, partners. Lessons learned from past incidents such as Hurricane

Katrina have identified the need for an integrated logistics capability to provide relief supplies to victims in a timely manner. This capability will provide decision makers overall situational awareness relative to the public and private inventories, locations of resources, and supplies as it relates to timely procurement and disbursement supplies. The tracking system will allow FEMA to manage more effectively critical resources and will enhance real-time coordination and situational awareness, setting the standard for all disaster response partners. This capability will be scalable and interoperable with Federal, State and local systems (legacy and future) to enable efficient use of the supply chain by identifying the best routes between staging areas, disaster site, and supply areas. In FY 2009, the project plans to develop a prioritized list of FEMA logistics system requirements, establish a program execution plan and develop a functional logistics system prototype.

***Preparedness and Response Technologies Program*** – FY 2008: \$1,000; FY 2009 estimate: \$0. Develops tools and equipment to support rapid and effective emergency response and recovery for all-hazards for emergency responders. This capability will enable emergency responders to assess and respond to nationally significant incidents by creating science-based response guides to improve the response quality by an order of magnitude. The program is developing highly innovative and revolutionary protective materials that emergency responders and other homeland security operators can use in all hazardous situations. It is also developing procedures and response protocols for a radiological and/or nuclear event for the State and local responder community.

***Personal Protective Equipment (PPE) Project*** – Develops materials that can provide protection during response to chemical, biological, radiological, nuclear, and explosive (CBRNE) events. PPE made with these materials will have the following properties: self-decontamination for chemical and/or biological agents; increased service life; self-healing upon compromise (e.g., ripped, torn); and flame resistance. The PPE project will develop highly innovative and revolutionary protective materials and materials systems that can be used by emergency responders, Federal, State, local and tribal law enforcement officers, and other homeland security operators (e.g., Border patrol agents, USCG, in all hazardous environments. In FY 2007, the project provided a prototype suite of new materials and garments with improved protection capability for chemical/biological hazards. The project funded prototype testing in accordance with appropriate performance and operational requirements of the end-user. In FY 2008, this project will transition the new advanced personal protection materials to the material integration phase for the production of prototype first responder gear and will work in conjunction with the U.S. Army Natick Soldier Center and private sector technology developers to provide further RDT&E. In FY 2008, the project will be complete and transition technologies to the First Responder Technologies program.

***Preparedness and Response Advanced Concepts and Systems Program*** – FY 2008: \$1,500; FY 2009 estimate: \$0. Develops advanced technologies to improve the ability of emergency responders to instantly track, locate and identify responders. Requirements for these projects come from interaction with and assessments of the emergency response communities at the Federal, State, and local levels. Current technologies rely on antennas that require a long time to set up, sensors that operate in very idealistic environments, and radios that work in open fields. Most of these technologies are in a conceptual stage and do not account for the operational

issues, such as weight, power, form, fit, and accuracy that the responder community faces on a daily basis. Based on requirements captured from the responder community, the program plans to develop and experiment with advanced concepts and produce early prototypes to validate functional performance so the S&T Directorate can generate a detailed technology development and acquisition plan. Based on customer input, this program will develop technologies for locating first responders in challenged areas (e.g., subterranean facilities, skyscrapers and warehouses).

*Advanced Concepts & Special Studies Project* – Takes a systems approach in reviewing all preparedness and response capabilities to look for compatibility and interoperability issues across all S&T Directorate projects. In FY 2007, the project developed the system requirements and designs for a first responder 3D location system for tracking personnel that will provide incident commanders situational awareness through accurate location and monitoring inside threatened buildings, collapsed buildings, and subterranean areas. Additionally, the project prototyped the hardware and software for a structural integrity monitoring system to help emergency responders assess the stability of structures prior to entering them. Based on adjustments to FY 2008 funding levels, the project will conduct government testing of the 3D location system and plans to conduct a functional test of the real-time, distributable standoff structure integrity monitoring system. In FY 2009, this project will become the basis for the Advanced First Responder Locator project within the First Responder Technologies program, described below.

***First Responder Technologies Program*** – FY 2008: \$0; FY 2009 estimate: \$3,901. Develops advanced life saving technologies to track, locate, monitor, and protect first responders, emergency managers, and incident commanders as they respond to all-hazard incidents. For any response operation to be successful, commanders must know the whereabouts and health of their first responders. Additionally, first responders rely on effective personal protective equipment so they can save incident victims quickly and rapidly. The mission-critical technologies developed by this program will go through the test and evaluation (T&E) before they become part of any acquisition programs. The following projects support this program.

*Advanced First Responder Locator Project* – Develops an advanced first responder locating system. The system will include integrated sensor components and software for visualizing locations and tracks for incident commanders (such as building diagrams, floor maps, office/apartment location); and will securely connect to emergency operations centers (EOCs). In this manner, incident commanders and decision makers will be able to observe visually responders, their tracks, resources, and activities that will enhance overall situational awareness during an incident. Building on prior efforts, in FY 2009, the project plans to establish a prioritized list of technology challenges to improve accuracy and signal penetration through difficult structures (i.e., underground, over ground). The S&T Directorate will accomplish this through testing at major urban areas such as New York City and the City of Seattle, Washington. In addition, the project plans to develop a prioritized list of technologies for the advanced first responder locator system and demonstrate key 3D locator prototype sub-components to track first responders within an accuracy of three meters.

*First Responder Physiological Monitoring Project* – Develops an integrated sensor package that will monitor a responder’s vital signs such as cardiac rhythm, heart rate, blood pressure, body temperature, and oxygen saturation, which could indicate Pre-Ventricular Contractions (PVCs) or cardiac arrhythmias. The ability to monitor the health and vital signs of first responders entering the scene of an incident allows them and their commanders to pull them out in time to save their lives. First responders need a highly reliable metric and notification system for on-scene identification of firefighters who are about to experience an immediate heart attack or other life-threatening condition. This project plans to fuse these measurements to establish the physical health of the responder based on a set of metrics, and alarm both the wearer and command staff to prevent loss of life. In FY 2009, the project plans to establish system requirements through interaction with FEMA’s U.S. Fire Administration (USFA) and other end-users across the Nation. The project also plans to demonstrate a concept prototype to validate system requirements, architecture, and concept of operations.

***Regional Technology Integration (RTI) Program*** – FY 2008: \$9,410; FY 2009 estimate: \$0. Facilitates the transition of innovative technologies and organizational concepts to national, regional, State, and local jurisdictions. Four urban areas have served as pilot locations for this program: Anaheim (California), Memphis (Tennessee) - (activities incorporated through SERRI), Cincinnati (Ohio), and Seattle (Washington). These pilot sites provide an opportunity for fine-tuning new hardware and processes under real-life conditions and validate technology maturity for transition to other small/large jurisdictions. The program is testing key capabilities at the pilot locations. Ongoing and planned efforts include:

- Atmospheric monitoring and detection systems for chemical and biological toxins;
- Monitoring and detection systems that are integrated with existing emergency response and traffic management infrastructures (like video surveillance systems);
- Development and deployment of geospatial tools to enhance preparedness;
- Connecting emergency operations centers to a common operational picture and facilitate rapid and coordinated response across multiple jurisdictions;
- Planning and exercise tools to evaluate multi-jurisdictional performance for State and local decision-makers; and
- Technologies credentialing emergency responders and verifying victims’ identities during an incident.

In FY 2008 and 2009, the program plans to use lessons learned in the current RTI cities to prepare for the transition of technologies into other urban areas across the country where they can provide an immediate enhancement to the level of preparedness and response. Potential urban areas for applying the RTI technologies include areas that are home to a multitude of critical infrastructure that are subject to natural hazards, e.g. hurricanes, floods, etc.

***Regional Technology Integration Initiative – Anaheim Project*** – Deploys and demonstrates technology solutions in and around the Anaheim Convention Center (ACC). The project concentrates its efforts on securing two-way access to new sources of information; improved sensors and monitoring capabilities for detection of chemical agent or large scale biological attacks; and integration of new capabilities into the region’s current and emerging infrastructure to create a comprehensive situational awareness picture. This system will establish an optimum process to check people, packages, containers, and vehicles entering the ACC for explosives or

explosive devices, while minimizing disruption to the normal flow of events at the ACC. Customers that will benefit from this program are State and local first responders in and around the Anaheim Convention Center. In FY 2007, the project developed a system design and acquisition plans, and conducted three pilots: Bio Detect-to-Treat, Command, Control, and Interoperability and Explosives Protection. In FY 2008, the project will conduct another Command, Control and Interoperability Pilot and Chem/Bio Detect-to-Warn Pilot, transitioning to local operations and support. In FY 2009, the project plans to support the Anaheim urban area to conduct simulation based exercises using the TELL system in order to increase the local community's level of preparedness.

*Regional Technology Integration Initiative – Cincinnati Project* – Deploys and demonstrates technology solutions in the Cincinnati Urban Area, which includes the City of Cincinnati, Hamilton County, a portion of southwestern Ohio, southeastern Indiana and northern Kentucky. The population of the region in the 2000 census was 1,886,650, with the largest population and density being in Cincinnati-Hamilton County. This project will develop, integrate, and implement several technologies for Cincinnati building on the results of the regional preparedness needs assessment phase and in cooperation with the Office of Grants and Training. The technologies include: wired/wireless access to a “virtual EOC” capability; enhanced regional interoperable communications for voice and data exchange; regional exercise capability that more effectively engages all Emergency Support Functions (ESFs) and multiple jurisdictions in the Cincinnati Urban Area; and enhanced regional alert and notifications systems. Based on funding levels in FY 2008, the project will transition from an EOC connectivity prototype system in RTI Seattle for spiral 1 development/pilot. In FY 2009, the activity will transition to the Cincinnati Operations Center. In FY 2009, the project plans to begin testing the 3D Locator system in several venues in the area and deploy the TELL simulation based system to help the responder community train in various scenarios and conditions. In addition, this effort will integrate a variety of modeling and simulation tools in the interconnected EOCs to support analysis of disaster operations and related policies.

*Regional Technology Integration (RTI) Initiative – Seattle Project* – Serves as a blueprint for future planning of additional investment in communications systems and addresses known gaps, such as the need for high-speed mobile data and two-way mobile video, the development of new wireless technologies, and the availability of new spectrum for communications. RTI Seattle will address incident credentialing to provide a capability for the commanders to identify, track, and locate responders in a timely fashion. This will ensure that the commanders dispatch the right number of resources to respond to an event and can be contacted, if needed. Current information from across the region will be consolidated and interfaced with new sources of information in an interoperable data portal and provide a “picture” of the region for situational awareness. In FY 2007, the project piloted an EOC connectivity prototype system, conducted first responder credentialing pilot, and completed a wireless communication assessment that provided a roadmap for future technology investments. In FY 2008, the project will develop the RTI Seattle EOC connectivity prototype system spiral 2 and deploy it for use in the FY 2008 SoundShake Statewide exercise. It is also will demonstrate the 3D locator system at RTI Seattle and transition it to the Seattle Operations Center. In FY 2008 and 2009, the project plans to start developing and deploying technologies for rapid and effective decision making, coordinated response efforts, and effective planning and staging of resources to accelerate delivery of needed

supplies to incident response teams. Furthermore, the project plans to integrate several ongoing capabilities such as interconnected EOCs and sensor and data fusion tools to increase the urban area's levels of preparedness for the 2010 Olympics.

***Integrated Modeling, Mapping and Simulation Program*** – FY 2008: \$0; FY 2009 estimate: \$2,438. Develops and integrates advanced modeling and simulation technologies to support the incident management teams of first responders, commanders, and decision makers to better understand, be prepared, and plan for emergency operations to enhance the quality of response and recovery operations. Specifically, this program plans to conduct R&D in the following three technology areas: advanced models of the critical infrastructure; standard integration process and methodology to enable plug and play of legacy and new models; and support for a real-time modeling framework. This program will integrate these technologies in an advanced simulation infrastructure so that the first responders can conduct simulation-based planning exercises to economically verify and validate their response plans.

***Simulation Based Incident Planning and Response Project*** – Provides FEMA the following capabilities: accurate and reliable estimates of possible hazards from a wide range of natural and terrorist events; route mapping to effectively manage transportation assets during mass evacuations or the post-event flow of emergency supplies; and impact analysis that provides a better understanding of possible impacts from natural disasters and terrorist events. This capability will leverage the results of the TELL project and will follow three tracks: model development; integration framework; and support for conducting planning exercises. The project will use a spiral-development process to insert technology as it matures and to refine requirements and concepts before committing to significant development efforts. In FY 2009, the program plans to conduct workshops with stakeholders from FEMA and the modeling and simulation communities from across DHS and other government agencies to identify, capture, and prioritize the simulation models that need to be developed. The program also plans to conduct disaster planning training scenarios to prepare FEMA decision and policy makers to validate their plans, procedures, tactics, and doctrine when responding to major events.

**Geophysical Thrust Area:** Develops technologies and systems to address the geophysical concerns of the Nation, i.e., hurricanes, flooding, earthquakes. The thrust area includes the Southeast Regional Research Initiative (SERRI) program.

***Southeast Regional Research Initiative (SERRI) Program*** – FY 2008: \$26,325; FY 2009 estimate: \$0. Is a pilot research and development program created to assist State, local, and tribal leaders in developing the tools and methods required to anticipate and forestall terrorist events and to enhance disaster response. SERRI combines science and technology with validated operational approaches to address regionally unique requirements and suggests regional solutions with potential national implications. SERRI's regional approach capitalizes on the region's history of collaboration during natural disaster response as well as the inherent research capabilities resident in the Southeast United States. In FY 2007, the program developed an architecture design for suites of advanced materials, design procedures, and innovative construction methods that can protect metropolitan areas. The program will deliver a proof-of-concept study for mitigation methods for natural disasters. Based on additional funds in FY 2008, the program will continue its research the southeast region.

PPA: INNOVATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 21,945</b> |
| <b>2008 Enacted</b>          |                     |            | <b>33,000</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>33,000</b>    |
| 2009 Program Change          |                     |            | 12,000           |
| <b>2009 Request</b>          |                     |            | <b>45,000</b>    |
| Total Change 2008-2009       |                     |            | 12,000           |

The Science and Technology Directorate requests \$45.000 million for this activity. This is an increase of \$12.000 million above FY 2008. The increase will fund existing programs whose scopes increase as they mature and might allow for additional projects that would address gaps identified by the S&T Capstone IPT process. Unlike the transition programs, these solutions are high risk in nature but would dramatically increase capabilities in responding to threats posed by terrorism and natural disasters.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Office of the Director of Innovation oversees the S&T Directorate’s Homeland Security Advanced Research Projects Agency (HSARPA). Established by the *Homeland Security Act of 2002*, HSARPA funds research and development (R&D) of homeland security technologies to “support basic and applied homeland security research to promote revolutionary changes in technologies that would promote homeland security; advance the development, testing and evaluation, and deployment of critical homeland security technologies; and accelerate the prototyping and deployment of technologies that would address homeland security vulnerabilities.”

The Director of Innovation/HSARPA works closely with the Under Secretary for Science and Technology, the S&T Directorate’s divisions, DHS Components, industry, academia, and government to determine topic areas for projects. The Director’s many sources of guidance and recommendations include:

- Congressional direction;
- DHS Goals and Priorities as described by the Secretary of Homeland Security;
- Office of Management and Budget (OMB) and Office of Science and Technology Policy (OSTP) Research and Development Budget Priority Guidance;
- Goals set by the Under Secretary for Science and Technology;
- DHS Components input regarding their operational capability gaps; and
- The S&T Directorate’s Integrated Product Team (IPT) process.

Innovation focuses on high-risk/high-reward, homeland security R&D that could lead to technology breakthroughs that significantly enhance DHS operations. Its efforts are

complementary to the S&T Directorate's other programs and projects, pushing scientific limits to address gaps in areas where current technologies and R&D are inadequate or non-existent.

Given the nature of this work, Innovation must be flexible to quickly adapt projects to maximize their high-payoff potential. As part of this process, Innovation will constantly assess its activities to determine whether they should continue, end, be adapted by a division, or be transitioned to a customer – taking into consideration the impacts of emerging technologies and new opportunities to leverage other Federal programs and activities for homeland security. This process means that Innovation's projects may not follow the normal life cycle expected of transition programs. As projects fail or stop at critical decision points, new projects will begin. As a result, Innovation always has more projects under consideration than it can fund in expectation of such changes.

Innovation carries out its activities through two thrust areas: Homeland Innovative Prototypical Solutions (HIPS) and High Impact Technology Solutions (HITS). Current projects are described in further detail below.

**Homeland Innovative Prototypical Solutions (HIPS) Thrust Area** – FY 2008: \$28,000; FY 2009 estimate: \$27,930. HIPS are designed to deliver prototype-level demonstrations of game changing technologies in two to five years. These projects are moderate-to-high-risk with high-payoff potential.

***Project Chloe Project*** – Investigates innovative solutions for defense against MANPADS, focusing on technology that can protect airports over a wide area instead of relying on technologies installed on individual aircraft. Chloe is using a single high-altitude platform, such as an Unmanned Aerial Vehicle (UAV), to protect aircraft at an airport or at several nearby airports rather than installing full detect-to-engage systems on every commercial aircraft. This type of system would reduce the number of systems required to be maintained, eliminate the need to add weight to aircraft, and lower operations and maintenance costs for end-users. The technologies developed under Project Chloe may be leveraged to support other DHS mission areas including Borders and Maritime surveillance, critical infrastructure protection, and disaster relief support.

In FY 2007-2008, Project Chloe will demonstrate the ability of sensors based on a high-altitude platform to detect the launch of MANPADS. Project Chloe's first major achievement occurred in October 2007 as the project successfully demonstrated the detection of the launch of MANPADS from a height of 55,000 – 65,000 feet. Based on the FY 2008 funding levels, Project Chloe incurs a greater schedule risk due to partial funding of its contracts, but the S&T Directorate is committed to adhering to the original schedule to the extent possible. In FY 2008, the project will test both detection and disabling technologies that would effectively work with a high-altitude platform for comprehensive detect and defeat. These activities will continue into FY 2009. Project Chloe will be evaluated for transition options in FY 2009.

***Scalable Common Operational Picture Experiment (SCOPE) Project*** – Leverages an existing effort by the Department of Defense (DOD). The DOD effort, called the Joint Concept Technology Demonstration for Global Observer, is developing a high-altitude, long-endurance unmanned aircraft system (GO UAS). This aircraft-mounted system will enable homeland

security personnel at the Federal, State and local levels to collectively see what is happening during an event and potentially also provide a communication platform for regions where infrastructure has been destroyed. This will allow responders to quickly understand the extent of a natural disaster or terrorist attack, enable communications, and provide sufficient time to make critical decisions and mount a coordinated response. Today, no such capability exists.

In FY 2007 the project developed key UAS subcomponents structural and propulsion subcomponents critical for prototypical flight. In FY 2008, the project will develop and integrate modular sensor and communication payloads. In 2009, the project will conduct a series of operational utility assessments that will serve as a proof-of-concept for DHS operational security needs.

***Rapid Liquid Component Detector (MagViz) Project*** – Uses ultra-low-field Magnetic Resonance Imaging (MRI) technology to screen baggage for liquid explosives. To mitigate the liquid explosives threat, airline passengers currently must pack liquids or gels (such as certain toiletries and medicines) in containers that are 3 ounces or smaller. Those containers must be placed in a 1-quart-sized, clear-plastic, zip-top bags; and only 1-bag-per-traveller is allowed. These are known as “3-1-1 bags,” which undergo an X-ray inspection and possibly a secondary screening using multiple methods, such as visual inspection. The goal of MagViz is to eliminate the 3-1-1 rule and allow passengers to place liquids in their carry-on baggage. MagViz will scan and identify individual materials that may be packaged together or separately as they go through the scanning process and evaluate them against a database that will differentiate between those items considered safe for carrying onto an aircraft (e.g., mouthwash, toothpaste, etc.) and harmful ones. The intent is for the detection of liquids in baggage to be non-contact and to occur at the same rate as current X-ray machines, thus not hindering passenger throughput.

In FY 2007, the project conducted a proof-of-concept laboratory demonstration of the ability to differentiate between dozens of safe and hazardous materials. In FY 2008, the project will build and demonstrate a 3-1-1 bag screening prototype. Also in FY 2008, a parallel research effort will build and test designs that will be used towards developing a 40 cm stand off system. In FY 2009, the project plans to evaluate the results of 2008, which will determine if the project should continue to prototype and demonstrate stand-off detection technologies and the ability to detect liquid explosives within baggage.

***Safe Container (SAFECON) Project*** – Investigates various technologies, including probe systems that detect and identify dangerous cargo and could be mounted on cranes used for on- and off-loading ship-carried containers. SAFECON also looks for sensors and specialized container materials designed to make screening more effective while screening more cargo as much of the cargo entering the United States is currently unscreened or under-screened. The project aims to provide the capability to scan containers entering the country while minimizing the impacts to commerce; high reliability, high throughput detection of WMD, explosives, contraband, and human cargo; and immediate detection and isolation of suspected threat containers.

In FY 2007, the project began threat characterization and container characterization studies to inform decisions on sensors and prototype development. In FY 2008 and FY 2009, SAFECON

will identify and test promising technologies and work to reduce the time-to-screen, enabling significantly more cargo to be cleared. Based on adjustments to the FY 2008 funding levels, most of the testing of identified technologies will occur in FY 2009 instead of FY 2008.

***Future Attribute Screening Technologies Mobile Module (FASTM2) (formerly Future Attribute Screening Technologies) Project*** – Develops real-time, mobile screening technologies to automatically detect behavior indicative of malintent at security checkpoints such as border crossings, transportation portals, and other critical infrastructures. FAST technologies will prevent the unknown terrorist from gaining successful access to targets by detecting real-time behavior patterns through the use of mobile, real-time, non-invasive systems that detect culturally independent, multi-modal indicators using a diverse array of automated sensor technologies. This technology will directly support and augment the operational missions of Federal, State, and local agencies to conduct real-time screening of unknown threats across the operational mission space without impeding throughput.

In FY 2007, the project conducted a research survey on patterns indicating intent to cause harm (identified as malintent) and began building the hardware and software components of the FAST system. In early FY 2008, the project's first achievement was the identification of behavioral, physiological, and paralinguistic cues that likely detect malintent and potential sensors potentially capable of detecting physiological changes. These findings were well received by recognized subject matter experts and will guide the procurement and development of sensor algorithms. In FY 2008, the project will develop a concept of operations and conduct its first demonstration showing a mobile, integrated, non-invasive technology to validate the screening construct and establish viability and lay the groundwork for detecting malintent in an operational environment. In FY 2008/2009, the project will initiate work to determine the possibility of incorporating self-learning behavior into the FASTM2 system to improve sensor accuracy through multi-mode sensor architectures (e.g., heart beat, respiration, etc.); provide the ability to adjust screening processes to changing operational, threat or environmental issues; and detect and adapt to new cues. In FY 2009, the project plans to conduct a prototype demonstration of a real-time intent detection capability.

***Resilient Electric Grid (REG) Project*** – Demonstrates High Temperature Superconducting (HTS) technologies for reliable distribution and protection of electrical power. REG will protect critical, electric-power dependent infrastructure (like the Manhattan Financial District) from the cascading effects of a power surge on electrical grids. Much of the existing electric grid is highly susceptible to brown outs and black outs, and current methods for preventing power outages and restoring power are often costly, slow and require extraordinary efforts. Existing technologies and planned mitigations also require a lot of space, which is problematic in dense urban areas. This project will demonstrate key components of a future "micro grid" that will instantaneously reduce power surges and allow for multiple alternative pathways of power delivery, providing resilience against natural disasters and deliberate attacks. Across the country, a resilient electric grid will produce savings of billions of dollars each year in the course of normal operations through gains in efficiencies, and these benefits would multiply in the case of deliberate attacks and as power grids continue to grow. After a successful laboratory demonstration, the S&T Directorate will implement REG in the Borough of Manhattan in New York City's financial district to protect the economic infrastructure of American business, with

follow-on implementations for additional critical infrastructure in other metropolitan areas around the country.

In FY 2007, the S&T Directorate initiated a prototype project in upper Manhattan to develop a system for linking multiple electrical substations. The project's first major achievement in FY 2008 was the successful laboratory proof-of-concept demonstration of a fault current limiter (FCL) HTS cable that was able to transmit power with no electrical losses via HTS cables and simultaneously prevent cascading failures. This success indicates that the HTS FCL cable enables an innovative grid architecture that will act as a system of resilient power distribution pathways with built-in circuit breakers. Success in the proof-of-concept justifies a full scale laboratory test scheduled late in FY 2008. The project will continue to demonstrate key supporting technologies in laboratory and representative environments in FY 2009 in preparation for prototype deployment in the Manhattan electric grid in FY 2010.

***Hurricane & Storm Surge Mitigation Project*** – Develops innovative approaches to minimize suffering and damage by reducing the intensity of the storm surge produced by hurricanes and major storms. This project, which begins in FY 2008, will develop approaches and technology to duplicate the effect of natural features (such as marshlands and barrier islands) to reduce storm surge strength and prevent flooding. Possible technologies include: temporary, low-cost inflatable and drop-in structures that last just long enough to prevent severe damage; effective alternatives for rerouting flood waters; and flood-proofing critical infrastructure.

Based on adjustments to the FY 2008 funding levels, this project may be placed on hold to resume in FY 2010.

***Improvised Explosive Device (IED) Defeat Project*** – Investigates very high-risk technologies to detect and neutralize person borne and vehicle borne IEDs prior to their detonation and to mitigate the damage caused by successful IED attacks. The project is broken into two separate focus areas that will together form a total suicide bomber detection and defeat “system.” The first focus area, Detection and Deactivation, aims to develop (1) counter suicide bombing technologies that allow the operator to identify, with a high level of confidence, a suspected bomber well in advance of the explosive device detonation. Particular emphasis will be placed on those technologies that provide standoff detection capability of an explosive device on a person; (2) solutions intended to identify, with a high level of confidence, the existence of a bomb or its disassembled components while in transit. Particular emphasis will be placed on those technologies that allow detection of a device or device components in hand carried baggage; and (3) technologies that can defeat a suicide bombing by deactivation of the explosive device. Particular emphasis will be placed on those technologies focused on deactivation of the circuitry contained in the explosive device.

The second focus area, Blast Mitigation, will develop blast mitigation strategies and technologies to (1) focus explosive forces and deflect energy; (2) react to explosives and counter-act explosive energies; (3) enhance survivability and facilitate emergency response in the aftermath of an explosive event; and (4) primarily mitigate blasts but also provide significant protection from other, more frequent threats to populations and structures such as fire and natural disasters (including earthquakes).

Based on adjustments to the FY 2008 funding levels, this project will transition to become part of the Counter-IED program where it will continue to leverage other IED efforts.

***Levee Strengthening & Damage Mitigation Project*** – Develops techniques to: (1) rapidly detect potential failure locations in levees from events such as overtopping, slope failure, under seepage in the foundation, and through seepage of flood waters; (2) protect levees by using techniques such as natural covers and/or armoring to prevent levee failure by soil erosion or breaching as the result of overtopped levees by waves and/or storm surge; and (3) demonstrate the feasibility of one or more rapidly deployable systems to stop the flow of water through a breach within a few hours of a levee's failure.

In FY 2007, the project began efforts to develop and demonstrate advanced methods of sub-surface characterization using various geophysical sensors on water, ground and/or airborne platforms; and demonstrate various methods for using natural and engineered resources for levee strengthening. Based on adjustments to the FY 2008 funding levels, this project may be placed on hold to resume in FY 2010.

**High Impact Technology Solutions (HITS) Thrust Area** – FY 2008: \$5,000; FY 2009 estimate: \$17,070. High-risk, extremely-high-payoff, proof-of-concept technologies.

***Tunnel Detect Project*** – Develops detection technologies to locate underground tunnels that are used for cross-border illegal activities such as smuggling. In FY 2007, the S&T Directorate initiated the integration of tunnel detection sensors onto an unmanned aircraft system that will lead to a series of flight demonstrations/tests in FY 2008. If successful, this technology could be used to monitor the entire border area of the southern United States in a reasonable amount of time. In FY 2008, in addition to the testing of the unmanned aircraft system, the project will develop ground based technologies, to increase tunnel detection accuracy and effectiveness. FY 2008 is an important decision point for this project. Should the technologies prove promising, in FY 2009, the S&T Directorate plans to integrate sensors into modular designs and expand the system to include high-resolution listening devices and confirmation/denial technologies.

***Document Validator Project*** – Develops highly effective scanners that can identify fraudulent documents in a single pass. If successful, this technology will be able to validate thousands of document types (e.g., passports, birth certificates, etc. from around the world) and allow operators to develop new templates or models without the need for special assistance as documents change.

The S&T Directorate reviewed proposals from industry and concluded that they proposed only incremental improvements to existing technologies instead of highly innovative solutions. As a result, this project will use other mechanisms to seek and obtain more innovative concepts from industry in FY 2008. Also, based on the FY 2008 funding levels, planned funds for this project in FY 2008 will now apply to other existing projects in need of them.

***Biometric Detector Project*** – Develops small, non-contact fingerprint scanner technologies for use in biometric identification systems that will not impede the throughput at checkpoints and other portals. In FY 2008, the project will develop and test a laboratory prototype of a

contactless fingerprint reader which, if successful, would lead to development and demonstration of operational prototypes in FY 2009. Based on adjustments to the FY 2008 funding levels, some of the demonstrations in FY 2009 are likely to occur later than planned.

***Wide Area Surveillance*** – Critical Infrastructure Change Detection Project – Investigates novel sensors and systems to provide continuous surveillance of the nation’s highest priority infrastructure. A major goal is to increase coverage, reliability, and efficiency by screening out normal background information to highlight unusual behavior and alert surveillance personnel of the anomaly. The project will employ advanced, high-definition cameras and possibly other sensor options (such as infrared, ultraviolet, acoustic wave forms), combined with smart algorithms, to enhance surveillance of key infrastructure assets. The effort will include adaptation and further development of military grade optical sensors with far greater image resolution than currently available commercially. Sensors will be integrated into a system that must accommodate large data quantities, camera-to-camera handoff, and advanced image recognition. The project will focus on surveillance and tracking in densely populated urban areas, specifically adding advanced technology to the Lower Manhattan Security Initiative in coordination with the DHS Office of Infrastructure Protection and the New York City Police Department (NYPD). In FY 2007, the S&T Directorate analyzed system architectures/wave forms/algorithms for urban environments. In FY 2008, the S&T Directorate will conduct pilot demonstrations of wide-area surveillance and tracking technologies in lower Manhattan, including the high resolution optical sensor.

***Cell-All Ubiquitous Chem/Bio Detect Project*** – Creates a system of small chemical and biological agent detectors that will be widely distributed (in cell phones or other electronic devices) and provide rapid detection, classification, and notification to decision makers. Conceptually, users would have the option to enable the detector as well as the transmission of the detection time, and global positioning satellite (GPS) location information. Goals of this project include significant improvement in chemical and biological detectors’ size, initial and operating costs, power consumption, maintenance requirements, ruggedness, and response time. In FY 2007, the project conducted research for concept development. In FY 2008, the project will conduct laboratory demonstration of an early detection device. In FY 2009, the project plans to conduct field demonstrations.

***First Net Project*** – Investigates emerging technologies that could provide a rapidly deployable and self sufficient communications solution. The goal is to create a communications solution that provides a rapidly deployable 24/7 mobile emergency communications network capability to regions recovering from the catastrophic loss or degradation of their existing communications systems due to natural disaster, major incident, or acts of terror. In FY 2008, this project will create a preliminary design for First Net. In FY 2009, the project plans to conduct a laboratory demonstration.

***Real Time Bio Detect Project*** – Designs a near real-time genomic sequencing of biological threat agents. The system will perform an analysis once-per-10-minutes with 24/7/365 monitoring and simultaneously analyze for threats from the Centers for Disease Control (CDC’s) Category A and B agents list. Genomic sequencing technologies could eliminate the need to transfer samples to a laboratory for culturing and identification of the agent. As a result,

genomic sequencing would change the operational environment by dramatically decreasing the time to identify and respond to biological threats. In FY 2007, the project performed a proof-of-concept study to estimate how far state-of-the-art, real-time genomic sequencing could be advanced within a few years. In FY 2008, the project will complete a technology development roadmap. Based on the FY 2008 funding levels, the laboratory proof-of-concept demonstration planned for FY 2008 will occur in FY 2009. The S&T Directorate will evaluate this project for transition options by the end of FY 2009.

***Resilient Tunnel Project*** – Seeks approaches to address critical vulnerabilities in U.S. transportation tunnels. The project will validate and expand upon the analyses performed to date and identify alternative technical solutions that could be applied to mitigate the vulnerabilities. Studies to date have revealed vulnerabilities that terrorists using IEDs could exploit to cause catastrophic failure of a tunnel. In FY 2007, the project surveyed concepts for tunnel protection. This research resulted in alternatives of analysis studies on advanced materials for tunnel hardening and the identification of adapting existing European inflatable plugs that limit the spread of fire as a potential solution. In FY 2008, the project will design and begin to construct a prototype inflatable plug system based on the European technology. Based on the FY 2008 funding levels, development of some prototype subsystems and planned laboratory demonstrations will not occur until FY 2009. Completion and demonstration of a prototype inflatable plug, originally planned in FY 2009, will occur in FY 2010.

**Other HITS and HIPS** - In addition to the current projects previously discussed, Innovation has a number of projects as potential new starts should its current projects reach a critical decision point to stop or if funding otherwise becomes available. Candidate projects include the following:

***Advanced Behavioral Screening Technologies*** – Enhances the ability of first responders and screeners to detect malintent at increased standoff distances. The S&T Directorate has multiple efforts associated with the detection of the intent of an individual to commit a hostile act prior to the commission of such act. An example is the detection of the intent of an individual to commit a hostile act while the individual is undergoing screening at customs during entry into the United States. While those efforts have provided success, this effort could result in dramatic improvement of the success rates, decrease false alarm rates, new malintent indicators, new protocols, and detection of malintent at much greater ranges than current systems. These innovative approaches will complement the work done in earlier fiscal years.

***Genetically Altered Bio Agency Detect System*** – Examines innovative approaches to develop biological detectors to sense organisms that have been genetically altered to avoid detection. Current methods for biological detection rely on characteristics of individual organisms being detected. In many cases, detection can be thwarted by genetically modifying an organism so that it remains a biological hazard, but no longer has the clues that enabled its detection. This effort will encourage innovative approaches to develop biological detectors capable of detecting genetically modified biological agents.

***Advanced Area Surveillance Tech*** – Investigates innovative approaches to conduct surveillance on wide areas, increases endurance, reduces staffing requirements, automatically differentiates

human movement from other animal or wind driven movements, and reduces operating costs of such systems. These surveillance capabilities might include: automatically identifying individual of interest (e.g., intruders); tracking them; automatically reviewing previously recorded information to determine their previous locations; alerting security personnel; and determining changes to an area under surveillance and alerting personnel to anomalies.

PPA: LABORATORY FACILITIES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 72,230</b> |
| <b>2008 Enacted</b>          |                     |            | <b>103,814</b>   |
| 2009 Adjustments-to-Base     |                     |            | 14,000           |
| <b>2009 Current Services</b> |                     |            | <b>117,814</b>   |
| 2009 Program Change          |                     |            | 29,126           |
| <b>2009 Request</b>          |                     |            | <b>146,940</b>   |
| Total Change 2008-2009       |                     |            | 43,126           |

The Science and Technology Directorate requests \$146.940 million for this activity, of this amount \$14.000 million is for salaries and benefits for the Federal employees at the DHS S&T laboratories. This is an increase of \$43.126 million above FY 2008. The FY 2009 program increase reflects the move-in and operations costs for the National Biodefense Analysis and Countermeasures Center (NBACC), and a one-time cost for final cleanup of the Environmental Measurements Laboratory (EML) space. Also, the increase reflects the transfer of funds from the Management and Administration account to pay for salaries of FTEs located at laboratories operated by DHS S&T.

**CURRENT SERVICES PROGRAM DESCRIPTION**

Laboratory Facilities programs are executed through the Office of National Laboratories (ONL). ONL provides the Nation with a coordinated, enduring core of productive science, technology and engineering laboratories, organizations and institutions, which can provide the knowledge and technology required to secure our homeland.

The *Homeland Security Act of 2002* assigns ONL the responsibility for “the coordination and utilization of the Department of Energy national laboratories and other sites under Section 309 in a manner to create a networked laboratory system for the purpose of supporting the missions of the Homeland Security Department.” In addition to oversight of laboratory operations in direct support of the Department and its missions, ONL is also responsible for coordinating homeland security related activities and laboratory directed research conducted within the Department of Energy (DOE) national laboratories.

ONL’s internal customers are the S&T Directorate’s executing divisions, including test and evaluation program areas. The primary external Federal customers are the United States Department of Agriculture (USDA), Transportation Security Administration (TSA), and the Federal Bureau of Investigation (FBI). ONL outlay activities lie in two thrust areas: Laboratory Operations and Construction.

**Laboratory Operations Thrust Area** – Manages the operations and maintenance of the DHS laboratories and infrastructure. ONL provides the planning, budgeting and coordination needed to ensure that these laboratories effectively support the S&T Directorate programs. The DHS laboratories include: Plum Island Animal Disease Center (PIADC), National Biodefense

Analysis and Countermeasures Center (NBACC), Transportation Security Laboratory (TSL), Chemical Security Analysis Center (CSAC) and Environmental Measurements Laboratory (EML).

***Plum Island Animal Disease Center (PIADC)*** – FY 2008: \$27,030; FY 2009 estimate: \$30,700. Researches contagious animal diseases (e.g., foot-and-mouth) that have been identified in other countries. The mission of the facility is to develop strategies and vaccines for protecting the Nation's animal industries and exports from foreign animal diseases accidentally or deliberately introduced into the United States. The R&D work at PIADC is a joint mission between DHS and USDA. Both organizations have a research presence at the laboratory including employees, but DHS is responsible for the operations and maintenance of the facility. The combined work of both agencies at PIADC directly supports the S&T Directorate's agro-terrorism countermeasures programs. Research at the facility occurs in laboratory spaces rated biosecurity level (BSL)-2, BSL-3, and BSL-3Ag.

PIADC is located on Plum Island off the eastern end of Long Island New York; it is a self sustaining operation, with its own power plant, fuel storage, fire protection, waste disposal, and security systems. The S&T Directorate provides the day-to-day operational support and manpower at the facility. Other major operations investments include security, utilities, and fuel costs. The S&T Directorate provides the only ferry transport to and from the island and is responsible for operating and maintaining ferries, docks and the harbor. These activities represent the largest portion of operations investments for PIADC in FY 2007, FY 2008, and FY 2009. Also, FY 2009 reflects a transfer of funds from Management and Administration to the Laboratory Facilities PPA to pay salaries and benefits of FTEs located at PIADC.

***National Biodefense Analysis and Countermeasures Center (NBACC) Operations*** – FY 2008: \$16,770; FY 2009 estimate: \$32,940. Directly supports the S&T Directorate's biological countermeasures programs. ONL oversees two additional centers within the NBACC complex: the National Bioforensics Analysis Center (NBFAC) and the Biological Threat Characterization Center (BTCC). The unique missions of threat characterization and bioforensics analysis complement the mission responsibilities of the Department of Defense (DOD), the DHHS, and USDA. Both centers currently conduct research in interim space with limited capabilities.

- BTCC conducts studies and laboratory experiments to fill information gaps in the understanding of current and future biological threats, assess vulnerabilities, conduct risk assessments, and determine potential impacts in order to guide the development of countermeasures such as detectors, drugs, vaccines, and decontamination technologies.
- NBFAC conducts forensic analysis of evidence from biocrimes and terrorism, to assist in identifying perpetrators and determining the origin and method of attack.

Construction on the new NBACC facility began in FY 2006. The construction should be substantially completed, and the facility should be ready for occupancy in FY 2008 (i.e., offices and administrative space, with a fully operational NBACC in FY 2009). The S&T Directorate began operation of the NBACC as a Federally Funded Research and Development Center

(FFRDC) in the first quarter of FY 2007. The FFRDC is responsible for planning, managing and executing the NBACC research programs and operating the facility.

In FY 2007, FY 2008, and FY 2009, operations investments are primarily for NBACC management, security, equipment/furnishings, utilities, and site services, fees, and insurance.

***Chemical Security Analysis Center (CSAC)*** – FY 2008: \$225; FY 2009 estimate: \$500.

Develops and informs risk assessments related to national chemical defense. CSAC is located at the DOD Edgewood Chemical Biological Center (ECBC) in Aberdeen, MD. CSAC directly supports the S&T Directorate's chemical countermeasures activities in the Chemical and Biological Division and is operated in cooperation with the FBI and DOD. The interim CSAC was established at ECBC in FY 2006 to leverage DOD infrastructure and legacy investments. The operations investments for this facility include rent, security, and utilities for office space and information technology infrastructure and storage.

In FY 2007, DOD commenced construction of a Sample Receipt Facility (SRF) at ECBC. This state-of-the-art facility will house the permanent CSAC, making it the premier facility with the capability to integrate knowledge across the full chemical threat spectrum. The S&T Directorate expects SRF and CSAC to commence operations by the end of FY 2008. In FY 2009, CSAC will commence full operations. Planned operations investments for this facility include rent, security, and utilities.

***Transportation Security Laboratory (TSL)*** – FY 2008: \$13,770; FY 2009 estimate: \$15,500.

Develops civil transportation security technologies, such as explosives and weapons detection systems. TSL is a science and engineering laboratory that enhances and accelerates development of promising technologies to the point of operational test and evaluation. TSL supports the S&T Directorate's explosives countermeasures programs and TSA.

TSL is located at the Federal Aviation Agency (FAA) William J. Hughes Technical Center in Atlantic City, N.J. The real property belongs to FAA. The FY 2007 and FY 2008 operations include buildings maintenance, utilities, security, environment, and safety. The other significant portion of operations investment provides infrastructure and personnel to conduct internal TSL research; engineering; and test and evaluation facilities. In FY 2009, planned operations investments for this facility include rent, security, utilities, and research support. Also, FY 2009 reflects a transfer of funds from Management and Administration to the Laboratory Facilities PPA to pay salaries and benefits of FTEs located at TSL.

***Environmental Measurements Laboratory (EML)*** – FY 2008: \$2,700; FY 2009 estimate: \$7,700. Provides testing and evaluation expertise to the S&T Directorate and the Domestic Nuclear Detection Office (DNDO) and acts as the DHS liaison for the deployment of experimental technologies in the New York City metropolitan area. EML is a government-owned, government-operated laboratory located in the Borough of Manhattan in New York City. Prior to its transfer from the Department of Energy (DOE) to DHS, EML's activities focused on the measurement of low-level radiation.

In FY 2006, ONL disposed of surplus materials and radioactive sources and began the decontamination/decommissioning of unused areas in the current EML space. These efforts continued in FY 2007. The FY 2007, FY 2008, and FY 2009 operations include rent, security, and utilities. The FY 2009 operations costs also reflect a transfer of funds from Management and Administration to pay salaries and benefits of FTEs located at EML. In FY 2009, ONL will conduct the remaining cleanup activities, and the space will be returned to commercial use specifications. The office space currently in use is larger than necessary and a determination has been made that EML will occupy a smaller set of offices and the remaining decontaminated space will be returned to the General Services Administration (GSA). The move will result in a reduction in rent and lower operational costs. The one-time EML costs for final cleanup are driven by GSA requirements and at a minimum will include the final disposal of contaminated materials and removal of fume hoods, large exhaust ducting, furnaces, and other equipment remaining from DOE program activities.

**Construction Thrust Area** – Oversees the planning, budgeting, and management of laboratory infrastructure construction and upgrade projects. Construction projects are required to maintain and provide R&D capabilities to support the missions of the S&T Directorate, the Department, and other government agencies that have interrelated homeland security missions such as USDA, DHHS, and DOD. The ONL construction investments include the construction of future assets, where a current capability does not exist, and upgrades to extend the life and capabilities of present facilities.

***Plum Island Animal Disease Center (PIADC) Upgrades*** – FY 2008: \$17,319; FY 2009 estimate: \$0. Provides research capabilities necessary to protect the Nation’s agriculture infrastructure. PIADC is the Nation’s first line of defense against foreign animal diseases and will need to remain a viable research facility until the National Bio and Agro-defense Facility is ready to provide this capability. These facility upgrades support ongoing and expanded research activities of USDA and DHS and ensure that this research can be performed in a safe and secure manner. In FY 2006, a detailed study identified essential and optional improvements to maintain and upgrade PIADC operations. In FY 2007, the designs began and support commencement construction activities will begin in FY 2008. Implementation of the upgrades will continue through FY 2010 when they are expected to be fully completed. The upgrades will enable the PIDAC facility to remain current through 2014.

In FY 2009, ONL plans to continue to fund projects that were identified in the multi-year Corrective Action Plan in a FY 2005 Report to Congress. These projects are in addition to the mission related upgrades, and occur in five general areas: (1) security programs and systems; (2) information technology and communication systems; (3) environmental, health, and safety systems; (4) buildings, grounds, and infrastructure systems; and (5) administrative and management programs.

***National Bio Agro Defense Facility (NBAF) Construction*** – FY 2008: \$11,000; FY 2009 estimate: \$35,600. Provides an integrated animal, foreign animal, and zoonotic disease research, development, and testing facility that will support the complementary missions of DHS and USDA. NBAF will replace PIADC and provide additional capabilities in state-of-the-art research, development, testing and evaluation infrastructure that enables research to enhance

agriculture and public health. It will house numerous laboratory spaces including biosecurity level laboratories to conduct research on high-consequence biological threats involving foreign animal and zoonotic (transmitted from animals to humans) diseases. NBAF will also provide enhanced capabilities to address a broader and more complete spectrum of threats posed by emerging bio- and agro-terrorism agents. In FY 2007, ONL conducted the conceptual design of the facility and down-selected potential sites for the NBAF. ONL commenced the second step in the selection process by beginning the Environmental Impact Statement (EIS) to evaluate the six remaining selected sites as part of the National Environmental Policy Act. The EIS will be used to determine site suitability. The final site selection is planned for early FY 2009. The program plans to begin a detailed design of the facility in FY 2009 to support the initiation of construction in FY 2010.

*NBAF Facility Space Justification* – NBAF will satisfy the requirements identified in Homeland Security Presidential Directives (HSPD) 9 and 10 by providing an integrated facility for studying diseases categorized as foreign animal diseases and zoonotic diseases (transmitted from animals to humans). The existing animal holding, laboratory, training, and support spaces at PIADC are severely limited in size and present challenges for scientists and building operators. Major limitations exist in the ability to conduct large animal research trials necessary for assessing and countering emerging threats and developing necessary vaccines. The primary limitations at PIADC are based upon an inability to conduct certain research activities because the facility does not meet current standards or there is insufficient space.

NBAF will have approximately 504,000 gsf. The overall space is broken out as follows:

| <b>Space</b>  | <b>GSF</b>     |
|---------------|----------------|
| Office/Admin. | 35,000         |
| BSL-2*        | 30,000         |
| BSL-3**       | 372,000        |
| BSL-4         | 55,000         |
| Vaccine Prod. | 12,000         |
| <b>NBAF</b>   | <b>504,000</b> |

\*BSL-2 includes laboratory and support areas.

\*\*BSL-3 includes laboratory, agriculture threat containment, and training and support areas.

The BSL-3 laboratory space is required for research studies on Foot and Mouth Disease (FMD) and developing countermeasures, while the BSL-4 laboratory space is required for research studies on zoonotic diseases. Upon completion, the facility will include: (1) BSL-4 space, large animal and laboratory space that is not currently available to DHS and USDA programs at PIADC; (2) facility space for a vaccine and reagent production module that will aid in providing biological product candidates for rapid licensure to meet the needs of the National Veterinary Stockpile; and (3) multi-purpose, state-of-the-art, distance-learning equipped, conference/training space, research and collaborative offices, and auxiliary spaces, that will make NBAF the world-class biocontainment research facility identified in HSPDs 9 and 10.

*NBAF Construction Offset* – All assets and liabilities of PIADC, including Plum Island, were transferred to DHS in the Homeland Security Act of 2002 [Section 310, Public Law 107-296]. After the planned renovations and upgrades to Plum Island, the fifty year old facility will be able to maintain current research capabilities through 2014, until activities can begin transfer to NBAF.

NBAF construction will begin in FY 2010, once the final location is selected from a list of six candidate sites across the country which also includes Plum Island. If Plum Island is not selected as the site for the replacement facility, DHS will consider the sale of the island and use the proceeds to fund the construction of NBAF, the demolition of the PIADC facility, and the clean up and remediation of the island. Should the island be available for sale, it would likely occur in the FY 2009 and FY 2010 time frame. The purchase agreement would allow current operations to continue during the construction of the NBAF and eventual transfer of functions in five years.

*Pacific Northwest National Laboratory (PNNL), Area 300* – FY 2008: \$15,000; FY 2009 estimate: \$10,000. Provides a capability replacement laboratory at the DOE's PNNL in Richland, WA. The DOE Office of Science manages this project. ONL represents DHS to provide project management oversight and coordination for the construction of this DOE-led project, scheduled to be operational in FY 2011. PNNL currently provides DHS with research and development capabilities in several areas, such as radiological detection and analysis, dosimetry for standards, and information analytics, in support of the S&T Directorate, National Programs and Preparedness Directorate, DNDO and CBP. In FY 2007, ONL supported the joint program's facility design activities. Design was completed in FY 2007, and construction will begin in FY 2008.

PPA: TEST & EVALUATION AND STANDARDS DIVISION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 24,910</b> |
| <b>2008 Enacted</b>          |                     |            | <b>28,520</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>28,520</b>    |
| 2009 Program Change          |                     |            | (3,846)          |
| <b>2009 Request</b>          |                     |            | <b>24,674</b>    |
| Total Change 2008-2009       |                     |            | (3,846)          |

The Science and Technology Directorate requests \$24.674 million for this activity, of this amount \$0.617 million supports the SBIR Program. This is a decrease of \$3.846 million below FY 2008, due primarily to a decrease of \$3.000 million because the S&T Directorate is not requesting funding for the independent peer review project in FY 2009. Also, there is a decreased amount for Standards development for Human Factors and Interoperability.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Test & Evaluation and Standards program provides technical support and coordination to assist the Nation’s emergency responders in the acquisition of equipment, procedures and mitigation processes that are safe, reliable and effective. The program carries out its activities through two thrust areas: Test and Evaluation (T&E) and Standards. T&E works across DHS to measure whether technologies and tools perform well and are applicable to homeland security operations. T&E results are used as a basis to make informed acquisition and deployment decisions. Standards supports the development of consensus-based measures – from basic specifications to performance criteria – that give DHS and its customers confidence that technology and systems will perform as required. The S&T Directorate works across DHS and numerous external partners to build consensus and encourage the adoption of needed, voluntary standards.

**Standards Thrust Area** – Standards are the basic measures of effectiveness that provide specifications throughout the entire development cycle of a technology or system. The Standards thrust area coordinates the adoption of national standards and appropriate conformity assessment methods to ensure that our Nation's emergency responders can rely on the equipment, procedures and mitigation processes they need to do their jobs; that personnel from different jurisdictions can easily communicate with one another; that detection and testing for threat agents produces consistent, accurate results; and that training exercises provide the instruction and practice that will best prepare homeland security personnel for responding to certain events. The lack of effective standards can lead to inconsistent grant guidance and the purchase of inferior or inappropriate products.

DHS does not have authority to impose regulatory standards, and must therefore promote the development of voluntary consensus standards. Voluntary consensus standards rely on coordination and consensus between large numbers of entities. Therefore, the Standards thrust

area gathers requirements and facilitates the adoption of standards through formal standards working groups, interagency task forces, conferences, and workshops with private-sector standards organizations, such as the National Fire Protection Association (NFPA) and ASTM International. ASTM International is a voluntary standards development organization that sets industry standards world-wide. The Standards thrust area does not seek to generate new standards, but solicits and endorses existing national-level standards.

***Independent Peer Review Program*** – FY 2008: \$2,925; FY 2009 estimate: \$0. The S&T Directorate will establish a program to provide independent peer review of projects throughout DHS. As directed, the division will initiate the program with an evaluation of TSA's air cargo certified shipper program; focusing on evaluating the soundness of the measures used to evaluate the integrity of a certified shipper's security program. This will support TSA's 100% screening requirement. In FY 2008, the program will establish a peer review entity, and begin assessing TSA's program.

***Explosives Standards Program*** – FY 2008: \$3,511; FY 2009 estimate: \$3,000. Develops standards related to explosives detection, including standards for detectors and protective equipment, body scanning systems, and cargo. In FY 2007, the program began performance testing on a variety of explosives detection equipment. In FY 2008, the program will release image standards for X-ray inspection systems and draft standards for body scanning systems and the evaluation of their performance. In FY 2009, the program plans to draft standards for trace explosives detection; develop standards for high energy computed tomography systems; and develop a methodology and test kit for quality control and assurance of field-deployed equipment to determine their effectiveness in detecting explosives. The program also plans to initiate standards development for standoff explosives detectors, IED countermeasures technology (including radio frequency countermeasures used in jamming technologies), and terahertz technologies that can penetrate a wide variety of materials for body scanning.

***Chemical/Biological Standards Program*** – FY 2008: \$3,085; FY 2009 estimate: \$3,239. Develops standards related to chemical and biological threat detection. This includes development of a comprehensive suite of performance standards for detection equipment, guidance on how to respond to chemical/biological incidents, and the development of simulants (e.g., anthrax bacteria (*Bacillus anthracis*) and ricin) for testing. The program, working through two stakeholder groups, provides State and local authorities with guidance on purchases for chemical/biological detectors.

In FY 2007, the program continued standards development for integrated chemical, biological, radiological, nuclear and explosive (CBRNE) sensors as the incidence response community moves away from using multiple sensors to a single device that can detect all of these agents. The program also began to conduct risk assessments for both chemical warfare agents and toxic industrial chemicals to develop decontamination guidelines via an interagency process. In FY 2008, the program will issue a preliminary decontamination guidance based on FY 2007 findings and develop a concept of operations (CONOPS) for responding to chemical incidents. In FY 2009, the program plans to finalize standard test materials for anthrax and ricin, release interim guidance for chemical and biological decontamination, and develop guidance for first-responder assessment of chemical and biological detection technology claims.

***Command, Control, and Interoperability Standards Program*** – FY 2008: \$798; FY 2009 estimate: \$900. Develops standards related to interoperable communication and incident management. Specific projects within this area address gaps not covered in the larger, overarching SAFECOM and National Institute of Justice interoperable communications projects, but rather address issues related to interfaces with protective equipment.

In FY 2007, this program developed performance standards for emergency responder locator communications in collapsed structures. These standards will apply to new signal processing technologies that allow amplification of weak signals through rubble from collapsed structures. In FY 2008, the program will present these standards to U.S. manufacturers in workshops and test exercises.

Additional program activities focus on establishing communication and coordination with the FEMA's National Incident Management System (NIMS) Integration Center. In 2007, the program completed a clearinghouse of existing incident management standards that first responders can use to demonstrate NIMS compliance in order to receive Federal funding. In 2008, the program will work with the NIMS Integration Center to collect, assess, and evaluate FY 2007 compliance data to support revisions of NIMS-related standards. In FY 2009, the program plans to adopt or update existing incident management standards, complete gap analysis for new requirements, and formulate new standards as needed.

In FY 2009, the program also plans to initiate work in the area of Knowledge Management Standards, which address the need to organize, manage, and protect information databases used during incident management. This work will coordinate DHS standards adoption with national programs like the National Information Exchange Model (NIEM) and the Federal Geographic Data Committee, which is working with the DHS Office of the Chief Information Officer (OCIO) Data Management Working Group and the U.S. Coast Guard Position, Navigation and Timing Working Group.

***Borders/Maritime Standards Program*** – FY 2008: \$904; FY 2009 estimate: \$1,250. Develops cargo security and Radio Frequency Identification Device (RFID) technologies, which are used to tag and track containers. Standards for border security technologies and systems are critical to ensure their effectiveness in protecting the Nation's ports and borders. Program activities focus on: (1) standards to enhance the security of shipping containers and cargo handling processes; and (2) standards to facilitate the reliable use of RFID systems for homeland security and first-responder applications.

In FY 2007, the program reached full adoption of the American National Standards Institute (ANSI) and Institute of Electrical and Electronics Engineers (IEEE) gamma-ray technical performance standards for radiological/nuclear cargo screening equipment. In FY 2008, the program will work with Customs and Border Protection (CBP) and other organizations to review existing standards, conduct gap analyses, and gather user requirements to develop cargo security standards. In FY 2009, the program plans to support standards development for gaps previously identified, work with ANSI and other organizations to examine the current suite of applicable global trade and supply chain standards.

In FY 2007, program activities also supported the development of measurement methods, performance metrics, standards, testing protocols, and key technologies to facilitate reliable use of RFID systems for homeland security and first-responder applications. In FY 2008, the program will transition to developing performance requirements for RFID technologies. In FY 2009, the program plans to develop additional RFID-based sensor network standards requirements, and performance metrics for cargo and border security, evaluate the feasibility of RFID counterfeit detection by electromagnetic signatures or other means, and demonstrate technology required for Federal Information Processing Standards (FIPS) 140 Level IV compliant RFID systems and initiate Cargo security standards development based on FY 2008 analysis.

***Human Factors Standards Program*** – FY 2008: \$2,074; FY 2009 estimate: \$2,162. Develops standards for biometrics technologies and government personnel credentials. A primary focus is on developing biometric standards and tests to ensure that a nationwide biometrics system can accurately identify individuals. To facilitate the identification of individuals, biometric information must be housed in searchable databases that are accessible to many government entities. The overall success of such a database requires standards for acquiring biometric information.

In FY 2007, the program completed multi-modal (i.e., fingerprint, face, iris) biometrics standards, including standards for latent fingerprint analysis, rapid biometric evaluation, and biometric image and image feature quality (i.e., software automation ensuring a passport photo meets acceptability parameters). In FY 2008, the program will identify and integrate emerging biometric technologies into its efforts, ensuring through performance testing and analysis, that they meet the developing suite of biometrics standards. In FY 2009, the program plans to provide standards for image quality for biometric images of face, fingerprint and iris specifically to enhance interoperability of U.S. Visitor and Immigrant Status Indicator Technology (US VISIT) and FBI's Integrated Automated Fingerprint Identification System (IAFIS) fingerprint databases. In addition, the program plans to provide on-line test data sets that can be used by manufacturers to test and develop next-generation software.

In FY 2008, the program will also begin developing consensus standards for credentials for officials and responders at various levels in the government. These standards will integrate information stored in various databases to enable the rapid identification of personnel as well as verify their certifications, capabilities and duties. Also in FY 2008, the program will develop standards for version two of the TWIC and develop a suite of standards based on the universal access control mechanism through the American National Standards Institute's (ANSI) International Committee on Information Technology Standards Cyber Security 1 (INCITS/CS1). In FY 2009, planned activities include completing initial standardization of the data model/architecture for first responder credentials. While the TWIC program addresses specific mandates for the transportation sector, the credentialing standards address the needs of all responder and emergency personnel and ensure that their credentials mesh neatly into emerging data and incident command systems.

***Infrastructure/Geophysical Standards Program*** – FY 2008: \$6,729; FY 2009 estimate: \$5,974. Develops standards to enable emergency responders to purchase the right equipment to protect themselves and the best operational equipment to use in protecting the public. A key program focus is on protective clothing and gear, (e.g., breathing apparatus) used by emergency responders. In FY 2007, the program continued development of standards for protective clothing and respiratory protection equipment such as closed-circuit, self-contained breathing apparatus and chemical protective clothing. The program also worked on developing, in conjunction with the National Institute of Justice, standards for CBRN personal protective equipment (PPE) for tactical law enforcement; and the program transferred a bomb suit standard to ASTM International. Test methods and standards for blast-resistant trash receptacles will be developed in conjunction with ASTM International.

In FY 2008, activities will focus on further developing CBRN respiratory protection equipment standards, establishing certification programs, and updating, as necessary, previously developed standards. This includes revising the National Fire Protection Association (NFPA) PPE standards previously adopted by DHS. The program will also develop testing and conformity assessment programs for associated standards, such as the bomb suit standard and law enforcement CBRN PPE. In FY 2009, the program plans to continue to support development of draft all-hazards protective clothing standards (with attention to dermal hazards posed by toxic industrial chemicals and toxic industrial materials) and to continue facilitating the development of standards for law enforcement officer PPE. In addition, the program plans to implement standards for hybrid CBRN respiratory protection equipment such as combined self-contained breathing apparatus and air purifying respirator systems.

Current activities also focus on standards for Geographical Information Systems (GIS). (Standards development efforts for Urban Search and Rescue Robots have been transferred to the Platforms Program area.) In FY 2008, the program will coordinate with DHS users of GIS information to ensure that emerging information systems at DHS use the same relevant data standards as other Federal entities. The program will also support standards development for personal gear that helps locate responders and send alerts. In FY 2009, the program plans to finalize an NFPA standard for indoor localization technologies and to support NFPA development of a Personal Alerting Safety System standard and test method.

***Platforms Program*** – FY 2008: \$2,128; FY 2009 estimate: \$2,000. In FY 2008, the Standards Thrust area will organize standards development for Urban Search and Rescue (USAR) robots, sensor networks and alert systems, and HAZMAT equipment standards under the Platforms Program. The Standards Thrust area has received similar requirements from various customers cross-cutting operational areas, and consolidating customers' requirements for common detection technologies will prevent duplicative development efforts and reflects the move of DHS towards integrated technologies that will respond to a range of scenarios while lowering operational costs. The program will have two areas of work: (1) mobile platforms which includes robots and UAVs plus other mobile detection applications; and (2) sensors and alert networks which will include stationary sensor systems and the networks to support them.

In FY 2007, work in the area of mobile platforms involved completion of a standard taxonomy for USAR robots. In FY 2008, the program will support the development of standard test

methods for advanced sensors and mobility used in USAR robots. The program will also conduct technology maturity assessment exercises to identify new candidate robot and sensor technologies for standardization. In FY 2009, the program plans to support the development of standard test methods for advanced sensors and mobility.

In FY 2008, in the area of sensors and alert networks, the program will build on FY 2007 efforts to identify needed standards development efforts to ensure packages of sensors work together and provide data to users in a standardized, secure format. In FY 2009, program plans to focus on conducting technology maturity assessment exercises to identify new candidate sensor technologies for standardization, including sensor interfaces, data transmission/exchange and security.

***Standards Development Program*** – FY 2008: \$1,771; FY 2009 estimate: \$1,050. Standards development requires consensus and significant resources across and outside of DHS; success requires a unique commitment to partnerships and ongoing infrastructure to support both general activities (databases, working groups) and specific projects (biothreat identification protocols). For some private-sector standards development organizations, the S&T Directorate must pay to maintain its membership and ensure voting rights in decision-making processes. The S&T Directorate maintains important relationships with standards development organizations such as ANSI, ASTM International, IEEE, NFPA, National Institute of Occupational Safety and Health etc.; and program partners such as the NIMS Integration Center, TSL, AOAC International, Homeland Security Institute (HSI), and the Interagency Board for Equipment Standardization and Interoperability (IAB).

**Test and Evaluation Thrust Area** – Establishes and issues policy and procedures and coordinates T&E resources to verify attainment of technical performance specifications and operational effectiveness/suitability. The goal is to integrate a uniform and centrally managed Departmental T&E process into the entire development and acquisition life cycle via early and continuous evaluation of system test requirements, planning, and execution, providing for independent T&E oversight and assessment. An integrated T&E process will provide vital information to decision makers that can help ensure that DHS capability needs are met while reducing risk and aiding first responders' selection of systems. The role of these activities is to assess, integrate, and coordinate Federal and non-Federal test assets, such as colleges, universities, and local governmental and private research institutes and companies.

***T&E Plans and Policy Program*** - FY 2008: \$579; FY 2009 estimate: \$700. Develops and disseminates T&E policies and procedures that define T&E activities to be performed by all DHS components throughout the system acquisition process. In FY 2007, the program reviewed current DHS acquisition policies. This review led to the development of an initial DHS T&E directive and formulation of an implementation strategy. In FY 2008, the program will establish a T&E Council with representatives from DHS components. This council will address T&E policy, processes, and infrastructure issues. Also in FY 2008, the S&T Directorate will finalize policy and initiate implementation of the policy across the DHS components. In FY 2009, the program plans to fully implement a T&E oversight and monitoring process that will review T&E activities addressed in the policy. Additionally, the program plans to expand a web-based online source of information to provide Emergency Responders, purchasers, and planners with trusted,

integrated information on products, T&E, standards, certifications, grants, and other equipment-related information.

***Infrastructure Program*** – FY 2008: \$645; FY 2009 estimate: \$700. Assesses, integrates, and coordinates the physical Federal test assets and non-Federal assets at colleges, universities, local governments, private research institutes, and companies. This program will review the DHS acquisition programs' capability to perform required T&E. This gap analysis of existing DHS and non-DHS infrastructure will determine required investments or upgrades to DHS capabilities. Additionally, this program will implement a test-capability-accreditation program that provides formal recognition of the technical competency for test capabilities used to test and evaluate DHS products.

In FY 2007, the program coordinated with the T&E Plans and Policy Program to begin a review of the Department's existing T&E infrastructure and made an initial assessment of S&T's Capstone IPT program. The program also evaluated existing candidate, capability-accreditation programs to determine an appropriate DHS T&E accreditation process. In FY 2008, the program will continue to expand the infrastructure review to non-DHS T&E infrastructure, which will involve participation in requirements development and test planning across DHS and evaluation of potential partner activities across the Federal government. The program will also finalize a DHS test capability accreditation process that will allow it to begin accrediting T&E capabilities. In FY 2009, the program plans to complete the Integrated DHS T&E Infrastructure Plan that will matrix the available domain of T&E Capabilities to the DHS acquisition programs and the DHS S&T Capstone IPT projects. Also in FY 2009, the program plans to refine the test capability accreditation process as necessary and continue accrediting test capabilities.

***Test Area/Capabilities Program*** – FY 2008: \$2,658; FY 2009 estimate: \$3,082. Works directly with DHS acquisition programs to support their individual T&E needs by identifying the appropriate standards and testing assets for their respective technologies. The program will support DHS acquisition programs in following the policies and procedures of the Plans and Policy Program and leveraging the assets identified by the Infrastructure Program. The goal is to improve the DHS technology development and acquisition processes to accelerate the delivery of technologies, assure performance requirements are met, and reduce development-related risk, through coordination and integration of the activities department-wide. In FY 2007, the program began planning for T&E oversight efforts to be an integral part of the S&T Capstone IPT process. In FY 2008, the program will begin to develop a methodology to determine the required level of T&E oversight for DHS acquisitions. Additionally, the program will initiate an implementation strategy of T&E policies and procedures across the DHS components to ensure consistent and adequate T&E planning and execution. In FY 2009, the program plans to continue to assess gaps in DHS acquisition programs' T&E approach, continue refining the oversight process for DHS T&E programs, and continue carrying out the T&E oversight function.

Also beginning in FY 2008, the program will incorporate cost effective modeling and simulation (M&S) and computational science investments that have measurable benefits, provide timely insights, and build on or leverage best practices of DHS, other Federal agencies, academia, and the commercial sector. In FY 2008, the program will begin development of a MS&A strategic

plan, including an assessment of current MS&A focus areas for homeland security applications, evaluation of MS&A shortfalls and opportunities, M&S Master Plan, and proposed investments. Development of the strategic plan includes participation of M&S/computational science SMEs from government agencies, as well as from academia and industry. In FY 2009, the program plans to implement the strategic plan and establish an M&S Advisory Council of nationally recognized experts from government, academia, and the private sector to advise and support DHS on issues regarding the application and use of M&S and computational science.

PPA: TRANSITION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 30,221</b> |
| <b>2008 Enacted</b>          |                     |            | <b>30,265</b>    |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>30,265</b>    |
| 2009 Program Change          |                     |            | 1,565            |
| <b>2009 Request</b>          |                     |            | <b>31,830</b>    |
| Total Change 2008-2009       |                     |            | 1,565            |

The Science and Technology Directorate requests \$31.830 million for this activity, of this amount \$0.796 million supports the SBIR Program. This is an increase of \$1.565 million above FY 2008, which will support the competition of a new FFRDC contract when HSI's current contract expires in FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION**

The Transition Office delivers near-term products and technology enhancements by working with the Department's components to expedite the technology transition process. The office provides personnel, processes and resources to support the transition and transfer of S&T Directorate technologies to customers. Activities focus on integrating technology development efforts across the S&T Directorate to develop the most cost effective and timely solutions and processes to meet customer requirements. The Transition Office carries out core responsibilities to ensure transition of technologies developed by the S&T divisions and related activities that complement the transition efforts through the following two thrust areas: SAFETY Act and Transition.

**SAFETY Act Thrust Area** – FY 2008: \$4,297; FY 2009 estimate: \$8,500. The Office of SAFETY Act Implementation (OSAI) evaluates and qualifies technologies for liability protection in accordance with the *SAFETY Act of 2002* and the supporting regulations of the Final Rule implemented on July 10, 2006. As part of the *Homeland Security Act of 2002* (Public Law 107-296), the SAFETY Act provides risk management and liability protections for sellers of qualified anti-terrorism technologies. The purpose of the SAFETY Act is to ensure that the threat of liability does not deter potential manufacturers or sellers of effective anti-terrorism technologies from developing, deploying and commercializing technologies that meet homeland security objectives.

There are three key areas of focus for OSAI: operations, outreach and coordination.

**Operations** – OSAI processes applications under the criteria stipulated by the provisions of the SAFETY Act in an expeditious manner. As part of this process, the OSAI evaluates the efficacy of candidate technologies, considers the insurance picture of the company and advises DHS whether to issue liability protection to the company under the SAFETY Act.

In FY 2007, the office implemented a remote evaluation process with subject matter experts (SMEs) that resulted in access to a greater number, variety, and quality of SMEs that were needed to streamline the evaluation process and concurrently reduce operating (i.e., travel) costs. This new process was more cost efficient than previous methods and allowed more effective application processing. In FY 2008, to improve service to the applicants and keep up with increasing volume, the OSAI will build an "application wizard" (*à la* TurboTax<sup>®</sup>) and will request a phone consultation with the applicants prior to the application process to lead them through the process, explain the documentation needed, provide examples, and answer questions before they fill out the application. Then, the software will automatically fill out basic information, cross-check information for errors or inconsistencies, and provide prompts for important technical and economic information that evaluators will need to properly process the application. Also in FY 2008, OSAI will have an independent assessment of the business process performance of the office to identify further efficiencies. In FY 2009, the program plans to continue evaluating and streamlining business processes so that at least 85 percent of applications are processed within 120 days and continue to grow the program by 10 percent.

***Outreach*** – OASI promotes homeland security technologies by raising public awareness of the benefits of liability protections available under the SAFETY Act and thereby expand the creation, proliferation and use of anti-terrorism technologies.

In FY 2007, OSAI continued outreach activities to encourage industry participation, particularly among small businesses. In addition to providing general information, the outreach program worked to better educate prospective applicants and encourage new applications by targeting audiences at approximately 40 conferences and major stakeholder meetings as well as implementing an aggressive communication strategy with industry groups and trade associations. In FY 2008, OSAI will continue expanding its outreach into untapped homeland security technology markets so as to encourage full industry participation. To this end, OSAI will attend approximately 24 conferences and stakeholder meetings as well as continue its aggressive communication strategy with previously unreached industry groups, trade associations and others involved in strategic areas of homeland security interest. In FY 2009, the program plans to continue its outreach efforts into priority homeland security technologies and under-represented technology areas to further industry participation.

***Coordination*** – OASI coordinates the SAFETY Act application review process across DHS and with other Federal agencies to support these partners in their missions and to minimize the burden on applicants for SAFETY Act protection. This crucial advance coordination regularly occurs wherever the SAFETY Act can play an important role in pending Federal procurements.

In 2008, OSAI will continue to align the SAFETY Act process to the Federal procurement process to (1) reduce submission of contingent contracts by offerors; (2) streamline the application process for similar or identical technologies containing the same basic scientific principles (such as different types of X-ray systems); and (3) identify, in advance of Requests for Proposals, appropriate anti-terrorism technologies that will be considered for, or entitled to, SAFETY Act protections. In FY 2009, the SAFETY Act program plans to expand coordination with other Federal agencies to assist in the creation of Federal best practices, standards and guidelines and work with public and private consortiums/associations to identify promising

technologies for prompt consideration under the SAFETY Act as well as sector-specific areas identified by the NIPP.

**Transition Thrust Area** – Provides personnel, processes and resources to support the transition and transfer of S&T Directorate technologies to customers. Activities focus on integrating technology development efforts across the S&T Directorate to develop the most cost-effective and timely solutions to meet customer requirements. This work includes coordinating technology efforts with international agencies and other government agencies and providing an appropriate venue for first-responder input to the S&T Directorate's transition process.

**International and Interagency Programs** – FY 2008: \$3,501; FY 2009 estimate: \$3,571. Leverages the capabilities of external organizations, within the United States and abroad, to address high-priority homeland security needs. The International and Interagency Divisions facilitate the S&T Directorate's cooperative RDT&E activities across Federal, State, local and tribal governments, the international community, and the private sector. These activities include:

- Guiding the S&T Directorate's coordination of Federal government and private-sector efforts to identify and develop countermeasures against current and emerging threats;
- Leading a world-wide staff of science and technology liaison officers who help execute S&T Directorate programs of national and international scope and impact; and
- Facilitating international technology awareness to avoid technological surprise and ensure the Department's technological superiority.

In FY 2007, the program leveraged external organizations in three venues: interagency agreements, international agreements and international collaborations, which include visiting scientist collaborations, conference/workshop collaborations, and science and technology international collaborations.

Interagency activities included establishing a liaison position within the State of California Office of Homeland Security and furthering outreach efforts with DHS customers and the National Guard to understand stakeholder and end-user priorities and inform the S&T Directorate's investments in homeland security-related science and technology. The program also enhanced relationships with DOD's Northern Command (NORTHCOM) were also enhanced to leverage other agencies' RDT&E efforts, The S&T Directorate also established a memorandum of agreement (MOA) with DOD concerning information sharing for homeland security and homeland defense-related science and technology. The S&T Directorate initiated an interactive relationship with the National Guard at both the individual state and Federal levels and enhanced relationships with its DHS customers. The program also recapitalized the partnership with the Interagency Technical Support Working Group (TSWG) by including TSWG in the S&T Directorate Integrated Product Team (IPT) process.

International activities included holding a Marine Asset Tag Tracking System (MATTS) workshop and conference on the MATTS test results with Japan and conducting a bi-national science and technology exercise with the Government of Sweden to identify transformational approaches to and science and technology needs for mitigating the effects of improvised explosive devices in mass transit systems. The Division established bi-national science and

technology programs under existing U.S.-Canada, U.S.-United Kingdom, and U.S.-Australia MOAs and developed new S&T Directorate MOAs with the governments of Singapore and Sweden. The S&T Directorate also established the S&T Directorate International Collaborations (STIC) program to sponsor DHS mission-oriented science and technology efforts within the international academic sector.

In FY 2008, the program will integrate the results of its FY 2007 activities into science and technology programs of record funded by the S&T Directorate as well as with interagency and international partner programs.

In addition, the program will establish coordinated R&D agendas with key Federal partners for S&T Directorate divisions: Explosives; Chemical and Biological Countermeasures; Borders and Maritime Security; Command, Control and Interoperability; Human Factors; and Infrastructure and Geophysical. These research agendas will address both urgently needed near-term solutions and longer-term strategic investments needed to ensure future game-changing homeland security capabilities. By FY 2009, the program plans to develop joint strategic R&D programs with the S&T Directorate's divisions and appropriate partner nations, as defined in the coordinated research agendas established in FY 2008.

In FY 2009 the Interagency Division plans to conduct a National Interagency (State, local, and tribal) Conference & Symposium to refine government science and technology research achievements; conduct a Baseline Federal Interagency RDT&E Conference & Workshop to validate current and future national R&D plans; establish and execute aggressive science and technology-related outreach efforts with State, local, and tribal participants; and implement an Interagency Exchange Program. The International Division plans to hold an International Conference on Science & Technology and expand its Scientist and Engineer Exchange Program with partner nations.

***Program Transition*** – FY 2008: \$7,210; FY 2009 estimate: \$4,463. Delivers near-term technology to meet customer-identified, science and technology requirements. To accomplish this, the Transition Office aligns and coordinates S&T Directorate technology transition with DHS components' requirements through the use of customer-led Capstone Integrated Product Teams (IPT). The Capstone IPTs consist of 11 functional homeland security areas: Information Sharing/Management, Cyber Security, People Screening, Border Security, Cargo Security, Chemical/Biological Defense, Maritime Security, Explosive Prevention, Infrastructure Protection and Incident Management consisting of Interoperability and Preparedness and Response.

In FY 2007, the program provided support and analysis as the customer-led IPTs developed prioritized science and technology capability gaps based on their experience and projected requirements. The Office of Transition then coordinated the development of Enabling Homeland Capabilities (EHCs) (i.e., solution sets) that close these identified capability gaps. Follow-on activities monitored EHC development for cost, schedule and capability to ensure technologies will effectively transition into acquisition and ultimately to Federal, State and local operating agencies. The IPT process is an ongoing and annually facilitated process that ensures the S&T Directorate's RDT&E activities are addressing the highest priority needs of the operational DHS components.

In FY 2008, the Office of Transition will mature the IPT process and conduct further analysis to appropriately align the S&T Directorate's advanced technology efforts to the Department's highest priority mission capability gaps. Additionally, the office will coordinate the development of product transition into component acquisition programs by working throughout the Department to establish an appropriate product development capability and process.

In FY 2009, the program plans to continue identifying appropriate support for and analyzing customer gaps through the IPT process as needs and missions change with time. Supporting activities include monitoring cost, schedule and technical maturity of products and forming detailed plans and agreements to ensure technologies effectively transition into component acquisition programs. The process will also include quarterly status updates and semi-annual program reviews. The Homeland Security Institute FFRDC authorization will expire in FY 2009 and a new FFRDC may be competed to replace HSI.

Technology transfer is another important activity carried out by the Office of Transition. The Technology Transfer Office leverages technology developed outside of DHS S&T and commercial industry to support First Responder, DHS Operational Components and Directorates technology requirements. This office coordinates with the Department of Defense and Department of Justice to support First Responders' technology needs. This office is responsible for the implementation of the DHS Research and Technology Applications effort. It also provides the personnel and processes to identify technology requirements to industry and facilitate the commercialization of technologies.

In FY 2007 and FY 2008 the program will continue to provide for the development of a robust Technology Transfer Office, including implementation of an Office of Research and Technology Applications (ORTA) that will serve as a one-stop-shop for managing patents and intellectual property identified during research efforts. The Technology Transfer Office also serves as a vehicle to promote partnerships and facilitate commercialization of the most promising technologies with industry to provide valuable homeland security technology applications to first responders and DHS component agencies.

The Technology Transfer Office will expand on the DOD Technology Transfer (1401) process for first responder technologies and better leverage developments from other agencies such as the Department of Justice, National Aeronautics and Space Administration and the Department of Energy to meet broader technology requirements.

In FY 2009, the Technology Transfer Office plans to improve incentives for the commercial sector to take on larger and more effective science and technology efforts through a targeted communications effort that addresses the business community's concerns.

*Homeland Security Resources Assessment* – In FY 2008, the S&T Directorate will initiate an independent review, as directed by Congress, to determine whether Federal resources are being adequately and efficiently used in DHS and other Federal agencies to address homeland security needs including the opportunity costs that may result from the increased prominence of homeland security.

***Homeland Security Institute (HSI)*** – FY 2008: \$5,000; FY 2009 estimate: \$5,000. HSI is a specialized studies and analysis FFRDC established by the Homeland Security Act of 2002. The Institute provides a unique source of in-depth knowledge of homeland security mission objectives, operational concepts and requirements, strategies, resources, systems and technologies. The Institute's mission is to assist the Department of Homeland Security and its operating elements in addressing important homeland security issues, particularly those requiring scientific, technical and analytical expertise. The research agenda covers the spectrum of homeland security issues and activities, including threat trends and adversarial perspectives, information sharing and communications interoperability, border and transportation security, law enforcement, infrastructure protection, preparedness, emergency response and training.

As the primary sponsor, the S&T Directorate provides core funding for this homeland security-focused FFRDC. Prior to FY 2008, the S&T Directorate funded HSI's core activities through its division budgets. In FY 2008, the S&T Directorate created a new program within the Transition Division to fund HSI.

HSI customers include all operational components of the Department—FEMA, CBP, TSA, USCG, National Operations Center, USSS, ICE, USCIS, OHA, DNDO, DHS Chief of Staff, Policy Directorate, National Preparedness and Protection Directorate (NPPD), Management Directorate, Intelligence and Analysis Directorate, and the Office of Counter-Narcotics.

Recent studies completed by HSI include: the National Response Framework, Nation Preparedness Response Guidance, Assessment of PI Readiness at Ports of Entry, Comprehensive Integrated Product Team Capability Gap Analysis, Validation of Interoperability Capability Gaps, CBP Operational Assessment, CBP Apprehensions at the Border, Biological Defense Net Assessment, Radicalization: An Overview, TSA RMAP Analysis, FAMS Risk Assessment, TSA General Aviation Risk Assessment, REAL ID Program Analysis, Independent Assessment of Cargo Security, Analysis of I&A Products and Processes, Risk Assessment Process for Informed Decision Making (RAPID), Homeland Security Mission Area Analysis, Homeland Security Strategic Planning Landscape, National Small Vessel Security, Pandemic Planning for the USCG, Detering Terrorist Attacks, National Incident Management System (NIMS) Doctrine, NIMS Five Year Training Plan, NPS 2.0: A National Planning Scenarios Maintenance and Management Process, Facilitating Collaboration on Innovation and the Future, Mass Egress Simulation and Modeling, Wide area Bio-Restoration, and many others.

In FY 2008 HSI will conduct studies and analysis for the Department and its components in support of their mission needs. In FY 2009 HSI will continue to support the DHS mission by performing studies and analysis for the Department. The authorization for HSI expires in April 2009.

***Technologies to Secure the Homeland and Advance Responder Effectiveness (Tech SHARE) Program*** – FY 2008: \$9,500; FY 2009 estimate: \$9,500. Consists of two projects: Tech Clearinghouse and Tech Solutions.

*Tech Clearinghouse Project* – Maintains a web-based central resource system of technical information to serve as a one-stop-shop for the dissemination of homeland security science and technology information to Federal, State, local and tribal agencies. The system and associated efforts encourage and support innovative solutions to enhance homeland security and also fulfill Section 313 of the *Homeland Security Act of 2002*. The goal is to provide: (1) government organizations with information to support procurement and grant guidance decisions; and (2) technology developers with requirements and operational information that can help them develop more useful tools.

In FY 2007, the S&T Directorate initiated development of a certified and accredited Version 1.0 of the Technology Clearinghouse, which is scheduled for release in FY 2008. The S&T Directorate will incorporate new functions or capabilities into the Technology Clearinghouse to meet users' requirements and make periodic system upgrades to keep information relevant. In FY 2008, the Tech Clearinghouse program will develop procurement decision support tools and advanced search mechanisms. This will include expanding content topics, developing communities-of-interest and launching professional discussion boards.

In FY 2008, the Tech Clearinghouse program will also develop a one-stop-shop portal to showcase other DHS programs that provide services to First Responders such as the Responder Knowledge Base and Tech Solutions. Within this portal, a tool will be developed that will enable the dissemination of technology information to Federal, State, local and tribal agencies.

In FY 2009, the program plans to establish a technology transfer community database, integrating content from other existing government agency databases such as the CDC) and FEMA.

*TechSolutions Project* – Rapidly addresses technology gaps identified by Federal, State, local, and tribal first responders. The goals of the program are to field prototypical solutions within 12 months; establish a cost that is commensurate with the proposal but equal to or less than one million per project; and develop a solution that meets 80 percent or more of the identified requirement. First responders are able to submit gaps to the program through the web site, [www.dhs.gov/TechSolutions](http://www.dhs.gov/TechSolutions).

In FY 2007, TechSolutions commenced the development of a web-based system capable of electronically collecting and managing capability gaps submitted by the first responder community. TechSolutions also initiated activities with the USDA to eradicate Carrizo cane, a highly invasive, non-native weed that is a major impediment to Customs and Border Protection operations on the international border between Laredo and Del Rio Texas. With no natural predators in the United States, Carrizo cane growth is unchecked, overrunning border access roads, reducing visibility, and providing dense cover for illegal activities. TechSolutions and USDA are evaluating natural predators (e.g., a wasp or a fly) of Carrizo cane from Europe for possible introduction into the United States.

In FY 2008, the program will demonstrate an enhanced 3D-locator prototype capable of locating first responders within three feet of their exact proximity; initiate prototype development activities for a stand-off patient triage device capable of acquiring vital sign readings from

individuals injured at a mass casualty scene; and evaluate a next-generation Self Contained Breathing Apparatus (SCBA) that is lighter and smaller than current systems to increase first responder effectiveness. The program will continue work on interoperable communication devices capable of working across all frequency spectrums used by the first response community to facilitate on-scene coordination for mass casualty incidents and complete prototype development activities for a fire ground compass to orient firefighters at an emergency scene, thereby reducing the possibility of the firefighter becoming lost, trapped injured or killed. The program will also integrate new capabilities into a hand-held biometric device used by the U.S. Coast Guard. Lastly, as a result of the outbreak of wildfires in southern California during the fall of 2007, the program will investigate technologies that mitigate risks posed by wildfire-prone regions under an initiative called the Secure Against Fires and Embers (SAFE). The program will also investigate technologies that can mitigate the risks associated with the after-effects of wildfires such as soil erosion and mudslides.

In FY 2009, the program plans to develop a prototype for improved fire truck seatbelt safety and initiate prototype development for a vehicle-mounted chemical and biological sensor. TechSolutions will pursue additional projects as it collects capability gaps through the website. TechSolutions will validate that capability gaps are first responder priorities by working with the Inter-Agency Board (which comprises over 1,000 leaders from fire, police, EMS throughout the United States). The gaps addressed must also meet the established criteria (i.e., 12 months or less, \$1 million or less, and meeting 80 percent or more of the identified high priority first responder requirement).

PPA: UNIVERSITY PROGRAMS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       |                     |            | <b>\$ 48,266</b> |
| <b>2008 Enacted</b>          |                     |            | <b>\$49,297</b>  |
| 2009 Adjustments-to-Base     |                     |            | 0                |
| <b>2009 Current Services</b> |                     |            | <b>49,297</b>    |
| 2009 Program Change          |                     |            | (5,527)          |
| <b>2009 Request</b>          |                     |            | <b>43,770</b>    |
| Total Change 2008-2009       |                     |            | (5,527)          |

The Science and Technology Directorate requests \$43.770 million for this activity, of this amount \$1.095 million supports the SBIR Program. This is a decrease of \$5.527 million below FY 2008. The Directorate adjusted funding in FY 2009 to support high priority customer-identified needs in other Divisions, while maintaining COE funding in University Programs.

**CURRENT SERVICES PROGRAM DESCRIPTION**

University Programs engages the academic community to conduct research and analyses to address high priority homeland security issues, and to provide education and training programs to enhance homeland security capabilities. The program brings together the best scientific talent and resources from diverse academic institutions to help solve complex and technologically challenging homeland security problems. The program also focuses on building homeland security expertise in the academic community, creating strategic partnerships among universities and public agencies, and developing a new and representative scientific workforce of homeland security experts.

This program invests in three areas:

- A coordinated university-based system of DHS Centers of Excellence (COEs);
- DHS Educational Programs (scholars and fellows); and
- Minority Serving Institutions.

**Centers of Excellence Thrust Area** – FY 2008: \$32,176; FY 2009 estimate: \$32,700. Conducts multidisciplinary research in priority DHS mission areas and is aligned to the S&T Directorate’s divisions and their customers. COEs improve understanding of the causes, elements, and consequences of a range of threats from terrorists and natural disasters. The COEs also support countermeasures and mitigation and prevention approaches based on both technologies and on human behavior. To accomplish this, the centers have assembled a powerful group of academic experts, researchers and educators in fields relevant to homeland security.

Primarily funded through research grants, the COEs are building scientific leadership and core competencies in multi-disciplinary areas of importance to homeland security. The S&T Directorate awards COE grants to these centers on a competitive basis according to their ability to address DHS needs. Through FY 2007, established COEs addressed:

- Risk and economic analysis of terrorism;
- Food system protection and defense;
- Foreign animal and zoonotic disease defense;
- Social origins of and behavioral responses to terrorism;
- Preparedness and response to catastrophic events;
- Advanced microbial risk assessment;
- Discrete mathematics; and
- Visualization analytics.

In FY 2009, the program will establish additional COEs addressing the following areas:

- Explosives Detection, Mitigation and Response;
- Border Security and Immigration;
- Maritime, Island and Extreme/Remote Environment Security;
- Natural Disasters, Coastal Infrastructure and Emergency Management;
- Transportation Security, and
- Command, Control and Interoperability, which will replace the existing discrete mathematics and visualization analytics centers.

The COEs work with and complement other DHS research and development programs including Federal laboratories' homeland security research. The COEs take advantage of other related Federally-sponsored research, and provide outcomes useful to Federal, State and local government, private sector and international partners. Selection for awarding the COEs is highly competitive, peer-reviewed, and merit-based.

All COEs will be closely aligned to S&T Directorate's divisions.

The existing centers include:

- Center of Excellence for Risk and Economic Analysis of Terrorism Events (CREATE), based at the University of Southern California ([www.usc.edu/create](http://www.usc.edu/create))
- Center of Excellence for Food Protection and Defense (NCFPD), based at the University of Minnesota ([www.ncfpd.umn.edu](http://www.ncfpd.umn.edu))
- Center of Excellence for National Center for Foreign Animal and Zoonotic Disease Defense (FAZD), based at Texas A&M University ([www.fazd.tamu.edu](http://www.fazd.tamu.edu))
- Center of Excellence for National Consortium for the Study of Terrorism and Responses to Terrorism (START), based at the University of Maryland ([www.start.umd.edu](http://www.start.umd.edu))
- Center of Excellence for the Study of Preparedness and Catastrophic Event Response (PACER), based at Johns Hopkins University ([www.pacercenter.org](http://www.pacercenter.org))
- Center for Advancing Microbial Risk Assessment (CAMRA), based at Michigan State University, established jointly with the U.S. Environmental Protection Agency ([www.camra.msu.edu](http://www.camra.msu.edu))
- Discrete Science Centers (DSCs) led by Rutgers University in collaboration with Lawrence Livermore National Laboratory ([www.dydan.rutgers.edu](http://www.dydan.rutgers.edu))

Activities conducted through each of these centers are outlined below:

**CREATE** – This center’s research and development program cuts across all six S&T Directorate divisions’ missions, and coordinates activities with the S&T Directorate’s Operations Analysis office and the Homeland Security Institute (HSI). CREATE evaluates the risks, costs and consequences of terrorism, and helps guide economically viable investments in countermeasures that will make our Nation safer and more secure. Research in these areas can contribute significantly to the Department’s ability to identify and select options for enhancing national security and minimizing human and economic casualties in the face of a range of hazards.

In FY 2005 to FY 2007, CREATE:

- Developed a set of emergency response models for predicting fire spread, allocating medical supplies for disasters, and the consequence of floods and other catastrophic events;
- Developed a first-of-its-kind independent risk assessment tool that permits analysts to study the potential risk and consequences – including the economic impact – of a Man-Portable Air Defense Systems (MANPADS) attack; and
- Worked with the Office of Infrastructure Protection and the California Office of Homeland Security to develop risk-based approaches for allocating funds to protect critical infrastructures in California.
- Provided extensive support to the Chemical and Biological Division in development of the CBRNE risk assessment.
- Developed an innovative operations research model to randomize security patrols at ports, in use by several ports.

In FY 2008 to FY 2009 CREATE plans to:

- Develop and test new dynamic and adaptive risk-assessment tools to improve our ability to predict and prevent terrorist attacks;
- Develop advanced economic models with special emphasis on the effects of household, business, and market resilience to terrorism events;
- Improve the understanding of individual risk perceptions and risk management strategies for terrorism events (e.g., fear of flying) and develop strategies to improve resilience; and
- Integrate risk and economic models into an overall risk management model that provides support for specific countermeasure decisions, as well as major policy and resource allocation decisions in homeland security.

**NCFPD** –This center is aligned with the Chemical and Biological Division. Its mission is to defend the safety of the post-harvest food system by establishing best practices, developing new tools and attracting new researchers to manage and respond to food contamination events. NCFPD works in system-wide food security, including:

- Supply chain management;
- Food processing protection;
- Detection and diagnostics;
- Public health;

- Disposal and decontamination; and
- Economic impact assessment and risk communication.

This work helps the Department mitigate and counter threats to U.S. agriculture and food.

In FY 2005 to FY 2007, NCFPD:

- Partnered with Food and Drug Administration (FDA) to develop a food industry Consequence Management System (CMS), an advanced integrative tool that provides a visual model for predicting, tracking and assessing the economic and health consequences of a food system attack. This enables the National Protection and Programs Directorate to respond to a live event by accurately predicting the course of an outbreak within hours – from initial contamination to public health intervention.
- Initiated and led a multi-agency-food event response network (FoodShield) to communicate detected cases of food poisoning in real time to affected State health departments;
- Initiated and led an evaluation of the vulnerability of U.S. food supplies to imported foods and ingredients that have been accidentally or intentionally contaminated by chemical or biological agents; and
- Initiated, with the FAZD Center, a Chemical and Biological Division funded effort to model food transportation networks.

In FY 2007-2009, NCFPD plans to:

- Develop dynamic, real-world food-event models that can rapidly identify sources of contamination, food distribution and likely outbreak locations and model interventions and responses using actual food distribution data, consumer consumption data, epidemiological data and novel communication systems;
- Develop novel detection and decontamination technologies through research on the fundamental behavior of select agent/food complex;
- Establish innovative prevention, response & recovery strategies to minimize the probability and health/economic consequences of food-system attacks; and
- Fully assess the vulnerability of the U.S. food system to imported food products.
- Develop a comprehensive information system for biological threats and countermeasures

**FAZD** – This center is aligned with the S&T Directorate’s Chemical and Biological Division. FAZD’s mission is to protect against the introduction of high-consequence foreign animal and zoonotic diseases in the United States, with an emphasis on prevention, surveillance, intervention and recovery. These diseases could have staggering economic impacts and threaten human health. FAZD is developing a scientific basis for detecting and preventing exotic and zoonotic diseases, which is informing the Department’s development of countermeasures and effective control strategies.

In FY 2006 to FY 2007, FAZD:

- Developed rapid detection technologies for intentional zoonotic diseases, including Avian Influenza; and

- Developed vaccines and screening tools for models to predict the spread of Foot and Mouth Disease.
- Initiated, with the NCFPD a Chemical and Biological Division funded effort to model food transportation networks, and

In FY 2008 to FY 2009, FAZD plans to:

- Develop rapid and accurate methods for detecting and diagnosing biological agents that could threaten U.S. livestock and poultry, such as Rift Valley Fever (RVF), Avian Influenza (AI), and Foot and Mouth Disease;
- Develop vaccines, antiviral agents and means to increase resistance against threat diseases: FMD, RVF, Brucellosis and AI; and
- Develop effective decision support systems to assess the biological, economic and environmental consequences of all feasible options to prevent/curtail disease.

**START** – This center is aligned with the S&T Directorate’s Human Factors Division. START provides strategies for intervention of terrorists and terrorist groups, while strengthening the resilience of U.S. citizens to terrorist attacks. The START consortium uses advanced behavioral and social-science theories, methods and data to better understand the origins, dynamics, and impacts of terrorism. Applying this knowledge will provide guidance on how to disrupt terrorist networks, reduce the incidence of terrorism, and enhance the resilience of American society in the face of terrorist threats and natural disasters.

Program activities include providing the world’s largest open-source database of terrorist incidents – a Global Terrorism Database (GTD) – that enhances our understanding about the occurrences and impacts of terrorism. The GTD will be linked to a number of databases that will include data on terrorism using weapons of mass destruction, volatility around the world, and illegal acts committed by extremists in the United States. In FY 2006 and FY 2007, START developed the GTD, extending it to cover incidents from 1997 to the present, and participating in DHS radicalization initiatives, studying the motivation and intent of terrorism, and conducting surveys on community and citizens’ responses to terrorism attacks.

In FY 2007 and FY 2008, START will:

- Create, collect and organize the data needed by DHS to understand factors that influence the likelihood of terrorist attacks (or why terrorism occurs) and when and how groups decide to attack United States’ interests;
- Identify domestic and international sources of public support for terrorism; and
- Provide guidance on enhancing societal resilience to terrorist events at the individual, community, and national levels.

In FY 2009, START plans to:

- Use the GTD to explore factors that influence whether groups become engaged in terrorism, and deliver a report on why and how U.S. interests are targeted by terrorist groups;
- Analyze survey data to identify the factors that can encourage or deter individuals from supporting or working with terrorist groups; and
- Pilot, revise and refine a Community Assessment of Resilience Tool, conducting focus groups and interviews among diverse audiences regarding the impact of public communications about terrorist threats.

**PACER** – This center is aligned with the S&T Directorate’s Infrastructure and Geophysical Division. PACER focuses on optimizing our Nation’s preparedness in the event of a high-consequence natural or man-made disaster, and develops guidelines to best alleviate the effects of such an event. In the wake of the devastation inflicted by Hurricane Katrina, this center assumes even greater relevance and immediacy. The center is in the planning phase of investigating issues relevant to the theory and practice of emergency preparedness and response to terrorism incidents and natural disasters, including critical decision-making, regional integration of communication and response capabilities, surge capacity, informal and formal response networks, health systems integration, deterrence and prevention, infrastructure integrity, and sensor networks. DHS customers and end-users include OHA and the Preparedness Directorate, hospitals, health departments, and emergency responders.

PACER analyzes critical decision-making; studies formal and informal response networks; and investigates infrastructure integrity, health-system integration and surge capacity. In addition, PACER will engage in joint projects with other DHS University Centers.

In FY 2007 through FY 2009, PACER plans to:

- Develop metrics to measure surge capacity for preparedness relevant to planning and resource allocation;
- Determine the best means for formal networks (e.g., first responders) to harness the response and surge capacity of informal networks (e.g., volunteer groups);
- Identify and model decision-making approaches and decision support technologies that would improve catastrophic event response; and
- Focus on technologies and approaches to improve risk communications to the public and first responders.

**CAMRA** – This center is aligned with the S&T Directorate’s Chemical and Biological Division. The S&T Directorate established CAMRA jointly with the U.S. Environmental Protection Agency to fill critical gaps in the area of microbial risk assessments – answering the question, “How clean is safe?” Following the experience of the anthrax contamination events, the Federal government recognized the need to develop safe standards for cleanup of biological agents of concern (BACs). The CAMRA researchers are developing a scientific basis for such standards for BACs in different media – air, water, and on surfaces with which humans come in contact.

In FY 2007, CAMRA:

- Conducted studies on Exposure, Detection, Fate and Transportation of BACs;
- Developed infectious disease models for assessing microbial risk and developing Control Strategies, including a rapid-response risk assessment of tuberculosis exposure on aircraft for the DHS Office of Health Affairs;
- Conducted a comprehensive dose response assessment; and
- Developed risk communications and analysis, and information sharing platforms.

In FY 2007 to FY 2009, CAMRA plans to:

- Identify parameters that affect fate and transport of BACs, and develop new experimental protocol for the assessment of fate and transportation of BACs in aerosols and water distribution systems using BAC surrogates;
- Complete a single-object infectious-disease model with advice on sampling strategies, develop a single-venue intervention scenario using a single-venue model, develop multiple-venue intervention scenarios using the multiple-venue model, and complete the influenza model at the college campus level, and then use it to help redesign an intervention study;
- Develop dose-response information for exposure to Variola (smallpox), dose-response information for exposure to hemorrhagic viruses (e.g., Lassa, Marburg, Ebola) and novel dose-response models incorporating time to infection and physiological parameters and review of outbreak studies for validation data sets; and
- Develop new approaches to communicate risks.

***Discrete Sciences Centers (DSCs)*** – This group of centers is aligned with the S&T Directorate’s Command, Control and Interoperability Division. Awarded in August 2006, DSCs represent a collaborative effort with Rutgers University, the University of Southern California, the University of Illinois at Urbana-Champaign, and the University of Pittsburg and the national laboratories, including Lawrence Livermore National Laboratory. The DSCs will conduct coordinated research on advanced methods for information analysis and the development of computational technologies to protect the Nation.

In FY 2008, DSCs will:

- Conduct coordinated research on advanced methods for information analysis and the development of computational technologies to protect the Nation; and
- Investigate ways to use and present that data that are meaningful to analysts and decision makers.

In FY 2009 the activities of the DSCs will be transitioned to a new Command, Control, and Interoperability COE.

**Plans for New Centers are as follows:**

***Center of Excellence for Explosives Detection, Mitigation, and Response*** – The S&T Directorate awarded this COE in the fall of 2007. This COE will conduct research to enhance the Nation’s capabilities to prepare for, prevent, mitigate, respond to, and recover from terrorist

attacks involving explosives. The COE will also develop relevant educational curricula for undergraduates, graduate students and career professionals. The COE will collaborate with the S&T Directorate's Explosives Division, which manages a full-spectrum R&D program from fundamental research to applied technologies. This COE will provide basic research to advance the technical tools and information that S&T Directorate's customers will need in the future. DHS customers and end-users will include the Department's Preparedness Directorate, Chief Medical Officer (CMO), OIP, Policy Directorate, TSA, ICE, and State Homeland Security Agencies.

This COE will conduct basic and transformational research in explosive-related areas such as:

- The properties (e.g., chemical, physical, and material) and formulation of explosive materials (including precursors and homemade compounds), as well as materials and/or technologies to mitigate explosives effects (e.g., blast-resistant materials);
- Detection of explosives and explosive devices, including methods to screen people and containers and other potential conveyances of explosive materials;
- Unconventional approaches (e.g., alternative signatures) to identify indications of threats from explosives or bombers, to include algorithm development for improved detection and/or imaging capabilities and relevant human factors issues; and
- Other effective and efficient counter-measures, particularly ones that can be used or deployed in densely populated urban settings and transportation venues.

In FY 2008 through FY 2009, the COE plans to:

- Establish a network of premier academic research universities as partners, identify niche roles for each, and establish a portfolio of multidisciplinary research projects, subject to periodic review and revision;
- Develop the platform, characterization plan, and method for assessing scientific properties of a variety of home-made explosives and precursor compounds; and
- Conduct workshops, to help guide future research directions, on novel countermeasure concepts, human factors issues, and improved imaging algorithms.

***Center of Excellence for Border Security and Immigration*** – This COE will be awarded in early FY 2008. The center will be aligned with the S&T Directorate's Borders and Maritime Security Division. The center will provide fundamental research in support of DHS's goals of strengthening border security, interior immigration enforcement, and streamlining the immigration process. DHS, and its component agencies most protect and control our borders against terrorist threats, criminal endeavors, illegal immigration and contraband, while facilitating legal travelers and trade into the United States. DHS customers and end-users include ICE, U.S. Citizenship and Immigration Services, U.S. Coast Guard, and State and local agencies. The center will conduct scientific and engineering investigations that offer the prospect of high-payoff breakthroughs in detecting people and goods, be it legal or illegally, moving across our borders as part of a fully-integrated system-of-systems approach. The S&T Directorate expects this center to facilitate breakthroughs in the fundamental science needed to improve wide-area surveillance, screening and situational awareness along U.S. borders, particularly the northern forested and southwest desert borders.

In FY 2008 through FY 2009, the COE plans to:

- Establish a network of premier academic research universities as partners and establish a portfolio of interdisciplinary research projects;
- Develop a framework to inform DHS policymakers with empirical immigration research to increase the efficiency of immigration enforcement; and
- Based on insights from research successes, develop corresponding educational curriculum materials in topical areas of greatest promise for long-term research and enduring need.

***Center of Excellence for Maritime Island & Extreme/Remote Environmental Security*** – The S&T Directorate awarded this COE in early FY 2008. It will be aligned with the Border and Maritime Security Division. This COE will provide fundamental research to support DHS's and other agencies' maritime security goals, including improved interdiction capabilities, enhanced capacity to respond to catastrophic events, particularly for U.S. islands and extreme environments, and a more secure and efficient marine transportation system. DHS customers and end-users will include the NPP, CMO, DHS OIP, FEMA, USCG, and State Homeland Security Agencies. The center will conduct integrated policy, legal, scientific and engineering studies in detection, monitoring and control of people and goods moving through the U.S. maritime domain. It will also improve our ability to plan for and respond to natural and terrorist threats in the maritime realm. Finally, it will support long-term mitigation and recovery strategies for catastrophic events, particularly those that impact U.S. islands, territories and remote areas, as part of an integrated systems approach. DHS expects this new COE to develop meaningful courses of study for students both at the graduate and undergraduate levels, and for career professionals involved with these issues.

In FY 2008 through FY 2009, the COE plans to:

- Establish a network of premier academic research universities as partners; and
- Develop the platform and methods for technical assessments of maritime island and extreme/remote environment security issues.

***Center of Excellence for Natural Disasters, Coastal Infrastructure and Emergency Management*** – The S&T Directorate will award this COE in early FY 2008. This center will conduct research leading to profound and far-reaching improvements in the Nation's preparedness and ability to respond to, and recover from catastrophic natural events in coastal areas. DHS anticipates that this COE's discoveries will ultimately save American lives, property and economic activities, both regionally and nationally. This COE will conduct basic and transformational research in areas related to coastal region issues, including:

- Natural hazards of the coastal region (e.g., flooding from hurricanes or storm surges);
- Innovative, comprehensive, regional flood-water management, to include technical approaches/options for preventing, mitigating, or recovering from flooding incidents, and better understanding of land-water interactions;

- Approaches to securing public-sector coastal infrastructure and meeting other public-sector needs in crisis incidents; and
- Coastal region planning, governance, resilience, and unified comprehensive risk-based decision support tools, particularly for natural disasters warranting emergency measures.

In FY 2008 through FY 2009, the COE plans to:

- Establish a network of premier academic research universities as partners and identify niche roles for each;
- Develop the platform and methods for technical assessments of land-water interactions and coastal natural hazards; and
- Identify land use options and opportunities for integrated emergency response activities in coastal regional planning, in ways include of private- and public-sector institutions and that foster consensus-building.

***Center of Excellence for Transportation Security*** – This COE will be cut across all six S&T Divisions, but be responsive to the needs of TSA and its federal partners. This COE will need to develop a significant collaboration with the Transportation Security Laboratory. It will address the technology and research needs associated with securing the Nation’s infrastructure and protecting the people who use it. It will be an interdisciplinary COE involving seven institutions identified by Congress in FY 2007’s HR-1.

In FY 2008 through FY 2009, the COE will:

- Develop a detailed and thoroughly reviewed work plan;
- Initiate research projects in accordance with the completed work plan; and
- Develop extensive homeland security science, technology, engineering and mathematics (HS-STEM) curricula and research programs to train students in advanced science and technology related to transportation security.

***Center of Excellence for Command, Control and Interoperability*** – This COE will be aligned with the Command, Control and Interoperability Division (CID). It will address the problem of synthesizing information and deriving insight from massive, dynamic, ambiguous and possibly conflicting data sets. The goal of examining data is not merely to acquire information, but rather to be able to obtain understanding and inform decision-making. Driven by this problem, two new, interdisciplinary fields have emerged: one called *visual analytics* and a second known as *discrete sciences*. This new COE will focus its basic research in both of these areas.

This new center will merge activities of the Discrete Sciences Centers and the DHS Regional Visualization and Analytics Centers (RVAC). The RVACs research visually based mathematical methods and computational algorithms for handling diverse data and applying the resulting knowledge to anticipate terrorist incidents or catastrophic events. The five current RVACs include Stanford University, the University of Washington, Purdue University, Pennsylvania State University, the University of North Carolina at Charlotte, and the Georgia Institute of Technology. The RVACs are currently coordinating a number of projects with other COEs.

In FY 2008 the COE will:

- Work with the Port Authority of New York and New Jersey to improve analysis of its data on crimes and search for evidence of terrorist activity at the ports; and
- Provide a set of advanced analytical capabilities for use with the Global Terrorism Database produced and hosted by the START center.

In FY 2009, the COE plans to:

- Develop extensive homeland security science, technology, engineering and mathematics (HS-STEM) curricula and research programs to train students in advanced command, control and interoperability related research and analytical methods; and
- Develop strategy for integration of command, control and interoperability research and analysis with empirical data from other COEs and from DHS Components.

***Multi-Center Priority Program (formerly the Cooperative Agreement Initiative Program)*** – FY 2008: \$1,494; FY 2009 estimate: \$0. This program supports a strategic effort to link individual DHS University Centers with other COEs, national laboratories, and DHS programs into an organized university-based system that serves the most pressing and complex research needs of DHS. Program activities focus on strengthening communications and coordination of research among the DHS COEs, national laboratories and DHS components.

In FY 2007, DHS extended the reach of this collaboration by initiating a series of innovative workshops that bring university and laboratory researchers together with end users for three days to address complex multi-disciplinary research issues. In 2008, University Programs will hold two to three more workshops and follow up with competitions based on topical suggestions from all DHS organizational components, which will result in research projects in partnerships with any of the DHS COEs or other academic institutions and national laboratories. University Programs funded pilot studies, to evaluate industry sector vulnerability assessment tools, investigate measures of economic resilience, and conduct a multi-center study of catastrophic risk perception in the United States.

In FY 2008, the program will invest in cooperative research projects, like a project to improve risk communication and understanding of public emotional and behavioral response to catastrophic events. The results will help to shape DHS risk communication messages and responses to events.

In FY 2009, the program plans to:

- Develop a technology transition plan to accelerate the application of DHS University Centers' research results to operational use;
- Initiate additional cross-center and cross-agency research projects in advanced economic analysis, vulnerability assessment, risk communications, and terrorism modeling and prediction;

- Evaluate DHS University Programs and individual centers to determine effective future directions and further develop management systems to improve delivery of results to homeland security partners;
- Codify the process for selecting research areas of high priority to DHS; and
- Hold workshops on critical areas of research such as terrorism prediction, behavioral response to catastrophes/risk perception/risk communication, consequence impact modeling, economic resilience to disasters, and compilation of terrorism economic models.

**Educational Programs (formerly Fellowships) Thrust Area** – FY 2008: \$10,107; FY 2009 estimate: \$6,475. Invests in high-performing science and engineering students or professionals in the United States to develop the next generation of homeland security science and technology leaders. Students, scholars and faculty are drawn from postsecondary, graduate and professional levels of science and engineering disciplines that directly support the S&T Directorate’s divisions and the Department’s mission. Activities in this thrust area include Scholarships and Fellowships, National Research Council (NRC) Postdoctoral Associateship, the American Association for the Advancement of Science (AAAS) Fellows, and Visiting Scholars.

*Scholarships and Fellowships* – Provides scholarships for undergraduate and fellowships for graduate students pursuing degrees in fields relevant to homeland security. The purpose of the program is to provide educational support and relevant experiential learning opportunities to diverse and highly talented individuals in order to enhance the scientific leadership in areas important to DHS. This program focuses on building a high-quality and diverse talent pool of public-service-oriented scientists and engineers who will be committed to the Department’s mission and working on homeland security problems and challenges at all levels. The program competitively selects science, mathematics and engineering undergraduate and graduate students and scholars from six major disciplines and over 40 fields-of-study to participate. Program activities aim to increase participants’ understanding and commitment to the homeland security mission. Participants gain exposure to homeland security science and technology through their research experiences and a student and alumni web-based network. Specifically, student and scholar researchers perform work at more than 28 DHS-affiliated venues including DHS and national laboratories and DHS components such as the U.S. Coast Guard and the Office of Intelligence and Analysis (I&A).

In FY 2008 the project will initiate programs in one or two science and engineering disciplines and establish partnerships with several of the most mature COEs.

In addition, this thrust area includes an agreement with Naval Post Graduate School to establish a PhD program in homeland security science and technology disciplines. This program will build on the existing research strengths of NPS and its existing partnerships, as well as newly developed collaboration with the DHS COEs. The new program will provide opportunities for DHS and other Federal employees to pursue doctoral studies with a commitment to return their sponsoring Federal agency work in their chosen HS-STEM areas, and to take advantage of courses, certificates and research projects developed at the DHS COEs.

In FY 2009, the program plans to expand the number of well trained scientists and technologists dedicated to the Homeland Security science and technology research, development, demonstration, testing and evaluation mission through qualified curriculum development.

**Minority Serving Institutions (MSIs) Thrust Area** – FY 2008: \$4,288; FY 2009 estimate: \$3,500. Improves the capabilities of MSIs to conduct research in areas critical to homeland security and to develop a new generation of scientists capable of advancing homeland security goals. Competitive incentives will be used to integrate the MSI program with the COEs.

In FY 2008, University Programs will continue developing far-reaching and multi-faceted MSI programs that will incorporate MSIs into the COEs and develop homeland security research and training capabilities at the MSIs. In FY 2009, the program plans to expand the contribution of MSIs to the Homeland Security science and technology research, development, demonstration, testing and evaluation mission. The program plans also expand the professional opportunities for MSI graduates in the homeland security science, technology, engineering and mathematics (HS-STEM) workforce at DHS, State and local agencies, national laboratories and COEs by increasing the number of MSI students in HS-STEM fields. Finally, the program plans to develop internship and career opportunities at a variety of venues.

In FY 2009 the program plans to:

- Conduct a Summer Research Team Program for MSI that provides a 10-to-12 week summer research experience for teams, consisting of a faculty member and up to two students, to perform research at a DHS University Center that align with the DHS mission;
- Sponsor a Summer Workshop on Teaching Terrorism for faculty and graduate students at MSIs. The workshop will: (1) offer an intensive short-course on the fundamentals of terrorism; (2) introduce academics to new and innovative techniques used to teach terrorism; and (3) provide access to high-level officials working in the intelligence and counter-terrorism fields. It will also feature expert specialists from the COEs and integrate curriculum content from the COEs including material on the social-behavioral causes and consequences of terrorism, terrorism risk analysis, food security, zoonotic disease defense, and catastrophic event preparedness and response;
- Establish homeland security scientific leadership programs in areas critical to homeland security at MSIs. These programs provide MSIs with funds to support early career faculty to establish or expand education, research and training activities in HS-STEM areas. The program also provides scholarships for students of MSIs that will enable them to develop the necessary skills to become professionals in homeland security related fields; and
- Increase the profile and presence of MSIs in the network of COEs.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisitions, and Operations  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Change 1:** Border and Maritime Security

Strategic Goal(s) & Objective(s): CONTINUE TO PROTECT OUR NATION FROM DANGEROUS PEOPLE- Objective 1.1 Achieve Effective Control of Our Borders

PPA: Borders and Maritime Security

Program Change: Positions        FTE        Dollars \$9,821

Funding Profile

|                        | FY 2007 EOY. Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|---------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                 | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                     |     |                 |                 |     |                 |                 |     | \$25,479        |
| Program Change         |                     |     |                 |                 |     |                 |                 |     | 9,821           |
| <b>Total Request</b>   |                     |     | <b>\$48,531</b> |                 |     | <b>\$25,479</b> |                 |     | <b>\$35,300</b> |

Description of Item

The FY 2009 program increase allows the division to develop additional technologies for specific high priority customer-identified needs identified during the S&T Directorate’s Capstone IPT process – specifically it will fund efforts in Maritime Security and Border Officer Tools and Safety.

Justification

The increase will allow for the development of technologies for advanced detection, identification, apprehension and enforcement capabilities along the maritime borders that support a framework that includes Coast Guard partners for rapid, coordinated responses to anomalies and threats. A science and technology investment in these areas will provide significant risk mitigation and be completely complimentary to proposed major acquisition efforts such as the Coast Guard’s Command 21 program. This increase will also provide tools and technologies to border security and law enforcement officers allowing for efficient, effective and safe vehicle and vessel inspections. These tools will improve Coast Guard boarding teams’ and Border Agents’ effectiveness and enhance officer/agent safety while searching vessels/vehicles.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Borders and Maritime Security Division will continue to provide technologies and tools to the Department to meet customer requirements. The increases to maritime security and border officer tools and safety will allow the Division to meet the Secretary's goal to CONTINUE TO PROTECT OUR NATION FROM DANGEROUS PEOPLE.

**Program Change 2:** Chemical and Biological

Strategic Goal(s) & Objective(s): CONTINUE TO PROTECT OUR NATION FROM DANGEROUS GOODS - Objective 2.2 Biological

PPA: Chemical and Biological

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars (\$7,612)

Funding Profile

|                        | FY 2007 EOY Actual |     |                  | FY 2008 Enacted |     |                  | FY 2009 Request |     |                  |
|------------------------|--------------------|-----|------------------|-----------------|-----|------------------|-----------------|-----|------------------|
|                        | Pos                | FTE | Dollars (\$000)  | Pos             | FTE | Dollars (\$000)  | Pos             | FTE | Dollars (\$000)  |
| Current Services Level |                    |     |                  |                 |     |                  |                 |     | \$208,020        |
| Program Change         |                    |     |                  |                 |     |                  |                 |     | (7,612)          |
| <b>Total Request</b>   |                    |     | <b>\$348,348</b> |                 |     | <b>\$208,020</b> |                 |     | <b>\$200,408</b> |

Description of Item

This reduction is primarily a result of several projects coming to an end in the Surveillance and Detection R&D Program within the Biological Thrust Area and in the Detection Program within the Chemical Thrust Area. The decrease is also a result of decisions from the Technology Oversight Group (TOG), chaired by the Deputy Secretary.

Justification

The FY 2009 program decrease is in large part due to the BioWatch Gen 3 Detection Systems and Detect-to-Protect Triggers and Confirmers projects within the Surveillance and Detection R&D Program of the Biological Thrust area coming to an end in FY 2009. Also, the Autonomous Rapid Facility Chemical Agent Monitor (ARFCAM) and Low Vapor Pressure Chemicals Detection System (LVPCDS) projects in the Detection program of the Chemical Thrust area are ramping down to end in FY 2010. The decisions from the TOG eliminated the start up of the next generation of advanced detection systems to detect future threats, e.g., engineered agents.

Impact on Performance (Relationship of Increase to Strategic Goals)

The decrease is a result of both projects coming to an end and decisions from the Technology Oversight Group (TOG), chaired by the Deputy Secretary and does not impact the performance of achieving the Secretary's goal to CONTINUE TO PROTECT OUR NATION FROM DANGEROUS GOODS.

**Program Change 3:** Command, Control and Interoperability

Strategic Goal(s) & Objective(s): BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.1 Response and Recovery

PPA: Command, Control and Interoperability

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars \$ 5,410

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$56,980        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | 5,410           |
| <b>Total Request</b>   |                    |     | <b>\$74,672</b> |                 |     | <b>\$56,980</b> |                 |     | <b>\$62,390</b> |

Description of Item

The FY 2009 program increase allows the Division to develop additional technologies for specific high priority customer-identified needs identified during the S&T Directorate’s Capstone IPT process – specifically it will fund efforts in Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS).

Justification

The increase in Cyber Security R&D will allow the division to address SCADA and PCS security by increasing the protection and improving the resiliency of the electric distribution grid. It will proactively manage threats by identifying and responding to vulnerabilities and threats before they are maliciously exploited to significantly impact critical infrastructure. It will also provide autonomy of operation that can quickly respond to natural disasters and security events and address new vulnerabilities.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Command, Control and Interoperability Division will continue to provide technologies and tools to the Department to meet customer requirements. The increases to Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS) will increase Cyber Security and allow the Division to meet the Secretary’s goal to BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.

**Program Change 4:** Explosives

Strategic Goal(s) & Objective(s): PROTECT CRITICAL INFRASTRUCTURE – Objective 3.1 Fixed Critical Infrastructure and Key Assets

PPA: Explosives

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars \$18,495

Funding Profile

|                        | FY 2007 EOY Actual |     |                  | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|------------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000)  | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                  |                 |     |                 |                 |     | \$77,654        |
| Program Change         |                    |     |                  |                 |     |                 |                 |     | 18,495          |
| <b>Total Request</b>   |                    |     | <b>\$121,584</b> |                 |     | <b>\$77,654</b> |                 |     | <b>\$96,149</b> |

Description of Item

The increase in FY 2009 supports Counter-IED Research, which includes Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) Program, the Render Safe Program, and the Detection and Neutralization Tools Program. The increase in funding in the Counter-IED Research will allow the Explosives division to improve large threat mass detection in such areas as the transit environment, special events and other large areas.

Justification

The implementation of HSPD-19 requires new technology solutions to address critical capability gaps in the areas of deterring, predicting, detecting, defeating, and mitigating the use of IEDs in the United States. The Office for Bombing Prevention (OBP) is currently assessing the nation's ability to address this threat and is developing a prioritized set of technology gaps. The S&T Directorate is working with OBP to develop technologies for the following kill chain:

- **Deter:** Intent-Based Deterrence; Motivation-Based Deterrence; Deterrence-based Indication & Warning
- **Predict:** IED Target Projections; IED Staging Area Projections; Anomalous Behavior Prediction; Suicide Bombing Prediction; Deceptive Behavior Screening; Multi-Modal Behavioral & Biometric Screening
- **Detect:** Suicide Bomb Detection; Technology Demonstration & System Integration; VBIED Detection; Canine R&D; Tagging R&D; Standards
- **Defeat:** Electronic Countermeasures; Robotics; Render Safe & Diagnostics; Directed Energy; Post Blast Forensics; Forensic Marking; Bomb Components; Outreach
- **Mitigate:** Blast Mitigation; Body Armor; Inerting

Impact on Performance (Relationship of Increase to Strategic Goals)

The Explosives Division will continue to provide technologies and tools to the Department to meet customer requirements. The increases to Counter-IED Research will allow the Division to meet the Secretary's goal to PROTECT CRITICAL INFRASTRUCTURE.

**Program Change 5:** Human Factors

Strategic Goal(s) & Objective(s): CONTINUE TO PROTECT OUR NATION FROM DANGEROUS PEOPLE- Objective 1.3 Strengthen Screening of Travelers and Workers

PPA: Human Factors

Program Change: Positions \_\_\_\_\_ FTE \_\_\_\_\_ Dollars (\$1,746)

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$14,206        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | (1,746)         |
| <b>Total Request</b>   |                    |     | <b>\$6,501</b>  |                 |     | <b>\$14,206</b> |                 |     | <b>\$12,460</b> |

Description of Item

The decrease in FY 2009 reflects that the Human Factors Division is not requesting additional funds for the Institute for Homeland Security Solutions (IHSS), funded through the Research Triangle Institute. However, the Human Factors Division is increasing its efforts in Suspicious Behavior Detection and Personal Identification Systems.

Justification

In FY 2008, the Human Factors Division received funds for the IHSS to conduct applied technological and social science research. In FY 2009, the Human Factors Division is not requesting any funds for IHSS. The Division still intends to support efforts that address high-priority capability gaps identified by customers through the Capstone Integrated Product Team (IPT) for People Screening and the Technology Oversight Group (TOG), chaired by the Deputy Secretary. Two other Capstone IPTs, Border Security and Explosives Prevention, also identified Suspicious Behavior Detection as critical to meeting their respective high-priority capability gaps.

Impact on Performance (Relationship of Decrease to Strategic Goals)

The Human Factors Division will continue development efforts to provide an automated capability to augment screening of unknown threats prior to their entering the United States and increase throughput of travelers across the U.S. border through reduced false alarms. Suspicious Behavior Detection will also account for significant increases in intent detection skills of passenger screeners at air, land, and sea portals. The decrease will permit continued research, but slow progress in Group Violent Intent Modeling, Radicalization Deterrence, and Open

Source Modeling Applicability designed to support the Secretary 's goal to CONTINUE TO PROTECT OUR NATION FROM DANGEROUS PEOPLE.

**Program Change 6:** Infrastructure and Geophysical

Strategic Goal(s) & Objective(s): PROTECT CRITICAL INFRASTRUCTURE – Objective 3.1 Fixed Critical Infrastructure and Key Assets

PPA: Infrastructure and Geophysical

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars (\$26,684)

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$64,500        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | (\$26,684)      |
| <b>Total Request</b>   |                    |     | <b>\$91,807</b> |                 |     | <b>\$64,500</b> |                 |     | <b>\$37,816</b> |

Description of Item

The overall decrease in FY 2009 is due to efforts not funded such as Regional Technology Integration (RTI), Southeast Regional Research Initiative, and the Community Based CIP Institute. However, there are changes within base that will also fund several new program areas specifically identified by the customer, with efforts focused on high priority technology gaps in the areas of Infrastructure Protection and Emergency Incident Management.

Justification

In order to adequately fund programs that will address specific high priority capability gaps identified in the customer-led Infrastructure Protection and Incident Management Capstone IPTs, the S&T Directorate must increase Infrastructure and Geophysical Division program funding in FY 2009, excluding RTI, SERRI and Community Based CIP Institute. Funded efforts will improve the protection of our critical infrastructure by providing technologies for hardening these vital critical infrastructure assets and for rapid response and recovery for critical infrastructure assets to limit damage and consequences and allow for normal operations to be resumed more quickly than would otherwise be possible.

Impact on Performance (Relationship of Increase to Strategic Goals)

The Infrastructure and Geophysical Division will improve our critical infrastructure by providing technologies for hardening and rapid response and recovery for critical infrastructure assets. The increases to RTI and Infrastructure Protection will allow the Division to meet the Secretary’s goal to PROTECT CRITICAL INFRASTRUCTURE.

**Program Change 7:** Innovation

Strategic Goal(s) & Objective(s): BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.2 Preparedness

PPA: Innovation

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars \$12,000

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$33,000        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | 12,000          |
| <b>Total Request</b>   |                    |     | <b>\$21,945</b> |                 |     | <b>\$33,000</b> |                 |     | <b>\$45,000</b> |

Description of Item

The FY 2009 program increase reflects an increase in scope of existing programs as they mature and might allow for additional projects that would address gaps identified by the S&T Capstone IPT process.

Justification

The S&T Directorate intends to fund existing efforts whose scopes naturally increase as the efforts mature. These projects are high risk in nature but would dramatically increase capabilities in responding to threats posed by terrorism and natural disasters.

The high risk factor means that the Office of the Director of Innovation requires flexibility in the projects it funds. These projects will reach critical decision points to continue or stop. New projects are always under consideration, and the FY 2009 request will potentially fund new projects or current ones that justify further development based on results.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increases will provide solutions where current ones are non-existent or inadequate and will allow the Office of the Director of Innovation to meet the Secretary's goal to BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.

**Program Change 8:** Laboratory Facilities

Strategic Goal(s) & Objective(s): BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.2 Preparedness

PPA: Laboratory Facilities

Program Change: Positions 124 FTE 124 Dollars \$29,126

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                  | FY 2009 Request |            |                  |
|------------------------|--------------------|-----|-----------------|-----------------|-----|------------------|-----------------|------------|------------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000)  | Pos             | FTE        | Dollars (\$000)  |
| Current Services Level |                    |     |                 |                 |     |                  | 124             | 124        | \$117,814        |
| Program Change         |                    |     |                 |                 |     |                  |                 |            | 29,126           |
| <b>Total Request</b>   |                    |     | <b>\$72,230</b> |                 |     | <b>\$103,814</b> | <b>124</b>      | <b>124</b> | <b>\$146,940</b> |

Description of Item

The FY 2009 program increase reflects move-in and operational costs for the National Biodefense Analysis and Countermeasures Center (NBACC) and one-time cost for final cleanup of Environmental Measurements Laboratory (EML) space. The increase also reflects a transfer of funds from Management and Administration to the Laboratory Facilities PPA to pay for salaries and benefits of FTEs located at the laboratories.

Justification

The S&T Directorate intends to cover the FY 2009 operations and maintenance (O&M) start-up costs of the new NBACC facility. These costs include the installation and outfitting of portable laboratory equipment and furnishings and funding interim space lease. Also in FY 2009, the S&T Directorate intends to move the remaining functions of EML into much smaller office space in the same building or another General Services Administration (GSA) facility in New York area and pay for a one-time cost for final cleanup of EML space (e.g., final disposal of contaminated material, removal of fume hoods, large exhaust ducting, furnaces, and shielded spaces).

The increase also reflects a transfer of funds from Management and Administration to the Laboratory Facilities PPA to pay for salaries and benefits of FTEs located at the laboratories. All Homeland Security laboratory employees work on RDA&O products. The shift of laboratory FTEs into the RDA&O account better reflects the actual Science and Technology RDA&O program costs.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increases to NBACC operations and EML cleanup will allow the Division to meet the Secretary's goal to BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.

**Program Change 9:** Test and Evaluation and Standards

Strategic Goal(s) & Objective(s): BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.2 Preparedness

PPA: Test and Evaluation and Standards

Program Change: Positions \_\_\_\_ FTE \_\_\_\_ Dollars (\$3,846)

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$28,520        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | (3,846)         |
| <b>Total Request</b>   |                    |     | <b>\$24,910</b> |                 |     | <b>\$28,520</b> |                 |     | <b>\$24,674</b> |

Description of Item

The FY 2009 decrease represents that no additional funds are requested for the independent peer review program being initiated in FY 2008 and a reallocation of funds by the TOG during the Capstone IPT process.

Justification

The S&T Directorate will have initiated the independent peer review program and will not need additional funding for the program in FY 2009.

The S&T Directorate needs to adequately fund customer-requested projects in the main executing divisions: Borders/Maritime, Explosives, Human Factors, Command, Control, and Interoperability, Chemical and Biological, and Infrastructure/Geophysical Divisions.

Impact on Performance (Relationship of Increase to Strategic Goals)

The decrease to the independent peer review program and reallocation of funds by the TOG during the Capstone IPT process do not impact the performance of achieving the Secretary’s goal to BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.

**Program Change 10:**                      Transition

Strategic Goal(s) & Objective(s):    **BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.2 Preparedness**

PPA:    Transition

Program Change:       Positions \_\_\_\_ FTE \_\_\_\_ Dollars \$1,565

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$30,265        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | 1,565           |
| <b>Total Request</b>   |                    |     | <b>\$30,221</b> |                 |     | <b>\$30,265</b> |                 |     | <b>\$31,830</b> |

Description of Item

The FY 2009 program increase will support a DHS competition for a new Federally Funded Research and Development Center (FFRDC) contract.

Justification

As an FFRDC, HSI provides discreet, independent, and objective analysis to inform homeland security policies and programs. Given that HSI’s contract ends in April 2009, the S&T Directorate will use the increase to support competition for a new FFRDC contract to ensure continuity of FFRDC support.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase is a result of funding for continuity of FFRDC support through a competition for a new FFRDC. These efforts support meeting the Secretary’s goal to **BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.**

**Program Change 11:**                      University Programs

Strategic Goal(s) & Objective(s):    **BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS - Objective 4.2 Preparedness**

PPA:    University Programs

Program Change:     Positions \_\_\_\_ FTE \_\_\_\_ Dollars (\$5,527)

Funding Profile

|                        | FY 2007 EOY Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|--------------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos                | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                    |     |                 |                 |     |                 |                 |     | \$49,297        |
| Program Change         |                    |     |                 |                 |     |                 |                 |     | (5,527)         |
| <b>Total Request</b>   |                    |     | <b>\$48,266</b> |                 |     | <b>\$49,297</b> |                 |     | <b>\$43,770</b> |

Description of Item

The FY 2009 decrease represents no funding request for the Naval Post Graduate School and a reduction to the educational programs within S&T that fund scholars and fellows in homeland security related fields.

Justification

University Programs cultivates a homeland security culture within the academic community through research and educational programs that address current and future homeland security challenges. The decrease cannot support the current level of educational programs.

Impact on Performance (Relationship of Increase to Strategic Goals)

The decrease to University Programs will reduce the amount of grants for University Centers of Excellence to the lowest level while retaining productivity, and allow the Division to meet the Secretary’s goal to BUILD A NIMBLE, EFFECTIVE EMERGENCY RESPONSE SYSTEM AND A CULTURE OF PREPAREDNESS.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Science and Technology Directorate  
Justification of Proposed Changes in Research, Development, Acquisition and Operations  
Appropriation Language**

For necessary expenses for science and technology research, including advanced research projects; development; test and evaluation; acquisition; and operations; as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.); [\$691,735,000], \$736,737,000 to remain available until expended. (Department of Homeland Security Appropriations Act, 200[8]9)

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actuals</b> .....                | ---         | ---        | <b>\$889,015</b> |
| <b>2008 Enacted</b> .....                   | ---         | ---        | <b>691,735</b>   |
| <b>Adjustments-to-Base</b>                  |             |            |                  |
| Increases                                   |             |            |                  |
| GSA Rent Inflation                          | ---         | ---        | 43               |
| Non Pay Inflation                           | ---         | ---        | 13,792           |
| Transfer from Management and Administration | 124         | 124        | 14,000           |
| <b>Total Increases</b> .....                | <b>124</b>  | <b>124</b> | <b>27,835</b>    |
| Decreases                                   |             |            |                  |
| Management and Technology Efficiencies..... | ---         | ---        | (13,835)         |
| <b>Total Decreases</b> .....                | ---         | ---        | (13,835)         |
| <b>Total Adjustments-to-Base</b> .....      | <b>124</b>  | <b>124</b> | <b>14,000</b>    |
| <b>2009 Current Services</b> .....          | <b>124</b>  | <b>124</b> | <b>705,735</b>   |
| <b>Program Changes</b>                      |             |            |                  |
| Border and Maritime                         | ---         | ---        | \$9,821          |
| Chemical and Biological                     | ---         | ---        | (7,612)          |
| Command, Control and Interoperability       | ---         | ---        | 5,410            |
| Explosives                                  | ---         | ---        | 18,495           |
| Human Factors                               | ---         | ---        | (1,746)          |
| Infrastructure and Geophysical              | ---         | ---        | (26,684)         |
| Innovation                                  | ---         | ---        | 12,000           |
| Laboratory Facilities                       | ---         | ---        | 29,126           |
| Test and Evaluation, Standards              | ---         | ---        | (3,846)          |
| Transition                                  | ---         | ---        | 1,565            |
| University Program                          | ---         | ---        | (5,527)          |
| <b>Total Program Changes</b> .....          | ---         | ---        | <b>31,002</b>    |
| <b>2009 Request</b> .....                   | <b>124</b>  | <b>124</b> | <b>736,737</b>   |
| <b>2008 to 2009 Total Change</b> .....      | <b>124</b>  | <b>124</b> | <b>45,002</b>    |

### C. Summary of Requirements

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |            |                  |
|--|--------------|------------|------------------|
|  | Perm. Pos.   | FTE        | Amount           |
| <b>FY 2007 Actual</b>  |              | ---        | <b>\$889,015</b> |
| <b>2008 Enacted</b>  |              | ---        | <b>691,735</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |            |                  |
| Transfers  | ---          | ---        | ---              |
| Increases  | 124          | 124        | 27,835           |
| Decreases  | ---          | ---        | (13,835)         |
| <b>Total Adjustments-to-Base</b>   | <b>124</b>   | <b>124</b> | <b>14,000</b>    |
| <b>2009 Current Services</b>   | <b>124</b>   | <b>124</b> | <b>705,735</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              | ---        | 31,002           |
| <b>2009 Total Request</b>  | <b>124</b>   | <b>124</b> | <b>736,737</b>   |
| 2008 to 2009 Total Change  | 124          | 124        | 45,002           |

| Estimates by Program/Project Activity   | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |            |                 | 2009 Program Change |            |                 | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                 |
|---|--------------|------------|------------------|--------------------------|------------|-----------------|---------------------|------------|-----------------|--------------|------------|------------------|---------------------------|------------|-----------------|
|   | Pos.         | FTE        | Amount           | Pos.                     | FTE        | Amount          | Pos.                | FTE        | Amount          | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount          |
| 1 Border and Maritime                   | ---          | ---        | \$25,479         | ---                      | ---        | \$0             | ---                 | ---        | \$9,821         | ---          | ---        | \$35,300         | ---                       | ---        | \$9,821         |
| 2 Chemical and Biological               | ---          | ---        | 208,020          | ---                      | ---        | 0               | ---                 | ---        | (7,612)         | ---          | ---        | 200,408          | ---                       | ---        | (7,612)         |
| 3 Command, Control and Interoperability | ---          | ---        | 56,980           | ---                      | ---        | 0               | ---                 | ---        | 5,410           | ---          | ---        | 62,390           | ---                       | ---        | 5,410           |
| 4 Explosives*                           | ---          | ---        | 77,654           | ---                      | ---        | 0               | ---                 | ---        | 18,495          | ---          | ---        | 96,149           | ---                       | ---        | 18,495          |
| 5 Human Factors                         | ---          | ---        | 14,206           | ---                      | ---        | 0               | ---                 | ---        | (1,746)         | ---          | ---        | 12,460           | ---                       | ---        | (1,746)         |
| 6 Infrastructure and Geophysical        | ---          | ---        | 64,500           | ---                      | ---        | 0               | ---                 | ---        | (26,684)        | ---          | ---        | 37,816           | ---                       | ---        | (26,684)        |
| 7 Innovation                            | ---          | ---        | 33,000           | ---                      | ---        | 0               | ---                 | ---        | 12,000          | ---          | ---        | 45,000           | ---                       | ---        | 12,000          |
| 8 Laboratory Facilities                 | ---          | ---        | 103,814          | 124                      | 124        | 14,000          | ---                 | ---        | 29,126          | 124          | 124        | 146,940          | 124                       | 124        | 43,126          |
| 9 Test and Evaluation, Standards        | ---          | ---        | 28,520           | ---                      | ---        | 0               | ---                 | ---        | (3,846)         | ---          | ---        | 24,674           | ---                       | ---        | (3,846)         |
| # Transition                            | ---          | ---        | 30,265           | ---                      | ---        | 0               | ---                 | ---        | 1,565           | ---          | ---        | 31,830           | ---                       | ---        | 1,565           |
| # University Programs                   | ---          | ---        | 49,297           | ---                      | ---        | 0               | ---                 | ---        | (5,527)         | ---          | ---        | 43,770           | ---                       | ---        | (5,527)         |
| <b>Total</b>                            | <b>---</b>   | <b>---</b> | <b>\$691,735</b> | <b>124</b>               | <b>124</b> | <b>\$14,000</b> | <b>---</b>          | <b>---</b> | <b>\$31,002</b> | <b>124</b>   | <b>124</b> | <b>\$736,737</b> | <b>124</b>                | <b>124</b> | <b>\$45,002</b> |

## D. Summary of Reimbursable Resources

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations**  
Summary of Reimbursable Resources  
(Dollars in Thousands)

| Collections by Source                        | FY 2007 Estimate |     |               | 2008 Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |               |
|--|------------------|-----|---------------|---------------|-----|---------------|---------------|-----|---------------|-------------------|-----|---------------|
|  | Pos.             | FTE | Amount        | Pos.          | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount        |
| Customs and Border Protection                | ---              | --- | \$10,500      | ---           | --- | \$14,500      | ---           | --- | \$15,050      | ---               | --- | \$550         |
| Domestic Nuclear Detection Office            | ---              | --- | 190           | ---           | --- | 2,400         | ---           | --- | 4,750         | ---               | --- | 2,350         |
| Office of Health Affairs                     | ---              | --- | 1,000         | ---           | --- | 2,000         | ---           | --- | 3,100         | ---               | --- | 1,100         |
| OIP  | ---              | --- | 140           | ---           | --- | 2,000         | ---           | --- | 300           | ---               | --- | (1,700)       |
| Citizenship and Immigration Services         | ---              | --- | ---           | ---           | --- | 500           | ---           | --- | 1,000         | ---               | --- | 500           |
| Immigration and Customs Enforcement          | ---              | --- | ---           | ---           | --- | 500           | ---           | --- | 1,000         | ---               | --- | 500           |
| Federal Law Enforcement Training Center      | ---              | --- | 75            | ---           | --- | 250           | ---           | --- | 500           | ---               | --- | 250           |
| Department of Energy                         | ---              | --- | ---           | ---           | --- | 50            | ---           | --- | 350           | ---               | --- | 300           |
| United States Secret Service                 | ---              | --- | 1,000         | ---           | --- | 1,500         | ---           | --- | 2,000         | ---               | --- | 500           |
| Federal Emergency Management Agency          | ---              | --- | 2,500         | ---           | --- | 4,000         | ---           | --- | 5,000         | ---               | --- | 1,000         |
| United States Coast Guard                    | ---              | --- | 1,350         | ---           | --- | 2,000         | ---           | --- | 2,500         | ---               | --- | 500           |
| Department of Agriculture                    | ---              | --- | 236           | ---           | --- | 1,593         | ---           | --- | 1,622         | ---               | --- | 29            |
| Department of Education                      | ---              | --- | 300           | ---           | --- | 500           | ---           | --- | 500           | ---               | --- | ---           |
| Department of State                          | ---              | --- | ---           | ---           | --- | 500           | ---           | --- | 500           | ---               | --- | ---           |
| Department of Justice                        | ---              | --- | ---           | ---           | --- | 500           | ---           | --- | 500           | ---               | --- | ---           |
| Health and Human Services                    | ---              | --- | ---           | ---           | --- | 1,000         | ---           | --- | 1,000         | ---               | --- | ---           |
| US Corp of Engineers                         | ---              | --- | 160           | ---           | --- | ---           | ---           | --- | ---           | ---               | --- | ---           |
| National Protection and Programs Directorate | ---              | --- | 1,800         | ---           | --- | 3,000         | ---           | --- | 4,000         | ---               | --- | 1,000         |
| DHS-Headquarters                             | ---              | --- | 2,787         | ---           | --- | 9,250         | ---           | --- | 11,000        | ---               | --- | 1,750         |
| Director of National Intelligence            | ---              | --- | 400           | ---           | --- | 1,000         | ---           | --- | 1,500         | ---               | --- | 500           |
| Transport Canada                             | ---              | --- | ---           | ---           | --- | 1,000         | ---           | --- | 1,000         | ---               | --- | ---           |
| Department of Defense                        | ---              | --- | 450           | ---           | --- | 7,000         | ---           | --- | 8,100         | ---               | --- | 1,100         |
| Federal Aviation Administration              | ---              | --- | ---           | ---           | --- | 500           | ---           | --- | 500           | ---               | --- | ---           |
| Transportation Security Administration       | ---              | --- | 1,670         | ---           | --- | 23,000        | ---           | --- | 25,420        | ---               | --- | 2,420         |
| <b>Total Budgetary Resources</b>             | ---              | --- | <b>24,558</b> | ---           | --- | <b>78,543</b> | ---           | --- | <b>91,192</b> | ---               | --- | <b>12,649</b> |

| Obligations by Program/Project Activity | FY 2007 Estimate |     |               | 2008 Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |               |
|---|------------------|-----|---------------|---------------|-----|---------------|---------------|-----|---------------|-------------------|-----|---------------|
|   | Pos.             | FTE | Amount        | Pos.          | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount        |
| Borders and Maritime Security           | ---              | --- | \$9,000       | ---           | --- | \$12,000      | ---           | --- | \$12,000      | ---               | --- | ---           |
| Infrastructure/Geophysical              | ---              | --- | ---           | ---           | --- | 2,000         | ---           | --- | 300           | ---               | --- | (1,700)       |
| Laboratory Facilities                   | ---              | --- | 586           | ---           | --- | 29,993        | ---           | --- | 35,542        | ---               | --- | 5,549         |
| Homeland Security Institute             | ---              | --- | 14,832        | ---           | --- | 34,500        | ---           | --- | 43,000        | ---               | --- | 8,500         |
| University Program                      | ---              | --- | 140           | ---           | --- | 50            | ---           | --- | 350           | ---               | --- | 300           |
| <b>Total Obligations</b>                | ---              | --- | <b>24,558</b> | ---           | --- | <b>78,543</b> | ---           | --- | <b>91,192</b> | ---               | --- | <b>12,649</b> |

## E. Summary of Requirements by Object Class

### Department of Homeland Security Science and Technology Directorate Research, Development, Acquisition, and Operations

Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>EOY Actual* | 2008<br>Enacted & prior year<br>unobligated balances | 2009<br>Request & prior<br>year unobligated<br>balances | 2008 - 2009<br>Change |
|---|------------------------|--|---|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$135                  | \$0  | \$10,500  | \$10,500              |
| 11.3 Other than full-time permanent                   | 8                      | ---  | ---   | ---                   |
| 11.5 Other Personnel Compensation                     | 101                    | ---  | ---   | ---                   |
| 12.1 Benefits   | 94                     | ---  | 3,500   | 3,500                 |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$338</b>           | <b>\$0</b>   | <b>\$14,000</b>   | <b>\$14,000</b>       |
| Other Object Classes:                                 |                        |  |   |                       |
| 21.0 Travel   | 2,857                  | 4,865  | 4,461   | (404)                 |
| 23.1 GSA rent   | 1,784                  | 2,131  | 1,910   | (221)                 |
| 23.3 Communications, utilities, & other misc. charges | 2,453                  | 12,938   | 14,150  | 1,212                 |
| 25.1 Advisory and assistance services                 | 22,853                 | 73,203   | 54,189  | (19,014)              |
| 25.2 Other services                                   | 89,771                 | 2,460  | 2,639   | 179                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 490,456                | 7,688  | 7,672   | (16)                  |
| 25.4 Operation & maintenance of facilities            | 986                    | 37,093   | 42,108  | 5,015                 |
| 25.5 Research and development contracts               | 258,762                | 711,847  | 592,983   | (118,864)             |
| 25.7 Operation and maintenance of equipment           | 4                      | 1,500  | 1,500   | ---                   |
| 26.0 Supplies and materials                           | 311                    | 6,026  | 5,667   | (359)                 |
| 31.0 Equipment  | 4,081                  | 2,987  | 4,700   | 1,713                 |
| 32.0 Land & structures                                | ---                    | 46,821   | 54,882  | 8,061                 |
| 41.0 Grants/Subsidies/Contributions                   | 55,491                 | 4,176  | 4,890   | 714                   |
| <b>Total, Other Object Classes</b>                    | <b>929,809</b>         | <b>913,735</b>                                       | <b>791,752</b>  | <b>(121,983)</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$930,147</b>       | <b>\$913,735</b>                                     | <b>\$805,752</b>  | <b>(\$107,983)</b>    |
| Unobligated balance, start of year                    | (401,015)              | (291,015)  | (69,015)  |                       |
| Unobligated balance, end of year                      | 291,015                | 69,015   |   |                       |
| Recoveries of prior year obligations                  | 61,103                 | ---  | ---   |                       |
| <b>Total requirements</b>                             | <b>\$881,250</b>       | <b>\$691,735</b>                                     | <b>\$736,737</b>  |                       |

\*Footnote: Total direct obligations include \$705,000 for Radiation Nuclear, \$16,778,000 for DNDO and \$23,849,000 for reimbursable programs.

## F. Permanent Positions by Grade

**Department of Homeland Security  
Science and Technology Directorate  
Research and Development  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007               | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|--------------------|-----------------|-----------------|-----------------|
|                                  | EOY Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | ---                | ---             | ---             | ---             |
| Total, EX                        | ---                | ---             | ---             | ---             |
| GS-15                            | ---                | ---             | 19              | 19              |
| GS-14                            | ---                | ---             | 27              | 27              |
| GS-13                            | ---                | ---             | 25              | 25              |
| GS-12                            | ---                | ---             | 14              | 14              |
| GS-11                            | ---                | ---             | 10              | 10              |
| GS-10                            | ---                | ---             | ---             | ---             |
| GS-9                             | ---                | ---             | 11              | 11              |
| GS-8                             | ---                | ---             | 1               | 1               |
| GS-7                             | ---                | ---             | 3               | 3               |
| GS-6                             | ---                | ---             | 2               | 2               |
| GS-5                             | ---                | ---             | 1               | 1               |
| GS-4                             | ---                | ---             | ---             | ---             |
| GS-3                             | ---                | ---             | 1               | 1               |
| GS-2                             | ---                | ---             | ---             | ---             |
| Other Graded Positions           | ---                | ---             | 10              | 10              |
| Ungraded Positions               | ---                | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | ---                | ---             | <b>124</b>      | <b>124</b>      |
| Unfilled Positions EOY           | ---                | ---             | ---             | ---             |
| Total Perm. Employment EOY       | ---                | ---             | 124             | 124             |
| <b>FTE</b>                       | ---                | ---             | <b>124</b>      | <b>124</b>      |
| Headquarters                     | ---                | ---             | ---             | ---             |
| U.S. Field                       | ---                | ---             | 124             | 124             |
| Foreign Field                    | ---                | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | ---                | ---             | <b>124</b>      | <b>124</b>      |
| Average ES Salary                | \$ ---             | \$ ---          | \$ 161,922      | \$ 161,922      |
| Average GS Salary                | \$ ---             | \$ ---          | \$ 116,339      | \$ 116,339      |
| Average GS Grade                 | ---                | ---             | 15.00           | 15.00           |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

### Department of Homeland Security Science and Technology Directorate Research, Development, Acquisition, and Operations

#### Border Maritime

#### Funding Schedule

(Dollars in Thousands)

| <b>PPA: Border Maritime</b>  |                                | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|--------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>       |                                |                            |                         |                         |                                |
| 21.0                         | Travel                         | 118                        | 240                     | 240                     | ---                            |
| 25.1                         | Advisory & Assistance Services | 183                        | 2,340                   | 2,415                   | 75                             |
| 25.2                         | Other Services                 | 4,647                      | 12                      | 12                      | ---                            |
| 25.3                         | Purchase from Govt. Accts.     | 42,352                     | 230                     | 230                     | ---                            |
| 25.5                         | Research & Development         | 1,231                      | 22,657                  | 32,403                  | 9,746                          |
| <b>Total Border Maritime</b> |                                | <b>\$48,531</b>            | <b>\$25,479</b>         | <b>\$35,300</b>         | <b>\$9,821</b>                 |

#### PPA Mission Statement

The Border and Maritime Security Division develops and transitions tools and technologies that improve the security of our Nation's borders and waterways without impeding the flow of commerce and travelers. The division works closely with its operational customers to identify and generate the best technologies for securing U.S. borders including ports-of-entry as well as vast stretches of remote terrain and waterways – with the ultimate goal of stopping threats before they enter the United States.

#### Summary Justification and Explanation of Changes

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$118</b>               | <b>\$240</b>            | <b>\$240</b>            | <b>\$0</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$183</b>               | <b>\$2,340</b>          | <b>\$2,415</b>          | <b>\$75</b>                    |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. A program increase of \$75,000 is included.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$4,647</b>    | <b>\$12</b>    | <b>\$12</b>    | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$42,352</b>   | <b>\$230</b>   | <b>\$230</b>   | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$1,231</b>    | <b>\$22,657</b> | <b>\$32,403</b> | <b>\$9,746</b>      |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. A program increase of \$9,746,000 is included. This will allow the Division to develop additional technologies for specific high priority customer-identified needs identified during the S&T Directorate's Capstone IPT process – specifically it will fund efforts in Maritime Security and Border Officer Tools and Safety.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Chemical and Biological Division**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Chemical and Biological Division</b>   |  | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                         |  |                            |                         |                         |                                |
| 21.0   | Travel                                     | 756                        | 953                     | 917                     | (36)                           |
| 23.3   | Communication, Utilities, and misc charges | 67                         |                         |                         |                                |
| 25.1   | Advisory & Assistance Services             | 6,117                      | 8,463                   | 8,358                   | (105)                          |
| 25.2   | Other Services                             | 23,124                     | 200                     | 189                     | (11)                           |
| 25.3   | Purchase from Govt. Accts.                 | 187,312                    | 1,982                   | 1,982                   | -                              |
| 25.4   | Operation & maintenance of facilities      | 500                        |                         |                         |                                |
| 25.5   | Research & Development                     | 113,121                    | 196,422                 | 188,962                 | (7,460)                        |
| 25.7   | Operation & maintenance of equipment       | 1                          |                         |                         |                                |
| 31.0   | Equipment                                  | 3,366                      |                         |                         |                                |
| 41.0   | Grants/Subsidies/Contributions             | 13,984                     |                         |                         |                                |
| <b>Total, Chemical and Biological Division</b> |  | <b>348,348</b>             | <b>208,020</b>          | <b>200,408</b>          | <b>(7,612)</b>                 |

**PPA Mission Statement**

The Chemical and Biological Division works to increase the Nation's preparedness against chemical and biological threats through improved threat awareness, advanced surveillance and detection, and protective countermeasures. The division carries out its activities through three thrust areas: Agriculture, Biological, and Chemical.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$756</b>               | <b>\$953</b>            | <b>\$917</b>            | <b>(\$36)</b>                  |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes a decrease of \$36,000.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and misc charges</b> | <b>\$67</b>                | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$6,117</b>             | <b>\$8,463</b>          | <b>\$8,358</b>          | <b>(\$105)</b>                 |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. A program decrease of \$105,000 is included.

|                       | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$23,124           | \$200           | \$189           | (\$11)                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. A program decrease of \$11,000 is included.

|   | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|--------------------|-----------------|-----------------|------------------------|
| <b>Purchases of Goods and Services from Government Accounts</b> | \$187,312          | \$1,982         | \$1,982         | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|  | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|--------------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$500              | \$0             | \$0             | \$0                    |

|                                   | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Research &amp; Development</b> | \$113,121          | \$196,422       | \$188,962       | (\$7,460)              |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. A program decrease of \$7,460,000 is included. This reduction is primarily a result of several projects coming to an end in the Surveillance and Detection R&D Program within the Biological Thrust Area and in the Detection Program within the Chemical Thrust Area. The decrease is also a result of decisions from the Technology Oversight Group (TOG), chaired by the Deputy Secretary

|   | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|--------------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of equipment</b> | \$1                | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                  | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$3,366            | \$0             | \$0             | \$0                    |

Equipment provides costs for personal property, information technology hardware/software, includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                                       | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$13,984           | \$0             | \$0             | \$0                    |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Command, Control, & Interoperability**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Command, Control, &amp; Interoperability</b> |                                | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                               |                                |                            |                         |                         |                                |
| 21.0   | Travel                         | 266                        | 275                     | 375                     | 100                            |
| 25.1   | Advisory & Assistance Services | 2,575                      | 2,690                   | 3,055                   | 365                            |
| 25.2   | Other Services                 | 15,874                     |                         |                         | ---                            |
| 25.3   | Purchase from Govt. Accts.     | 52,688                     | 1,376                   | 256                     | (1,120)                        |
| 25.5   | Research & Development         | 924                        | 52,639                  | 58,704                  | 6,065                          |
| 41.0   | Grants/Subsidies/Contributions | 2,345                      | ---                     | ---                     | ---                            |
| <b>Total Command, Control &amp; Interoperability</b> |                                | <b>\$74,672</b>            | <b>\$56,980</b>         | <b>\$62,390</b>         | <b>\$5,410</b>                 |

**PPA Mission Statement**

The Command, Control, and Interoperability (C2I) Division focuses on significantly improving operable and interoperable communications for emergency responders, the security and integrity of the Internet, and the development of automated capabilities that “connect the dots” to recognize potential threats. The division’s mission is to transform new and promising concepts into real operational capability through the judicious blending of new technologies and current capabilities. C2I receives its requirements from the following: partners in Federal, State, local, tribal emergency response; DHS operational components in planning for, detecting, and responding to all hazards; and private sector partners who own, operate, maintain, and use much of the Nation’s cyber infrastructure.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$266</b>               | <b>\$275</b>            | <b>\$375</b>            | <b>\$100</b>                   |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The \$100,000 increase is a result of the hiring of additional Federal employees and the management of additional R&D activities.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$2,575</b>             | <b>\$2,690</b>          | <b>\$3,055</b>          | <b>\$365</b>                   |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. A program increase of \$365,000 is included to support additional R&D activities.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$15,874          | \$0            | \$0            | \$0                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | \$52,688          | \$1,376        | \$256          | (\$1,120)           |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The reduction to the Purchase from Government Accounts object class is a result of the reclassification of expenses, the program decrease of \$1,120,000 is included to reflect reduced costs of executing programs that are ending and the shift of R&D funding to higher priority projects in the Directorate as a result of the Capstone IPT process.

|                                 | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-------------------|----------------|----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Research and Development</b> | \$924             | \$52,639       | \$58,704       | \$6,065             |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. Research and Development includes program increases of \$6,065,000 for cyber security efforts in Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS).

|                                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|-------------------|----------------|----------------|---------------------|
|                                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | \$2,345           | \$0            | \$0            | \$0                 |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations**

**Explosives  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Explosives</b>  |                                      | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------|--------------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>  |                                      |                            |                         |                         |                                |
| 21.0                    | Travel                               | 539                        | 512                     | 601                     | 89                             |
| 25.1                    | Advisory & Assistance Services       | 1,324                      | 4,100                   | 5,100                   | 1,000                          |
| 25.2                    | Other Services                       | 8,671                      |                         |                         |                                |
| 25.3                    | Purchase from Govt. Accts.           | 40,511                     |                         |                         |                                |
| 25.5                    | Research & Development               | 64,809                     | 70,066                  | 86,758                  | 16,692                         |
| 25.7                    | Operation & maintenance of equipment | 3                          |                         |                         |                                |
| 31.0                    | Equipment                            | 52                         |                         |                         |                                |
| 41.0                    | Grants/Subsidies/Contributions       | 5,675                      | 2,976                   | 3,690                   | 714                            |
| <b>Total Explosives</b> |                                      | <b>\$121,584</b>           | <b>\$77,654</b>         | <b>\$96,149</b>         | <b>\$18,495</b>                |

**PPA Mission Statement**

The Explosives Division develops the technical capabilities to detect, interdict, and lessen the impacts of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation and critical infrastructure. This includes passenger-, baggage-, and cargo-screening technologies; blast-resistant aircraft construction; and integrated protective systems for high-value facilities. The requested amount will help address Explosives' strategic challenges of detecting non-nuclear explosives and disrupting terrorist attacks.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$539</b>               | <b>\$512</b>            | <b>\$601</b>            | <b>\$89</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$89,000 for Explosives. The increase in FY 2009 supports the Counter-IED program, which includes Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) Program, the Render Safe Program, and the Detection and Neutralization Tools Program.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$1,324</b>             | <b>\$4,100</b>          | <b>\$5,100</b>          | <b>\$1,000</b>                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$1,000,000 for Explosives. The increase over FY 2008 is for IPA and SETA to support additional R&D activities.

|                       | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$8,671            |                 | \$0             | \$0                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|--------------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$40,511           |                 | \$0             | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$64,809           | \$70,066        | \$86,758        | \$16,692               |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request includes an increase of \$16,692,000 for Explosives. The increase in FY 2009 supports the Counter-IED program, which includes Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) Program, the Render Safe Program, and the Detection and Neutralization Tools Program.

|   | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|--------------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$3                | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes an increase of \$115,000 in non-pay inflation.

|                  | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$52               | \$0             | \$0             | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                                       | 2007<br>EOY Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------------|--------------------|-----------------|-----------------|------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$5,675            | \$2,976         | \$3,690         | \$714                  |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request includes an increase of \$714,000 for Explosives and Counter-IED projects with universities.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations**

**Human Factors**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Human Factors</b>   |                                | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------|--------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>      |                                |                            |                         |                         |                                |
| 21.0                        | Travel                         | 44                         | 96                      | 100                     | 4                              |
| 25.1                        | Advisory & Assistance Services | 263                        | 835                     | 845                     | 10                             |
| 25.2                        | Other Services                 | 811                        |                         |                         | ---                            |
| 25.3                        | Purchase from Govt. Accts.     | 5,288                      |                         |                         | ---                            |
| 25.5                        | Research & Development         | 95                         | 13,275                  | 11,515                  | (1,760)                        |
| <b>Total, Human Factors</b> |                                | <b>\$6,501</b>             | <b>\$14,206</b>         | <b>\$12,460</b>         | <b>(\$1,746)</b>               |
| Full Time Equivalents       |                                |                            |                         |                         | ---                            |

**PPA Mission Statement**

The Human Factors Division applies the social and behavioral sciences to improve detection, analysis, and understanding of the threats posed by individuals, groups, and radical movements; it supports the preparedness, response, and recovery of communities impacted by catastrophic events; and it advances homeland security by integrating human factors into homeland security technologies.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$44</b>                | <b>\$96</b>             | <b>\$100</b>            | <b>\$4</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$4,000 due to increased travel necessary to manage more mature projects and efforts conducted in FY 2009.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$263</b>               | <b>\$835</b>            | <b>\$845</b>            | <b>\$10</b>                    |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. An increase of \$10,000 is included for support to Hostile Intent Detection and Group Violent Intent Modeling projects.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$811</b>      | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$5,288</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$95</b>       | <b>\$13,275</b> | <b>\$11,515</b> | <b>(\$1,760)</b>    |

A program decrease of \$1,760,000 reflects that the Human Factors Division is not requesting additional funds for the Institute for Homeland Security Solutions (IHSS), funded through the Research Triangle Institute however, there will be an increase in the Suspicious Behavior Detection and Personal Identification Systems projects.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Infrastructure/Geophysical**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Infrastructure/Geophysical</b>   |                                | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|--------------------------------|-------------------|-----------------|-----------------|---------------------|
|  |                                | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                   |                                |                   |                 |                 |                     |
| 21.0                                     | Travel                         | 196               | 492             | 299             | (193)               |
| 25.1                                     | Advisory & Assistance Services | 543               | 3,254           | 1,886           | (1,368)             |
| 25.2                                     | Other Services                 | 1,539             | 27              | 27              | ---                 |
| 25.3                                     | Purchase from Govt. Accts.     | 52,829            | ---             | ---             | ---                 |
| 25.5                                     | Research & Development         | 36,700            | 60,727          | 35,604          | (25,123)            |
| <b>Total, Infrastructure/Geophysical</b> |                                | <b>\$91,807</b>   | <b>\$64,500</b> | <b>\$37,816</b> | <b>(\$26,684)</b>   |

**PPA Mission Statement**

The Infrastructure and Geophysical Division's mission is to increase the Nation's preparedness for and response to natural and man-made threats through superior situational awareness, emergency response capabilities, and critical infrastructure protection. The division develops technical solutions and reach-back capabilities to improve State, local, tribal, and private sector preparedness for and response to all-hazards events impacting the U.S. population and critical infrastructure. The Division also models and simulates the Nation's critical infrastructures to determine how various scenarios will affect each sector, provide decision support tools to guide decision makers in identifying gaps and vulnerabilities, and develop predictive tools and methods to aid in preparing for and responding to various catastrophes.

**Summary Justification and Explanation of Changes**

|               | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|-------------------|----------------|----------------|---------------------|
|               | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$196</b>      | <b>\$492</b>   | <b>\$299</b>   | <b>(\$193)</b>      |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The decrease of \$193,000 is for less travel associated with program decreases to RTI, SERRI and the Community Based CIP Institute.

|   | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-------------------|----------------|----------------|---------------------|
|   | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$543</b>      | <b>\$3,254</b> | <b>\$1,886</b> | <b>(\$1,368)</b>    |

The decrease in the Advisory and Assistance Services object classification is a result of the reclassification of expenditures \$804,000 in activities that were classified as Other Services and Purchases from Government Accounts have been more accurately represented by the Advisory and Assistance Services object class. The decrease of \$1,368,000 is for less SETA support associated with program decreases such as RTI, SERRI and Community Based CIP Institute.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$1,539</b>    | <b>\$27</b>    | <b>\$27</b>    | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$52,829</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$36,700</b>   | <b>\$60,727</b> | <b>\$35,604</b> | <b>(\$25,123)</b>   |

Research and Development includes a decrease of \$47,500,000 for Regional Technology Integration Initiative, SERRI, and Community Based CIP Institute; a decrease of \$3,500,000 for the National CIP R&D Plan, P&R Advance Concepts and Systems, and P&R Technologies; and an increase of \$25,877,000 for Advanced Surveillance and Detection Systems, Modeling Simulation and Analysis, Protective Technology, Response and Recovery Technologies, First Responder Technologies, and Incident Management Enterprise.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations**

**Innovation  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Innovation</b>   |                                | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------|--------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>   |                                |                            |                         |                         |                                |
| 21.0                     | Travel                         | 61                         | 150                     | 200                     | 50                             |
| 25.1                     | Advisory & Assistance Services | 97                         | 1,830                   | 2,500                   | 670                            |
| 25.2                     | Other Services                 | 1,317                      |                         |                         | ---                            |
| 25.3                     | Purchase from Govt. Accts.     | 14,202                     |                         |                         | ---                            |
| 25.5                     | Research & Development         | 6,268                      | 31,020                  | 42,300                  | 11,280                         |
| <b>Total, Innovation</b> |                                | <b>\$21,945</b>            | <b>\$33,000</b>         | <b>\$45,000</b>         | <b>\$12,000</b>                |

**PPA Mission Statement**

Established in FY 2007, the mission of the Innovation Office is to direct the design and delivery of prototype-level demonstrations of game-changing technologies in two to five years and provide proof-of-concept answers that could result in high-payoff technology breakthroughs. The nature of the research is high risk with the potential for significant gains in capabilities

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$61</b>                | <b>\$150</b>            | <b>\$200</b>            | <b>\$50</b>                    |

Travel includes all costs of S&T's personnel while in an authorized travel status, either directly or by reimbursing the traveler. The increase of \$50,000 is for travel associated with program increases.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$97</b>                | <b>\$1,830</b>          | <b>\$2,500</b>          | <b>\$670</b>                   |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. The FY 2009 request reflects an increase of \$670,000 due to more contractual services required to support increased scope as projects mature.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$1,317</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|                                   | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------------------|-------------------|----------------|----------------|---------------------|
|                                   | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Govt. Accts.</b> | <b>\$14,202</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$6,268</b>    | <b>\$31,020</b> | <b>\$42,300</b> | <b>\$11,280</b>     |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The increase in the Research and Development object classification is a result of \$11,280,000 in program increases fund existing efforts whose scopes naturally increase as the efforts mature and may allow for additional projects that would address gaps identified by the S&T Capstone IPT process.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Laboratory Facilities  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Laboratory Facilities</b>   |  | <b>2007<br/>EOY Actual</b> | <b>2008<br/>President's Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--|----------------------------|------------------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |  |                            |                                    |                         |                                |
| 11.1                                | Perm Positions                             |                            |                                    | \$10,500                | 10,500                         |
| 12.1                                | Benefits                                   | 40                         |                                    | 3,500                   | 3,500                          |
| 21.0                                | Travel                                     | 342                        | 635                                | 635                     | ---                            |
| 23.1                                | GSA rent                                   | 1,784                      | 1,800                              | 1,800                   | ---                            |
| 23.3                                | Communication, Utilities, and misc charges | 2,386                      | 10,687                             | 13,400                  | 2,713                          |
| 25.1                                | Advisory & Assistance Services             | 2,676                      | 21,567                             | 13,100                  | (8,467)                        |
| 25.2                                | Other Services                             | 19,290                     | 300                                | 490                     | 190                            |
| 25.3                                | Purchase from Govt. Accts.                 | 38,959                     | 3,725                              | 4,450                   | 725                            |
| 25.4                                | Operation & maintenance of facilities      | 486                        | 28,268                             | 39,150                  | 10,882                         |
| 25.5                                | Research & Development                     | 5,245                      |                                    |                         | ---                            |
| 25.7                                | Operation & maintenance of equipment       |                            | 1,500                              | 1,500                   | ---                            |
| 26.0                                | Supplies & materials                       | 211                        | 4,026                              | 5,000                   | 974                            |
| 31.0                                | Equipment                                  | 611                        | 2,987                              | 4,700                   | 1,713                          |
| 32.0                                | Land & Structures                          |                            | 28,319                             | 48,715                  | 20,396                         |
| 41.0                                | Grants/Subsidies/Contributions             | 200                        |                                    |                         | ---                            |
| <b>Total, Laboratory Facilities</b> |  | <b>\$72,230</b>            | <b>\$103,814</b>                   | <b>\$146,940</b>        | <b>\$43,126</b>                |

**PPA Mission Statement**

The mission of the Laboratory Facilities is to ensure that required infrastructure laboratory facilities support ongoing Science and Technology mission research and development activities. There are two primary thrust areas: construction of laboratory facilities and DHS-laboratory operations.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>EOY Proj. Actual</b> | <b>2008<br/>President's Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|----------------------------------|------------------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$40</b>                      | <b>\$0</b>                         | <b>\$14,000</b>         | <b>\$14,000</b>                |

Salaries and Benefits includes costs for 124 FTEs located at DHS S&T-operated laboratories. The FY 2009 request includes an increase of \$14,000,000 reflecting a \$13,000,000 transfer of funds from Management and Administration and \$1,000,000 from other R&D.

|               | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|-------------------|---------------------------|----------------|---------------------|
|               | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$342</b>      | <b>\$635</b>              | <b>\$635</b>   | <b>\$0</b>          |

Travel includes all costs of S&T's personnel while in an authorized travel status, either directly or by reimbursing the traveler. There is no change in projected costs for FY 2009 over FY 2008.

|                 | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|-------------------|---------------------------|----------------|---------------------|
|                 | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>GSA rent</b> | <b>\$1,784</b>    | <b>\$1,800</b>            | <b>\$1,800</b> | <b>\$0</b>          |

GSA Rent provides funding for rental space provided by General Services Administration (GSA). Spaces currently funded through GSA are the Environmental Measurements Laboratory (EML) facilities. There is no change in the projected costs for FY 2009 over FY 2008.

|   | <b>2007</b>       | <b>2008</b>               | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-------------------|---------------------------|-----------------|---------------------|
|   | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous char</b> | <b>\$2,386</b>    | <b>\$10,687</b>           | <b>\$13,400</b> | <b>\$2,713</b>      |

Communications, Utilities, and Misc Charges provides funds for communications, utilities, and related charges at laboratories managed by ONL. The FY 2009 request reflects an increase over FY 2008 of \$2,713,000 to cover increases in the electricity costs at Plum Island Animal Disease Center (PIADC), Transportation Security Laboratories (TSL), and National Biodefense Analysis and Countermeasures Center (NBACC). However, most of the increase is due to the new NBACC facility becoming fully operational in the third quarter of FY 2009.

|   | <b>2007</b>       | <b>2008</b>               | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-------------------|---------------------------|-----------------|---------------------|
|   | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$2,676</b>    | <b>\$21,567</b>           | <b>\$13,100</b> | <b>(\$8,467)</b>    |

Advisory and assistance provide funds for Intergovernmental Personnel Act and consultants in management and professional support services as well as engineering and technical services. The FY 2009 request reflects a decrease of \$8,467,000 from FY 2008 due to plans for more of NBAF's FY 2009 budget to fund actual construction activities versus activities such as environmental impact statements (EIS) or architecture and engineering (A&E).

|                       | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|---------------------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$19,290</b>   | <b>\$300</b>              | <b>\$490</b>   | <b>\$190</b>        |

Other Services provide funds for mission essential training. FY 2009 request reflects an increase over FY 2008 of \$190,000 to reflect increased costs of training required at lab sites, including safety compliance training.

|  | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|---------------------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$38,959</b>   | <b>\$3,725</b>            | <b>\$4,450</b> | <b>\$725</b>        |

Purchase from Government Accounts provides costs for administrative support, contracting support for construction, and rent for interim facilities that do not belong to GSA. The FY 2009 request reflects an increase over FY 2008 of \$725,000 as a result of increased fees paid to Federal Law Enforcement Training Center (FLETC), US Army Medical Research Institute for Infectious Diseases (USAMRID), other Department of Defense (DOD) organizations, and Federal Aviation Administration (FAA) for administrative/contract support and the use of non-GSA facilities.

|  | <b>2007</b>       | <b>2008</b>               | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-------------------|---------------------------|-----------------|---------------------|
|  | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$486</b>      | <b>\$28,268</b>           | <b>\$39,150</b> | <b>\$10,882</b>     |

Operation and maintenance of facilities provides normal daily operations of PIADC, EML, TSL, and NBACC. The costs include maintenance and repair of building and land. The FY 2009 request reflects an increase over FY 2008 of \$10,882,000 due to NBACC becoming operational and increased costs at PIADC and TSL.

|                                   | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------------------|-------------------|---------------------------|----------------|---------------------|
|                                   | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Research &amp; Development</b> | <b>\$5,245</b>    | <b>\$0</b>                | <b>\$0</b>     | <b>\$0</b>          |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|   | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-------------------|---------------------------|----------------|---------------------|
|   | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$0</b>        | <b>\$1,500</b>            | <b>\$1,500</b> | <b>\$0</b>          |

Operation and maintenance of equipment provides normal daily operations and maintenance of Plum Island, EML, TSL, and NBACC equipment. There is no change in projected costs for FY 2009 over FY 2008.

|                                 | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|-------------------|---------------------------|----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$211</b>      | <b>\$4,026</b>            | <b>\$5,000</b> | <b>\$974</b>        |

Supplies and materials provides daily office supplies and fuel costs associated with the facilities. The FY 2009 request reflects an increase over FY 2008 of \$974,000 due to expected increases in the cost of fuel for Plum Island and additional supplies for NBACC operations.

|                  | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-------------------|---------------------------|----------------|---------------------|
|                  | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$611</b>      | <b>\$2,987</b>            | <b>\$4,700</b> | <b>\$1,713</b>      |

Equipment provides costs for personal property, information technology hardware/software, includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request reflects an increase over FY 2008 of \$1,713,000 reflecting increased equipment costs as NBACC becomes fully operational.

|                              | <b>2007</b>       | <b>2008</b>               | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------------------|-------------------|---------------------------|-----------------|---------------------|
|                              | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Land &amp; Structures</b> | <b>\$0</b>        | <b>\$28,319</b>           | <b>\$48,715</b> | <b>\$20,396</b>     |

Land and Structures provides costs for construction and capital improvement activities. The FY 2009 request reflects an increase over FY 2008 of \$20,396,000 due to increased funding for NBAF in preparation for construction in FY 2010 and one time facility decontamination activities at EML.

|                                       | <b>2007</b>       | <b>2008</b>               | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|-------------------|---------------------------|----------------|---------------------|
|                                       | <b>EOY Actual</b> | <b>President's Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$200</b>      | <b>\$0</b>                | <b>\$0</b>     | <b>\$0</b>          |

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Test & Evaluation and Standards**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Test &amp; Evaluation and Standards</b>   |                                | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                            |                                |                            |                         |                         |                                |
| 21.0  | Travel                         | 32                         | 50                      | 50                      | ---                            |
| 25.1  | Advisory & Assistance Services | 563                        | 6,329                   | 3,491                   | (2,838)                        |
| 25.2  | Other Services                 | 4,611                      | 1,350                   | 1,350                   | ---                            |
| 25.3  | Purchase from Govt. Accts.     | 12,318                     |                         |                         | ---                            |
| 25.5  | Research & Development         | 7,386                      | 20,791                  | 19,783                  | (1,008)                        |
| <b>Total, Test &amp; Evaluation and Standards</b> |                                | <b>\$24,910</b>            | <b>\$28,520</b>         | <b>\$24,674</b>         | <b>(\$3,846)</b>               |

**PPA Mission Statement**

The Testing & Evaluation and Standards program provides technical support and coordination to assist the Nation's emergency responders in the acquisition of equipment, procedures and mitigation processes that are safe, reliable and effective. The program carries out its activities through two thrust areas: Test & Evaluation (T&E) and Standards.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$32</b>                | <b>\$50</b>             | <b>\$50</b>             | <b>\$0</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$563</b>               | <b>\$6,329</b>          | <b>\$3,491</b>          | <b>(\$2,838)</b>               |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. The decrease of \$2,838,000 in the Advisory and Assistance Services (A&AS) object classification is a result of the S&T Directorate requesting no funding for the independent peer review project in FY 2009, which was funded at \$3,000,000 in FY 2008. An increase of \$162,000 will support analysis of the peer reviews.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$4,611</b>    | <b>\$1,350</b> | <b>\$1,350</b> | <b>\$0</b>          |

Other Services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$12,318</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$7,386</b>    | <b>\$20,791</b> | <b>\$19,783</b> | <b>(\$1,008)</b>    |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. A program decrease of \$1,008,000 reflects a reallocation of funds by the TOG during the Capstone IPT process.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
Transition  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Transition</b>   |                                       | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------|---------------------------------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>   |                                       |                            |                         |                         | ---                            |
| 21.0                     | Travel                                | 284                        | 585                     | 585                     | ---                            |
| 25.1                     | Advisory & Assistance Services        | 630                        | 7,072                   | 7,382                   | 310                            |
| 25.2                     | Other Services                        | 3,011                      | 571                     | 571                     | ---                            |
| 25.3                     | Purchase from Govt. Accts.            | 15,712                     | 18                      | 18                      | ---                            |
| 25.4                     | Operation & maintenance of facilities |                            | 25                      | 25                      | ---                            |
| 25.5                     | Research & Development                | 9,991                      | 20,794                  | 22,049                  | 1,255                          |
| 41.0                     | Grants/Subsidies/Contributions        | 593                        | 1,200                   | 1,200                   | ---                            |
| <b>Total, Transition</b> |                                       | <b>\$30,221</b>            | <b>\$30,265</b>         | <b>\$31,830</b>         | <b>\$1,565</b>                 |

**PPA Mission Statement**

The Transition Office focuses on delivering near-term products and technology enhancements by working with the Department's components to expedite the technology transition process. The Transition Office carries out related activities that complement the transition efforts through the Office of the SAFETY Act Implementation, management of S&T Directorate's international and interagency programs, and operation of the Technology Clearinghouse and Technology Solutions.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$284</b>               | <b>\$585</b>            | <b>\$585</b>            | <b>\$0</b>                     |

Travel includes all costs of S&T's personnel while in an authorized travel status, either directly or by reimbursing the traveler.

|   | <b>2007<br/>EOY Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|----------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$630</b>               | <b>\$7,072</b>          | <b>\$7,382</b>          | <b>\$310</b>                   |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. An increase of \$310,000 is included to provide expert review and evaluation for an increasing number of applications in expanded threat areas.

|                       | 2007              | 2008           | 2009           | 2008 to 2009  |
|-----------------------|-------------------|----------------|----------------|---------------|
|                       | <u>EOY Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Other Services</b> | \$3,011           | \$571          | \$571          | \$0           |

Other Services provide funds for contractual services that are not covered under R&D or Purchase from Government Accounts.

|  | 2007              | 2008           | 2009           | 2008 to 2009  |
|--|-------------------|----------------|----------------|---------------|
|  | <u>EOY Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Purchase from Government Accounts</b> | \$15,712          | \$18           | \$18           | \$0           |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|  | 2007              | 2008           | 2009           | 2008 to 2009  |
|--|-------------------|----------------|----------------|---------------|
|  | <u>EOY Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Operation &amp; maintenance of facilities</b> | \$0               | \$25           | \$25           | \$0           |

|                                 | 2007              | 2008           | 2009           | 2008 to 2009  |
|---------------------------------|-------------------|----------------|----------------|---------------|
|                                 | <u>EOY Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Research and Development</b> | \$9,991           | \$20,794       | \$22,049       | \$1,255       |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. A program increase of \$1,255,000 is included to support the new Federally Funded Research and Development Center (FFRDC) contract.

|                                       | 2007              | 2008           | 2009           | 2008 to 2009  |
|---------------------------------------|-------------------|----------------|----------------|---------------|
|                                       | <u>EOY Actual</u> | <u>Enacted</u> | <u>Request</u> | <u>Change</u> |
| <b>Grants/Subsidies/Contributions</b> | \$593             | \$1,200        | \$1,200        | \$0           |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Science and Technology Directorate  
Research, Development, Acquisition, and Operations  
University Programs**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: University Programs</b>   |                                | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------------------|--------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                   |                                | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>            |                                |                   |                 |                 |                     |
| 21.0                              | Travel                         | 176               | 250             | 250             | ---                 |
| 25.1                              | Advisory & Assistance Services | 563               | 1,653           | 1,700           | 47                  |
| 25.2                              | Other Services                 | 1,352             |                 |                 | ---                 |
| 25.3                              | Purchase from Govt. Accts.     | 9,572             | 357             | 736             | 379                 |
| 25.5                              | Research & Development         | 4,209             | 47,037          | 41,084          | (5,953)             |
| 41.0                              | Grants/Subsidies/Contributions | 32,394            |                 |                 | ---                 |
| <b>Total, University Programs</b> |                                | <b>\$48,266</b>   | <b>\$49,297</b> | <b>\$43,770</b> | <b>(\$5,527)</b>    |

**PPA Mission Statement**

University Programs cultivates a homeland security culture within the academic community through research and educational programs that address current and future homeland security challenges. The program engages the academic community to develop scientific leadership, creates strategic partnerships, and fosters the next generation of homeland security experts.

**Summary Justification and Explanation of Changes**

|               | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|-------------------|----------------|----------------|---------------------|
|               | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>\$176</b>      | <b>\$250</b>   | <b>\$250</b>   | <b>\$0</b>          |

Travel includes all costs of S&T's personnel while in an authorized travel status, either directly or by reimbursing the traveler. The Travel object class includes costs for travel to funded Centers; potential Centers for management, review, and determination of suitability to become new Centers; to attend workshops and conferences; and potential invitational travel for COE personnel.

|   | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-------------------|----------------|----------------|---------------------|
|   | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$563</b>      | <b>\$1,653</b> | <b>\$1,700</b> | <b>\$47</b>         |

Advisory and assistance provide funds for Intergovernmental Personnel Act (IPA) and consultants in management and professional support services and engineering and technical services. A program increase of \$47,000 is included.

|                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|-------------------|----------------|----------------|---------------------|
|                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | <b>\$1,352</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-------------------|----------------|----------------|---------------------|
|  | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$9,572</b>    | <b>\$357</b>   | <b>\$736</b>   | <b>\$379</b>        |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. An increase of \$379,000 in FY 2009 is included for fees associated with grants to Centers of Excellence.

|                                 | <b>2007</b>       | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---------------------------------|-------------------|-----------------|-----------------|---------------------|
|                                 | <b>EOY Actual</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$4,209</b>    | <b>\$47,037</b> | <b>\$41,084</b> | <b>(\$5,953)</b>    |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. A program decrease of \$5,953 is included. The FY 2009 decrease represents no funding requested for the Naval Post Graduate School and a reduction to the educational programs within S&T that fund scholars and fellows in homeland security related fields.

|                                       | <b>2007</b>       | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|-------------------|----------------|----------------|---------------------|
|                                       | <b>EOY Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$32,394</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

## I. Changes In FTE

**Department of Homeland Security  
Science and Technology Directorate  
Research and Development**  
Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year                               | 0       | 0       | 0       |
| <b>INCREASES</b>  |         |         |         |
| Transfer  | 0       | 0       | 124     |
| Description: Transfer of 124 FTE from Management and Administration |         |         |         |
| Sub-Total Increases   | 0       | 0       | 124     |
| Year-end Actual/Estimated FTEs                                      | 0       | 0       | 124     |
| Net Change from prior year base to Budget Year Estimate:            | 0       | 0       | 124     |

**J. FY 2008 Schedule of Working Capital Fund by Program/Project Activity**

Not Applicable

# Department of Homeland Security

*Science and Technology Directorate*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 CONGRESSIONAL JUSTIFICATION STRATEGIC CONTEXT**

**SCIENCE AND TECHNOLOGY DIRECTORATE**

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# I. STRATEGIC CONTEXT FOR THE FY 2009 BUDGET

## **A. Mission and Description of the Science & Technology Directorate**

The Science and Technology Directorate (S&T) is responsible for advising the Secretary on research and development efforts to support the Department's mission, and conducting basic and applied research, development, testing and evaluation (RDT&E) activities relevant to the Department through both intramural and extramural programs.

In fulfillment of the enabling and follow-on legislation, Secretary Chertoff articulated the following goals for the Department: protect the Nation from dangerous people; protect the Nation from dangerous goods; protect critical infrastructure; build a nimble and responsive emergency response system; build a culture of preparedness; and strengthen and unify DHS operations and management. This budget requests the resources needed to provide the technologies to meet these goals.

### **Mission Statement**

The S&T Directorate will improve homeland security by providing our customers, the operating components of DHS and state, local, tribal, and territorial emergency responders and officials, with state-of-the-art technology that helps them to accomplish their missions.

The S&T Directorate provides leadership for directing, funding, and conducting research, development, test, and evaluation (RDT&E), and procurement of technology and systems to prevent the importation of chemical, biological, and related weapons and material, and to protect against and respond to terrorist threats. The S&T Directorate partners and coordinates with Federal, state, and local government and private sector entities in conducting its activities. It establishes an efficient system to transfer homeland security developments and technologies to the operational elements of the Department to enhance their ability to execute all missions, now and in the future, and to meet the high priority homeland security RDT&E needs of the nation.

In leading the homeland security research enterprise outside of the S&T Directorate, we are proactively engaged with universities, research institutions, government laboratories, and private industry that conduct research and development in areas important to addressing our customers' homeland security requirements.

### **Description of Directorate**

The S&T Directorate accomplishes its mission through customer-focused and output-oriented research, development, testing and evaluation (RDT&E) programs that balance risk, cost, impact, and time to deliver. These RDT&E programs support the needs of the operational components of the Department and address cross-cutting areas such as standards and interoperability.

Over 50 percent of the S&T Directorate's investment will be in transition technologies – lower-risk projects dedicated to addressing a customer-defined capability need – within three years. Almost 10 percent of the S&T Directorate's investment will consist of higher risk innovative prototypical demonstrations, which, if successful, will place leap-ahead technology in the operating components' hands much more quickly than the incremental improvements typical of most acquisition programs. About 20 percent of the S&T Directorate's investment portfolio will be in long-term, basic research

conducted primarily in universities and laboratories in areas of enduring homeland security relevance that could lead to revolutionary changes in the way we approach homeland security challenges. This balanced portfolio ensures that the Directorate maintains a self-replenishing pipeline of future capabilities and products to transition to customers.

S&T's role extends beyond the execution of its own RDT&E activities. Other components often leverage S&T's expertise in program management, technical oversight, testing and evaluation, and systems engineering. These are developmental activities that are more technologically mature than the typical science and technology program such as testing new border security technologies for Customs and Border Protection (CBP) or leveraging existing advanced R&D to make spiral improvements to off-the-shelf infrastructure protection technologies.

The S&T Directorate's R&D functions are aligned into six technical divisions along enduring functional disciplines. This, along with additional offices, allows us to better meet the Department's strategic goals. These Divisions and disciplines for RDT&E programs are described below.

## **Six Divisions**

### Border and Maritime Security

The Border and Maritime Security Division develops and transitions tools and technologies that improve the security of our Nation's borders and waterways without impeding the flow of commerce and travelers.

### Chemical and Biological

The Chemical and Biological Division works to increase the Nation's preparedness against chemical and biological threats through improved threat awareness, advanced surveillance and detection, and protective countermeasures.

### Command, Control, and Interoperability

The Command, Control, and Interoperability Division develops interoperable communication standards and protocols for emergency responders; cyber security tools for protecting the integrity of the Internet; and automated capabilities to recognize and analyze potential threats.

### Explosives

The Explosives Division develops the technical capabilities to detect, interdict, and lessen the impacts of non-nuclear explosives used in terrorist attacks against mass transit, civil aviation, and critical infrastructure.

### Human Factors

The Human Factors Division applies the social and behavioral sciences to improve detection, analysis, and understanding of the threats posed by individuals, groups, and radical movements; it supports the preparedness, response, and recovery of communities impacted by catastrophic events; and it advances homeland security by integrating human factors into homeland security technologies.

### Infrastructure and Geophysical

The Infrastructure and Geophysical Division develops capabilities to increase the Nation's preparedness for and response to natural and man-made threats through superior situational awareness, emergency response capabilities, and critical infrastructure protection.

## **Additional Offices**

### Innovation

The activities within Innovation focus on homeland security R&D that could lead to significant technology breakthroughs that would greatly enhance DHS operations. The Office of the Director of Innovation oversees the Homeland Security Advanced Research Project Agency (HSARPA). HSARPA funds R&D of homeland security technologies to “support basic and applied homeland security research to promote revolutionary changes in technologies that would promote homeland security; advance the development, testing and evaluation, and deployment of critical homeland security technologies; and accelerate the prototyping and deployment of technologies that would address homeland security vulnerabilities.”

### Test & Evaluation and Standards

The Test & Evaluation and Standards programs provide technical support and coordination to assist the Nation’s emergency responders in the acquisition of equipment, procedures, and mitigation processes that are safe, reliable, and effective.

### Transition

The Transition Office focuses on delivering near-term products and technology enhancements by working with the Department’s components to expedite the technology transition process.

### Research - Laboratory Facilities

Laboratory Facilities programs are executed through the Office of National Laboratories (ONL). ONL provides the Nation with a coordinated, enduring core of productive science, technology and engineering laboratories, organizations, and institutions, which can provide the knowledge and technology required to secure our homeland.

### Research - University Programs

University Programs engages the academic community to conduct research and analyses and provides education and training programs to support DHS priorities and enhance homeland security capabilities.

The six technical Divisions and additional offices are linked to three research and development investment portfolio directors in a “matrix management” structure. These three portfolio directors – Director of Research, Director of Transition, and Director of Innovation/Homeland Security Advanced Research Projects Agency (HSARPA) – provide cross-cutting coordination of their respective elements (or thrusts) of the investment strategy within the technical Divisions. The matrix structure allows the S&T Directorate to provide more comprehensive and integrated technology solutions to its customers by appropriately bringing all of the disciplines together in developing solutions.

## **B. Major Activities and Key Strategic Issues**

In FY 2007, the Directorate shifted its focus to a new strategic approach. This resulted in a realigned organization and research portfolio management strategy, both of which allow S&T to better identify, enable, and transition new capabilities to our customers to better protect the Nation. To that end, the S&T Directorate develops and manages an integrated program of science and technology, from basic research through technology product transition.

The S&T Directorate is customer-focused and delivers capabilities that DHS components can rely on to meet their operational needs. To accomplish this, we facilitated customer-led Capstone Integrated

Product Teams (IPTs) in 11 functional areas and charged each one with identifying functional capability requirements across the Department. The S&T Directorate uses the products of these IPTs to identify the highest priority needs and allocate resources to those programs that support the priorities established by the DHS customers. The S&T Directorate's new business model of structured Capstone IPTs ensures that product transition investments align to customer mission requirements.

Each Capstone IPT works to identify, validate, and prioritize capability requirements across the Department (within a functional area) that the S&T Directorate can address. The interaction of technologists and operators has improved the prioritization of efforts, and the focus on relevant, cost-effective solutions that make a significant difference. The S&T Directorate's product transition process ensures that appropriate technologies are harvested and integrated into the DHS acquisition system for our customers. Outputs from the IPTs drove considerable changes to programs in the FY 2009 budget request. As part of this process, the Homeland Security Institute provides capability gap analysis and quick-response studies on topics that arise during the S&T Directorate's capstone IPT process.

In executing its portfolio of investments, the S&T Directorate will draw upon the research and development capability across the public enterprise, private sector, and academia to locate and promote the best R&D possible. This consortium of capability is referred to as the Homeland Security Research Enterprise. With the authorities provided in the *Homeland Security Act of 2002*, the S&T Directorate has the organic ability to leverage not only DHS laboratories, the Homeland Security Institute, and the DHS Centers of Excellence, but also the Department of Energy (DOE) National Laboratories to meet homeland security research requirements.

The Nation's technical superiority in science and technology is a key factor in the effort to ensure a secure homeland. The fulfillment of the Department's mission requires a concerted effort to access, leverage, and enhance the vast resources and expertise of the Nation's public and private sectors, academic community, non-governmental organizations, and other scientific bodies. This effort is primarily the responsibility of the S&T Directorate. That responsibility requires that the Nation's homeland security R&D efforts are focused on meeting mission requirements, are adequately funded, and meet long-term, as well as near-term objectives. A significant portion of the S&T Directorate's programs directly support federally mandated homeland security priorities.

To perform its varied missions, the S&T Directorate received \$978.1 million in FY 2007 (Revised Enacted) and \$830.3 million in FY 2008 (Enacted). The S&T Directorate is requesting \$868.8 million in FY 2009. The following are a few examples of how the S&T Directorate has used its funds in FY 2007 and plans to use FY 2008 and FY 2009 funds to further enhance and enable homeland security capabilities:

#### ***Management and Administration*** –

With the FY 2007 appropriation of \$135.0 million, the S&T Directorate has implemented several efficiency initiatives to make better use of its resources. The Directorate plans to continue this trend with FY 2008 funds of \$138.6 million. In FY 2009, \$14 million and 124 FTE non-headquarters S&T federal employees will be realigned to support DHS organic laboratories including Plum Island Animal Disease Center, the Environmental Measurements Laboratory, and the Transportation Security Laboratory, which better accounts for program activity costs at the laboratories. This action brings the 2009 M&A budget request to \$132.1 million.

Overall, the S&T Directorate has:

- Reduced the Business Operations costs by more than 40 percent;
- Consolidated National Capital Region floor space to one location;
- Held each Division to managing their programs to less than 10 percent for Small Business Innovation Research (SBIR), contractor staff, travel, conferences, and Intergovernmental Personnel Agreements (IPA);
- Reduced the number of IPA employees by 20 percent;
- Reduced reliance on contractor staff; and
- Made plans to consolidate floor space at the Environmental Measurements Laboratory to decrease the rent and operations and maintenance costs (scheduled for FY 2009).

### ***Border and Maritime Security –***

FY 2007 appropriation of \$33.4 million:

- Developed a lightweight shipping container with embedded security features within its walls, doors and floor to detect intrusions. Shippers benefit from weight savings by allowing them to load more goods per container, encouraging the use of these more secure containers.
- Conducted a joint test of the Marine Asset Tag Tracking System (MATTS) with Japan. When fielded, MATTS will provide the ability to track shipping containers in near-real time from their origin to final destination using a remote global communications and tracking device interfaced with sensors that detect container breaching.

FY 2008 appropriation of \$25.5 million:

- Pilot a fiber optic tripwire that can locate activity anywhere along miles of fiber optic cable, enabling a single officer to effectively monitor the border. The Border Detection Grid provides a network of advanced sensors and detection, classification, and localization technologies to detect and classify cross-border movement (e.g., friendly forces, animals, weather, or illegal activity).
- Develop second small, low-cost Container Security Devices (CSDs). These devices detect and warn of opening or removal of container doors and provide a major increase in shipping container security.
- Support a Northern Border testbed demonstration in a northeast Border Patrol sector that will provide technology insertion and lessons learned to the Secure Border Initiative Network (SBInet). As part of BorderNet, the testbed is part of a wireless data network that will connect law enforcement officers in the field to real-time tactical scene awareness information using multi-sensor fusion and law enforcement data base query.

FY 2009 request of \$35.3 million:

- Complete field testing of the Advanced Container Security Device (ACSD) prototypes and conduct a large-scale operational test. The ACSD is a small unit that attaches to the inside of a container to monitor all six sides of the container, reporting any intrusion, door opening or presence of human cargo.
- Initiate capability enhancements to existing secondary non-intrusive inspection systems to detect or identify terrorist contraband items (e.g., drugs, money, illegal firearms) or humans. This project addresses an important capability gap to enhance cargo screening and examination systems through advanced non-intrusive inspection.
- Initiate a program to develop technologies for advanced detection identification, apprehension and enforcement capabilities along the maritime borders for rapid coordinated responses to anomalies and threats. Major investment areas include persistent wide-area surveillance in the

maritime environment, port and coastal sensor surveillance, and enhanced sensor/data fusion technologies for command center situational awareness.

### ***Chemical and Biological –***

FY 2007 appropriation of \$313.6 million:

- Completed the Project BioShield material threat determinations for all traditional biothreat agents of significant public health concern. Such determinations are required before the authorized use of the BioShield Special Reserve Fund to procure new medical countermeasures.
- Transitioned BioWatch Generation 1 and Generation 2 operations to the Office of Health Affairs (OHA).

FY 2008 appropriation of \$208.0 million:

- Transition final Gen 3 BioWatch system architecture design and deployment strategy to the Office of Health Affairs, which operates the BioWatch system. The Gen 3 BioWatch systems increase the number of agents detected, and reduce the maximum time between an event and warning to six hours. The Gen 3 system will be fully automated, and thus will significantly reduce operating costs.
- Validate forensic analytical methodologies for H-series blister agents, which are acid-forming compounds that damage skin and respiratory system, resulting burns and respiratory problems.. These analytical methodologies will provide enhanced capability for the Federal Bureau of Investigation (FBI) to identify attack sources.

FY 2009 request of \$200.4 million:

- Initiate a second round of Biodefense Net Assessments with a focus on developing a longer term strategic view of our and our adversaries' competitive strengths and tipping points. In response to HSPD-10, Biodefense Net Assessments (BNAs) provide "recommendations for re-balancing and refining investments among the pillars of our overall biodefense policy."
- Develop evaluated bioassays (fingerprint signatures of biological agents) that detectors and monitors use to recognize biological agents and trigger an alarm, which help to improve the ability to identify and characterize human or agriculture bioterrorism incidents. Complete development of and transition 10 bio threat assays to OHA for use in the Gen 2 BioWatch system and to establish the initial operational capability for the Public Health Actionable Assay process.
- Conduct bioforensics research in support of criminal investigative cases, with the ultimate goal of attribution, apprehension, and prosecution of the perpetrator, in fulfillment of the President's Biodefense for the 21st Century (HSPD-10). Complete validation at the National BioForensics and Analysis Center of forensic assays for the top thirty biological threat agents.
- Conduct biennial, end-to-end risk assessments on biological agents and conducts laboratory studies to close major scientific gaps that could significantly impact how the nation structures its defenses. The Biological Threat Characterization Center should close the remaining gaps on most of the classical, known agents by FY 2009, at which time attention will be increasingly focused on addressing future threats.
- Develop, exercise, and demonstrate decontamination methods and restoration system tools that include a coordinated systems approach to the restoration of wide urban areas, to include high traffic areas (transit/transportation facilities) and Department of Defense (DOD) infrastructures following the aerosol release of a biological agent.

### ***Command, Control and Interoperability –***

FY 2007 appropriation of \$62.6 million:

- Combined several government-funded testbeds to increase cyber security capabilities to create a realistic model of the internet on which to test cyber security technologies.
- Assisted states in identifying and implementing effective statewide technical interoperability solutions; conducted piloted programs to assess and demonstrate data and video technologies in real-world environment.

FY 2008 appropriation of \$57.0 million:

- Develop new capabilities to allow a mobile law enforcement official in a remote location to issue a single query that simultaneously accesses multiple databases across jurisdictions.
- Extend and apply pattern recognition tool to alert analysts to events that could be part of a developing, coordinated terrorist attack based on data from all-source intelligence leads and incident reports.

FY 2009 request of \$62.9 million:

- Initiate development of architecture for accessing and exchanging situational awareness information among the U.S. Coast Guard and its maritime, law enforcement, and intelligence partners.
- Launch a demonstration between Voice over Internet Protocol (VoIP) and P25 gateways. The project will also accelerate the development and testing of P25 IP-based interfaces for infrastructure inter-RF subsystems, console subsystems, and fixed base station subsystems.

### *Explosives –*

FY 2007 appropriation of \$110.2 million:

- Evaluated and tested commercial off-the-shelf systems capable of detecting homemade explosives to find the most effective existing technologies.
- Completed a system false alarm analysis of deployed check baggage technology and provided results to the Transportation Security Administration (TSA).

FY 2008 appropriation of \$77.7 million:

- Conduct demonstrations of promising new technologies to support their rapid prototyping and improve systems capable of detecting homemade explosives.
- Transition to Federal, State, and local responders a database of the mechanisms for defeating improvised explosive devices by means other than the current practice of detonating or manually disarming them.
- Begin pilot testing the most promising advanced air cargo screening systems for deployment in FY 2011.
- Transition to TSA advanced technologies that improve the effectiveness of existing checked baggage technologies.

FY 2009 request of \$97.6 million:

- Conduct detonation assessment tests to determine the impact, friction, and electrostatic discharge sensitivities of homemade explosives (HME) threats.
- Report on spectroscopic and trace technology research and development (R&D) for remote or standoff detection of Vehicle Borne Improvised Explosive Devices. These reports will establish the baseline and feasibility for employing explosives detection techniques as a means of vehicle-borne improvised explosive devices (VBIED) detection.

- Develop advanced capabilities to detect explosives and concealed weapons, including IEDs or HMEs that could be detonated in passenger cabins and weapons that could be used in the hostile takeover of mass transit. Introduce new standalone technologies or adjunct technologies, such as Computed Tomography (CT), to continue improving detection performance and the detection of novel explosives. Award a development contract for the detection of novel explosives in the next-generation checkpoint detection system.

### ***Human Factors –***

FY 2007 appropriation of \$6.8 million:

- Developed a database of public needs that were unmet during Hurricanes Katrina and Rita and made recommendations to address those needs during future emergencies.

FY 2008 appropriation of \$14.2 million:

- Refine an existing multi-modal (finger, face and iris) biometrics framework for test and evaluation activities. This leads to an identification tool that can accurately identify, without physical contact, known terrorists or criminals.
- Characterize screener-performance issues, propose new screener technologies and procedures, and develop training curricula to optimize security effectiveness and reduce human fatigue and injury, while reducing training requirements and overall cost.
- Improve the accuracy of risk assessments by incorporating a more comprehensive range of psychological, social, and indirect and long-term economic impacts of catastrophic events into the consequences aspect of DHS's risk assessments. Transition to TSA advanced technologies that improve the effectiveness of existing checked baggage technologies.

FY 2009 request of \$12.5 million:

- Initiate development of a contactless multi-modal biometrics identification prototype and create corresponding reference datasets. The datasets are key to system design and prototype delivery.
- Deliver modeling capabilities, content analysis for the computerized analytical framework focused on determining whether radical groups are likely to engage in violence and what ideological, organizational, and contextual factors may influence this decision or spark action.

### ***Infrastructure and Geophysical –***

FY 2007 appropriation of \$74.8 million:

- Developed a risk-informed decision support system. The system provides information for making critical infrastructure protection (CIP) decisions by considering all 17 critical infrastructure sectors and their primary interdependencies, and computing human health and safety, economic, public confidence, national security, and environmental impacts. Built out CIP-Decision Support System (DSS) to include cyber-disruptions, nuclear event, and physical/natural disaster disruption scenarios.
- Developed the system requirements and designs for a first responder 3D location system for tracking personnel that provide incident commanders situational awareness through accurate location and monitoring inside threatened buildings, collapsed buildings, and subterranean areas.

FY 2008 appropriation of \$64.5 million:

- Evaluate blast effects and mitigation measures for dams, tunnels and bridges that feeds into the development of suites of advanced materials, advanced materials, design procedures, and innovative construction methods that enable hardening of assets deemed most vital to the Nation.

- Conduct government testing of the 3D location system and conduct a functional test of the real-time, distributable standoff structure integrity monitoring system.
- Continue development of an automated training and exercise capability using advanced computer simulations and models, that will allow responders at all levels to affordably train and exercise for large and complex events in a virtual/constructive/live environment.

FY 2009 request of \$37.8 million:

- Start a project to provide a comprehensive and transparent disaster logistics tracking system across the entire area of responsibility of all disaster response partners, public and private. This system will allow the Federal Emergency Management Agency (FEMA) to more effectively manage critical resources and will enhance real-time coordination and situational awareness, setting the standard for all disaster response partners.
- Develop protective measures for tunnel protection by analyzing current measures; develop a design tool prototype for demonstration based on the new measures and conduct a field test.
- Develop advanced, automated, affordable underwater monitoring and surveillance technologies to detect underwater threats in harsh environments for extended periods that will be capable of being seamlessly and transparently integrated into infrastructure operations and operate in tandem and in support of law enforcement and other protective services/agencies.

### *Innovation –*

FY 2007 appropriation of \$38.0 million:

- Initiated Homeland Innovative Prototypical Solutions (HIPS) to deliver prototype-level demonstrations of game changing technologies in two to five years. These projects are moderate-to-high risk with high payoff potential.
- Started High Impact Technology Solutions (HITS) to provide proof-of-concept answers that could result in high technology breakthroughs. These projects have the potential to make significant gains in capability; however, there is a considerable risk of failure.
- Built upon the efforts in Explosives and demonstrated the ability of sensors based on a high altitude platform to detect launch of MANPADS.
- Investigated various technologies including probe systems to be installed on the cranes that on load and off load ship carried containers, sensors and container materials to improve the effectiveness and efficiency of the screening of cargo containers.

FY 2008 appropriation of \$33.0 million:

- Test an unmanned aircraft system with tunnel detection sensors and develop ground based technologies to increase tunnel detection accuracy and effectiveness.
- Conduct pilot demonstrations of wide-area surveillance and tracking technologies in lower Manhattan, including the high resolution optical sensor. This project will employ advanced, high-definition cameras as and possibly other sensor options, combined with small algorithms, to enhance surveillance of key infrastructure assets.

FY 2009 request of \$45.0 million:

- Use ultra-low-field Magnetic Resonance Imaging (MRI) technology to screen baggage for liquid explosives and demonstrate capability to detect liquid explosives within baggage.
- Develop a common operational picture tool that all levels of government can use to coordinate a synchronized response to natural disasters and acts of terrorism. Demonstrate and conduct a utility assessment of the Global Observer, high-altitude, long-endurance unmanned aircraft system and its situational awareness payload.

### ***Laboratory Facilities –***

FY 2007 appropriation of \$105.6 million:

- Managed the operations and maintenance of specialized DHS laboratories and infrastructure including the Plum Island Animal Disease Center (PIADC), portions of the National Biodefense Analysis and Countermeasures Center (NBACC), Chemical Security Analysis Center (CSAC), Transportation Security Laboratory (TSL), and the Environmental Measurements Laboratory (EML).
- Began operation of the NBACC facility as a Federally Funded Research and Development Center (FFRDC).
- Started construction of the Chemical Security Analysis Center (CSAC).
- Conducted the conceptual design of the National Bio Agro Defense Facility (NBAF), which will be an integrated animal, foreign animal, and zoonotic disease research, development, and testing facility that will support the complementary missions of DHS and U.S. Department of Agriculture (USDA). Down-selected potential sites for the NBAF.

FY 2008 appropriation of \$103.8 million:

- Continue construction of the NBACC facility.
- Complete construction of the CSAC as part of the Department of Defense's Sample Receipt Facility at the Edgewood Chemical Biological Center.
- Conduct an environmental impact statement (EIS) of the NBAF sites as part of the National Environmental Policy Act. The Department will use the EIS to determine site suitability, with final selection.

FY 2009 request of \$146.9 million:

- Complete construction of the NBACC.
- Conduct remaining cleanup activities at the Environmental Measurements Laboratory to return space to commercial use specifications.
- Initiate full CSAC operations in the state-of-the-art facility, which will be the premier facility with the capability to integrate knowledge across the full chemical threat spectrum.
- Begin a detailed design of the NBAF facility.
- \$14 million and 124 FTE non-headquarters S&T federal employees will be realigned to support DHS organic laboratories including Plum Island Animal Disease Center, the Environmental Measurements Laboratory, and the Transportation Security Laboratory.

### ***Test & Evaluation (T&E) and Standards –***

FY 2007 appropriation of \$25.4 million:

- Continued to develop standards for an integrated chemical, biological, radiological, nuclear, and explosive (CBRNE) sensor.
- Completed multi-modal biometrics standards, including standards for latent fingerprint analysis, rapid biometric evaluation, and biometric image and image feature quality.
- Developed performance standards for emergency responder locator communications in collapsed structures. These standards will apply to new signal processing technologies that allow amplification of weak signals through rubble from collapsed structures.

FY 2008 appropriation of \$28.5 million:

- Develop cargo security standards, working with CBP and other organizations, to include a review of existing standards, gap analysis and requirements gathering from users.
- Identify needed T&E infrastructure, involving participation in requirements development and test planning activities across DHS as well as evaluation of potential partner activities across the Federal government.
- Conduct performance testing and analysis to ensure new technologies and equipment meet the developing suite of biometric standards.
- Conduct an independent peer review of projects across DHS beginning with an evaluation of TSA's air cargo certified shipper program.

FY 2009 request of \$24.7 million:

- Draft standards for trace explosives detection using ion mobility and mass spectrometry; develop standards for high energy computed tomography beam energy; and develop a methodology and test kit for quality control and assurance of field-deployed equipment.
- Finalize standard test materials for Anthrax bacteria (*Bacillus anthracis*) and Ricin, release interim guidance for chemical and biological decontamination, and develop guidance for first-responder assessment of detection technology claims.
- Provide standards for image quality for biometric images of face, fingerprint and iris that can be used to enhance interoperability of US-VISIT and FBI Integrated Automated Fingerprint Identification System (IAFIS) fingerprint databases.
- Establish and issue policy and procedures as well as coordinate T&E resources to verify technical performance and operational effectiveness/suitability. Complete the Integrated DHS T&E Infrastructure Plan that will matrix the available domain of T&E capabilities to the DHS acquisition programs and the S&T Directorate's Capstone IPT projects.

### *Transition –*

FY 2007 appropriation of \$24.0 million:

- Aligned and coordinated the Directorate's transition effort with the Departmental component's requirements through the use of Capstone Integrated Product Teams (IPT) and provided support and analysis to the customer-led IPTs in developing prioritized science and technology capability gaps based on their experience and projected requirements.
- Conducted a Marine Asset Tag Tracking System (MATTS) test and workshop/conference on results with Japan and conducted a bi-national S&T exercise with Sweden to identify and describe transformational approaches to mitigating the effects of improvised explosive devices in mass transit systems

FY 2008 appropriation of \$30.3 million:

- Develop and implement an Office of Research and Technology Applications (ORTA) that will serve as the one-stop shop for managing patents and intellectual property identified during research efforts and promote partnerships to facilitate commercialization of the most promising technologies with industry to provide valuable homeland security technology applications to emergency responders and DHS component agencies.
- Build an "application wizard" to shorten the entire application process for companies seeking liability protection for candidate technologies under the SAFETY Act.

FY 2009 request of \$36.3 million:

- Establish a technology transfer community database, integrating content from other existing government agency databases such as the Center for Disease Control (CDC) and FEMA.

- Expand coordination with other Federal agencies to assist in the creation of Federal best practices, standards and guidelines and work with public and private consortiums/associations to identify promising technologies for prompt consideration under the SAFETY Act

***University Programs –***

FY 2007 appropriation of \$48.6 million:

- Established four new DHS Centers of Excellence (COE) and developed a number of efforts to improve the capabilities of Minority Serving Institutions (MSIs) to conduct research in areas critical to homeland security and to develop a new generation of scientists capable of advancing homeland security goals.
- Provided scholarships for undergraduate and fellowships for graduate students pursuing degrees in fields relevant to homeland security.

FY 2008 appropriation of \$49.3 million:

- Develop a far-reaching and multi-faceted MSI program that will incorporate MSIs into the Centers of Excellence and develop homeland security research and training capabilities at the MSIs.
- Continue cutting edge research such as developing adaptive risk assessment tools and rapid, accurate methods for detecting and diagnosing biological agents that could threaten U.S. livestock.

FY 2009 request of \$38.3 million:

- Establish a new DHS COE, the Center of Excellence for Command, Control and Interoperability, merging activities, of the Institute of Discrete Sciences University Affiliate Centers and the DHS Regional Visualization and Analytics Centers.

A more robust description of FY 2007 accomplishments, plans and projects for FY 2008 and 2009 respectively are discussed within the Budget request section of the FY 2009 Congressional Justification.

**C. Resources Requested, Performance Impact**

**Major Changes within the Base Level**

The proposed FY 2009 budget request of \$868,801,000 will maintain ongoing activities in science and technology research to detect and counter threats and attacks; to protect the Nation’s critical infrastructure, both physical and cyber; to analyze and assess threats and vulnerabilities; and to provide cutting edge technologies to operational end-users.

The S&T Directorate has planned and budgeted for its activities in FY 2009 by focusing and incorporating the Secretary’s priorities to: continue to protect our Nation from dangerous people, continue to protect our Nation from dangerous goods, protect critical infrastructure, and build a nimble, effective emergency response system and a culture of preparedness.

As noted earlier, the S&T Directorate made its decisions on FY 2009 funding based on the priorities and the requirements of the Department.

**Increments over Current Service Level**

The following projects represent increments over current service level by PPA:

- **Borders and Maritime Security:** The FY 2009 program increase of \$9.8 million funds technology development for specific high-priority, customer needs identified during the S&T Capstone IPT process; specifically, it will fund efforts in Maritime Security.
- **Chemical and Biological:** The FY 2009 reduction is primarily a result of several projects coming to an end in the Surveillance and Detection R&D Program within the Biological Countermeasures Thrust Area and in the Detection Program within the Chemical Countermeasures Thrust Area. The decrease is also a result of the S&T Capstone IPT process which shifted funds to high-priority programs.
- **Command, Control and Interoperability:** The FY 2009 increase of \$5.9 million allows the Command, Control, and Interoperability Division to develop additional technologies for specific high priority customer-identified needs identified during the S&T Capstone IPT process – specifically it will fund efforts in Internet-based Control System Protection – Supervisory Control and Data Acquisition (SCADA) and Process Control Systems (PCS).
- **Explosives:** The FY 2009 increase supports the Vehicle Borne Improvised Explosive Device/ Suicide Bomber Improvised Explosive Device (VBIED/SBIED) Program, the Render Safe Program, and the Detection and Neutralization Tools Program. The increase of \$20.0 million in funding for VBIED/SBIED will allow the Explosives division to improve large threat mass detection in such areas as the transit environment, special events and other large areas.
- **Human Factors:** The FY 2009 decrease reflects that the Human Factors Division is not requesting additional funds for the Institute for Homeland Security Solutions (IHSS), funded through the Research Triangle Institute. However, the Human Factors Division is increasing its efforts in Suspicious Behavior Detection and Personal Identification Systems.
- **Infrastructure and Geophysical:** The overall decrease in FY 2009 is due to efforts not funded such as Regional Technology Integration (RTI), Southeast Regional Research Initiative, and the Community Based CIP Institute. However, there are changes within base that will also fund several new program areas specifically identified by the customer, with efforts focused on high priority technology gaps in the areas of Infrastructure Protection and Emergency Incident Management.
- **Innovation:** The FY 2009 increase will fund existing programs whose scopes increase as they mature and might allow for additional projects that would address gaps identified by the S&T Capstone IPT process.
- **Laboratory Facilities:** The FY 2009 increase reflects the move-in and operations costs for the National Biodefense Analysis and Countermeasures Center (NBACC), and a one-time cost for final cleanup of the Environmental Measurements Laboratory (EML) space.
- **Test and Evaluation and Standards:** The FY 2009 decrease is a result of no request for funding for the independent peer review project and the S&T Capstone IPT, which shifted funds to higher priority projects.
- **Transition:** The FY 2009 increase provides additional funding for the Homeland Security Institute (HSI), whose contract ends in April 2009. The increase will also allow DHS to compete this Federally Funded Research and Development Center (FFRDC) contract.
- **University Programs:** The FY 2009 decrease is a result of no request for funding to support the creation of a Center of Excellence for the Transportation Security Agency and the Navy's Post Graduate School.

## **D. How Science and Technology Main Programs and Their Performance Goals Align to and Support the Secretary's Goals and Objectives.**

The following list of programs with their performance goals are followed by the DHS goals and objective they support.

Borders and Maritime Security program performance goal – Improve the capability of homeland security personnel to secure the Nation's land, maritime, and air borders.

**Goal 1** – Continue to protect our Nation from dangerous people

**Objective 1.1** – Achieve Effective Control of Our Borders

Chemical and Biological program performance goal – Improve the understanding, technologies, and systems necessary to protect against possible biological and chemical attacks on the Nation's population, agriculture, or infrastructure.

**Goal 2** – Continue to protect our Nation from dangerous goods

**Objective 2.2** – Biological

Explosives program performance goal – Improve explosives countermeasures technologies and procedures to prevent attacks on critical infrastructure, key assets, and the public.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed Critical Infrastructure and Key Assets

Human Factors program performance goal – Improve detection, analysis, and the understanding of threats posed by individuals, groups, and radical movements through the application of the social and behavioral sciences.

**Goal 1** – Continue to protect our Nation from dangerous people

**Objective 1.3** – Strengthen Screening of Travelers and Workers

Infrastructure and Geophysical program performance goal – Improve the capability for state, local, tribal, and private sector preparedness for and response to all hazardous events impacting the population and critical infrastructure.

**Goal 3** – Protect critical infrastructure

**Objective 3.1** – Fixed Critical Infrastructure and Key Assets

Command, Control and Interoperability program performance goal – Improve and develop operable and interoperable communications for emergency responders, develop tools to improve the security and integrity of the internet, and improve and develop automated capabilities to recognize potential threats.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness

**Objective 4.1** – Response and Recovery

Test & Evaluation and Standards program performance goal – Improve and develop standards and test and evaluation protocols for products, services, and systems used by the Department of Homeland Security and its partners to ensure consistent and verifiable effectiveness of equipment and tools.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness

**Objective 4.2** – Preparedness

Innovation program performance goal – Support significant technology breakthroughs that have the potential to greatly enhance DHS operations.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness  
**Objective 4.2** – Preparedness

Transition program performance goal – Deliver near-term products and technology enhancements.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness  
**Objective 4.2** – Preparedness

University Programs program performance goal – Improve university-based research, development and education systems to enhance the Nation's homeland security.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness  
**Objective 4.2** – Preparedness

Laboratory Facilities program performance goal – Improve the Nation's core of productive science, technology, and engineering laboratories, organizations, and institutions, which can develop the knowledge and technology required to secure our homeland.

**Goal 4** – Build a nimble, effective emergency response system and a culture of preparedness  
**Objective 4.2** – Preparedness

**E. Performance-Based Budget Highlights by Program**

|  |          |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|----------|
| <b>Program: Borders and Maritime Security</b>  |          |          |          |          |          |          |
| <b>Performance Goal:</b> Improve the capability of homeland security personnel to secure the Nation's land, maritime, and air borders. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |          |          |          |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | \$25,500 | \$55,148 | \$78,475 | \$41,207 | \$33,413 | \$43,660 |
| <b>FTE</b>   | 19       | 46       | 16       | 12       | 17       | 19       |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal year's budget execution plan.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | N/A     | 100%    | 90%     | 90%     |
| <b>Actual:</b>  | None    | None    | None    | 80%     | N/A     | N/A     |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Percent of transition program funding dedicated to developing technologies in direct response to DHS components' requirements.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The percent of science and technology transition funding that directly supports the development of technologies requested by the Department components such as Customs and Border Protection, to ensure that operational end users are provided with the technology and capabilities they need to detect and prevent terrorist attacks, means of terrorism and other illegal activities. |  |  |  |  |  |  |

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | 80%     | 94%     | 95%     | 95%     |
| <b>Actual:</b>      | None    | None    | 94%     | 98%     | N/A     | N/A     |

|   |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Chemical and Biological</b>   |           |           |           |           |           |           |
| <b>Performance Goal:</b> Improve the understanding, technologies, and systems necessary to protect against possible biological and chemical attacks on the Nation's population, agriculture, or infrastructure. |           |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | \$178,591 | \$478,886 | \$529,944 | \$343,511 | \$239,483 | \$233,352 |
| <b>FTE</b>  | 48        | 100       | 106       | 23        | 49        | 54        |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent completion of an effective restoration technology to restore key infrastructure to normal operation after a chemical attack.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percent of work accomplished out of the total effort needed to prototype an effective technology that can restore key infrastructure to normal operations after a chemical attack. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 25%     | 35%     | 40%     | 50%     |
| <b>Actual:</b>  | None    | None    | 25%     | 30%     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | N/A     | 88%     | 90%     | 93%     |
| <b>Actual:</b>  | None    | None    | None    | 89%     | N/A     | N/A     |

|  |         |         |           |          |          |          |
|--|---------|---------|-----------|----------|----------|----------|
| <b>Program: Command, Control and Interoperability</b>  |         |         |           |          |          |          |
| <b>Performance Goal:</b> Improve and develop operable and interoperable communications for emergency responders, develop tools to improve the security and integrity of the internet, and improve and develop automated capabilities to recognize potential threats. |         |         |           |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |         |           |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006   | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | None    | \$117,322 | \$75,184 | \$69,933 | \$76,370 |
| <b>FTE</b>   | None    | None    | 23        | 20       | 29       | 31       |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of proof-of-concept reconnaissance, surveillance and investigative technologies demonstrated.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure identifies the number of proof-of-concept (feasibility) of technologies demonstrated that aid in the discovery, investigation, and prosecution of terrorists and criminals. Proof of concept is considered a milestone in the development of a fully functioning prototype. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |

|                |      |      |      |      |     |     |
|----------------|------|------|------|------|-----|-----|
| <b>Target:</b> | None | None | None | N/A  | 5   | 8   |
| <b>Actual:</b> | None | None | None | None | N/A | N/A |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | N/A     | 75%     | 90%     | 95%     |
| <b>Actual:</b>  | None    | None    | None    | 75%     | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of cyber security data sets collected and approved. |         |         |         |         |         |         |
| <b>Description of Measure:</b>   |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 85      | 350     | 450     |
| <b>Actual:</b>   | None    | None    | None    | 263     | N/A     | N/A     |

|  |         |          |          |           |          |           |
|--|---------|----------|----------|-----------|----------|-----------|
| <b>Program: Explosives</b>   |         |          |          |           |          |           |
| <b>Performance Goal:</b> Improve explosives countermeasures technologies and procedures to prevent attacks on critical infrastructure, key assets, and the public. |         |          |          |           |          |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |          |          |           |          |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005  | FY 2006  | FY 2007   | FY 2008  | FY 2009   |
| <b>\$ Thousands</b>  | \$7,675 | \$19,911 | \$89,809 | \$121,518 | \$89,404 | \$109,946 |
| <b>FTE</b>   | 3       | 11       | 18       | 12        | 21       | 23        |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of new or improved technologies available for transition to the customers at a Technology Readiness Level (TRL) 6 or above.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The number of technologies includes those that have reached a maturity level of TRL 6 or above; this indicates that a technology is ready for demonstration. These technologies will be transitioned to the primary customer, the Transportation Security Administration. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | NA      | 2       | 3       | 5       |
| <b>Actual:</b>   | None    | None    | None    | 0       | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | N/A     | 80%     | 85%     | 85%     |
| <b>Actual:</b>  | None    | None    | None    | 61%     | N/A     | N/A     |

| <b>Program: Human Factors</b>  |         |         |         |          |          |          |
|--|---------|---------|---------|----------|----------|----------|
| <b>Performance Goal:</b> Improve detection, analysis, and the understanding of threats posed by individuals, groups and radical movements through the application of the social and behavioral sciences. |         |         |         |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |         |         |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | None    | \$7,484 | \$10,656 | \$17,949 | \$16,360 |
| <b>FTE</b>   | None    | None    | 2       | 13       | 14       | 15       |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | NA      | 90%     | 90%     | 90%     |
| <b>Actual:</b>  | None    | None    | None    | 73%     | N/A     | N/A     |

| <b>Program: Infrastructure and Geophysical</b>   |         |         |          |          |          |          |
|--|---------|---------|----------|----------|----------|----------|
| <b>Performance Goal:</b> Improve the capability for State, local, tribal, and private sector preparedness for and response to all hazardous events impacting the population and critical infrastructure. |         |         |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |         |          |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | None    | \$50,999 | \$83,131 | \$73,366 | \$47,038 |
| <b>FTE</b>   | None    | None    | 10       | 7        | 15       | 16       |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of analyses/simulations completed on critical infrastructure decision support systems that provide actionable information to help protect U. S. critical infrastructure. |         |         |         |         |         |         |
| <b>Description of Measure:</b>  |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | N/A     | 4       | 0       |
| <b>Actual:</b>  | None    | None    | None    | None    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | NA      | 90%     | 90%     | 90%     |
| <b>Actual:</b>  | None    | None    | None    | 69%     | N/A     | N/A     |

| <b>Program: Innovation</b>   |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Performance Goal:</b> Support significant technology breakthroughs that have the potential to greatly enhance DHS operations. |  |  |  |  |  |  |

| <b>DHS strategic objectives supported and % allocation of activities:</b> |         |         |         |          |          |          |
|---|---------|---------|---------|----------|----------|----------|
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | None    | None    | \$0     | \$46,922 | \$42,270 | \$54,690 |
| <b>FTE</b>  | None    | None    | 0       | 17       | 24       | 26       |

| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program which focuses on Homeland Innovative Prototypical Solutions (HIPS) and High Impact Technology Solutions (HITS). These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. The majority of the projects initiated within Innovation are high - risk and therefore the target is appropriate for this type of research. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | NA      | 45%     | 50%     | 50%     |
| <b>Actual:</b>   | None    | None    | None    | 83%     | N/A     | N/A     |

| <b>Program: Laboratory Facilities</b>  |         |         |           |           |           |           |
|--|---------|---------|-----------|-----------|-----------|-----------|
| <b>Performance Goal:</b> Improve the Nation's core of productive science, technology, and engineering laboratories, organizations, and institutions, which can develop the knowledge and technology required to secure our homeland. |         |         |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b>  |         |         |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | None    | None    | \$104,825 | \$142,006 | \$140,848 | \$171,819 |
| <b>FTE</b>   | None    | None    | 21        | 127       | 150       | 163       |

| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | NA      | 100%    | 100%    | 100%    |
| <b>Actual:</b>  | None    | None    | None    | 93%     | N/A     | N/A     |

| <b>Program: Testing and Evaluation and Standards</b>  |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|
| <b>Performance Goal:</b> Improve and develop standards and test and evaluation protocols for products, services, and systems used by the Department of Homeland Security and its partners to ensure consistent and verifiable effectiveness of equipment and tools. |          |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>   |          |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$33,758 | \$42,202 | \$35,017 | \$29,556 | \$32,518 | \$28,900 |
| <b>FTE</b>  | 6        | 9        | 7        | 6        | 7        | 8        |

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Number of Department of Homeland Security official technical standards introduced.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> The number of standards introduced for adoption by the Department of |  |  |  |  |  |  |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| Homeland Security - not all are adopted. The Standards Council and our working groups identify standards and examine their suitability for adoption. Only those standards with clear requirements and applicability are adopted. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | 15      | 20      | 20      | 20      |
| <b>Actual:</b>   | None    | None    | 15      | 19      | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | N/A     | 70%     | 70%     | 80%     |
| <b>Actual:</b>  | None    | None    | None    | 88%     | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of standards introduced that are adopted by Department of Homeland Security and partner agencies.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The percentage of standards and protocols for products, services, and systems that are adopted by the Department and its partner agencies, thus ensuring high levels of effectiveness among the technologies and capabilities end users need to detect and prevent terrorist attacks, means of terrorism and other illegal activities. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 67%     | 85%     | 90%     | 95%     |
| <b>Actual:</b>  | None    | None    | 92%     | 84%     | N/A     | N/A     |

|  |         |         |         |          |          |          |
|--|---------|---------|---------|----------|----------|----------|
| <b>Program: Transition</b>   |         |         |         |          |          |          |
| <b>Performance Goal:</b> Deliver near - term products and technology enhancements. |         |         |         |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b>          |         |         |         |          |          |          |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>  | None    | None    | \$7,365 | \$29,402 | \$35,809 | \$42,096 |
| <b>FTE</b>   | None    | None    | 1       | 11       | 15       | 16       |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of milestones that are met, as established in the fiscal years budget execution plan.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | NA      | 80%     | 85%     | 85%     |
| <b>Actual:</b>  | None    | None    | None    | 100%    | N/A     | N/A     |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <b>Measure:</b> Percent of SAFETY Act applications that have been processed and feedback provided to applicant when package has been disapproved.  |  |  |  |  |  |  |
| <b>Description of Measure:</b> As part of the Homeland Security Act of 2002, Public Law 107 - 296, Congress enacted the SAFETY (Support Anti - Terrorism by Fostering Effective Technologies) Act to provide certain protections for sellers of qualified anti - terrorism technologies and others |  |  |  |  |  |  |

in the supply and distribution chain. Specifically, the SAFETY Act creates certain liability limitations for claims arising out of, relating to, or resulting from an act of terrorism where qualified anti - terrorism technologies have been deployed. This measure indicates the percentage of applications for which the Department granted liability protection out of all those evaluated. This liability protection helps to encourage the development of effective technologies aimed at preventing, detecting, identifying, or deterring acts of terrorism, or limiting the harm that such acts might otherwise cause.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | 65%     | 100%    | 100%    | 100%    |
| <b>Actual:</b>      | None    | None    | 100%    | 100%    | N/A     | N/A     |

**Program: University Programs**

**Performance Goal:** Improve university - based research, development and education systems to enhance the Nation's homeland security.

**DHS strategic objectives supported and % allocation of activities:**

|                     |          |           |          |          |          |          |
|---------------------|----------|-----------|----------|----------|----------|----------|
| <b>Fiscal Year:</b> | FY 2004  | FY 2005   | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b> | \$23,015 | \$120,064 | \$47,147 | \$55,016 | \$55,341 | \$44,607 |
| <b>FTE</b>          | 4        | 13        | 9        | 9        | 9        | 10       |

**Measure:** Number of Science, Technology, Engineering and Mathematics (STEM) students supported.

**Description of Measure:** The scholars and fellows are undergraduate students, graduate students, post-docs, American Association for the Advancement of Science Scholars and faculty. The University Centers of Excellence are mission - focused university consortiums that leverage the multi - disciplinary capabilities of universities to address the Department of Homeland Security needs.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | None    | N/A     | 200     | 200     |
| <b>Actual:</b>      | None    | None    | None    | None    | N/A     | N/A     |

**Measure:** Percent of milestones that are met, as established in the fiscal years budget execution plan.

**Description of Measure:** The program has established a set of milestones that are necessary for achieving the goals and objectives of the program. These milestones are presented in the programs portion of the Science and Technology Directorates fiscal year budget execution plan, which details the allocation of dollars and projected accomplishments for the year.

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | N/A     | 80%     | 85%     | 85%     |
| <b>Actual:</b>      | None    | None    | None    | 60%     | N/A     | N/A     |

**F. Digest Tables by FYHSP Programs**

| Budget Activity                                   | FY 2007 Actual |           | FY 2008 Enacted |           | FY 2009 Request |           | Increase (+) or Decrease (-) For FY 2009 |             |                 |           |               |        |
|---|----------------|-----------|-----------------|-----------|-----------------|-----------|--|-------------|-----------------|-----------|---------------|--------|
|   | FTE            | AMOUNT    | FTE             | AMOUNT    | FTE             | AMOUNT    | Total Changes                            |             | Program Changes |           | Other Changes |        |
|   |                |           |                 |           |                 |           | FTE                                      | AMOUNT      | FTE             | AMOUNT    | FTE           | AMOUNT |
| Border and Maritime                               | 12             | \$ 56,275 | 17              | \$ 33,413 | 19              | \$ 43,660 | 2  | \$ 10,247   | 2               | \$ 10,247 |               |        |
| Chemical and Biological                           | 23             | 378,190   | 49              | 239,483   | 54              | 233,352   | 5  | \$ (6,131)  | 5               | (6,131)   |               |        |
| Command, Control, and Interoperability            | 20             | 87,202    | 29              | 69,933    | 31              | 76,370    | 2  | \$ 6,437    | 2               | 6,437     |               |        |
| Explosives  | 12             | 132,829   | 21              | 89,404    | 23              | 109,946   | 2  | \$ 20,542   | 2               | 20,542    |               |        |
| Human Factors                                     | 13             | 10,348    | 14              | 17,949    | 15              | 16,360    | 1  | \$ (1,589)  | 1               | (1,589)   |               |        |
| Infrastructure and Geophysical                    | 7              | 100,125   | 15              | 73,366    | 16              | 47,038    | 1  | \$ (26,328) | 1               | (26,328)  |               |        |
| Innovation  | 17             | 30,838    | 24              | 42,270    | 26              | 54,690    | 2  | \$ 12,420   | 2               | 12,420    |               |        |
| Laboratory Facilities                             | 127            | 108,499   | 150             | 140,848   | 163             | 171,819   | 13                                       | \$ 30,971   | 13              | 30,971    |               |        |
| Test and Evaluation and Standards                 | 6              | 29,026    | 7               | 32,518    | 8               | 28,900    | 1  | \$ (3,618)  | 1               | (3,618)   |               |        |
| Transition  | 11             | 35,567    | 15              | 35,809    | 16              | 42,096    | 1  | \$ 6,287    | 1               | 6,287     |               |        |
| University Programs                               | 9              | 54,685    | 9               | 55,341    | 10              | 44,607    | 1  | \$ (10,734) | 1               | (10,734)  |               |        |
| Subtotal, Budget Authority (All Sources)          | 257            | 1,023,584 | 350             | 830,334   | 381             | 868,838   | 31                                       | 38,504      | 31              | 38,504    | -             | -      |
| Total enacted appropriations and budget estimates | 257            | 1,023,584 | 350             | 830,334   | 381             | 868,838   | 31                                       | 38,504      | 31              | 38,504    | -             | -      |

# Department of Homeland Security

## *Domestic Nuclear Detection Office*

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Fiscal Year 2009  
Congressional Justification

**i. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Domestic Nuclear Detection Office**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|  | FTE <sup>1</sup>  | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|  |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Management and Administration                                | 112               | \$29,732         | 121                | \$31,500         | 137                | \$38,900         | 16                                       | \$7,400         | 7               | \$1,399         | 9                   | \$6,001        |
| Research, Development, and Operations                        | ---               | 254,918          | ---                | 323,500          | ---                | 334,200          | ---                                      | 10,700          | ---             | 10,700          | ---                 | ---            |
| Systems Acquisition  | ---               | 113,670          | ---                | 129,750          | ---                | 190,700          | ---                                      | 60,950          | ---             | 60,950          | ---                 | ---            |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>112</b>        | <b>\$398,320</b> | <b>121</b>         | <b>\$484,750</b> | <b>137</b>         | <b>\$563,800</b> | <b>16</b>                                | <b>\$79,050</b> | <b>7</b>        | <b>\$73,049</b> | <b>9</b>            | <b>\$6,001</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>112</b>        | <b>\$398,320</b> | <b>121</b>         | <b>\$484,750</b> | <b>137</b>         | <b>\$563,800</b> | <b>16</b>                                | <b>\$79,050</b> | <b>7</b>        | <b>\$73,049</b> | <b>9</b>            | <b>\$6,001</b> |

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

## ii. Homeland and Non-Homeland Allocation

**Domestic Nuclear Detection Office**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual |                  |              |            |            |                  | FY 2008<br>Enacted |                  |              |            |            |                  | FY 2009<br>Request |                  |              |            |            |                  |
|---|-------------------|------------------|--------------|------------|------------|------------------|--------------------|------------------|--------------|------------|------------|------------------|--------------------|------------------|--------------|------------|------------|------------------|
|   | Homeland          |                  | Non-Homeland |            | Total      |                  | Homeland           |                  | Non-Homeland |            | Total      |                  | Homeland           |                  | Non-Homeland |            | Total      |                  |
|   | FTE <sup>1</sup>  | Amount           | FTE          | Amount     | FTE        | Amount           | FTE                | Amount           | FTE          | Amount     | FTE        | Amount           | FTE                | Amount           | FTE          | Amount     | FTE        | Amount           |
| <b>Management and Administration</b>                    | 112               | \$29,732         | ---          | ---        | 112        | \$29,732         | 121                | \$31,500         | ---          | ---        | 121        | \$31,500         | 137                | \$38,900         | ---          | ---        | 137        | \$38,900         |
| <b>Research, Development and Operations</b>             | ---               | 254,918          | ---          | ---        | ---        | 254,918          | ---                | 323,500          | ---          | ---        | ---        | 323,500          | ---                | 334,200          | ---          | ---        | ---        | 334,200          |
| - Systems Engineering and Architecture                  | ---               | 30,172           | ---          | ---        | ---        | 30,172           | ---                | 22,400           | ---          | ---        | ---        | 22,400           | ---                | 25,100           | ---          | ---        | ---        | 25,147           |
| - Systems Development                                   | ---               | 96,721           | ---          | ---        | ---        | 96,721           | ---                | 118,100          | ---          | ---        | ---        | 118,100          | ---                | 108,100          | ---          | ---        | ---        | 108,100          |
| - Transformational Research and Development             | ---               | 56,812           | ---          | ---        | ---        | 56,812           | ---                | 96,000           | ---          | ---        | ---        | 96,000           | ---                | 113,300          | ---          | ---        | ---        | 113,300          |
| - Assessments   | ---               | 29,057           | ---          | ---        | ---        | 29,057           | ---                | 37,500           | ---          | ---        | ---        | 37,500           | ---                | 32,000           | ---          | ---        | ---        | 32,000           |
| - Operations Support                                    | ---               | 32,038           | ---          | ---        | ---        | 32,038           | ---                | 34,500           | ---          | ---        | ---        | 34,500           | ---                | 37,800           | ---          | ---        | ---        | 37,753           |
| - National Technical Nuclear Forensics Center           | ---               | 10,118           | ---          | ---        | ---        | 10,118           | ---                | 15,000           | ---          | ---        | ---        | 15,000           | ---                | 17,900           | ---          | ---        | ---        | 17,900           |
| <b>Systems Acquisition</b>                              | ---               | 113,670          | ---          | ---        | ---        | 113,670          | ---                | 129,750          | ---          | ---        | ---        | 129,750          | ---                | 190,700          | ---          | ---        | ---        | 190,700          |
| - Radiation Portal Monitor Program                      | ---               | 107,192          | ---          | ---        | ---        | 107,191          | ---                | 90,000           | ---          | ---        | ---        | 90,000           | ---                | 157,700          | ---          | ---        | ---        | 157,700          |
| - Securing the Cities                                   | ---               | 162              | ---          | ---        | ---        | 162              | ---                | 30,000           | ---          | ---        | ---        | 30,000           | ---                | 20,000           | ---          | ---        | ---        | 20,000           |
| - Human Portal Radiation Detection Systems              | ---               | 6,316            | ---          | ---        | ---        | 6,317            | ---                | 9,750            | ---          | ---        | ---        | 9,750            | ---                | 13,000           | ---          | ---        | ---        | 13,000           |
| <b>Total Direct Appropriations and Budget Estimates</b> | <b>112</b>        | <b>\$398,320</b> | <b>---</b>   | <b>---</b> | <b>112</b> | <b>\$398,320</b> | <b>121</b>         | <b>\$484,750</b> | <b>---</b>   | <b>\$0</b> | <b>121</b> | <b>\$484,750</b> | <b>137</b>         | <b>\$563,800</b> | <b>---</b>   | <b>---</b> | <b>137</b> | <b>\$563,800</b> |

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

### iii. Status of Congressionally Requested Studies and Reports

**Department of Homeland Security  
Domestic Nuclear Detection Office**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b>                    | <b>Requirement</b>  | <b>Status</b>                                   |
|--------------------|-----------------|--|---|---|
| 2008               | 1/31/2008       | House Report 110-181, Title IV, p. 126       | The Committee directs DNDO to provide quarterly briefings, beginning in January 2008, on its assessments of these new technologies and its progress in deploying technologies to other vulnerable sites. These briefings should include information about the architecture necessary to deploy detection equipment at nontraditional ports of entry or seaports; the types of technologies being assessed; the strengths and weaknesses of these technologies; and the development timetable.   | Target delivery date to Congress is 01/31/2008. |
| 2008               | March 2008      | House Report 110-181, Title IV, p. 126       | DNDO is working with CBP to find ways to screen shipments and vessels coming to the United States for radiation at the foreign ports from which they depart. The Committee directs DNDO to report on the results of these efforts in conjunction with the quarterly threat assessment briefings, beginning with the next scheduled briefing.  | Target delivery date to Congress is March 2008. |
| 2008               | 5/26/2008       | House Report 110-181, Title IV, p. 127       | The Committee directs DNDO to report quarterly on red team exercises it has conducted, any vulnerabilities identified, and any changes that are being made to the system to address these vulnerabilities. The first report shall be submitted on January 1, 2008.  | Target delivery date to Congress is 05/26/2008. |
| 2008               | 5/26/2008       | House Report 110-181, Title IV, p. 129       | GAO recommends that DNDO (1) collect and maintain reports concerning all of the testing performed by the U.S. national laboratories; and (2) review the test reports in order to develop an information database on how PVTs perform in both laboratory and field tests on a variety of indicators, such as their ability to detect specific radiological and nuclear materials or how they are affected by different levels of background environmental radiation. The Committee concurs with GAO's recommendations and directs DNDO to report on its plan to collect and maintain an information database in a timely fashion. This report should be provided to the House Appropriations Committee no later than November 1, 2007. | Target delivery date to Congress is 05/26/2008. |
| 2008               | 5/26/2008       | Senate Report 110-84, Title IV, p. 119       | The Committee directs DNDO to submit a strategic plan for its phased deployment that: (1) prioritizes the cities to be covered by the program; (2) lays out a decision matrix on which routes will be covered into the city whether by land, sea or air; (3) addresses whether decoy detection systems would benefit the public good; (4) indicates what level of detection infrastructure makes sense for each city; (5) addresses whether any given deployment has a reasonable chance of success against an adversary with at least a moderate level of technological know-how; and (6) establishes a 5-year projected cost of the program.  | Target delivery date to Congress is 05/26/2008. |
| 2008               | 4/26/2008       | Senate Report 110-84, Title IV, p. 119       | The Committee directs DNDO to provide a classified briefing to the Committee on ways it plans to incorporate current intelligence into the structure and implementation of the Architecture by October 1, 2007.   | Target delivery date to Congress is 04/26/2008. |
| 2008               | 9/1/2008        | FY 2008 Omnibus PL 110-161, Title IV, p. 230 | None of the funds appropriated under this heading shall be obligated for full-scale procurement of Advanced Spectroscopic Portal Monitors until the Secretary of Homeland Security submits to the Committees on Appropriations of the Senate and the House of Representatives a report certifying that a significant increase in operational effectiveness will be achieved.  | Target delivery date to Congress is 09/01/2008. |

**iv. Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
Domestic Nuclear Detection Office**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)

| Budget Activity                                      | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | FY 2009 Request  |
|--|----------------------------|------------------|---|------------------|
|  | Fiscal Year                | Amount           | Amount                                      | Amount           |
|  |                            |                  |   |                  |
| <b>Management and Administration</b>                 | N/A                        | \$0              | N/A   | <b>\$38,900</b>  |
| <b>Research, Development and Operations</b>          | N/A                        | \$0              | N/A   | <b>334,200</b>   |
| - Systems Engineering and Architecture               | N/A                        | ---              | N/A   | 25,147           |
| - Systems Development                                | N/A                        | ---              | N/A   | 108,100          |
| - Transformational Research and Development          | N/A                        | ---              | N/A   | 113,300          |
| - Assessments  | N/A                        | ---              | N/A   | 32,000           |
| - Operations Support                                 | N/A                        | ---              | N/A   | 37,753           |
| - National Technical Nuclear Forensics Center        | N/A                        | ---              | N/A   | 17,900           |
| <b>Systems Acquisition</b>                           | N/A                        | \$0              | N/A   | <b>190,700</b>   |
| - Radiation Portal Monitor Program                   | N/A                        | ---              | N/A   | 157,700          |
| - Securing the Cities                                | N/A                        | ---              | N/A   | 20,000           |
| - Human Portable Radiation Detection Systems Program | N/A                        | ---              | N/A   | 13,000           |
| <b>Total Direct Authorization/Appropriation</b>      |                            | <b>\$0</b>       | <b>\$0</b>                                  | <b>\$563,800</b> |

# Department of Homeland Security

*Domestic Nuclear Detection Office*

*Management and Administration*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## DOMESTIC NUCLEAR DETECTION OFFICE MANAGEMENT AND ADMINISTRATION

### I. Appropriation Overview

#### **A. Mission Statement for Management and Administration:**

The Domestic Nuclear Detection Office (DNDO) is the lead agency within the Department of Homeland Security to integrate efforts across the Department in combating the threat of nuclear attack, and the lead departmental representative for all interagency activities to coordinate the U.S. Government's (USG) nuclear defense posture. Key to the success of the Department of Homeland Security (DHS) is improving the ability to mitigate risks across the entire threat spectrum. In recognition of the catastrophic risk posed by the use of a nuclear weapon within the United States, the Department has integrated all nuclear detection research, development, test, evaluation, and operational support into a single office. DNDO is dedicated to both the development and enhancement of the global nuclear detection architecture; acquisition and deployment support for the domestic detection system; coordination of effective sharing of nuclear detection-related information; the coordination of nuclear detection research and development; the establishment of procedures and training for end users of nuclear detection equipment; and national-level integration, development, and advancement of an enduring national nuclear forensics capability.

The Management and Administration (M&A) appropriation provides for the management and administrative support to that goal. M&A includes all costs related to Federal personnel, including detailees from other organizations. In addition, M&A provides the material support for DNDO personnel, such as facilities, supplies and materials, and administrative needs such as information technology (IT) equipment and support. Finally, all DNDO contributions to the DHS Working Capital Fund (WCF) are included within the M&A request.

#### **B. Budget Activities:**

Management and Administration: As a jointly-staffed office, the DNDO staff presently consists of 130 DNDO Federal staff positions of which approximately 45 are detailees. Beginning in FY 2007, DNDO agreed to reimburse parent organizations for detailed staff. Additionally, the Management and Administration request includes all DNDO rent payments and contributions to the DHS Working Capital Fund (WCF).

#### **C. Budget Request Summary:**

The Domestic Nuclear Detection Office requests 144 positions, 137 FTE, and \$38,900,000 for FY 2009 Management and Administration. The total adjustments-to-base is \$6,001,000 and 9 FTE. The total program increase is 14 positions, 7 FTE, and \$1,399,000.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                |                 |                |                     |                |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|----------------|-----------------|----------------|---------------------|----------------|
|  | FTE <sup>1</sup>  | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | Total Changes                            |                | Program Changes |                | Adjustments-to-Base |                |
|  |                   |                 |                    |                 |                    |                 | FTE                                      | AMOUNT         | FTE             | AMOUNT         | FTE                 | AMOUNT         |
| Management and Administration                                | 112               | \$29,732        | 121                | \$31,500        | 137                | \$38,900        | 16                                       | \$7,400        | 7               | 1,399          | 9                   | \$6,001        |
|  | ---               | ---             | ---                | ---             | ---                | ---             | ---                                      | ---            | ---             | ---            | ---                 | ---            |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>112</b>        | <b>\$29,732</b> | <b>121</b>         | <b>\$31,500</b> | <b>137</b>         | <b>\$38,900</b> | <b>16</b>                                | <b>\$7,400</b> | <b>7</b>        | <b>\$1,399</b> | <b>9</b>            | <b>\$6,001</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                 |                    |                 |                    |                 |  |                |                 |                |                     |                |
|  |                   |                 |                    |                 |                    |                 |  |                |                 |                |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>112</b>        | <b>\$29,732</b> | <b>121</b>         | <b>\$31,500</b> | <b>137</b>         | <b>\$38,900</b> | <b>16</b>                                | <b>\$7,400</b> | <b>7</b>        | <b>\$1,399</b> | <b>9</b>            | <b>\$6,001</b> |

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Management and Administration**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: MANAGEMENT AND ADMINISTRATION

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 EOY Actual</b>       | <b>112</b>          | <b>112</b> | <b>\$29,732</b> |
| <b>2008 Enacted</b>          | <b>130</b>          | <b>121</b> | <b>\$31,500</b> |
| 2009 Adjustments-to-Base     | ---                 | 9          | \$6,001         |
| <b>2009 Current Services</b> | <b>130</b>          | <b>130</b> | <b>\$37,501</b> |
| 2009 Program Change          | 14                  | 7          | \$1,399         |
| <b>2009 Request</b>          | <b>144</b>          | <b>137</b> | <b>\$38,900</b> |
| Total Change 2008-2009       | 14                  | 16         | \$7,400         |

DNDO requests 144 positions, 137 full time equivalents (FTE), \$38.900 million for FY 2009. This is an increase of \$6.001 million over FY 2008 for pay and non-pay inflation, annualization of (9) FY 2008 part year funding, annualization of FY 2008 increases, GSA rent, and Working Capital Fund adjustments. Additionally, a program increase to provide program management staff for increased research, development, and operations activities includes \$1.399 million for (7) FTE.

#### CURRENT SERVICES PROGRAM DESCRIPTION:

The Management and Administration (M&A) request provides for the execution of salaries, benefits, and expenses related to 144 positions and 137 FTE, an increase of 14 positions and 16 FTE over FY 2008 levels. Of the 16 additional FTE requested in FY 2009, nine (9) are associated with the annualization of 18 additional positions requested in FY 2008, originally requested at a 50% lapse rate. The remaining seven (7) FTE are associated with the request for an additional 14 positions over FY 2009, also at a 50% lapse rate.

In FY 2009, DNDO requests an additional 14 positions for programmatic areas. These requested positions will enhance current capabilities and subject matter expertise. This request addresses the increase in scope for areas such as the aviation, maritime and ports-of-entry vectors. The additional staff will augment DNDO's present hiring strategy to increase programmatic personnel to accommodate the increase in scope based upon the numerous facets of the nuclear threat.

The additional positions requested in FY 2009 are intended to provide a fully complimentary set of skills covering all DNDO functions as it expands into additional mission areas related to the radiological and nuclear threat. Of the 14 positions, one (1) will be dedicated to managing standards development, one (1) to systems development activities, one (1) to maturing red team activities, one (1) to providing advanced modeling and simulation capabilities, two (2) to expanding mission support functions (one each for Border Patrol activities and cross cutting initiatives), two (2) to meet rapidly

expanding testing and assessments requirements, one (1) for transformational research and development program management, and four (4) for support to expanding field operations through the DNDO Joint Analysis Center (JAC). In addition, one (1) additional position is requested to support DNDO's maturing role in technical nuclear forensics.

Additional positions requested in FY 2009 are principally associated with the new missions outlined above, as well as a need for more rigorous program management oversight of DNDO's large scale development and acquisition programs. As DNDO continues to mature research and development programs into acquisition programs, additional staff is required to ensure proper test and evaluation, program and contracts management, and deployment support. Additionally, as DNDO matures to meet its full mission requirement of supporting all domestic deployments of rad/nuc detection equipment, beyond current deployments to POEs, additional staff will be required to support the unique aspects of each of these deployment vectors, such as: general aviation, small maritime craft, land borders, etc.

As a jointly-staffed office, by FY 2009, the DNDO staff will be made up of approximately 45 to 50 detailees, in addition to the approximately 100 DNDO Federal staff positions. Beginning in FY 2007, DNDO agreed to reimburse parent organizations for detailed staff. Throughout FY 2007, DNDO entered into Memoranda of Understanding (MOUs) with partner agencies, which included obligations for partner agencies to provide staff to DNDO, as well as a reciprocal agreement for DNDO to reimburse parent agencies for all staff provided.

Beginning in late FY 2007, DNDO initiated an internal realignment of activities and personnel to better reflect its full range of missions and customers. The largest effect of this realignment was the formation of the Mission Management Directorate (MMD), which was established to ensure an optimum merger of user requirements with technology development. MMD will be responsible for the development of integrated program plans addressing each of the DNDO mission areas: ports of entry (POEs), aviation, maritime, and State and local (with a separate focus for the Securing the Cities initiative). MMD will interface directly with Federal, State, and local stakeholders to gather radiological and nuclear (rad/nuc) detection technology requirements, and will in turn provide these requirements to the transformational research and systems development activities within DNDO.

The M&A request provides the material support for DNDO personnel, such as facilities, supplies and materials, and administrative needs like information technology (IT) equipment and support. All DNDO contributions to the DHS Working Capital Fund (WCF) are included within the M&A request.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Domestic Nuclear Detection Office (DNDO)  
Management and Administration  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 1:** Program Management Support

Strategic Goal(s) & Objective(s): 2.1

PPA: Management and Administration

Program Increase: Positions 14 FTE 7 Dollars \$1,399

#### Funding Profile

|                        | FY 2007 Actual |            |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|------------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |            |                 |                 |            |                 | 130             | 130        | \$37,501        |
| Program Increase       |                |            |                 |                 |            |                 | 14              | 7          | \$1,399         |
| <b>Total Request</b>   | <b>112</b>     | <b>112</b> | <b>\$30,468</b> | <b>130</b>      | <b>121</b> | <b>\$31,500</b> | <b>144</b>      | <b>137</b> | <b>\$38,900</b> |

#### Description of Item

This request will provide funding the necessary staff to manage additional research and development programs to be initiated in FY 2009.

#### Justification

The Program Management Support increase provides for 14 additional positions needed to address critical DNDO staffing requirements.

By FY 2009, DNDO will have well-established research, development, testing, and deployment programs to address the broad challenges of detecting radiological or nuclear threats in containerized cargo. Therefore, throughout FY 2008 and into FY 2009, DNDO will be placing an increasing emphasis on non-containerized cargo security. As DNDO matures to meet its full mission requirement of supporting all domestic deployments of rad/nuc detection equipment, beyond current deployments to ports of entry (POEs) to scan cargo containers, additional staff will be required to support the unique aspects of each of these deployment vectors, such as: general aviation, small maritime craft, land borders, etc.

Additional positions requested in FY 2009 are principally associated with the new missions outlined above, as well as a need for more rigorous program management oversight of DNDO's large scale development and acquisition programs. As DNDO continues to mature research and development programs into acquisition programs, additional staff is required to ensure proper test and evaluation, program and contracts management, and deployment support.

The additional positions requested in FY 2009 are intended to provide a fully complimentary set of skills covering all DNDO functions as its expands into these additional mission areas. Of the 14 positions, one (1) will be dedicated to managing standards development, one (1) to systems

development activities, one (1) to maturing red team activities, one (1) to providing advanced modeling and simulation capabilities, two (2) to expanding mission support functions (one each for Border Patrol activities and cross cutting initiatives), two (2) to meet rapidly expanding testing and assessments requirements, one (1) for transformational research and development program management, and four (4) for support to expanding field operations through the DNDO Joint Analysis Center (JAC). In addition, one (1) additional position is requested to support DNDO's maturing role in technical nuclear forensics.

Impact on Performance (Relationship of Increase to Strategic Goals)

The \$1.399 million Program Management Support increase will directly improve the DNDO ability to meet Strategic Goal 2.1, "Continue to protect our Nation from dangerous goods – Nuclear/Radiological." Particularly, the increase will fund the staff necessary to support research and development programs to deliver radiation detection capabilities to an increasing array of operational end users.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

Department of Homeland Security  
Domestic Nuclear Detection Office  
Justification of Proposed Changes in Management and Administration  
Appropriation Language

For salaries and expenses of the Domestic Nuclear Detection Office and for management and administration of programs and activities, [\$34,000,000] *\$38,900,000*: Provided, That not to exceed \$3,000 shall be for official reception and representation expenses. (Department of Homeland Security Appropriations Act, 200[8] 9)

Explanation of Changes:

No substantive changes are proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE<sup>1</sup></u> | <u>Amount</u>   |
|---|-------------|------------------------|-----------------|
| <b>FY 2007 Actuals</b> .....  | <b>112</b>  | <b>112</b>             | <b>\$29,732</b> |
| <b>FY 2008 Enacted</b> .....  | <b>130</b>  | <b>121</b>             | <b>31,500</b>   |
| <b>Adjustments-to-Base</b>  |             |                        |                 |
| <b>Increases</b>  |             |                        |                 |
| Annualization of prior year part year funding.....                      | ---         | 9                      | 2,026           |
| Annualization of 2008 pay raise.....                                    | ---         | ---                    | 131             |
| 2009 pay increase.....  | ---         | ---                    | 319             |
| 2009 Detailee pay increase.....   | ---         | ---                    | 227             |
| Restoration of base for financial management and internal controls..... | ---         | ---                    | 2,455           |
| GSA Rent.....   | ---         | ---                    | 108             |
| WCF increase.....   | ---         | ---                    | 738             |
| Non-pay inflation excluding GSA Rent.....                               | ---         | ---                    | 258             |
| <b>Total Increases</b> .....  | <b>---</b>  | <b>9</b>               | <b>6,262</b>    |
| <b>Decreases</b>  |             |                        |                 |
| Management and Technology Efficiencies.....                             | ---         | ---                    | (261)           |
| <b>Total Decreases</b> .....  | <b>---</b>  | <b>---</b>             | <b>(261)</b>    |
| <b>Total Adjustments-to-Base</b> .....                                  | <b>---</b>  | <b>9</b>               | <b>6,001</b>    |
| <b>2009 Current Services</b> .....                                      | <b>130</b>  | <b>130</b>             | <b>37,501</b>   |
| <b>Program Changes</b>  |             |                        |                 |
| Program Increases/(Decreases)   |             |                        |                 |
| Program Management Support.....   | 14          | 7                      | 1,399           |
| <b>Total Program Changes</b> .....                                      | <b>14</b>   | <b>7</b>               | <b>1,399</b>    |
| <b>FY 2009 Request</b> .....  | <b>144</b>  | <b>137</b>             | <b>38,900</b>   |
| <b>2008 to 2009 Total Change</b> .....                                  | <b>14</b>   | <b>16</b>              | <b>7,400</b>    |

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

## C. Summary of Requirements

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration**  
Summary of Requirements  
(Dollars in Thousands)

|  | FY 2009 Request |                  |          |
|--|-----------------|------------------|----------|
|  | Perm. Pos.      | FTE <sup>1</sup> | Amount   |
| <b>FY 2007 Actual</b>  | 112             | 112              | \$29,732 |
| <b>FY 2008 Enacted</b>   | 130             | 121              | 31,500   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |                 |                  |          |
| Increases  | ---             | 9                | 6,001    |
| Total Adjustments-to-Base  | ---             | 9                | 6,001    |
| <b>2009 Current Services</b>   | 130             | 130              | 37,501   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 14              | 7                | 1,399    |
| <b>FY 2009 Total Request</b>   | 144             | 137              | 38,900   |
| 2008 to 2009 Total Change  | 14              | 16               | 7,400    |

| Estimates by Program/Project Activity | FY 2008 Enacted |            |                 | 2009 Adjustments-to-Base |          |                | 2009 Program Change |          |                | FY 2009 Request |            |                 | 2008 to 2009 Total Change |           |                |
|---------------------------------------|-----------------|------------|-----------------|--------------------------|----------|----------------|---------------------|----------|----------------|-----------------|------------|-----------------|---------------------------|-----------|----------------|
|                                       | Pos.            | FTE        | Amount          | Pos.                     | FTE      | Amount         | Pos.                | FTE      | Amount         | Pos.            | FTE        | Amount          | Pos.                      | FTE       | Amount         |
| 1 Management and Administration       | 130             | 121        | \$31,500        | ---                      | 9        | \$6,001        | 14                  | 7        | \$ 1,399       | 144             | 137        | \$38,900        | 14                        | 16        | \$7,400        |
| <b>Total</b>                          | <b>130</b>      | <b>121</b> | <b>\$31,500</b> | <b>---</b>               | <b>9</b> | <b>\$6,001</b> | <b>14</b>           | <b>7</b> | <b>\$1,399</b> | <b>144</b>      | <b>137</b> | <b>\$38,900</b> | <b>14</b>                 | <b>16</b> | <b>\$7,400</b> |

Note:

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

**D. Summary of Reimbursable Resources (not applicable)**

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$5,590           | \$10,980           | \$13,466           | \$2,486               |
| 11.3 Other than full-time permanent                   | 100               | 100                | 100                | ---                   |
| 11.5 Other Personnel Compensation                     | 211               | 439                | 533                | 94                    |
| 12.1 Benefits   | 1,539             | 3,096              | 3,776              | 680                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$7,440</b>    | <b>\$14,615</b>    | <b>\$17,875</b>    | <b>\$3,260</b>        |
| Other Object Classes:                                 |                   |                    |                    |                       |
| 21.0 Travel   | 1,436             | 200                | 331                | 131                   |
| 22.0 Transportation of things                         | 55                | 31                 | 37                 | 6                     |
| 23.1 GSA rent   | 4,400             | 3,974              | 4,082              | 108                   |
| 23.3 Communications, utilities, & other misc. charges | 28                | 28                 | 28                 | ---                   |
| 24.0 Printing and reproduction                        | 15                | 15                 | 15                 | ---                   |
| 25.2 Other services                                   | 9,657             | 5,931              | 9,472              | 3,541                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 2,729             | 4,541              | 4,768              | 227                   |
| 25.4 Operation & maintenance of facilities            | 1,082             | 1,082              | 1,082              | ---                   |
| 25.7 Operation and maintenance of equipment           | 61                | 61                 | 61                 | ---                   |
| 26.0 Supplies and materials                           | 317               | 317                | 317                | ---                   |
| 31.0 Equipment  | 2,512             | 705                | 832                | 127                   |
| <b>Total, Other Object Classes</b>                    | <b>\$22,292</b>   | <b>\$16,885</b>    | <b>\$21,025</b>    | <b>\$4,140</b>        |
| <b>Total, Direct Obligations</b>                      | <b>\$29,732</b>   | <b>\$31,500</b>    | <b>\$38,900</b>    | <b>\$7,400</b>        |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration  
Permanent Positions by Grade**

| Grades and Salary Ranges         | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|
|                                  | Pos.              | Pos.               | Pos.               | Total                  |
| Total, SES                       | 8                 | 8                  | 8                  | ---                    |
| Total, EX                        | ---               | ---                | ---                | ---                    |
| GS-15                            | 38                | 64                 | 72                 | 8                      |
| GS-14                            | 18                | 32                 | 38                 | 6                      |
| GS-13                            | 10                | 5                  | 5                  | ---                    |
| GS-12                            | 2                 | ---                | ---                | ---                    |
| Other Graded Positions           | ---               | 11                 | 11                 | ---                    |
| Ungraded Positions               | 15                | 10                 | 10                 | ---                    |
| <b>Total Permanent Positions</b> | <b>91</b>         | <b>130</b>         | <b>144</b>         | <b>14</b>              |
| Unfilled Positions EOY           | 21                |                    |                    | ---                    |
| Total Perm. Employment EOY       | 91                | 130                | 144                | 14                     |
| <b>FTE</b>                       | <b>112</b>        | <b>130</b>         | <b>144</b>         | <b>14</b>              |
| Headquarters                     | 112               | 130                | 144                | 14                     |
| U.S. Field                       |                   |                    |                    | ---                    |
| Foreign Field                    |                   |                    |                    | ---                    |
| <b>Total Permanent Positions</b> | <b>112</b>        | <b>130</b>         | <b>144</b>         | <b>14</b>              |
| <b>Average ES Salary</b>         | \$ 151,939        | \$ 157,972         | \$ 159,401         | \$ 1,429               |
| <b>Average GS Salary</b>         | \$ 116,386        | \$ 117,839         | \$ 121,557         | \$ 3,718               |
| <b>Average GS Grade</b>          | 15-3              | 15-3               | 15-4               |                        |

**G. Capital Investment and Construction Initiative Listing (not applicable)**

## H: PPA Budget Justifications

### Department of Homeland Security Domestic Nuclear Detection Office Management and Administration

#### Funding Schedule

(Dollars in Thousands)

| PPA: PPA Name                               |  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---|--|-------------------|--------------------|--------------------|------------------------|
| <b>Object Classes:</b>                      |  |                   |                    |                    |                        |
| 11.1  | Perm Positions                             | \$5,590           | \$10,980           | \$13,466           | \$2,486                |
| 11.3  | Other than perm                            | 100               | 100                | 100                | ---                    |
| 11.5  | Other per comp                             | 211               | 439                | 533                | 94                     |
| 12.1  | Benefits                                   | 1,539             | 3,096              | 3,776              | 680                    |
| 21.0  | Travel                                     | 1,436             | 200                | 331                | 131                    |
| 22.0  | Transportation of things                   | 55                | 31                 | 37                 | 6                      |
| 23.1  | GSA rent                                   | 4,400             | 3,974              | 4,082              | 108                    |
| 23.3  | Communication, Utilities, and misc charges | 28                | 28                 | 28                 | ---                    |
| 24.0  | Printing                                   | 15                | 15                 | 15                 | ---                    |
| 25.2  | Other Services                             | 9,657             | 5,931              | 9,472              | 3,541                  |
| 25.3  | Purchase from Govt. Accts.                 | 2,729             | 4,541              | 4,768              | 227                    |
| 25.4  | Operation & maintenance of facilities      | 1,082             | 1,082              | 1,082              | ---                    |
| 25.7  | Operation & maintenance of equipment       | 61                | 61                 | 61                 | ---                    |
| 26.0  | Supplies & materials                       | 317               | 317                | 317                | ---                    |
| 31.0  | Equipment                                  | 2,512             | 705                | 832                | 127                    |
| <b>Total, Management and Administration</b> |  | <b>\$29,732</b>   | <b>\$31,500</b>    | <b>\$38,900</b>    | <b>\$7,400</b>         |
| Full Time Equivalents <sup>1</sup>          |  | 112               | 121                | 137                | 16                     |

1. Of the 112 positions, as of September 30, 2007, 91 positions were filled of which 49 FTE are DNDO employees.

#### PPA Mission Statement

Under the direction of NSPD-43/HSPD-14, the mission of Domestic Nuclear Detection Office (DNDO) is to address the broad spectrum of radiological and nuclear protective measures through the development of the global nuclear detection architecture; the deployment of the domestic detection system to detect and to report attempts to import or to transport a nuclear device or fissile or radiological material intended for illicit use; the coordination of nuclear detection research and development on a government-wide scope; and the establishment of procedures and training for the end users of the deployed equipment.

The Management and Administration (M&A) appropriation provides for the management and administrative support of that goal. M&A includes all costs related to Federal personnel, including detailees from other organizations. The M&A appropriation accounts for the funding that assists in the achievement of DNDO's mission through the maintenance of an operations level that provides facilities, supplies and materials, IT equipment and administrative support. DNDO's contributions to the DHS Working Capital Fund (WCF) are included within the M&A request.

### Summary Justification and Explanation of Changes

|                              | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Salaries and Benefits</b> | \$7,440           | \$14,615           | \$17,875           | \$3,260                |

Salaries and Benefits in FY 2009 includes costs for 137 FTE. The FY 2009 request includes an increase of \$131,000 for the annualization of FY 2008 pay increases, \$319,000 for FY 2009 pay increases, \$2,026,000 for the annualization of prior year part year funding, and \$1,399,000 in program increases.

|               | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---------------|-------------------|--------------------|--------------------|------------------------|
| <b>Travel</b> | \$1,436           | \$200              | \$331              | \$131                  |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes program increases of \$131,000 for annualization of prior year part year funding.

|                                 | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Transportation of Things</b> | \$55              | \$31               | \$37               | \$6                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$6,000 in Working Capital Fund adjustments.

|                 | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|-------------------|--------------------|--------------------|------------------------|
| <b>GSA rent</b> | \$4,400           | \$3,974            | \$4,082            | \$108                  |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$108,000 in rent based on the DHS FY 2009 WCF estimate.

|   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---|-------------------|--------------------|--------------------|------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$28              | \$28               | \$28               | \$0                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|-------------------|--------------------|--------------------|------------------------|
| <b>Printing</b> | \$15              | \$15               | \$15               | \$0                    |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Other Services</b> | <b>\$9,657</b>            | <b>\$5,931</b>             | <b>\$9,472</b>             | <b>\$3,541</b>                 |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes increases of \$2,455,000 for restoration of base for financial management and internal controls; \$732,000 for FY 2009 WCF billings based on DHS FY 2009 WCF estimate; and \$354,000 for the annualization of prior year part year funding.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | <b>\$2,729</b>            | <b>\$4,541</b>             | <b>\$4,768</b>             | <b>\$227</b>                   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$227,000 in pay inflation paid to detailees.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | <b>\$1,082</b>            | <b>\$1,082</b>             | <b>\$1,082</b>             | <b>\$0</b>                     |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$61</b>               | <b>\$61</b>                | <b>\$61</b>                | <b>\$0</b>                     |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | <b>\$317</b>              | <b>\$317</b>               | <b>\$317</b>               | <b>\$0</b>                     |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property.

|                  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Equipment</b> | <b>\$2,512</b>            | <b>\$705</b>               | <b>\$832</b>               | <b>\$127</b>                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes increases of \$127,000 for annualization of prior year part year funding.

## I. Changes in FTE

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration  
Changes in Full-Time Equivalents**

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 38      | 112     | 121     |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:  | 74      |         |         |
| Description: The increase provided the initial staffing levels required upon DNDO formation.  |         |         |         |
| Increase #2:  |         | 9       | 9       |
| Description: The FY 2008 budget requested an additional 18 positions (9 FTE each in FY 2008 and FY 2009) to support increased program management requirements associated with contracts awarded in FY 2006 and FY 2007. |         |         |         |
| Increase #3:  |         |         | 7       |
| Description: The FY 2008 budget requested an additional 14 positions (7 FTE each in FY 2009 and FY 2010) to support increased program management requirements associated with contracts awarded in FY 2008 and FY 2009. |         |         |         |
| Increase #4:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Increases   | 74      | 9       | 16      |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1:  |         |         |         |
| Description:  |         |         |         |
| Decrease #2:  |         |         |         |
| Description:  |         |         |         |
| Decrease #3:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Decreases   | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs  | 112     | 121     | 137     |
| Net Change from prior year base to Budget Year Estimate:  | 74      | 9       | 16      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Management and Administration**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | Increase /<br>Decrease for<br>FY 2008 |
|-----------------------------------|-------------------|--------------------|--------------------|---------------------------------------|
|                                   | AMOUNT            | AMOUNT             | AMOUNT             | AMOUNT                                |
| Management and Administration     | \$11,921          | \$11,383           | \$12,223           | \$840                                 |
|                                   |                   |                    |                    |                                       |
|                                   |                   |                    |                    |                                       |
| <b>Total Working Capital Fund</b> | <b>\$11,921</b>   | <b>\$11,383</b>    | <b>\$12,223</b>    | <b>\$840</b>                          |

# Department of Homeland Security

## *Domestic Nuclear Detection Office*

*Research, Development, and Operations*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## DOMESTIC NUCLEAR DETECTION OFFICE RESEARCH, DEVELOPMENT, AND OPERATIONS

### I. Appropriation Overview

**A. Mission Statement for Research, Development, and Operations:** The Domestic Nuclear Detection Office (DNDO) was established by National Security Presidential Directive (NSPD)-43 and Homeland Security Presidential Directive (HSPD)-14 to provide a focal point addressing nuclear and radiological preventive measures. DNDO is dedicated to both the development and enhancement of the global nuclear detection architecture; acquisition and deployment support for the domestic detection system; coordination of effective sharing of nuclear detection-related information; the coordination of nuclear detection research and development; the establishment of procedures and training for end users of nuclear detection equipment; and national-level integration, development, and advancement of an enduring national nuclear forensics capability.

The Research, Development, and Operations request provides resources required for the development and improvement of the global nuclear detection architecture, or strategy, as well as all research, development, test, and evaluation (RDT&E) necessary to meet the technical and operational requirements of the architecture. Near- and long-term research and development efforts are conducted through DNDO Systems Development and Transformational R&D programs, respectively. These programs include:

- Advanced Spectroscopic Portal (ASP) program, to improve the passive detection and identification of radiological and nuclear materials;
- Cargo Advanced Automated Radiography Systems (CAARS) program, to improve and automate the detection of dense materials in cargo that may be used to avoid passive detection means such as ASP systems;
- Advanced Technology Demonstrations (ATDs) of Intelligent Personal Radiation Locators (IPRL), to improve “pager”-sized radiation detectors used by a wide range of law enforcement and counterterrorism officials;
- ATD of Stand-off Radiation Detection Systems (SORDS), to drastically improve the range of passive radiation detection systems; and
- ATD of Shielded Special Nuclear Alarm Resolution (SNAR) to automate the direct detection of shielded SNM and the clearing of alarms.

Other research efforts include exploratory research and an Academic Research Initiative. In addition, rapid prototyping will be used to accelerate development of new capabilities on an as-needed basis. To ensure that all technologies developed through these activities are rigorously characterized prior to deployment and are assessed after implementation, the DNDO Assessments program has developed and maintains a robust evaluation capability, including developmental and operational test and evaluation, pilots, red teaming, and net assessments. Finally, the use of analytical modeling will be expanded to allow more detailed physics models as well as high fidelity systems models.

Detection technology acquisition alone will not adequately combat the threat of nuclear terrorism. Accordingly, the DNDO Operations Support program continues its efforts to ensure the availability of the people and infrastructure required to develop a fully integrated operating environment. This includes providing technical reachback support to Federal, State, local, and tribal operators, development of standardized training curricula, nuclear alarm response protocols, and a robust National situational awareness and analysis capability through the Joint Analysis Center (JAC). Finally, the National Technical Nuclear Forensics Center (NTNFC) provides the technical capability to determine the origin and nature of nuclear or radiological attacks, interdicted source materials / devices to aid legal prosecutions or other necessary U.S. Government (USG) actions.

## **B. Budget Activities:**

**Systems Engineering and Architecture:** DNDO Systems Engineering and Architecture programs are (1) developing an enhanced global nuclear detection architecture, including both domestic and international components, and (2) maintaining and supporting a disciplined systems engineering approach throughout DNDO. The global architecture comprises several key elements: a multi-layered structure of radiological/nuclear (rad/nuc) detection systems, deployed both domestically and overseas; a well-defined and carefully coordinated network of interrelationships among them; and a set of systems engineering-based principles and guidelines governing the architecture's design and evolution over time. From its initial stand-up, DNDO recognized the importance and need for the application of a systems engineering approach in achieving an integrated and balanced global nuclear detection system solution. Effective implementation and operation of detection systems begins with the design and development of reliable and maintainable systems, built to rigorous, established performance standards and specifications, while assessing total system performance and total ownership costs within the family of rad/nuc detection systems.

**Systems Development:** DNDO Systems Development and Acquisition programs serve as the rad/nuc detection systems research, development and acquisition component within DNDO. DNDO is responsible for the engineering development, production, and all developmental logistics products associated with the current and next generation of nuclear detection systems. Product lines include radiation portal monitors (and associated materials development and facilitation), radiography (which includes non-intrusive inspection (NII) systems, human-portable systems, and integration programs to address the needs of our operational customers (Federal, State, local, and tribal authorities).

**Transformational Research and Development:** DNDO has established a transformational research and development program to identify, explore, and develop scientific and technological approaches that will dramatically improve the performance of nuclear detection components and systems. Dramatic technological improvements may be defined in a number of ways: in system or component effectiveness and performance characteristics; in cost of acquisition or maintenance; or in ease of operation by users in the field. R&D investments are made based on competitive awards, with investigators in all sectors – government laboratories, academia, and private industry – encouraged to participate. This program takes advantage of the qualities and respective advantages of all three sectors to develop products, and will strongly encourage teaming among them.

**Assessments:** The DNDO research, development, and acquisition process is anchored by an independent assessment of DNDO-mission related programs as they are developed, deployed, and implemented, as well as a continual assessment of the global nuclear detection and reporting architecture, through a variety of means. Assessments programs include test and evaluation (T&E)

campaigns to characterize technologies and systems, execution of pilots with operational agencies to evaluate concepts of operation, red teaming assessments to deepen the understanding of adversary capabilities, and net assessments to identify the effectiveness of the planned and deployed global nuclear detection and reporting architecture.

**Operations Support:** DNDO Operations Support is responsible for supporting the situational awareness of the nuclear and radiological landscape and the global nuclear detection architecture, while directly facilitating the technical adjudication of rad/nuc incidents. Operations Support is responsible for supporting the situational awareness of the nuclear and radiological landscape and the global nuclear detection architecture, while directly facilitating the technical adjudication of rad/nuc incidents. Operations Support is the primary entity within DNDO that provides actionable analytical and intelligence assessment products for operational decision makers, and works directly with law enforcement and other Federal partners to determine indicators of nuclear terrorism and recommend possible response or interdiction. The capability of the JAC is the 24/7 DNDO information hub, and the essence of DNDO's rapid information reporting. Additionally, Operations Support develops training, exercises, information sharing capabilities, and analytical tools necessary to create a fully integrated operating environment to be used by Federal, State, tribal, and local law enforcement agencies, as well as the larger intelligence and counterterrorism communities.

**National Technical Nuclear Forensics Center:** DNDO provides national-level planning, integration, development, assessment, and readiness of an enduring national nuclear forensics capability—serving as the national “systems integrator” for USG nuclear forensics. This capability provides means for the collection, analysis, and evaluation of rad/nuc materials and associated evidence for the purpose of comprehensive and timely forensic analysis to contribute to attribution conclusions. The NTNFC's nuclear materials R&D program supports the assigned DHS mission as the national capability provider for technical nuclear forensics of rad/nuc materials interdicted before a detonation. These capabilities are essential to criminal terrorism investigations in that they can serve to deter terrorist attacks, or if a threatened or actual attack occurs, to support the identification and ultimately prosecution of those responsible. DNDO will develop the technical capability to rapidly, accurately, and credibly execute the technical forensic requirements supporting attribution conclusions about the origins and pathways of intercepted or collected materials, intact rad/nuc devices, radiological dispersal devices (RDDs) after detonation, and nuclear devices after nuclear yield. In addition, this capability will directly support decision makers with information necessary to determine appropriate national security responses.

**C. Budget Request Summary:** The Domestic Nuclear Detection Office requests \$334,200,000 for FY 2009 Research, Development, and Operations (RD&O). This includes a total of \$10.700 million in program increases over the FY 2008 RD&O funding.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |            |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |            |
|  |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT     |
| Systems Engineering and Architecture                         | ---               | \$30,172         | ---                | \$22,400         | ---                | \$25,147         |  | \$2,747         | ---             | 2,747           | ---                 | \$0        |
| Systems Development  | ---               | 96,721           | ---                | 118,100          | ---                | 108,100          | ---                                      | (10,000)        | ---             | (10,000)        | ---                 | ---        |
| Transformational Research and Development                    | ---               | 56,812           | ---                | 96,000           | ---                | 113,300          | ---                                      | 17,300          | ---             | 17,300          | ---                 | ---        |
| Assessments  | ---               | 29,057           | ---                | 37,500           | ---                | 32,000           | ---                                      | (5,500)         | ---             | (5,500)         | ---                 | ---        |
| Operations Support   | ---               | 32,038           | ---                | 34,500           | ---                | 37,753           | ---                                      | 3,253           | ---             | 3,253           | ---                 | ---        |
| National Technical Nuclear Forensics Center                  | ---               | 10,118           | ---                | 15,000           | ---                | 17,900           | ---                                      | 2,900           | ---             | 2,900           | ---                 | ---        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$254,918</b> | ---                | <b>\$323,500</b> | ---                | <b>\$334,200</b> | ---                                      | <b>\$10,700</b> | ---             | <b>\$10,700</b> | ---                 | <b>\$0</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---               | <b>\$254,918</b> | ---                | <b>\$323,500</b> | ---                | <b>\$334,200</b> | ---                                      | <b>\$10,700</b> | ---             | <b>\$10,700</b> | ---                 | <b>\$0</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

#### PPA: SYSTEMS ENGINEERING AND ARCHITECTURE

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | ---                 | ---        | <b>\$30,172</b> |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$22,400</b> |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0             |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$22,400</b> |
| 2009 Program Change          | ---                 | ---        | <b>\$2,747</b>  |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$25,147</b> |
| Total Change 2008-2009       | ---                 | ---        | \$2,747         |

DNDO requests \$25.147 million for this activity. This is increase of \$2.7 million above FY 2008 Enacted.

#### CURRENT SERVICES PROGRAM DESCRIPTION:

**Systems Engineering and Architecture:** The DNDO Systems Engineering and Architecture programs are (1) enhancing the GNDA, including both domestic and international components, and (2) developing, implementing, and supporting a disciplined systems engineering approach throughout DNDO.

The global architecture comprises several key elements: a multi-layered structure of rad/nuc detection systems (deployed both domestically and overseas), a well-defined and carefully coordinated network of interrelationships among them, and a set of systems engineering based principles and guidelines governing the architecture's design and evolution over time. The architecture is developed with interagency and DHS partner input.

Systems Engineering is committed to the successful implementation of DNDO's founding principal of establishing and putting into practice a strong and disciplined systems engineering approach in achieving an integrated and balanced global nuclear detection solution. Systems Engineering Division (SED) is an integral support to program areas and establishes and documents clear and measurable rad/nuc detection and identification requirements. This program has the lead in the establishment of rad/nuc detection standards.

Systems Engineering utilizes a Systems Engineering Support Program (SESP) services provider. The SESP is a competitively awarded engineering services contract that provides the manpower and systems engineering expertise to assist in the development and institutionalization of the systems engineering process, as well as directly support DNDO projects and programs in the development of technical engineering deliverables. SED assists the programs to understand the established concepts of

operation (CONOPS) and to document the needs of the operators or “users” of the GNDA and to develop technical requirements for rad/nuc detection systems. Proceeding from high level critical operational issues, through the related, more detailed measures of effectiveness and performance, SED determines the capability metrics that form the backbone of the Systems Performance Specifications used to acquire next generation rad/nuc detection technologies. SED also ensures traceability of user requirements into the acquisition programs such that these systems possess the necessary critical characteristics of technical capability, interoperability, connectivity, reliability, availability, and maintainability required by the GNDA.

The SESP also assists T&E in the development and implementation of data acquisition and management systems to support multiple test campaigns in a wide variety of testing environments.

SED leads efforts to develop and maintain technology capability standards to provide performance metrics for rapidly evolving rad/nuc detection technologies. These standards can be in the form of national voluntary consensus standards developed by voluntary groups of private sector standards stakeholders with government assistance. Although these standards for preventive radiological and nuclear detection (PRND) technologies are developed with maximum private sector participation, system engineering facilitates the publication of these standards, to allow free access to stakeholders, and to facilitate the revision of voluntary consensus standards, when appropriate, due to changes in technological capability.

In matters where the use of voluntary consensus standards alone is impractical, as in the case when required technical capabilities are defined by classified nuclear design information, SED has been charged with collaborating with the National Institute of Standards and Technology (NIST) to develop and publish technical capability standards and recommended standard operating procedures for the use of non-intrusive imaging and radiation detection equipment in the U.S. These standards must take into account relevant standards and procedures utilized by other Federal departments and agencies as well as those developed by international bodies. This SED mission is in support of responsibilities assigned to the Secretary of Homeland Security in the Safety and Accountability for Every (SAFE) Port Act of 2006.

Significant accomplishments in FY 2007 include:

- Institutionalized a disciplined and documented DNDO-wide systems engineering process.
- Conducted engineering design reviews for all major acquisition programs.
- Completed the Congressionally-mandated radiography health physics study that was developed in conjunction with Customs Border Protection (CBP).
- Conducted modeling and simulation of ASP detector performance.
- Initiated a Technical Capabilities Standards Program for the support and development of rad/nuc detection-related technical capability standards.
- Developed system requirements for JAC procurement.

FY 2008 planned accomplishments include:

- Assist the programs in developing and documenting “user” needs and requirements for emerging programs such as general aviation, small maritime craft, on-dock rail, international rail, and interior programs.
- Continue the institutionalization of the systems engineering process throughout DNDO. Create a series of document templates to serve as guidelines for technical engineering deliverables.

- Develop threat-based “technical capability standards” for NII and other radiation detection equipment.
- Participate in the development of national and international standards for rad/nuc detection equipment.
- Develop requirements, CONOPs, and performance specifications, as required by the program areas, for a rad/nuc detection system for use in the general aviation, air cargo environment, the maritime environment, and small Northern Border land crossings. DNDO will determine if the optimum technical solution can be provided by commercially available equipment, next generation technologies such as ASP and Human Portable Radiation Detection Systems (HPRDS), or the development of rapid prototypes.
- Perform modeling analyses, as required by the programs, of alternative rad/nuc detection system deployment strategies.
- Conduct functional and physical configuration audits for the ASP SUV variant and HPRDS systems.

In FY 2009, as the GNDA continues to evolve along with technology advances and required capabilities of DNDO customers, the systems engineering program will be focused on the following objectives in support of emerging programs:

- Develop Mission Need Statements and CONOPs, and identify deployment requirements and critical operational issues for rad/nuc detection systems.
- Assist the programs by conducting analyses of alternatives of the operational effectiveness, suitability, and life-cycle cost of numerous conceptual solutions to the rad/nuc detection problem to identify the most promising options.
- Establish performance requirements for RDT&E of required systems.
- Provide systems engineering support to DNDO product lines.
- Participate in the development and maintenance of standards and analyses of alternatives for rad/nuc detection equipment.

In support of these objectives, the systems engineering program will continue to conduct engineering reviews and analyses of alternatives for all major acquisition programs. As technologies are deployed, systems engineering will utilize operational data to refine and reevaluate modeling analyses of alternative deployment strategies and continue to conduct trade studies of high-priority architectural enhancement options. With an increasing emphasis on improving overseas scanning capabilities, there is also a projected subsequent increase in needed engineering support to overseas initiatives, including international activities in support of the GNDA.

A major effort, beginning in FY 2009, will be to provide in-depth systems engineering support to assist in the transition of initial ATD products into disciplined acquisition programs. Accordingly, systems engineering will continue to provide engineering services to all planning, conduct, and data evaluation for T&E activities (including those beyond ATD evaluations).

#### Systems Architecture:

Systems Architecture develops time-phased plans, or strategies, for improving the probability of mission success, i.e., improving the chances of detecting and interdicting rad/nuc attacks. Plans are developed jointly with DNDO’s interagency partners and in close coordination with other DNDO offices such as Operations Support and State and local affairs. The time-phased plans are focused on addressing the most important gaps in the existing GNDA. Studies and analyses are performed to

characterize the gaps, identify options, evaluate the advantages and disadvantages of alternative solutions, and formulate time-phased plans for reducing risk. The time-phased aspect of the plans is important because it allows for the integration of current and near-term technologies and approaches, as well as longer-term options that may draw upon technologies that are currently in the R&D phase and that may not be available for implementation for several years.

The principal focus of DNDO's systems architecture efforts since FY 2006, when the initial baseline architecture analysis was completed, has been to identify ways to address the largest gaps in the border layer—namely, air, maritime, and land pathways between designated POEs—and gaps in the domestic interior layer. These efforts are summarized below in the accomplishments by fiscal year.

Significant accomplishments in FY 2007 include:

- Initiated tests and field evaluations of rad/nuc detection technologies and concepts of operations (CONOPs) in support of the Border Patrol.
- Developed options and recommendations for hardening blood and research irradiators.
- Provided architectural program assistance to implement rad/nuc detection for commercial vehicle inspection (CVI) in additional states, beyond those already engaged in such programs.
- Completed development of the PRND Program Management Handbook and the CVI module, and initiated development of the Small Maritime Craft module.
- Initiated planning for initial set of facilitated deliveries of the PRND Program Management Handbook Program Assistance to prioritized States. The program assistance is designed to use the Handbook and its module(s) as guides for the States in developing or enhancing their PRND programs, resulting in an actionable implementation plan to achieve their PRND program goals. Planned PRND handbook modules include: CVI, maritime, and special events.
- Collected FY 2007 data from federal agencies for the annual GNDA program and budget crosscut that reflects the investments of all Federal agencies involved in nuclear detection.
- Developed and documented regional nuclear detection strategies/architectures in Northeast Asia and North America.
- Began planning rigorous equipment evaluation to identify rad/nuc detection equipment to enhance CBP's operational capability in the international general aviation environment.
- Identified International Commercial Scheduled Passenger (ICSP) operations as the next element of civil aviation targeted for analysis and piloting of rad/nuc detection methods, equipment, and CONOPS.
- Commenced analysis of options for implementing rad/nuc detection in ICSP, in partnership with CBP, TSA and the Department of Energy (DOE), and other agency partners and stakeholders.

FY 2008 planned accomplishments include:

- Prepare the first Joint Annual Review of the GNDA, as required by Sec. 1103 of the "Implementing Recommendations of the 9/11 Commission Act of 2007."
- Analyze architectural options for 100% overseas scanning mandated by the "Implementing Recommendations of the 9/11 Commission Act of 2007."
- Provide technical support on information analysis and data fusion components of the Secure Freight Initiative (SFI) and 100% overseas scanning requirements.
- Provide rad/nuc risk assessment inputs to the Integrated All-CBRN risk assessment mandated by HSPD-18, "Medical Countermeasures against Weapons of Mass Destruction," dated January 31, 2007.

- Develop an initial draft of the global nuclear detection guidelines document in support of the Global Initiative to Combat Nuclear Terrorism (GI).
- Develop and document regional nuclear detection strategies/architectures in South Asia, the wider Caribbean region and the Great Lakes.
- Provide architectural program assistance to implement rad/nuc detection for CVI in additional states.
- Provide support to the Operations Support Directorate in conducting additional facilitated deliveries of the PRND Program Management Handbook program assistance to prioritized States. Delivery will include a focus on the CVI module, when applicable to the receiving State. After receiving the facilitated program assistance, States will have identified the people, programs and equipment needed to execute a fully functional PRND program, and developed an approved implementation plan to achieve their PRND program goals.
- Complete development of the Small Maritime Craft Module to the PRND Program Management Handbook, and initiate development of the Special Events module.
- Continue field evaluations of rad/nuc detection technologies and CONOPs to support the Border Patrol, and formulate recommendations on acquisition and deployment beginning in FY 2009.
- Facilitate source security recommendations for hardening blood and research irradiators containing cesium (Cs-137) sources.
- Complete the development of the interagency action plan for “Public Education” on RDDs, as called for by the Radiation Source Protection and Security Task Force established by the Energy Policy Act of 2005.
- Expand the maritime dimension of DNDO Program Assistance to provide additional support to states with major ports and navigable waterways (Miami, Florida and Los Angeles/Long Beach and San Francisco Bay Area, California).
- Complete a maritime background radiation study on small vessels to measure normal background and hull impact to onboard sources with various types of small vessels (less than 300 gross tons).
- Analyze and develop architecture options for bulk, break bulk, and tanker maritime vectors.
- Continue engagement with foreign (e.g., European, Central and South Asian, North Pacific Rim, North America, and Southeast Asian) partners on establishing regional rad/nuc detection architectures.
- Formulate a Joint Acquisition Strategy (JAS) with CBP (Air and Marine) that will achieve similar goals as the DNDO-USCG JAS, including a field evaluation of capabilities for CBP Air and Marine, as well as, the CBP Border Patrol riverine units.
- Complete evaluation of representative COTS and GOTS rad/nuc detection equipment to determine whether CBP’s detection capability in the international general aviation arena can be materially enhanced at an acceptable total cost by adoption of currently available technologies or modification of the manner of use of currently implemented technologies.
- Based on outcome of international general aviation equipment evaluation referenced above, design an acquisition plan to equip CBP more fully to perform the rad/nuc screening mission in the international general aviation environment.
- Plan and conduct a series of site visits to commercial airports to gather data required to plan pilot studies of rad/nuc screening of personnel (passengers and crew), carry-on bags, checked baggage, and the aircraft itself in the international commercial scheduled passenger (ICSP) environment.
- In cooperation with CBP, TSA, and other agency partners and stakeholders, plan and conduct joint activities with Canada and Mexico under the Security and Prosperity Partnership (SPP) to

enhance cooperation with respect to rad/nuc screening in the international general aviation and ICSP environments.

FY 2009 Planned Accomplishments include:

Systems Architecture will continue to work to enhance individual components (i.e., individual detection “layers” or threat pathways) of the initial baseline architecture. However, the principal focus of system architecture work in FY 2009 will shift. The emphasis will be to strengthen the architecture by addressing remaining challenges, beyond those addressed in FY 2007-2008.

Specific efforts will include:

- Foreign Borders and Ports:
  - Complete and publish GNDA model guidelines supporting the GI.
  - Continue to pursue implementation of an engagement strategy for regional rad/nuc architectures for key regions, such as South Asia/Black Sea.
  - Continue to strengthen U.S foreign maritime borders by completing the SPP North America Maritime Detection Architecture in partnership with Canada and Mexico. Finalize combined training & exercise plans, reachback, and information sharing agreements.
  - Provide architecture support for a bilateral rad/nuc detection capability-building program with Mexican Customs and other Mexican organizations, to include equipment, training, protocols, technical reachback, exercises, etc.
  - Continue engagement with foreign (e.g., European, Central and South Asian, North Pacific Rim, Wider Caribbean Region, and Southeast Asian) partners on establishing regional rad/nuc detection architectures. Launch combined training and exercise planning.
  
- Domestic Ports, Borders, and Interior Transportation Layer:
  - Develop long-term and transformational architecture options for land borders between POEs.
  - Facilitate source security technical assistance in additional cities, building on lessons learned.
  - Provide architectural assistance to implement CVI and other PRND Program Management Handbook modules in additional states.
  - Provide support to the Operations Support Directorate in conducting additional facilitated deliveries of the PRND Program Management Handbook program assistance to prioritized States. FY 2009 deliveries of the Program Management Handbook will also include delivery of the CVI module and the small maritime craft module, as applicable to the States receiving the program assistance.
  - Execute DNDO’s component of the multi-agency RDD Public Education program under the Radiation Source Protection and Security Task Force.
  - Continue support for the Radioactive Source Protection and Security Task Force and its Implementation Plan.

*Aviation:*

- Select, qualify, and acquire rad/nuc screening equipment (for transfer to CBP) to enable CBP more fully to perform the rad/nuc screening mission in the international general aviation environment.

- In close coordination with CBP, TSA and other operating agencies and stakeholders, conduct pilot studies of various rad/nuc screening equipment suites and CONOPS variants to introduce rad/nuc screening into the ICSP environment.
- Continue joint activities with Canada and Mexico under the SPP.

*Maritime:*

- Through DNDO Program Assistance, establish relationships with Federal, State, and local stakeholders in the ports of the Great Lakes System (Chicago, Detroit, Buffalo, and Alexandria Bay) and Galveston, Texas.
- Monitor existing relationships in the maritime sector, established through DNDO Program Assistance in FY 2007 and FY 2008, and continue to collect and share lessons learned.
- Continue to support the DNDO-USCG Joint Acquisition Strategy (JAS) and the DNDO-CBP Air and Marine JAS to provide next-generation rad/nuc detection equipment with greater capability.
- Improve partnership with TSA to build on pilot programs for passenger/vehicle ferries and cruise ships. Explore initiatives leading to possible JAS with TSA maritime program.
- Partner with the USCG to fully develop rad/nuc scenarios into the USCG Maritime Security Risk Analysis Model (MSRAM).
- Analyze and develop architecture options for various vectors, which may include: tug and barge, inland waterways, passenger/vehicle vessels, and cruise ships.

In addition, in FY 2009, DNDO will again update the annual GNDA program/budget crosscut and the Joint Annual Interagency Review of the GNDA.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: SYSTEMS DEVELOPMENT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>     |
|------------------------------|---------------------|------------|-------------------|
| <b>2007 Actual</b>           | ---                 | ---        | <b>\$96,721</b>   |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$118,100</b>  |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0               |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$118,100</b>  |
| 2009 Program Change          | ---                 | ---        | <b>(\$10,000)</b> |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$108,100</b>  |
| Total Change 2008-2009       | ---                 | ---        | <b>(\$10,000)</b> |

DNDO requests \$108.100 million for this activity. This is a decrease of \$10.000 million below FY 2008 Enacted, reflecting one time additions in FY 2008 for new non-port of entry initiatives.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

**Systems Development:**

DNDO is responsible for ensuring that the Nation maintains a preeminent research and development program to address the technical challenges in radiation detection science and technology, while at the same time capitalizing on the benefits of integrating this program with larger acquisition efforts. In response, DNDO has implemented a consistent development methodology to address technical requirements arising from gaps in operational capabilities and to meet user requirements. An example of a current user requirement is for rad/nuc detection technology at POEs to integrate with the CBP network. Technical requirements cover areas such as improving passive rad/nuc detection and identification capabilities and providing the radiographic ability to automatically detect high-density “shielding” materials.

DNDO’s methodology begins with the competitive selection of multiple vendors to facilitate engineering development, with the resulting delivery of engineering development models (EDMs). EDM units are used for data collection, initial capability demonstration, and design refinement. Subsequent to EDM design efforts, manufacturers develop and provide Low Rate Initial Production (LRIP) units representative of the production design. LRIP units undergo developmental and operational T&E and field validation prior to entry into full rate production and deployment. Each system is delivered with appropriate training and logistics products as required by the end user. Cooperative efforts with customers ensure that response protocols are developed, deployed systems are operated properly, and alarms are appropriately resolved and reported.

*Radiation Portal Monitor (RPM) Program:* A critical component of the DNDO nuclear detection architecture is a passive Radiation Portal Monitor (RPM) suitable for examining cargo containers, trucks, and privately-owned vehicles. In FY 2007, DHS deployed passive RPMs at land and sea-based POEs. At each POE, RPMs are installed in a primary scanning location to survey cargo and vehicles. DHS installs additional RPMs and deploys handheld radioisotopic identification devices (RIIDs) into secondary scanning locations to further investigate primary alarms.

The first-generation RPMs currently operated by CBP detect radiation based on polyvinyl toluene (PVT) gamma-ray sensors and Helium-3 ( $^3\text{He}$ ) neutron sensors. DNDO is developing Advanced Spectroscopic Portal (ASP) systems, which utilize sodium iodide (NaI) or high-purity germanium (HPGe) gamma sensors and  $^3\text{He}$  neutron sensors. The ASP technology uses the gamma radiation spectrum from the inspected material to make a detection and identification decision. This ability to differentiate between threat material and naturally occurring radioactive material (NORM) reduces the number of alarms due to non-threat sources and dramatically improves the probability of correctly identifying and interdicting smuggled nuclear material.

DNDO initiated the ASP program with the development of a fixed cargo portal unit. An SUV-based detector based on ASP technology is also being developed for use by State and local law enforcement officials and potentially other users.

As the ASP program continues, DNDO continues to evaluate radioisotope identification algorithms to optimize system performance.

DNDO will continue to analyze concepts and options for radiation scanning of cargo containers, trucks, and privately-owned vehicles at low volume POEs and on-dock rail at seaports. Development efforts will respond to user requirements and will identify viable technology solutions (if any).

Significant accomplishments in FY 2007 include:

- Collaborated with CBP to refine operational requirements and began implementation of all necessary engineering changes for ASP cargo portal units for deployment in sole secondary scanning applications.
- Conducted significant development on the design of ASP cargo portal units.
- Completed initial performance and field validation testing and data collection of ASP cargo portal units at the Nevada Test Site (NTS), New York Container Terminal (NYCT), and several operational POEs.
- Completed initial developmental testing of ASP cargo portal units.
- Completed environmental testing of ASP cargo portal units at accredited laboratories and contractor facilities.
- Initiated a technology insertion program to evaluate and improve detection system algorithms.
- Initiated development efforts to design and procure an SUV-based ASP rad/nuc detection system to support the Securing the Cities (STC) initiative and the Southeast Transportation Corridor Pilot (SETCP).

FY 2008 planned accomplishments include:

- Complete peer review and threat testing for improved PVT RPM algorithms for use in primary scanning applications.

- Complete development, design, and testing of the ASP cargo portal unit production baseline for deployment in sole secondary scanning applications.
- Complete research, development, and testing of a SUV-based EDM ASP system in support of the STC initiative and SETCP.
- Continue ASP technology evaluations and improvements of radioisotope identification algorithms.
- Refine requirements and CONOPs for mobile passive rad/nuc detection systems.

By FY 2009, the ASP cargo unit is expected to be in full rate production and deployment for use in sole secondary scanning applications. Follow-on fixed ASP development will be conducted as a “block upgrade” to systems, to meet CBP requirements for primary scanning. This upgrade will be funded through acquisition funds, as all work will be done to improve an operational system.

Having developed the next-generation rad/nuc detection system by way of the fixed ASP portals in prior years, DNDO will focus FY 2009 systems development activities on existing challenges of the GNDA. These include international rail in the land border environment, on-dock rail in the seaport environment, and freight left on board in the maritime and aviation environments. Given the dynamic environment and the operational and technical challenges presented in these vectors, various technology solutions and CONOPs will be included in the analysis of alternatives. Based on these studies, development efforts will be initiated in response to stated user requirements and the identification of viable technology solutions.

In addition, DNDO will pursue feasible technology and operational solutions for low-volume POEs. Potential solutions may include mobile or human portable rad/nuc detection systems.

As determined by Architecture studies with the Border Patrol, DNDO will pursue feasible technology and operational solutions for rad/nuc scanning between ports of entry.

*Human Portable Radiation Detection Systems (HPRDS) Program:* The HPRDS program is structured to provide a wide variety of law enforcement and first-responder services with the capability to detect and identify terrorist nuclear explosive devices or RDDs. The program takes existing commercially available systems and tailors them to better meet the needs of operators, while at the same time, working to develop cutting-edge technology when current systems are demonstrated to be inadequate to meet customer requirements. Next-generation HPRDS provide key radiation detection, threat source identification, and notification capabilities to aid law enforcement officers in mitigating terrorist nuclear threats in both POE and non-POE environments.

These handheld, ‘relocatable’, and backpack systems are used as primary detection tools by Customs officers, Border Patrol agents and USCG personnel subsequent to interdiction. “Relocatable” systems refer to small detectors that are human portable, but not necessarily carried by the user during operation (systems would be put down for some period, then moved to another location for subsequent operations). Customs officers use this equipment as an additional inspection tool at POEs, while State and local law enforcement agencies and first responders use this equipment for queued search and secondary identification operations. HPRDS will also play a key role in initiatives to ensure that nuclear threat detection capabilities are afforded to newly emerging mission areas such as general aviation and maritime PRND early phased deployments.

The development of next generation handhelds, “relocatable”s, and backpacks is specifically focused on delivering significant improvements in the following areas: (1) improved system performance to find smaller amounts of threat material at greater distances, (2) improved radioisotope libraries to

accurately identify radioactive material, (3) improved computer algorithms for distinguishing between threat and non-threat materials with greater speed and accuracy, (4) reduced weight to make equipment easier to carry for extended periods, (5) improved displays to make the system easier to use, and (6) wireless connectivity for technical reachback to resolve alarms. HPRDS systems are being designed so as to easily facilitate phased improvements of early systems through the incorporation of these next-generation capabilities.

Significant accomplishments in FY 2007 include:

- Awarded five contracts for the HPRDS effort to one high-resolution sensor-technology vendor and four vendors who use medium-resolution scintillator technologies to incrementally improve systems in the near term.
- Initiated development of handheld and backpack units that have the potential to provide significant improvement in energy resolution, and, thus, the ability to more accurately identify threat materials along with a low false alarm rate.
- Initiated the standardization of the flow of raw sensor and algorithm-analyzed data to ensure rapid dispersal of spectra needing further validation as a threat or benign substance.. This supports the standardization of the data readers at CBP Laboratory Scientific Services (LSS) for rapid analysis and evaluation of spectra by more powerful algorithms than those deployed in the field.
- Initiated development of the human-factors-engineered standardized user interfaces and controls for handheld and backpack systems to be deployed in the next generation systems.
- Conducted two spectral data collection campaigns to support algorithm improvement.
- Developed improved algorithms to enhance utility of HPRDS devices in law enforcement operations.

FY 2008 planned accomplishments include:

- Conduct data analysis in support of a production decision for NaI-based systems. Continue system refinement for LaBr<sub>3</sub> systems to support a production decision in FY 2009.
- Conduct data analysis and requirements verification to allow DNDO to deliver the next-generation of production-ready HPGe-based handhelds.
- Conduct spectral data collection campaigns as needed to support algorithm improvement.
- Develop follow-on systems, including improved algorithms, optimized for non-POE operating environments and conduct a performance test to support production planning.
- Initiate rapid prototyping activities, if required, to meet non-POE requirements.
- Evaluate a small number of HPRDS Engineering Design Models (EDMs) in operationally relevant environments to assess and incorporate end-user feedback.

By FY 2009, the HPRDS development process will result in the delivery of the first production-ready handhelds utilizing LaBr<sub>3</sub> crystals. These systems will offer improved resolution as compared to current NaI-based systems, and thus will provide improved probability of correctly identifying detected radiation sources.

In support of all of these development activities, DNDO will also continue to improve the associated software utilized within the detectors. Based on additional data collection campaigns in FY 2008 and FY 2009, improvements will be made to the isotope libraries upon which these algorithms are built. Specifically, by FY 2009, DNDO will implement the next “block” of the isotope library to include multiple isotope combinations.

*Securing the Cities Initiative:* The Securing the Cities (STC) initiative seeks to design and implement an architecture for the coordinated and integrated detection and interdiction of illicit rad/nuc materials that may be used as a weapon within a major urban area. This initiative is a part of Secretary Chertoff's goal to "Continue to Protect Our Nation from Dangerous Goods." The initial STC engagement is being conducted with the New York City (NYC) region, which for the purposes of the STC initiative is defined as within 45 miles of the NYC border. STC stakeholders include NYC (New York Police Department, in particular), the counties proximate to NYC, the State of New York, the State of New Jersey, the State of Connecticut, the Port Authority of New York/New Jersey (PANY/NJ) and the Metropolitan Transportation Authority (MTA). State and local participation is incorporated into all aspects of the STC initiative through multi-jurisdictional working groups

RD&O funds provide for the RDT&E and limited demonstration of detection solutions to reduce risk along maritime and land pathways. Prior to significant implementation in FY 2008, DNDO will be discussing and analyzing, through studies and demonstrations, which PRND operation types will form the initial detection and reporting architecture. As operational costs tend to drive life-cycle costs, the program will initially focus on integrating detection capabilities into existing operations. Examples include, but are not limited to, fixed and mobile detection systems integrated into CVI activities, detection enabled law enforcement, and screening conducted for special events. Capabilities that may require additional operational costs include mobile teams sweeping areas of concern, chokepoint scanning at bridges and tunnels, roadway monitoring concepts, and options for reducing the risk posed by the small maritime vessel pathway. All operations will incorporate the means to characterize the nature of detection alarms, including mechanisms and procedures for referring alarm information to technical experts for adjudication.

Significant accomplishments in FY 2007 include:

- Assessed current PRND capabilities and needs of the NYC region.
- Provided subject matter experts (SMEs) for the development of CONOPs and Standard Operating Procedures (SOPs) for the region.
- Delivered rad/nuc detection training for State and local personnel.
- Conducted in-the-field operational workshops/exercises to evaluate CONOPs.
- Conducted operational assessment of the RadTruck mobile rad/nuc detection system, and generated unique requirements for the SUV-based ASP rad/nuc detection system.
- Developed mission needs, requirements, CONOPs, systems specifications, and related analysis of alternatives for fixed site detection system options.
- Began development of an initial supportability implementation plan. Development of the initial supportability plan was fully underway in FY 2007; however, completion of this initial plan is not currently anticipated until FY 2008.
- Began development and execution of a regional deployment strategy.
- Initiated a maritime PRND engagement in New York, New Jersey and Connecticut in support of the STC initiative.

FY 2008 planned accomplishments include:

- Develop and implement mechanisms to systematically document the regional architecture to allow for evaluation and improvement.
- Pending concept decision approval, initiate R&D of selected fixed site detection options, potentially as a rapid prototype.

- Complete development of the supportability implementation plan.
- Continue development and refinement of CONOPs and SOPs with assistance from SMEs.
- Conduct planning for a region-wide full-scale exercise.

In FY 2009, DNDO will complete the development and documentation of deployments to the NYC region. Additional DNDO activities will focus on operational T&E of the fixed site detection system, as well as the completion and implementation of a capability for detection system supportability. R&D of the fixed site system will be completed in FY 2009 to inform and enable the FY 2009 Acquisition effort. In addition, in FY 2009, DNDO will utilize the architecture analysis as documented in FY 2008 to assess the effectiveness of the regional architecture as implemented and to recommend options for future improvement.

The STC initiative will also undergo an independent assessment to evaluate the initial engagement with the NYC region. The results of this assessment will be utilized to inform DNDO, the DHS leadership, and the Congress as to the effectiveness of the STC approach in substantially enhancing the rad/nuc detection capability of a high-risk urban area. Should the assessment validate the STC engagement model and demonstrate a marked increase in rad/nuc detection capability, DNDO may consider additional engagements.

*Joint Integrated Non Intrusive Inspection (JINII) Program:* Fundamentally, detection of SNM is best accomplished with a combination of passive spectroscopic systems and advanced radiography systems. Together, these two technologies provide a capability to detect unshielded, lightly shielded and heavily shielded nuclear materials, components, and weapons that may be illicitly transported in cargo containers, air cargo bundles, or other conveyances.

While spectroscopic portals will provide a next generation capability to passively detect and identify unshielded or lightly shielded nuclear materials, no passive system can detect nuclear materials that are heavily or completely shielded. Radiography systems (using active imaging techniques) are a potential solution to the detection of this shielded material.

Current radiography systems, however, lack the ability to automatically detect shielded SNM. Current radiography devices, similar to two-dimensional x-ray devices used in a doctor's office, do not provide the capability to distinguish between innocent materials such as steel and aluminum, shielding materials such as lead, and threat materials, such as uranium or plutonium. Current radiography devices generally produce a simple gray-scale image that requires an operator to interpret. In the medical imaging field, successful use of simple x-ray radiography is made possible by the consistency of the expected outcome, and the extent to which deviations from this expected outcome indicate a problem (e.g. the dental x-ray of 'healthy' teeth is well understood; therefore, cavities are easily seen). Even in this simple case, each image might take a skilled professional several minutes to analyze. In the case of cargo inspection, the expected radiographic image is very uncertain. Given the seemingly infinite combination of items that may be loaded into a cargo container, two-dimensional radiographic inspection by CBP officers has proven to be quite time-consuming. While skilled CBP officers do find a variety of contraband (including guns, drugs, and people attempting to illegally enter the country), the existing radiography systems do not provide them with an appropriate tool to find shielded nuclear material quickly and consistently, as this material appears similar to many ordinary materials in a standard two-dimensional x-ray. In addition to the difficulty of finding shielded SNM in cargo because of its similarity to standard cargo, the labor intensive nature of the current machines inherently limits the number of scans which can be accomplished with the current staff of CBP officers.

Through the JINII program, DNDO and CBP will coordinate efforts to develop and acquire Non-Intrusive Inspection (NII) systems that perform the traditional contraband mission (i.e., drugs, explosives, money, etc.) as well or better than current systems and perform the shielded nuclear material mission with little or no impact on CBP operations. The JINII program has two main components. First, a test and evaluation campaign will be performed with currently deployed or soon to be deployed in FY08 NII systems to fully characterize their ability to manually detect shielded nuclear material. Simultaneously, a rapid research campaign will be performed to determine if simple methods are available to upgrade the currently deployed and soon to be deployed NII systems to incrementally improve shielded nuclear material detection performance. If methods are found, these methods will be fully developed and tested by DNDO.

Second, the JINII program will continue its development of the systems specifically designed to automatically detect shielded nuclear material at a high throughput rate. These systems, named Cargo Advanced Automated Radiography Systems (CAARS), will scan cargo containers or other conveyances of interest and provide an automated alert based upon the threat. The implemented technology will distinguish between low density non-threat materials such as aluminum and steel, and higher density materials such as lead, uranium, or plutonium. CAARS units will also be capable of the detection of traditional contraband such as high explosives and drugs, but may not do so with the same level of automation. Searches for traditional contraband will continue to require operator image analysis.

Significant accomplishments in FY 2007 include:

- Performed general NII capabilities study.
- Completed Preliminary Design Reviews (PDRs) for each of the three CAARS vendors.
- Began hardware and software development of approved CAARS prototypes.
- Conducted, in coordination with CBP, multiple analyses for CAARS, including the development of a preliminary joint CAARS production and deployment plan, a preliminary CAARS CBA, and a radiation health physics study.

FY 2008 planned accomplishments include:

- Initiate test campaign to fully characterize the ability of existing NII systems to manually detect shielded nuclear material.
- Perform study to determine if methods are available to upgrade existing NII systems to incrementally improve shielded nuclear material detection performance.
- Continue development of three prototype CAARS systems that are specially designed to automatically detect shielded nuclear material at high throughput rates.
- Complete Critical Design Reviews (CDRs) for each of the three CAARS vendors.
- Begin planning functions in preparation for an FY 2009 CAARS developmental test and evaluation campaign.
- Validation of NII test objects.
- Update the JINII health physics impact study.

The JINII program R&D phase will deliver three CAARS prototype systems in FY 2009. FY 2009 activities will focus on subjecting systems to an extensive test and evaluation program necessary to evaluate the technology. Prior to conducting the formal test, each of the three CAARS vendors will conduct a rigorous readiness test at their facility. The purpose of the readiness test is to verify that each of the prototype systems is functioning properly and will support the formal prototype test.

CAARS developmental test and evaluation (DT&E) will require a combination of conformity assessments to evaluate whether the systems meet the performance specification, as well as characterization of ultimate detection capability. The same methods used to characterize existing NII systems in FY 2008 will be used to characterize the CAARS prototypes.

The JINII program will also initiate a developmental campaign to upgrade existing NII systems in FY 2009, if warranted by the results of the FY 2008 research study.

The results of the CAARS DT&E will be compared to the results of the existing NII system T&E with and without incremental upgrades. The result of this study will be a cost benefit analysis (CBA) that will recommend one of the following based on the objectives of the JINII program: 1) Further acquisition of specific existing NII systems; 2) Acquisition of existing NII systems once upgrades are fully implemented; 3) Further development of the CAARS prototypes leading to acquisition and deployment; or 4) Some time sequence combination of the above. In FY 2009, DNDO will begin implementation of its recommendations, as applicable.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: TRANSFORMATIONAL RESEARCH AND DEVELOPMENT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ---                 | ---        | <b>\$56,812</b>  |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$96,000</b>  |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0              |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$96,000</b>  |
| 2009 Program Change          | ---                 | ---        | <b>\$17,300</b>  |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$113,300</b> |
| Total Change 2008-2009       | ---                 | ---        | \$17,300         |

DNDO requests \$113.300 million for this activity. This is an increase of \$17.300 million above FY 2008.

CURRENT SERVICES PROGRAM DESCRIPTION:

**Transformational Research and Development:**

The evolving face of terrorism demands a long-term, continuous effort to improve our abilities to sense the presence of dangerous nuclear materials in the midst of deliberate shielding, masking, or other means of avoiding detection such as using lightly monitored border entry points. One of the primary motives for the establishment of DNDO was to create a mechanism for significant and sustained funding to seek innovative approaches in radiation detection technologies. DNDO has established a transformational R&D program to identify, explore, and develop scientific and technical approaches that will dramatically improve the performance of nuclear detection components and systems.

The DNDO transformational R&D mission is to identify, develop, and demonstrate technologies that fill major gaps in the GNDA. If a new technology performs successfully and the CBA is supportive, DNDO will inject the new technology into the field.

DNDO initiated one ATD in FY 2006 and another in FY 2007. As the requirements of the GNDA become better understood, DNDO is increasingly able to project a series of ATDs over the next decade to fulfill these requirements. A typical ATD is a multi-year effort. A number of programs are already identified and more will be added as technologies are conceived and developed:

- Intelligent Personal Radiation Locator (FY 2009 projected completion)
- Standoff Radiation Detection System (early FY 2010 projected completion)
- Shielded SNM Verification (early FY 2011 projected completion)
- Remote Emplaced Sensing (FY 2012 projected completion)

New ATD programs will be initiated based on successes in ongoing or future exploratory research, changes in the design threats, and changes in the architecture or advances made elsewhere in the community. These ATDs focus on capabilities that have been identified as necessary to improve or enable detection for critical threat pathways or scenarios, including small commercial maritime vessels, private maritime vessels, small commercial aircraft, private aircraft, non-POE land crossings, and State and local operations, as well as land, maritime, and aviation POEs. For instance, IPRL will have applications across State and local, maritime, and non-POE land crossing operations. Standoff detection will likely enable new operations in both maritime and State and local environments. Similarly, remote emplaced sensing may have applications in all of these venues.

Exploratory Research will be focused on potential techniques for closing gaps in the GNDA or substantially improving the performance or reducing the cost of rad/nuc detection capabilities. In addition, techniques to improve nuclear forensics will also be explored. Techniques will be explored to proof of concept (POC) phase. If the concept is proven to be successful, it is likely to be incorporated into a subsequent ATD. While not all Exploratory Research will proceed into development, the majority of these research projects will lay the foundation for important future exploratory work. Although many technical concepts will be addressed in Exploratory Research, the general areas that will be funded under the DNDO transformational R&D technology development roadmap will include:

- Semiconductor development;
- Microelectronics and Application Specific Integrated Circuits (ASICs);
- High resolution scintillators;
- High efficiency, low power replacements for photo-multiplier tubes;
- Large area imaging arrays;
- NII and active interrogation technologies (including nuclear resonance fluorescence; gamma and neutron induced fission, and advanced sources);
- Novel neutron detectors;
- Innovative materials;
- New signatures and unconventional methods of detection;
- Nuclear forensics tools to support the identification of individuals, locations, and materials after detection; and
- Advanced algorithms and predictive knowledge.

In addition to defining and executing the research programs previously described, transformational R&D is coordinated with other government agencies performing relevant R&D or with technology needs similar to those of DNDO. Examples of coordination include periodic technical working group meetings, evaluation teams that review proposals for one another's programs, and a signed formal R&D MOU between DNDO, DoD, DOE, and DNI. The agencies with whom DNDO coordinates include:

- DOE nonproliferation nuclear detection programs;
- DoD programs, including detection R&D programs at the Defense Threat Reduction Agency (DTRA);
- Department of State;
- Intelligence Community (IC);
- Transportation Security Administration (TSA);

- DHS Science and Technology Directorate (S&T) high-explosive detection technology programs; and
- National Science Foundation (NSF).

*Advanced Technology Demonstrations (ATDs):* The ATD program addresses a set of specific strategic goals with leading edge technology – in many cases with technology demonstrated conceptually under Exploratory Research – to develop a working prototype and conduct a realistic demonstration of capabilities. The results of the demonstration form the basis for a subsequent cost benefit analysis that is used to objectively determine whether the technology should transition to large scale commercial development. The ATD-to-CBA process allows for risk reduction in addressing technology developments early in the development phase. Each ATD effort is expected to last for a pre-defined period of time, usually from two to five years, depending on the maturity of the technology.

Significant FY 2007 accomplishments include:

- Continued the IPRL ATD, begun in FY 2006. Conducted the PDR in mid-FY 2007, following developmental testing and performance modeling activities throughout the year.
- Initiated a second ATD – Standoff Radiation Detection Systems (SORDS). Under this ATD, imaging techniques will be developed and evaluated for sensitivity, directional accuracy, and isotope identification accuracy, with a goal of extending the range of detection up to 100 meters, enabling a new class of airborne, land, and maritime applications.
- Announced a third ATD for Nuclear Alarm Resolution. A Request for Information was released in 2007, with the solicitation to follow in FY 2008.

FY 2008 planned accomplishments include:

- Continue the IPRL ATD. Conduct CDR in mid-FY 2008, and begin the final performance demonstration and test in late FY 2008.
- Continue the SORDS ATD. Conduct PDRs in early FY 2008 and CDRs in late FY 2008.
- Initiate a third ATD – SNAR. This ATD will develop and test systems to resolve alarms and definitively verify the presence of SNM in shielded and/or cluttered environment for: (1) future phased upgrades to NII and other screening systems; (2) rapid relocatable detection systems; and (3) human-portable detection systems.

Based on development concluded in FY 2008, the IPRL ATD will complete the demonstration and assessment phase late in FY 2009. A transition decision to enter into systems development is expected early in FY 2010. This ATD will result in devices that will have sufficient energy resolution and sensitivity to reliably discriminate between NORM, background, and potential threats. IPRL meets the stated needs of law enforcement, first responder, and counterterrorism officials, the IC, and others in routine activities and surveillance, maintaining constant vigilance at all defensive layers.

The SORDS ATD will allow DNDO to develop and evaluate key technologies such as gamma-ray imaging, advanced alarming algorithms, and sensor and data fusion techniques that may dramatically improve sensitivity and directional accuracy. Based on CDRs completed in late FY 2008, DNDO will begin a performance demonstration and assessment of this ATD in mid- to late-FY 2009. The demonstration and subsequent analysis will be completed by early FY 2010, with a transition decision expected in the second quarter of 2010.

The SNAR ATD, begun in FY 2008, will develop and test NII and other technologies to resolve alarms and definitively verify the present of SNM in shielded and/or cluttered environments. The program

has three principal applications as currently scoped: (1) future phased upgrades to NII screening and other radiography systems; (2) rapidly relocatable detection systems; and (3) human portable detection systems. Prototype development may include hand-portable, mobile, or fixed-gantry solutions utilizing low- and high-energy neutron sources, low-dose, monochromatic gamma-ray sources, and low-dose, hardened x-ray sources. PDRs will be conducted in early FY 2009, and CDRs will be held in the last quarter of the same year. Performance demonstrations are projected for FY 2010 with a transition decision in early FY 2011.

In FY 2009, DNDO will launch its fourth ATD – Remote Emplaced Sensors. This ATD will leverage advances in small, efficient directional detectors, devices and advanced distributed detection algorithms developed under the IPRL ATD and advances under the Exploratory Research program in innovative detection materials, as well as the results of the phenomenology studies characterizing the requirements for in-transit detection. This program will aim to significantly miniaturize technology, while still providing for a system that indicates isotopic identity of radiation sources. These sensors, when deployed, will develop distributed detection networks that are self-forming to facilitate use in remote locations with limited infrastructure, such as along the U.S. border between POEs. Preliminary design reviews are projected to be held in mid-FY 2009, with a final transition decision intended in mid-FY 2011.

*Exploratory Research:* This research program is principally designed to develop technologies needed to enable future ATDs, on both short and longer-term timescales. Projects are initially selected to address gaps in the GNDA. Innovative concepts that successfully complete every phase of development, including an initial feasibility evaluation, are typically brought to a PoC demonstration. A PoC demonstration is a laboratory test of a technological concept to demonstrate its potential and search for possible major technical barriers. This stage includes laboratory studies to experimentally validate analytical predictions from the feasibility study. In addition to efforts intended to foster ATDs, Exploratory Research will also provide capabilities to fundamental research requirements across the DNDO mission, to include performance modeling and improved algorithm development.

Significant FY 2007 accomplishments include:

- Continued the Exploratory Research program in support of future ATDs and via studies of physics-based phenomenology to understand and exploit the limits of physics for detection and identification of nuclear and radiological materials as well as enhanced detection mechanisms.
- Continued a total of 25 projects begun in FY 2006 at a total of \$24 million.
- Began a total of 18 new projects at a total of \$15 million.

FY 2008 planned accomplishments include:

- Continue the Exploratory Research program in support of future ATDs and via studies of physics-based phenomenology to understand and exploit the limits of physics for detection and identification of nuclear and radiological materials as well as enhanced detection mechanisms.
- Release a solicitation for new Exploratory Research projects with a primary focus on nuclear forensics, integrated multi-sensor detection techniques, and materials development.

Successful efforts in exploratory research will leverage gains in understanding from the FY 2007 and FY 2008 activities as the basis for the FY 2009 investigations. Projects will include both continuing efforts and new starts through a laboratory call for proposal and an industry Broad Agency Announcement. As solutions and concepts mature, technologies will transition either into enabling components for existing ATDs or will generate new ATD initiatives. Successful research originating

from the ARI will also transition to Exploratory Research or an ATD initiative. Material development is a central component of future detection systems and the search for new materials will remain a long-term priority. FY 2009 activities will see a focused effort on optimization of several promising radiation detection materials which have been discovered and developed over the last several years. Optimization includes characterization and fabrication efforts. The continuing search will include:

- Fusion of video and directional gamma detector images to allow for screening of vehicles at speed across multiple lanes of traffic;
- Experimental feasibility demonstrations of actively detecting SNM at distances greater than 100 meters;
- Particle accelerators configured to allow development of compact generators, to produce a agile photon sources as well as other particle beams such as muons;
- Distributed radiation detector systems to include data fusion and algorithm enhancements to enable high sensitive detection and tracking of radioactive sources;
- Pathway-related and proximity induced technologies for nuclear forensics analysis;
- Large x-ray detectors to enable volumetric imaging (e.g. Computed tomography) of large objects; and
- New high-resolution semiconductor detector materials that operate at room temperature and can be fabricated at large volume.

In addition, techniques will be examined for integrating explosives detection and metal detection with radiological and nuclear detection, achieving single system solutions.

*Academic Research Initiative (ARI):* The ARI is intended to engage the academic community in DNDO research goals, building a community dedicated to solving long-term, high-risk research issues. The ARI is also a key part of developing the next generation of researchers in nuclear detection technology. Through the FY 2007 NSF grant activity, 22 research teams were selected to begin research programs in areas such as next generation detection systems, nuclear forensics, detection material and detectors, and documenting key nuclear data while developing intellectual capital in relevant technical areas. The ARI is expected to grow as the academic community responds to this reliable, growing investment in nuclear related R&D by attracting more researchers and faculty from related disciplines in nuclear, particle, solid state, materials, accelerators, chemistry, plasma, astrophysics, etc, which in turn will attract more students and post-doctoral researchers.

Significant FY 2007 accomplishments include:

- Initiated the ARI with proposals solicited from colleges and universities through a dedicated research grant program with NSF.
- Made awards to 22 college and university research teams, totaling over \$8 million.

FY 2008 planned accomplishments include:

- Continue the ARI with proposals solicited from colleges and universities through a dedicated grant program with NSF.
- Conduct the first annual academic conference on nuclear radiation detection sciences and innovative techniques to detect illicit trafficking in radiological and nuclear materials.

It is anticipated that 11 of the 22 projects begun in FY 2007 will reach completion in FY 2009, producing 11 new graduates, as well as publications and theses on next generation neutron detection materials, high performing scintillators for passive gamma detection, and techniques for optimization strategies for sensor emplacement. An infusion of new scientists in nuclear detection and related fields are needed to generate creative, novel solutions and to replace our Nation's aging scientists in the National Laboratories and private industry. In addition to continuing the projects begun in FY 2007, additional projects will be selected by peer review to begin in FY 2008 and FY 2009, bringing the program into a stable steady state where new projects are added as older projects are completed. In FY 2009, the ARI will continue to expand to demonstrating long-term, stable funding to support new innovative ideas and nurturing the next generation of scientists.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: ASSESSMENTS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actual</b>           | ---                 | ---        | <b>\$29,057</b>  |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$37,500</b>  |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0              |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$37,500</b>  |
| 2009 Program Change          | ---                 | ---        | <b>(\$5,500)</b> |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$32,000</b>  |
| Total Change 2008-2009       | ---                 | ---        | <b>(\$5,500)</b> |

DNDO requests \$32.000 million for this activity. This is a decrease of \$5.500 million below FY 2008 Enacted. The decrease reflects the completion of construction of the Radiological and Nuclear Countermeasures Test and Evaluation Complex in Nevada.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

**Assessments:**

The research, development and acquisition process is anchored by an independent assessment through test and evaluation of technologies as they are developed, deployed, and operated. This approach is motivated by the requirement to thoroughly understand systems performance and potential vulnerabilities prior to deploying technologies, and to ensure an accurate awareness of systems' effectiveness once they are deployed.

Rigorous testing of detection systems against SNM in significant quantities and in realistic configurations is key. This capability will be improved by the completion of the Radiological/Nuclear Countermeasures Test and Evaluation Complex (Rad/NucCTEC). This facility provides a unique capability within the USG to bridge the gap between "bench-top testing" performed by developers and operational field-testing, including pilot deployments. Additionally, due to the unique challenges of scanning containers at intermodal seaports, the Port of Tacoma has been designated as the Rail Test Center for DNDO to evaluate operational protocols for radiation scanning without adversely impacting commerce, as required by the SAFE Port Act of 2006.

*Pilots:* A pilot program is an activity planned as a test or trial – a program that serves as a tentative model for future development. Through pilot programs, DNDO will conduct limited deployments of new or emerging rad/nuc detection technologies. Following a concise and predetermined trial period, DNDO will validate the ability of the equipment and/or system to support DNDO mission objectives and customer/stakeholder requirements, and, if proven to support or enhance existing capabilities, move into full implementation. Transfer to full implementation will focus not only on the transfer of

ownership to organizational stakeholders, but also the development of strategies and methods to enhance long-term supportability of the technology, post-pilot. Funds provide for limited R&D and robust T&E of pilot technologies, as well as associated deployment and assessment costs.

Significant accomplishments in FY 2007 include:

- Southeast Transportation Corridor Pilot (SETCP):
  - Conducted an initial technology demonstration of SETCP infrastructure, to include using Southeast Regional Reachback Centers and the JAC. This included successful detection of sources at several State sites, and communication of spectral data to State command centers, the JAC, and Regional Reachback centers.
  - Commenced installation and deployment of additional rad/nuc detection capabilities (fixed, mobile, and handheld) at weigh stations in Georgia, Kentucky, South Carolina, Tennessee, and Virginia under DNDO cooperative agreement awards. The additional detection capabilities augment existing capabilities in those States, and represented the first Cooperative Agreement awards made directly by DNDO.
  - Made awards of SETCP cooperative agreements to Alabama, the District of Columbia, Florida, Mississippi, and North Carolina, for rad/nuc detection capabilities, to include those using ASP technology. Modified SETCP cooperative agreement award with the Commonwealth of Virginia to provide an ASP SUV-based mobile system when available in FY 2008. These awards establish new capabilities in States that previously had minimal PRND capabilities.
  - Conducted a series of SETCP Workshops (in eight States, the District of Columbia, and Project SeaHawk) to strengthen individual State rad/nuc detection and alarm adjudication protocols. Documented State procedures, and ensured that they correlate to national protocols established by the JAC.
  - Identified State and local user requirements for the ASP SUV-based mobile system variant. Documented these requirements for the ASP system development effort.
- West Coast Maritime Preventative Rad/Nuc Detection (PRND) Pilot:
  - Initiated a 3-year West Coast Maritime Preventive Rad/Nuc Detection (PRND) Pilot for the Puget Sound and San Diego Region. This Pilot will provide early phased delivery of maritime PRND capabilities to stakeholders to gather lessons learned and improve effectiveness of wider deployment capability to other regions.

FY 2008 planned accomplishments include:

- Southeast Transportation Corridor Pilot (SETCP)
  - Complete the installation of new portal monitors at weigh stations in Georgia, Mississippi, North Carolina, South Carolina, and Virginia. Commission sites and train all personnel who will be involved in the operation and maintenance of equipment. Deliver COTS or next generation ASP mobile systems to Alabama, the District of Columbia, Florida, Kentucky, South Carolina, Tennessee, and Virginia.
  - Complete the development of regional detection and response protocols for the Southeast and conduct a Full Scale Exercise of SETCP infrastructure, to include using Southeast Regional Reachback Centers and the JAC. The Full Scale Exercise will include an evaluation of source detection within all SETCP-Member States; communication of spectral data to State command centers, the JAC, and Regional Reachback centers; and resolution of alarms.

- West Coast Maritime Preventative Rad/Nuc Detection (PRND) Pilot:
  - Baseline the existing PRND architectures for the Puget Sound and San Diego region for the West Coast Maritime PRND Pilot Project. Perform initial design activities to 1) assess geographic choke points and buffer zones to maximize opportunities to encounter, detect, and interdict rad/nuc threats, 2) develop initial deployment strategies and CONOPs, and 3) identify technology requirements (e.g. handheld/backpack, relocatable) and system integration approach.

FY 2009 planned accomplishments include:

- Southeast Transportation Corridor Pilot (SETCP):
  - Conduct retrofit installation of static scale portal monitors at weigh stations in Mississippi and North Carolina. As part of this effort, PVT portal monitor systems at the static scales will be replaced with certified ASP portal monitor systems to add identification capability to weigh station PRND capability.
  - Conduct a final Technology Demonstration of SETCP infrastructure, to include using Southeast Regional Reachback Centers and the JAC. The demonstration will include the detection of sources at retrofitted weigh station installations in Mississippi and North Carolina; communication of spectral data to State command centers, the JAC, and Regional Reachback centers; and successful resolution of alarms.
  - As part of the SETCP pilot exit strategy, finalize Best-of-Breed design package for weigh station portal monitor installations and package information for State and locals to use following completion of the pilot program. Design package will provide turn-key approach to planning, designing, installing and operating detection equipment at weigh stations and for States to develop means necessary to conduct PRND operations in a commercial vehicle inspection environment (to include coordinating resolution of alarms with the Federal Government).
- West Coast Maritime Preventative Rad/Nuc Detection (PRND) Pilot:
  - Building upon efforts conducted in FY 2008, DNDO will continue to support the West Coast Maritime PRND Pilot.
  - DNDO will complete the initial design and deployment of detection systems to the State and local maritime environment. Deployments may include commercially available or next-generation handheld or backpack units as well as mobile/fixed systems. An appropriate detection system may also be developed as a rapid prototype. These deployments will be used to conduct exercises to validate the CONOPs, procedures and protocols.
  - The pilot will include the development and implementation of a related training curriculum, as well as the initiation of a long-term supportability plan.

*Red Teaming and Net Assessments:* As part of the overall assessments mission of DNDO, continuous evaluation of overall effectiveness of implemented capabilities is required, including with adversary emulation, workshops, expert elicitation, modeling, vulnerability assessments, covert testing, analytical red teaming, and operational red teaming. These assessment tools are used to independently measure the effectiveness of our Nation's implemented PRND and reporting capabilities against a broad spectrum of validated adversary capabilities and intent. They can improve the effectiveness of our capabilities over time relative to the determined adversary. And they are used as part of a coordinated assessments cycle, using cooperative and adversarial approaches in assessing the effectiveness of implemented PRND capabilities. Assessments are tailored to meet the customers'

objectives and capability maturity levels and to provide an actionable set of recommendations for improvement.

The red teaming process tests the GNDA using only that information which would be available to the terrorist adversary. This emulation of the threat increases the probability that DNDO identifies and addresses weaknesses in the Nation's rad/nuc defenses and more importantly focuses on the effectiveness of these defenses against a resourceful and adaptive adversary. Analytical red teaming uses openly available information to develop realistic courses of action. Operational red teaming acts on these courses of action. Red teaming will contest the technologies, concepts, and approaches and provide insight into achieving a more robust capability. Covert testing, on the other hand, focuses on the performance of implemented capabilities by attempts to penetrate known defenses with material of interest. Both red teaming and covert testing are performed within the Red Teaming program.

The net assessments process measures the net effectiveness of implemented PRND capabilities and adversary capabilities. It tells us "how we are doing" against the adversary. This process incorporates findings and recommendations from a variety of assessment methods, including blue (or cooperative) assessment methods, surveys, modeling of probabilistic effectiveness, and expert elicitation, as well as from analytical and operational red teaming and covert testing.

When these various assessment tools are used in coordination, DNDO gains the benefits of both products by constantly refining defenses against the emerging operational environment. This continuous process will significantly improve global operational nuclear detection capabilities.

Significant accomplishments in FY 2007 include:

- Conducted red teaming of a State preventive rad/nuc detection program.
- Conducted red teaming planning and initial operations prior to a National-level exercise.
- Conducted joint red teaming with CBP Internal Affairs at the Top 22 seaports, addressing requirements outlined in the 2006 SAFE Port Act.
- Developed special nuclear material (SNM) surrogates for robust testing and assessments of the national reachback capability in its entirety.
- Coordinated with FBI and DOE to develop a framework for joint, no-notice operational testing of reachback functions and protocols and capability response mechanisms.
- Coordinated with other red teaming programs within DHS to share lessons learned and best practices, de-conflict operations, and develop a red teaming classification guide.
- Conducted a follow-on cooperative effectiveness assessment of national reachback capabilities, from the point of detection through alarm resolution.
- Conducted tailored surveys to provide an additional vehicle by which an independent and objective assessment of current and proposed training efforts can be evaluated.
- Developed a probabilistic model to evaluate the effectiveness of the threat to succeed.

FY 2008 planned accomplishments include:

- Continue joint assessments with CBP, completing red teaming and developing the strategy for follow-on testing, as per the requirements of the 2006 Safe Ports Act.
- Conduct adversarial assessments of both sea and land border POEs in coordination with CBP.
- Conduct two red team assessments in State venues, addressing detection capabilities and adjudication protocols.
- Complete an adversarial assessment of a national rad/nuc exercise.

- Provide a red team assessment of the maritime pathway, including USCG and TSA preventive rad/nuc detection capabilities.
- Conduct no-notice assessments measuring effectiveness of reachback and technical assistance programs.
- Evaluate effectiveness of the SETCP program.
- Partner with the National Security Agency (NSA) to assess classified DNDO IT networks, including existing and future pathways to the JAC.
- Develop methodologies for predicting potential adversary responses and reactions to the global implementation of rad/nuc countermeasures.
- Assess effectiveness of DNDO training efforts.
- Continue developing a probabilistic model to evaluate the effectiveness of the threat to succeed.
- Conduct global nuclear security environment assessment workshop for resourced net assessment development.

FY 2009 planned accomplishments include:

- Continue joint assessments with CBP
  - Implementing the strategy for follow-on testing as per the requirements of the 2006 Safe Ports Act
  - Conducting adversarial assessments of land border POEs
  - Conducting assessments of existing (non-POE) border rad/nuc security capabilities.
- Expand partnerships with DOE and FBI in the conduct of red teaming and operational assessments.
- Continue to develop and conduct red team assessments in State venues, addressing detection capabilities and adjudication protocols.
- Continue to develop models for predicting potential adversary responses and reactions to the global implementation of rad/nuc countermeasures, including the adversary's probability of success.
- Continue assessing effectiveness of DNDO training of State, county, and municipal law enforcement, first responders, and other preventive rad/nuc detection mission partners.
- Conduct joint Red Teaming assessments on Federal rad/nuc programs, with emphasis on maritime (USCG) and general aviation pathways (TSA).
- Conduct operational assessments of the Securing the Cities (STC) initiative.
- Conduct an international nuclear terrorism workshop for developing probabilistic models of adversary capabilities.
- Expand the scope of information developed in previous open-source studies and use improvised nuclear devices (IND)/RDD scenarios to conduct "no notice" exercises of various reachback and technical assistance programs.
- Develop a strategy and methodology for assessing the Nation's nuclear forensics capabilities.
- In conducting field operations, DNDO will provide continued support to CBP in completing Domestic Radiation Detection and Imaging requirements outlined in the SAFE Port Act of 2006 for the top 22 seaports by the first quarter of FY 2009. DNDO will use Red Teaming and other assessment tools to evaluate the effectiveness and the operational functions, plans, policy and training included in various DNDO programs, including STC, reachback, exercises and training, and nuclear forensics.
- DNDO will also develop and demonstrate an initial probabilistic effectiveness capability for evaluation and situational awareness of adversary capabilities, including the thread of adversary

decision making between intent and weapon delivery. As part of this, DNDO will conduct Nuclear Terrorism Workshops for developing this capability.

- Net Assessments will continue to evaluate the suitability of current and proposed operations. DNDO will assess the impact of adjustments made to the implemented PRND capabilities and provide insight for future consideration, while infusing the lessons learned from Red Teaming, Probabilistic Effectiveness Methodology, and other complementary assessments.

*Test and Evaluation (T&E):* T&E is committed to the independent and objective assessment of rad/nuc detection technologies, including systems developed by DNDO and Commercial Off-The Shelf (COTS) equipment. The T&E Division encourages multi-agency collaboration and peer review to ensure scientific integrity and to help support the rad/nuc detection needs of the entire US government. The T&E Division maintains relationships with subject matter experts within the DOE National Laboratory system and NIST to provide support in test design, analysis, and peer review.

The types of testing and evaluation support provided to DNDO include basic data collection to support system development and performance modeling, detector performance characterization, evaluations against performance specifications, evaluations to support DHS system acquisition milestones, and operational testing and field validation. The detection systems are evaluated against industrial, medical or naturally occurring radioactive material as well as SNM in significant quantities and in realistic configurations. The T&E Division establishes and maintains the necessary testing facilities and data acquisition infrastructure required to adequately and realistically test and evaluate the range of rad/nuc detection systems that encompass the global nuclear detection architecture. All testing activities will adhere to a disciplined approach of establishing testing objectives based on documented user requirements, detailed and peer-reviewed test plans, high standards of data quality, and above all, independent and objective evaluation of the test data.

As the number of programs has expanded within DNDO, the number of annual T&E testing campaigns has also increased. Beyond the ASP portal monitors and SUV mounted monitors, the HPRDS, International General Aviation, Maritime, and Non-intrusive Interrogation detection systems also require T&E. To perform rigorous evaluations for such diverse program mission areas, the T&E infrastructure expanded beyond the Nevada Test Site facilities and the Radiological/Nuclear Countermeasures Test and Evaluation Complex (Rad/NucCTEC). The T&E infrastructure now includes testing facilities at the L-Lake at SRNL for the maritime applications and the Port of Tacoma that has been designated as the Rail Test Center to evaluate scanning options at intermodal seaports, as required by the SAFE Port Act of 2006.

Significant accomplishments in FY 2007 include:

- In support of the ASP program, completed the most extensive test and evaluation campaign ever conducted for this type of rad/nuc detection system. Support included planning and executing tests, analyzing and reporting results, and establishing the infrastructure for the performance testing of ASP and PVT portal units at NTS and stream of commerce testing at NYCT.
- Completed plan and funding strategy for the Radiological / Nuclear Countermeasures Test and Evaluation Complex (Rad/NucCTEC) construction recovery effort.
- Finalized the DNDO "Test Site Selection Policy."
- Established the Laboratory Accreditation process, under the auspices of the NIST/National Voluntary Laboratory Accreditation Program (NVLAP), for laboratories seeking to test commercial rad/nuc detection equipment against standards.

- Initiated program to design the DNDO Central Information Repository that will enable archiving and retrieval of all DNDO Test and Evaluation campaign data.
- Finalized the Personal Radiation Detectors (PRDs) performance evaluation report for Federal, State and local responders.
- Began the development of comprehensive radiographic and active interrogation radiation emission signatures for the complete set of known or projected nuclear threats as part of the threat cataloguing activity.
- In accordance with the SAFE Port Act of 2006, establishes a Rail Test Center at the Port of Tacoma, Washington. The Rail Test Center will evaluate methods and systems to scan containers leaving a port by rail.
- Initiated the development of a multi-phased test strategy to assess CAARS capability to detect SNM and/or shielding materials, and the limitations of Large Scale Non-Intrusive Inspection (LS-NII) technique.
- Provided two test opportunities for HPRDS vendors to test their systems against medical, industrial, NORM and SNM sources at NTS.
- Continued to procure, develop, and maintain a supply of test articles, including threat-representative sources.

FY 2008 planned accomplishments include:

- Conduct planning and execution of at least seven (7) distinct data collection or test campaigns, including
  - Data collection, in collaboration with DOE, using updated ASP systems against bare SNM sources at LANL
  - Data collection using updated ASP systems at NTS to support injection studies
  - HPRDS test campaign
  - International General Aviation test campaign at Andrews Air Force Base
  - SUV Based ASP Variant L test campaign
  - Small maritime craft test campaign
  - ASP test campaign to support acquisition milestone decision for secondary screening application
- Collaborate with DOE to jointly perform threat injection studies to characterize the performance of the ASP and PVT portal monitors.
- Complete construction of the Rad/NucCTEC.
- Establish a maritime test bed.
- Continue to procure, develop, and maintain a supply of test articles, including threat-representative sources including weapon grade and reactor grade Plutonium.
- Implement the first phase of the Graduated Rad/Nuc Detector Evaluation and Reporting (GRaDER) program, for commercially driven and financed testing of COTS rad/nuc detection systems. DNDO will coordinate posting results with other DHS equipment lists, such as the Authorized Equipment List from the FEMA Grant Programs office.
- Collaborate with CBP in an effort to test the performance of Large Scale-NII systems for detecting both contraband and radiological/nuclear threats. Conduct an initial test campaign to characterize COTS LS-NII equipment for application to container scanning.
- Develop and deploy a Data Collection System (DCS) with the capability to archive and retrieve all DNDO T&E data.
- Continue evaluation of radiation scanning systems and protocol for intermodal rail ports.
- Develop a plan and capabilities for a rapid response test process.

In FY 2009, the DNDO T&E Division will continue to expand and provide a range of testing support services to DNDO development and acquisition programs, while also improving core T&E capabilities.

DNDO will begin nuclear operations at the Rad/NucCTEC in support of the DNDO mission. The staff and facilities at the Rad/NucCTEC will be available for use by other government agencies in coordination with DNDO. We will maintain the ability to respond to urgent test needs to support resolution of operational alarms, and we will complete the incorporation of T&E information from test campaigns conducted by other agencies (as agreed to by the partnering agencies) into the DNDO Central Information Repository to improve the ability of users to access and analyze the archived data.

Under the threat cataloging and analysis program, DNDO will continue to develop advanced computational techniques to generate the signatures for next generation active interrogation technologies applied to realistic target configurations. This analytic capability will enable DNDO to assemble objects suitable for active interrogation and advanced radiography tests. DNDO will continue to procure, develop, and maintain a supply of test articles, including high-fidelity (threat-representative) sources, and representations of stream-of-commerce NORM. This effort requires research into what generates alarms in the stream of commerce and then simulating with surrogates for testing.

DNDO will maintain and update the performance information of radiation detectors submitted by vendors to the GRaDER program. DNDO will coordinate the performance reports with other DHS equipment lists, such as the Authorized Equipment List from the FEMA Grant Programs office. By FY 2009, Phase I of the GRaDER will use the National Voluntary Laboratory Accredited Program (NVLAP) certified laboratories to test detectors' full compliance with the American National Standards Institute/IEEE Standards. If full compliance is met, vendors can apply for further testing against "Government Unique Standards" that incorporate detection requirements against SNM. The testing results will be reviewed by NIST and made available to the DHS Grants program and National Preparedness Directorate.

The rapid response testing process that was developed in FY 2008 will be exercised in FY 2009 to ensure the capability to respond quickly to urgent testing requests is adequate.

A number of developmental and operational T&E programs in support of system development and acquisition programs are planned for FY 2009. These will include ASP cargo and SUV-based variants, HPRDS, IPRL, SORD and JINII. The respective DNDO program offices will provide the funding for tests supporting these acquisition programs. There will be additional developmental and operational T&E campaigns to support detection systems suitable for the International General Aviation and Maritime Pilots.

T&E support for the LS-NII testing as part of the JINII Program will continue working with CBP testing more advanced LS-NII systems potentially capable of detecting SNM. Additionally, T&E will continue to support testing of dual beam high energy radiography systems as part of DNDO's Accelerated Technology Demonstration (ATD) efforts.

The FY 2009 transformational R&D program plan includes an initial ATD for the IPRL and SORDS programs. T&E will support this effort by providing realistic test sources and materials to use in government test campaigns for both the IPRL and SORDS.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: OPERATIONS SUPPORT

|                              | Perm<br>Pos | FTE | Amount          |
|------------------------------|-------------|-----|-----------------|
| <b>2007 Actual</b>           | ---         | --- | <b>\$32,038</b> |
| <b>2008 Enacted</b>          | ---         | --- | <b>\$34,500</b> |
| 2009 Adjustments-to-Base     | ---         | --- | \$0             |
| <b>2009 Current Services</b> | ---         | --- | <b>\$34,500</b> |
| 2009 Program Change          | ---         | --- | <b>\$3,253</b>  |
| <b>2009 Request</b>          | ---         | --- | <b>\$37,753</b> |
| Total Change 2008-2009       | ---         | --- | \$3,253         |

DNDO requests \$37.753 million for this activity. This is an increase of \$3.253 million above FY 2008 enacted.

CURRENT SERVICES PROGRAM DESCRIPTION:

**Operations Support:**

While technology is a critical tool in combating the nuclear threat, it cannot be effectively overcome by this means alone. All detection and interdiction efforts must be conducted in coordination with Federal, State, local and tribal law enforcement agencies, as well as the larger intelligence and counterterrorism communities. Accordingly, while DNDO has initiated large-scale technology research, development, and acquisition programs, the Operations Support Directorate (OSD) is responsible for developing the information sharing and analytical tools necessary to create a fully integrated operating environment and establish additional protocols and procedures to ensure that the detection of unauthorized nuclear explosive devices, fissile material or radiological material is promptly reported to the Secretaries of Defense, Homeland Security and Energy and the Attorney General and other appropriate officials or their respective designees for appropriate action by law enforcement, military, emergency response or other authorities. DNDO must ultimately have the ability to integrate detection data and intelligence assessments in a near real-time environment to develop information that, as actionable knowledge, maintains an overall system and situational awareness. While this will require DNDO to closely interact with the IC as a developer of intelligence requirements and consumer of intelligence products, DNDO will not act as an intelligence collection agency. This integrated approach to detection and information analysis will ultimately provide a substantial improvement and efficiency in alarm resolution, threat assessments, data trend analysis, and, most importantly, overall probability of success.

To meet the Operations Support mission, DNDO has established the Joint Analysis Center (JAC). The JAC provides 24/7 capabilities to meet the Presidentially-directed objectives for rad/nuc defense as specified in NSPD-43/HSPD-14, "Domestic Nuclear Detection." The specific objectives are to:

- Maintain situational awareness of the Global Nuclear Detection Architecture (GNDA).
- Analyze information from the GNDA and share data with the Community of Interest to make the GNDA more effective.
- Ensure detection leads to an appropriate response.

To accomplish these objectives, the JAC provides situational awareness of the nuclear threat and detection activities through the sharing of information and databases with the IC, counterterrorism resources, Fusion Centers, FBI Joint Terrorism Task Forces (JTTFs), DOE, CBP, USCG, DoD, DOS, and other U.S. interagency partners, as well as State, local, and tribal law enforcement communities. The JAC also provides and coordinates technical support to Federal, State and local authorities to assist in the adjudication and resolution of rad/nuc detection alarms/alerts with a 24/7 operational support capability. JAC outreach to the Community of Interest, who are actual or potential users of radiation detection equipment or information, through systematic engagements and by expanding program development processes are critical steps in networking the entire GNDA.

The JAC Program consists of two major components:

- Analytical research and techniques and protocols that populate the knowledge base required to maintain situational awareness and facilitate alarm adjudication, while providing the 24/7 operational capability of the JAC; and
- The Joint Analysis Center Collaborative Information System (JACCIS), which provides the communication and information technology (IT) support, business process and adaptors in a Service Oriented Architecture (SOA) referenced adaptive framework to accomplish the mission of the JAC.

Two programs that are critical to the JAC mission are the Nuclear Assessment Program (NAP) and the Technical Reachback (TRB) Program. NAP, which was transferred from DOE to DHS as stated in Section 303(C) of the 2002 Homeland Security Act, provides rapid, accurate and actionable assessments of illicit nuclear trafficking events and the credibility of nuclear threat communications. TRB provides 24/7 regionally and nationally-based expertise to resolve alarms promptly and accurately. Both NAP and TRB are critical components of the Presidentially-approved alarm adjudication protocol, while contributing to and utilizing the information and communications infrastructure provided by the JAC.

The JACCIS provides the IT support for the JAC. When fully developed, the JACCIS will fuse and store data obtained by the GNDA, as well as all other pertinent data for use by the nuclear technical community, the nuclear policy community, and other members of the nuclear Community of Interest. The system will track detection events and provide alerts for events of interest, as well as the relevance to other known events. It will make available historical trends to refine protocols and search parameters and better inform the nuclear counterterrorism community. It is being designed to accomplish the mission using modular construction, such that additional features may be added as the GNDA and Community of Interest expand and adapt. This construct also facilitates the integration of requirements, both technical and operational, as the evolving characterization of the GNDA and its operational domains/pathways continue to be defined.

Significant accomplishments in FY 2007 include:

Joint Analysis Center (JAC):

- Accelerated and expanded upon the Proof of Concept effort toward developing the JACCIS, which integrate with new technology deployments such as ASP systems.

- Produced written, actionable analytical products related to nuclear/radiological detections and threats, nation-states and terrorist groups that could be associated with nuclear terrorism, and world-wide illicit nuclear trafficking and intelligence warnings for Federal, State, local, tribal, and other stakeholders.
- Continued development of the infrastructure required to meet the anticipated demand of State and local governments for rapid facilitation of radiation detector alarm adjudication and matured the real time connection between the National Operations Center (NOC), State and local fusion centers, and other radiation detection personnel and systems.

#### Nuclear Assessment Program (NAP):

- Continued providing rapid technical support of operational elements in the law enforcement, diplomatic, and intelligence communities.
- Completed approximately 150 written, formal assessment products.
- Provided 55 technical reports, training, and briefings to national and international audiences.

#### Technical Reachback (TRB):

- Continued operation of the National Reachback capability, supporting the radiation detection community with immediate spectral data analysis and reports for approximately 50 incidents.
- Integrated the DHS and DOE alarm resolution processes.
- Sustained two existing Regional Reachback networks, while enhancing the expertise of the technical personnel who support scalable capability through knowledge of equipment capabilities and limitations, intelligence situational awareness, and specific knowledge of end-user concepts of operations.

#### FY 2008 planned accomplishments include:

##### Joint Analysis Center:

- Deploy and beta test an initial operational automated system (the JACCIS) based upon the Proof-of Concept, including:
  - Comprehensive, accessible database on all deployed GNDA systems;
  - Real-time data links to existing networked detection systems;
  - Communications and situational awareness links to Federal operations and intelligence centers (a total of 48 data systems and 15 communications links);
  - Rapid and interactive links to technical reachback via an automated communication and data sharing system, linking first responders to regional and national-level technical experts;
  - Real-time automated radiation source license data verification and source tracking information to include automating and networking four agreement state license information under a pilot program with NRC and the Organization of Agreement States; and
  - Real-time access to intelligence, law enforcement, and detection event information in an integrated and collaborative environment.
- Maintain the 24/7 capability for coordination of information and technical support to the GNDA
- As State and local authorities become more involved in PRND activities, the JAC will coordinate with State and locals agencies on specific protocols and SOPs for alarm adjudication/resolution and develop the complimentary Federal procedures in support thereof.

##### Nuclear Assessment Program:

- Maintain a unique national capability designed to provide rapid assessments of nuclear threat communications, illicit nuclear trafficking events, and other nuclear terrorism indicators in order to assist DNDO, DHS, and other federal government decision makers.
- Maintain subject matter experts to analyze the technical feasibility, operational practicality, and behavioral resolve of communicated nuclear threats.
- Continue providing rapid technical support of operational elements in the law enforcement, diplomatic, and intelligence communities.
- Provide training and briefings to national and international audiences to include co-sponsoring the CIA University Nuclear Awareness Course.
- Provide daily reports of all-source information to enhance the situational awareness of the JAC and USG, including ongoing technical, operational, and behavioral analysis and evaluations of current cable and open source traffic.
- Present Nuclear Crimes Overview at 25 venues to educate over 600 participants from the International Law Enforcement Academy (ILEA) and CIA University.

#### Technical Reachback:

- Expanded operations of the National Reachback capability, supporting the radiation detection community with immediate spectral data analysis and reports for national level reachback request from DHS and State and local entities, while integrating the DHS and DOE alarm resolution processes.
- Sustain two existing Regional Reachback networks at four regional reachback centers, while enhancing the expertise of the technical personnel who support scalable capability through knowledge of equipment capabilities and limitations, intelligence situational awareness, and specific knowledge of end-user CONOPs.
- Develop analytical tools and conduct analysis for spectral adjudication, detector performance evaluations, data mining activities, and operational reports.
- Provide reachback tools and training to S&L radiation health professionals, assist S&L development of basic reachback capabilities, and integrate State experts into the national alarm adjudication protocol.

FY 2009 Operations Support programs will build upon the successes and progress of FY 2007 and FY 2008. OSD will embrace its responsibility to maintain and expand the NAP and TRB programs as the scientific foundations of the JAC. The engagements process will continue to develop a requirements data set from the State and local communities, through interactions and protocol development with both Tier I and II UASI cities. As these cities and other domestic regions implement PRND programs, OSD will provide an expanding and finer-tuned training and exercise regimen to develop these programs. Similarly, the growing GNDA will create and require additional expanded situational awareness. The JACCIS will be the IT solution to receive, manage, trend and report on the vast amount of radiation detection information that DNDO and its customers must process.

*Joint Analysis Center:* As rad/nuc detection technology is deployed across the Nation and in strategic areas around the world, the Federal government is committed to providing the necessary technical support to ensure that equipment is used effectively, alarms are resolved accurately, and the appropriate personnel are notified in the event of a legitimate detection of a threat. In recognition of this need, DNDO provides operational support services, including: 24/7 TRB support for alarm resolution, effective training and response protocols, and operational support coordination to ensure appropriate expertise is in place to support prompt resolution of rad/nuc detection alarms. The effective utilization of these services will assure that deployed equipment is properly used and alarm information is reported and escalated to response agencies when appropriate

The JACCIS Initial Operating Capability build-out will start in FY 2008 and will conclude with an operational capability milestone in FY 2009. This will allow for the effective sharing and use of rad/nuc detection information and intelligence from most, if not all, detection systems operated by DHS and Federal, State, and local partners to provide a greater situational awareness of the rad/nuc threat. By fusing the international and domestic detection streams and information generated by the intelligence and counterterrorism communities, the JAC will be able to provide a better informed decision making environment, enabling more effective alarm resolution, trend analysis, and threat awareness. Additionally, this information and analysis capability will be integrated with a detailed understanding of current and future detection system performance to increase our confidence in the global detection architecture. Furthermore, as the Operational Support program continues engagements to UASI cities, regional fusion centers, and JTTFs, and as the number and type of deployed detection systems increase, the need to update and enhance the JACCIS to accommodate the additional touch points is anticipated.

The JACCIS will enter “beta” testing during FY 2008, and reach initial operating capability in FY 2009, via a planned approach. Specifically, the JACCIS will provide the following major functionality:

- Radiation Events Management Component – This capability will enable requestors to submit a reachback request via a browser-based portal or through email. It will automate several key workflow tasks such as case routing, assignment, escalation, collaboration, and notification. It will also provide a single collaborative web environment for State and local operators, JAC operations support personnel, and technical reachback specialists to manage an event from initial request, through adjudication and resolution, to reporting. The interface will provide fully searchable historical information and metadata of each event to facilitate business process refinement, critique, and trend analysis. This component ensures that the JAC is well positioned to respond to the anticipated increase in call volumes for Federal reachback assistance as Federal, State, and local screening programs are introduced.
- Automated Technical Reachback Collaboration – The creation of this collaborative environment (contained within the Radiation Events Management Component) enables technical reachback specialists and JAC operations support personnel to efficiently manage reachback requests submitted by the community of interest. The system allows for management of key tasks such as the identification, prioritization, assignment, escalation, resolution, and notification of these reachback requests. This is a fundamental capability that ensures compliance with the timelines set forth in the Presidentially-approved alarm adjudication protocol.
- Nuclear Material Licensing Portal – Provides end-users critical assess to mission specific content.
  - NRC Category 1 and Category 2 Data Access – This information of planned shipments of licensed companies allows JAC operations support personnel to deconflict large-scale legitimate shipments with possible smuggling activities. JACCIS will allow search capability in this external database.
  - NRC Regulatory Database Access – The JACCIS user interface will contain content links to NRC information such as NRC Licensing Database and the NRC Seal Source Device Registry. These links will make information accessible through the JACCIS and will decrease time to adjudicate some alarms, and thus positively impact the throughput of commerce.
  - Agreement State Database Access – The JACCIS user interface will contain content links to Individual Agreement State Licensing Databases. These links will make information

accessible through the JACCIS and will decrease time to adjudicate some alarms, and thus positively impact the throughput of commerce.

- Global Incident Portal – The Global Incident Portal will be a key component of achieving situational awareness of the GNDA. This graphical interface will include user-defined views that will allow users to monitor events around the world and provide a closer view of specific events. The portal will leverage data feeds to display real time and historical data to complete situational picture. The Global Incident Portal will be the access point for:
  - State and Country Information – A mouse-enabled query to a map location will give varying types of historical and real-time information based upon user defined requests for that geographic location.
  - Radiation Detection Equipment Inventory – A mouse-enabled query to a map location will provide locations of specific radiation detection equipment. A State-wide map scaling will show all State equipment and its location, while a city-scaled map will bring up radiation detection equipment in the selected city’s environs.
  - Radiation Detection Equipment Status – As equipment is located via an inventory search described above, some equipment, such as radiation portals, will communicate with the JACCIS and report portal system health information.
  - Radiation Source Information:
    - On-line NORM in Commerce Information – NORM in Commerce reports are produced by the DHS Secondary Reachback Program. These reports alert the community of interest to the radiation characteristics of certain everyday products found in commerce. Making this information accessible through the JACCIS will decrease time to adjudicate some alarms thus positively impact throughput of commerce.
    - On-line Common Industrial Device Information – The JACCIS will provide the community of interest information on common equipment found in industry, such as well logging devices and radiography cameras. These products frequently are lost or stolen, and having information on their characteristics will help put the threat posed by this missing equipment in the proper context.
  - Real-time Intelligence Feeds – JACCIS will support and improve the effective sharing and use of appropriate information generated by the IC, law enforcement agencies, counterterrorism community, other government agencies and foreign governments to assist in defining a global nuclear materials situational awareness. The system shall fuse intelligence, law enforcement, and technical information to develop an overall picture of detection events, in accordance with ONDI-led Information Sharing Enterprise (ISE).
- Trend Analysis Tools – The system will provide tools that will allow trend analysis of nuclear detection assets, events, and the operating environments. These tools will enable intelligence, detection event information, geographic information and other factors to be processed for historical trends (e.g., operations modes, calibrations, thresholds, errors).
- Data Mining Tools – These tools will allow data discovery and fusion across a wide variety of Federal, State, and local systems. System information filtered by key word algorithms will be delivered to a web portal as soon as it is published, while filtering out unrelated data. The data mining function will connect to static sources (e.g. databases, documents) and dynamic sources (e.g. events, RSS feeds). The resulting information is integrated into a clear, comprehensive presentation that identifies data linkages of importance to the user.
- Data Storage Medium – The JACCIS will accept and store input from RPMs or other fixed detection equipment, gamma-ray spectra from radioisotope identifiers, readings from pagers or other handheld detection equipment, and radiography or ordinary visual images. This data will be search-capable and will access remotely available databases for shipping, trafficking, source

licensees, cosmic-ray fluxes, medical, commerce, nuclear, and radiological supply chain data, etc. The system will also provide for storage of fused data.

- Service Oriented Architecture (SOA) Approach – Designing and implementing an adaptive information framework based on SOA best serves the entire nuclear community of interest from the State and local responder in the field to the technical reachback specialist at the National Laboratories. This is done by leveraging existing information capabilities (re-use), as well as introducing new ones, where needed, and applying user-specific business intelligence, calling up the core services to accomplish the stated mission. User interfaces will be tailored for each particular user community, allowing access to only information and services needed to accomplish the mission.

Also anticipated in FY 2009 is a need to work with Agreement States for databasing of radioactive material licenses. This program will expand beyond the four initial States done under a pilot project in the initial JACCIS system with a goal of contacting and databasing radiation licenses in all 36 agreement States.

*Nuclear Assessment Program:* In FY 2009, NAP will continue its mission of assessing communicated nuclear threats and monitoring worldwide illicit trafficking in nuclear and radiological materials, and assessing illicit nuclear trafficking incidents and trends.

Specifically, NAP will:

- Expand the scientific assessor pool to meet the growing needs of State and local agencies
- Provide rapid formal assessments of communicated nuclear threats and smuggling cases to DHS, DOE, NRC, and the diplomatic, intelligence, and law enforcement communities.
- Provide daily reports of all-source information to enhance the situational awareness of the JAC and USG, including ongoing technical, operational and behavioral analysis and evaluations of current cable and open source traffic.
- Present “Nuclear Crimes Overview” at 25 venues to educate over 600 participants from the ILEA and the CIA University.
- Enhance the archival and retrieval capability of the historical data maintained by the NAP and integrating this data across the COI.

*Technical Reachback Program:* By FY 2009, the demands for 24/7 TRB assistance at the Federal, State, local, and international levels are projected to be significantly higher than in prior years. Anticipated expansion related to new mission responsibilities on the international side, e.g., the Secure Freight Initiative, and domestic State and local deployments, e.g., STC and SETCP, are likely to increase the number, complexity, and urgency of alarm adjudication requests. In addition to these adjudication requests, TRB will be responsible for maximizing operations by continuously refining inputs to the decision-making process and fielded equipment. TRB technical personnel who will support this enhanced capability will be required to develop further their expertise through knowledge of equipment capabilities and limitations, intelligence situational awareness, and specific knowledge of end-user concepts of operations. The maintenance and operation of two established regional reachback zones (Northeast and Southeast) will continue and be accelerated through the direct impact of increasing deployments and domestic capabilities. In addition to their being increasingly vital in alarm resolution, these regional nodes will assist DOE with the recruitment, training and development of first-rate spectroscopists.

*Training and Exercises Program:* The OSD Training and Exercises Program both develops and implements rad/nuc training and exercises for Federal, State and local law enforcement and emergency responders. The Training and Exercises Program’s main objectives are to increase operational

detection capabilities at the Federal, State and local levels; develop and exercise protocols and standards for effective use of radiation detection equipment and associated alarm resolution and reporting processes; and develop training curricula in support of emerging detection technologies. Additionally, the Training and Exercises Program supports National Security Special Events (NSSE), DHS Special Events and elevated threat conditions, as required.

Significant accomplishments in FY 2007 included:

- Trained over 2,000 State and local operators in Basic, Intermediate and Advanced PRND courses.
- Conducted SETCP rad/nuc alarm adjudication workshops for the nine SETCP States, the District of Columbia, and Project SeaHawk.
- Conducted the first phase of the SETCP technology demonstration.
- Participated in Ardent Sentry 07 and PINNACLE 07 Exercises.
- Supported DHS planning for and participated in the TOPOFF 4 Command Post Exercise (Spring 2007) and the TOPOFF 4 full-scale exercise (Fall 2007).
- Conducted operational rad/nuc detection exercises in New York and New Jersey.

FY 2008 planned accomplishments include:

- Train 2,400 additional Federal, State, and local participants in PRND operations.
- Conduct second and third phases of pilot courses of the Advanced Radiation Detection (ARD) curriculum and evaluate and modify, as required.
- Develop a State and local Spectroscopist Training course.
- Develop alternative training methods through a review of user needs and an analysis of delivery options.
- Integrate within the PRND training program FBI JTTF Executive Board and senior stakeholders in approximately 15 of the 45 Tier I and Tier II UASI areas.
- Conduct the second phase of the SETCP technology demonstration.
- Develop and lead the full-scale SETCP exercise.
- Support NSSEs (e.g., the Democratic and Republican National Conventions), DHS Special Events, and elevated threat conditions, as required.

In FY 2009, the Training and Exercises Program will continue its development, oversight and administration of the design, delivery, evaluation, and continual improvement of the PRND training curriculum. This training is directed by DNDO personnel and provided by contracted instructors in the vicinity of the requesting State or local agency and utilizes their own equipment. Additionally, the Training and Exercises Program will finalize development of a comprehensive Train-the-Trainer curriculum, including distribution of self-study courseware CDs to a wide spectrum of State and local law enforcement and emergency responder agencies. This indirect training will significantly increase the number, awareness and capabilities of PRND participants involved with the DNDO mission.

Operating within the previously established partnership with FEMA/NPD, DNDO will add its entire spectrum of training courses to the training curriculum within the Approved Federal Sponsored Course Catalog for the nationwide distribution of DNDO and FEMA/NPD-approved Federal courses.

Specifically in FY2009, the Training and Exercise Program plans to:

- Directly train 3,600 Federal State and local participants in PRND operations.

- Through the Train-the-Trainer courses and distribution of courseware indirectly train approximately 7,500 State and local participants.
- Develop and pilot a Reachback Course for State and local Radiation Health Officers.
- Continue integration within the PRND training program of FBI JTTF Executive Board Members and senior stakeholders in the remaining 30 Tier I and Tier II UASI areas.
- Participate in Workshops, Table Top Exercises (TTX), Drills and Full Scale exercises in support of DNDO regional pilot projects and programs for multiple domains (Aviation, Maritime, Interior, Ports of Entry and Securing the Cities (STC)).
- Participate in Workshops, TTXs, Drills and Full Scale exercises, including a Principal Level Exercise (PLE), in compliance with the Homeland Security Exercise and Evaluation Program (HSEEP) and as per the requests of federal, State and local agencies.
- Develop and lead seven (7) regional full-scale exercises
- Continue to support NSSEs, DHS Special Events, and elevated threat conditions, as required.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Research, Development, and Operations**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: NATIONAL TECHNICAL NUCLEAR FORENSICS CENTER

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | ---                 | ---        | <b>\$10,118</b> |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$15,000</b> |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0             |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$15,000</b> |
| 2009 Program Change          | ---                 | ---        | <b>\$2,900</b>  |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$17,900</b> |
| Total Change 2008-2009       | ---                 | ---        | \$2,900         |

DNDO requests \$17.900 million for this activity. This is an increase of \$2.900 million above FY 2008 Enacted.

CURRENT SERVICES PROGRAM DESCRIPTION:

**National Technical Nuclear Forensics Center (NTNFC):**

DNDO’s NTNFC provides national-level planning, integration, development, advancement, assessment, and assured readiness of USG capabilities to conduct comprehensive and timely rad/nuc forensic analyses supporting attribution conclusions. The USG rad/nuc forensic capabilities include collection, processing, analysis, evaluation, and interpretation techniques, expertise, and equipment. In addition to its national nuclear forensics “systems integrator” mission, the NTNFC also leads DHS’s primary technical nuclear forensics mission to develop and sustain the national capability for nuclear forensics of pre-detonation rad/nuc materials. These capabilities are essential to terrorist and criminal investigations. Further, strategically communicated global awareness of U.S. capabilities can provide significant deterrence value to preventing such attacks, by deterring or dissuading nations that may wittingly or unwittingly provide nuclear materials or devices to a terrorist organization. If an attack is threatened or actually occurs, these capabilities will provide information essential to help prevent a follow-on attack, contribute to attribution, and ultimately prosecute those responsible.

The NTNFC is overseeing the development of technical capabilities to rapidly, accurately, and credibly conduct nuclear forensics to support the determination of the nature, origin, provenance, and pathways of:

- Interdicted or collected rad/nuc materials;
- Intact INDs, stolen nuclear weapons, and RDDs;
- RDDs after detonation; and
- Nuclear devices/weapons after detonation.

The NTNFC's overarching systems integrator mission provides centralized planning, evaluation, and stewardship for a comprehensive global capability that weaves together and leverages all relevant national agencies and capabilities, including DHS, DOE, DoD, FBI, DOS, and the Office of the Director of National Intelligence (ODNI).

The pre-detonation rad/nuc materials forensics mission is led by NTNFC as its primary R&D focus, which underpins the national-level stewardship and integration mission. This pre-detonation mission is focused on ensuring the capability to perform rad/nuc materials analysis, evaluation, and integration of all sources of technical information, including isotopic and chemical composition, physical structure, and material pathways; developing and sustaining pre-detonation concept of operations and technical capabilities to handle and analyze rad/nuc materials; and performing research and development to address gaps and shortfalls in the capabilities.

In sum, the NTNFC encompasses:

- R&D of rad/nuc materials collection, analysis, evaluation and interpretation techniques, tools, and capabilities;
- R&D of rad/nuc signatures, models, production processes, and evaluation tools;
- Research and development of the Nuclear Forensics Knowledge Management & Analysis System (KMAS) consisting of forensic information on rad/nuc materials, devices, signatures, processes and expertise, and tools for discovering, unlocking, linking, and managing the information;
- National-level program planning, integration and coordination, which covers activities prior to the use of a radiological or nuclear device to activities after its use, and for locations worldwide;
- Development of a spectrum of plans, quality assurance, evidentiary protocols, standards, training and exercises to assure readiness and to prevent atrophy of national capabilities; and
- Continuous review and assessment of NTNF requirements, capabilities, and gaps to focus and enhance national NTNF efforts and ensure they are fully integrated and ready.
- And, a critical new emphasis on evaluating nuclear forensics workforce and pipeline current health and prospects for the future, and fostering initiatives within academia and the national labs to assure a robust and enduring capability.

Significant FY 2007 accomplishments include:

- Established the NTNFC in DNDO as a national-level interagency office dedicated to advancing the Nation's nuclear forensic capabilities. Staffed the office with TNF experts from DHS, DoD, DOE, and the FBI.
- Evaluated and developed new isotopic, chemical, and physical forensic signatures that enhance the ability to characterize and discriminate radiological and nuclear materials.
- Initiated development of a Nuclear Forensics KMAS and demonstrated initial operating capability. This program aids discovery and use of diagnostic signatures of nuclear materials and related information, and includes the creation of nuclear fuel cycle process knowledge and analysis tools to rapidly link and interpret forensic measurements.
- In collaboration with partner agencies and laboratories, led and/or participated in field, laboratory, and senior policymaker table top exercises to validate and enhance NTNF capabilities.
- Enhanced NTNF capabilities through collaboration with DOS in support of cooperative international nuclear forensics activities, including GI, the International Technical Working

Group (ITWG) on Nuclear Smuggling & Forensics, and the international Nuclear Smuggling Outreach Initiative.

FY 2008 planned accomplishments include:

- Incorporate NTNF into national exercises, such as TOPOFF 4 and interagency homeland defense exercises, including Vigilant Shield and Ardent Sentry.
- Complete development of the interagency NTNF Playbook that describes NTNF capabilities, interagency coordination, and operation.
- Develop an NTNF Executive Course and outreach program that will provide senior government officials with a clear understanding of NTNF capabilities and operations.
- Conduct a senior executive-level tabletop exercise to improve awareness and enhance NTNF capabilities.
- Complete initial proof-of-concept signature experiments on oxygen isotopes, trace elements, and morphological features in uranium oxide materials.
- Continue collaboration with Canada and other foreign partners on rad/nuc signatures and cooperation, under the auspices of DOS.
- Develop and use nuclear material production timelines to: 1) link production processes and process changes with potential nuclear forensics signatures, and 2) capture nuclear material production process knowledge for future forensics scientists.
- Expand the use of the on-line collaborative environment, which uses a distributed architecture, by adding additional National Laboratories' forensic teams as nodes.
- Develop multivariate analysis methods for elucidating latent patterns and trends in disparate nuclear forensics data and information.
- Initiate an assessment of the health and prospects for an enduring nuclear forensics scientific workforce and pipeline which underpins the national capabilities. NTNFC will also begin fostering academic initiatives, outreach, and innovative projects in the nuclear forensics arena (e.g., radiochemistry courses of study, fellowships, and internships) to help build and sustain a robust and enduring national nuclear forensics work force and pipeline.
- Develop a consensus path forward on Reference Standards development for nuclear and radiological materials and continue capability development with the National Institute of Standards and Technology (NIST) and New Brunswick Laboratory (NBL).
- Determine path forward on high priority radiological materials signature development efforts, based on results of recent exercise and research results.
- Initiate a National Academy of Sciences assessment on nuclear forensics capabilities, infrastructure and workforce, with DNDO jointly sponsoring the effort with DOE, DoD, and FBI.

In FY 2009, DNDO will continue to manage and improve the NTNFC, while continuing to lead the development of the national capability for rad/nuc materials forensics. Plans for FY 2009 take into account the DNDO's focus for improving the national nuclear forensics expertise, as described below in the "NTNF Assessments and Exercises" section.

*Pre-detonation rad/nuc materials forensics:* NTNFC will continue to develop isotopic, chemical, and physical forensic signatures that enhance the ability to characterize and discriminate radiological and nuclear materials. Building upon ongoing activities the following efforts are planned:

- Begin development of predictive signatures for high-value trace elements.

- Initiate a capability for synthesizing uranium oxide materials under controlled conditions to develop and validate predictive signatures.
- Continue additional proof of concept experiments for developing high-value physical signatures of uranium oxide powders and provide a forensic capability for these signatures.
- Initiate the development of a capability to distinguish between new and established nuclear materials production programs based on materials analysis.
- Continue evaluation and validation of RDD materials comparative signatures that are useful when the radiological material has been removed from its original container and packaging.

*Nuclear Forensics Knowledge Management & Analysis System (KMAS):* The Nuclear Forensics KMAS will advance its capability and capacity to support rapid and credible interpretations of forensic data. The projected accomplishments include:

- Initial linking of foreign and domestic nuclear material production timeline information to determine the dominant processes that define or impact discriminating signatures;
- Demonstration of robust criteria for standard forensics data requirements for nuclear materials (e.g. enables data and information from illicit nuclear material trafficking events to be used in the prosecution of responsible individuals);
- Validation of the latest nuclear and radiological materials data and information to enable the delineation between domestic and foreign materials in forensics interpretations;
- Development of next generation multivariate pattern analysis tools and methods to articulate group membership or exclusion of nuclear forensic signatures;
- Deployment of confidence articulation methods in nuclear forensics interpretations;
- Deployment of the latest KMAS tools on the Homeland Security Data Network (HSDN);
- Expansion of the KMAS distributed network by adding additional DOE Laboratories as nodes; and
- Deployment of the latest KMAS interfaces (hardware/software) with the DNDO JAC and NAP, and the DOE NMIP.

*Cooperative International Nuclear Forensics Support:*

- In collaboration with the DOS and the DOJ, deliver NTNFC awareness and training to U.S. officials abroad who require an understanding of NTNFC capabilities and guidelines;
- Direct U.S. nuclear forensics efforts in support of the ITWG, including an international “round robin” nuclear forensics exercise;
- With DOS, expand the nuclear forensics partnerships and collaboration with allies and other countries.

In addition, beginning in FY 2009, DNDO will launch a dedicated effort to improve national nuclear forensics expertise and boost post-graduate fellowships in related fields at universities and National Labs. This will begin to re-supply the pipeline of nuclear forensics experts and maintain the Department’s ability to trace nuclear materials back to their origins.

*NTNFC Quality Assurance (QA):* DNDO will continue to support the FBI lead in developing and assessing an end-to-end quality assurance program to ensure that all laboratories supporting NTNFC capabilities meet established QA requirements. The NTNFC will collaborate with the FBI, DOE and DoD to enhance the program and to ensure continued preparedness among supporting laboratories. DNDO will support maintenance of the international Quality Assurance standards accreditation at the two primary “hub” laboratories – Savannah River National Laboratory (SRNL) and Lawrence

Livermore National Laboratory (LLNL). Additionally, the NTNFC will assess and report on NTNF partner laboratory efforts and compliance with QA requirements.

*NTNF Centralized Planning and Integration:* The NTNFC will review and update a detailed, interdepartmental playbook that describes NTNF capabilities, interagency coordination, and operation. The NTNF playbook will continue to serve as a ready guide and reference for senior government officials and agencies. It will support NTNF training and facilitate more efficient assessments of interagency readiness and performance. The NTNFC will also complete an interagency “Programs and Budget Crosscut” to ensure Departments’ priorities and programs are properly aligned. The NTNFC will also evaluate and update its NTNF Strategic Communications Plan.

*NTNF Training and Outreach:* The NTNFC will continue to develop and update its nuclear forensics awareness and training program that provides government officials with a clear understanding of NTNF capabilities and operations. Also, by partnering with DNDO’s Operations Support office, the NTNFC will expand its Nuclear Forensics Awareness Outreach training to State and local law enforcement officials. Additionally, NTNFC will continue the Outreach program in collaboration with the DOS and FBI to promote the NTNF program objectives in support of foreign allies. This effort will enhance the awareness of technical nuclear forensics operational capabilities and requirements to our diplomatic community overseas, and serve as a vehicle to raise awareness and foster cooperative activities that may be promoted via GI.

*NTNF Assessments and Exercises:* In its overarching capability stewardship role, NTNFC will complete an assessment of the health and prospects for an enduring nuclear forensics scientific workforce and pipeline which underpins the national capabilities. NTNFC will also continue fostering academic initiatives and innovative projects in the nuclear forensics arena (e.g., radiochemistry courses of study and internships) to help build and sustain a robust and enduring national nuclear forensics workforce and pipeline. DNDO’s efforts in this arena will be enhanced in FY 2009, which included funds to increase the number of post-graduate fellowships at universities and at National Labs in order to begin to re-supply the pipeline of nuclear forensics experts and maintain the Department’s ability to trace nuclear materials back to their origins.

NTNFC will continue to review and assess NTNF capabilities through a number of means. NTNFC will execute one large scale end-to-end field exercise annually. This Tier I Exercise will include all inter-agency governmental partners to include: DOJ, DOS, DoD, DHS, ODNI, DOE, and the National Laboratories. The training objectives will rehearse field sampling techniques, laboratory analysis and coordination, strategic communication flow and media output, law enforcement jurisdiction, assessment, adjudication, attribution protocols, and policy refinement. This Tier I Exercise will alternate between pre-detonation and post-detonation scenarios involving INDs and RDDs.

NTNFC will also conduct at least one Tier II Exercise annually. These policy and program training events will focus on the refinement of interactions between nuclear forensics stakeholders. The primary learning objectives will explore technical shortcomings, inter-agency gaps, and will pursue corrective actions based on After Action Reports and Lessons Learned. Tier III Exercises will be conducted annually between our partners to maximize didactic opportunities among our stakeholders. These events will take place in the form of senior level briefings, seminars, workshops, and informational exchanges.

Additionally, in its integration, oversight, and assessment role, NTNFC will continue to review and assess the capabilities of the other TNF provider agencies (for pre-detonation interdicted weapon and post-detonation debris) through active monitoring of the exercise programs of those agencies.

The NTNFC exercise program coordination is based on the planning and execution of an end-to-end exercise every two years. That exercise will be planned in the off years to ensure a schedule of leveraged and integrated building events that maximizes program efficiency and effectiveness. Common elements among the programs, such as lab analysis and data evaluation processes, will be exercised such that a single exercise meets the needs of multiple agencies/subordinate programs.

Importantly, NTNFC will continue supporting a National Academy of Sciences study on nuclear forensics capabilities, sponsored jointly by DOE, DoD, FBI, and DNDO to be completed in FY 2009.

**IV. Program Justification of Changes (not applicable)**

**Department of Homeland Security  
Domestic Nuclear Detection Office (DNDO)  
Research, Development and Operations  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1:** Exploratory Research

Strategic Goal(s) & Objective(s): 2.1

PPA: Transformational Research and Development

Program Increase:      Positions ---      FTE ---      Dollars \$10,000

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | --- | \$47,601        |
| Program Increase       |                |     |                 |                 |     |                 | ---             | --- | \$10,000        |
| <b>Total Request</b>   | ---            | --- | <b>\$38,657</b> | ---             | --- | <b>\$47,601</b> | ---             | --- | <b>\$57,601</b> |

Description of Item

This request will provide funding for the optimization of several promising radiation detection materials which have been discovered and developed over the last several years. Optimization includes characterization and fabrication efforts.

Justification

Exploratory efforts in radiation detection materials R&D over the last several years (with many of these efforts funded by DNDO) have yielded several very promising materials which would be significant improvements over the state of the art materials with respect to sensitivity, energy resolution, manufacturability, and cost. The current pace of development indicates that FY 2009 will require increased efforts on these materials to optimize compositions, and characterize and test these new materials adequately. However, these focused efforts should not dilute the ongoing efforts to find yet other new and maybe even more promising materials, utilizing and leveraging facilities which also have been developed over the last several years, many as a result of DNDO's investments. Hence, additional funding to move the existing efforts to the next level is required.

DNDO's exploratory efforts include discovery and development of high performing materials which would provide increased performance. Material requirements usually include high energy resolution, high stopping power, high detection efficiency, manageable growth, handling and cost, and lack of significant self-radioactivity. This usually translates into high density, high atomic number (Z), and includes, for scintillators, high light yield, high linearity, high transparency, and good material uniformity, while for semiconductors it includes appropriate bandgap, high resistivity, high charged carrier transport coefficients (e.g., high mu-tau), and again good material uniformity. It is clear that there are many requirements demanding to be satisfied simultaneously; hence the challenges of developing new materials are significant.

However, there are a number of new materials developed over the last several years which are now being shown to satisfy many of these requirements, in both scintillators and semiconductors. For example, scintillator materials are being demonstrated with higher light output than NaI or LaBr<sub>3</sub> (presently two of the best commonly used room temperature scintillator materials), and with linearity better than LaBr<sub>3</sub>. Also, semiconductor materials are being demonstrated with resistivities higher than CZT (presently one of the best room temperature semiconductors being used more and more often, but suffering from difficulty in manufacturing), and with charge transport coefficients and energy resolutions (e.g., 1%) approaching that of CZT. All of these materials have possibilities of further optimization and improvement, but this requires dedicated and focused efforts.

Just as important, many of these new and promising new candidate materials also promise to be more readily grown, and at lower cost, than their competitive state-of-the-art counterparts, such as LaBr<sub>3</sub> and CZT.

DNDO has defined a preliminary candidate list with strong contenders. This list is available if need be.

These materials involve several different programs at several different laboratories and industrial companies in collaboration with academic subcontracts.

Increased funding in FY 2009 will provide the required support for these focused efforts and will provide a high rate of return on past investments. The time intervening between now and FY 2009 will be used to allow preparation for the increased efforts. Thrust here would be to provide additional funds for both labor and equipment to support optimization of these materials. Much of the preliminary groundwork has been established for these promising materials, but the optimization is labor intensive. Some additional equipment expenses would further improve the efficiency of optimization.

There are two uses for these funds: labor and equipment:

- Labor:
  - Optimization is often a labor intensive activity, requiring many runs including setups, material preparation, data acquisition, and characterization. The labor force exists and is available for most if not all of the envisioned efforts.
- Equipment:
  - The intent would be to augment fabrication capabilities. DNDO prefers to emphasize the demonstration of feasibility and POC while minimizing capital equipment investments. This often is limiting in the optimization process for improving many materials. The thrust here would be to provide additional fabrication capabilities to a number of on-going programs whose labor force could support the additional capabilities since many of the facilities are automated (as necessitated by rigorous process control).

Finally, as part of the optimization process, the path forward to “real production” scenarios for a few selected candidate materials could be investigated. As is often the case, the path to real high volume production holds many unidentified challenges (e.g., cracking due to thermal stresses). The aim here would be to identify those production problems early in the R&D process, prior to transitioning the fabrication processes to actual mass production.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

The FY 2009 funding request of \$10.000 million would directly improve DNDO’s ability to meet Strategic Goal 2: Prevention – Detect, deter, and mitigate threats to our homeland.

Particularly, the increase will fund the optimization and characterization of new materials which potentially will provide increased performance by enabling increased sensitivity for detection and increased ability to classify radiation sources via higher energy resolution. The intent is for these materials to ultimately be incorporated into future radiation detectors.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

Department of Homeland Security  
Domestic Nuclear Detection Office  
Justification of Proposed Changes in Research, Development, and Operations  
Appropriation Language

For necessary expenses for radiological and nuclear research, development, testing, evaluation and operations, [\$319,900,000] *\$334,200,000*, to remain available until expended. (Department of Homeland Security Appropriations Act, 200[8] 9)

#### Explanation of Changes:

No substantive changes are proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|--|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....                      | ---         | ---        | <b>\$254,918</b> |
| <b>FY 2008 Enacted</b> .....                     | ---         | ---        | <b>323,500</b>   |
| <b>Adjustments-to-Base</b>                       |             |            |                  |
| Increases  |             |            |                  |
| Non-pay inflation excluding GSA Rent.....        | ---         | ---        | 6,470            |
| Total Increases.....                             | ---         | ---        | 6,470            |
| Decreases  |             |            |                  |
| Management and Technology Efficiencies.....      | ---         | ---        | (6,470)          |
| Total Decreases.....                             | ---         | ---        | (6,470)          |
| <b>Total Adjustments-to-Base</b> .....           | ---         | ---        | ---              |
| <b>2009 Current Services</b> .....               | ---         | ---        | <b>323,500</b>   |
| <br><b>Program Changes</b>                       |             |            |                  |
| Program Increases/(Decreases)                    |             |            |                  |
| Systems Engineering and Architecture.....        | ---         | ---        | 2,747            |
| Systems Development.....                         | ---         | ---        | (10,000)         |
| Transformational Research and Development.....   | ---         | ---        | 17,300           |
| Assessments.....                                 | ---         | ---        | (5,500)          |
| Operations Support.....                          | ---         | ---        | 3,253            |
| National Technical Nuclear Forensics Center..... | ---         | ---        | 2,900            |
| <b>Total Program Changes</b> .....               | ---         | ---        | <b>10,700</b>    |
| <br><b>FY 2009 Request</b> .....                 | ---         | ---        | <b>334,200</b>   |
| <br><b>2008 to 2009 Total Change</b> .....       | ---         | ---        | <b>10,700</b>    |

## C. Summary of Requirements

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
Summary of Requirements  
(Dollars in Thousands)**

|  | FY 2009 Request |     |                  |
|--|-----------------|-----|------------------|
|  | Perm. Pos.      | FTE | Amount           |
| <b>FY 2007 Actual</b>  | ---             | --- | <b>\$254,918</b> |
| <b>FY 2008 Enacted</b>   | ---             | --- | <b>323,500</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |                 |     |                  |
| Transfers  | ---             | --- | ---              |
| Increases  | ---             | --- | 6,470            |
| Decreases  | ---             | --- | (6,470)          |
| Total Adjustments-to-Base  | ---             | --- | ---              |
| <b>2009 Current Services</b>   | ---             | --- | <b>323,500</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---             | --- | 10,700           |
| <b>FY 2009 Total Request</b>   | ---             | --- | <b>334,200</b>   |
| 2008 to 2009 Total Change  | ---             | --- | 10,700           |

| Estimates by Program/Project Activity         | FY 2008 Enacted |     |                  | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |                  | FY 2009 Request |     |                  | 2008 to 2009 Total Change |     |                 |
|---|-----------------|-----|------------------|--------------------------|-----|------------|---------------------|-----|------------------|-----------------|-----|------------------|---------------------------|-----|-----------------|
|   | Pos.            | FTE | Amount           | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount           | Pos.            | FTE | Amount           | Pos.                      | FTE | Amount          |
| 1 Systems Engineering and Architecture        | ---             | --- | \$22,400         | ---                      | --- | ---        | ---                 | --- | \$ 2,747         | ---             | --- | 25,147           | ---                       | --- | \$2,747         |
| 2 Systems Development                         | ---             | --- | 118,100          | ---                      | --- | ---        | ---                 | --- | (10,000)         | ---             | --- | 108,100          | ---                       | --- | (10,000)        |
| 3 Transformational Research and Development   | ---             | --- | 96,000           | ---                      | --- | ---        | ---                 | --- | 17,300           | ---             | --- | 113,300          | ---                       | --- | 17,300          |
| 4 Assessments                                 | ---             | --- | 37,500           | ---                      | --- | ---        | ---                 | --- | (5,500)          | ---             | --- | 32,000           | ---                       | --- | (5,500)         |
| 5 Operations Support                          | ---             | --- | 34,500           | ---                      | --- | ---        | ---                 | --- | 3,253            | ---             | --- | 37,753           | ---                       | --- | 3,253           |
| 6 National Technical Nuclear Forensics Center | ---             | --- | 15,000           | ---                      | --- | ---        | ---                 | --- | 2,900            | ---             | --- | 17,900           | ---                       | --- | 2,900           |
| <b>Total</b>                                  | ---             | --- | <b>\$323,500</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>\$ 10,700</b> | ---             | --- | <b>\$334,200</b> | ---                       | --- | <b>\$10,700</b> |

**D. Summary of Reimbursable Resources (not applicable)**

## E. Summary of Requirements by Object Class

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes                                      | FY 2007<br>Actual <sup>1</sup> | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|--------------------------------|--------------------|--------------------|-----------------------|
| 21.0 Travel   | 203                            | 2,432              | 2,480              | 48                    |
| 25.1 Advisory and assistance services               | 26,543                         | 22,849             | 23,306             | 457                   |
| 25.2 Other services                                 | 17                             | ---                | ---                | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts | 116,177                        | 111,736            | 116,873            | 5,137                 |
| 25.4 Operation & maintenance of facilities          | 8                              | 8,300              | 8,466              | 166                   |
| 25.5 Research and development contracts             | 89,319                         | 170,701            | 175,443            | 4,742                 |
| 25.7 Operation and maintenance of equipment         | ---                            | 382                | 390                | 8                     |
| 31.0 Equipment                                      | 16,252                         | ---                | ---                | ---                   |
| 41.0 Grants/Subsidies/Contributions                 | 6,399                          | 7,100              | 7,242              | 142                   |
| <b>Total, Other Object Classes</b>                  | <b>\$254,918</b>               | <b>\$323,500</b>   | <b>\$334,200</b>   | <b>\$10,700</b>       |
| <b>Total, Direct Obligations</b>                    | <b>\$254,918</b>               | <b>\$323,500</b>   | <b>\$334,200</b>   | <b>\$10,700</b>       |
| Unobligated balance, start of year                  | ---                            | (52,582)           | (32,350)           |                       |
| Unobligated balance, end of year                    | 52,582                         | 32,350             | 33,420             |                       |
| Recoveries of prior year obligations                | ---                            | ---                | ---                |                       |
| <b>Total requirements</b>                           | <b>\$307,500</b>               | <b>\$303,268</b>   | <b>\$335,270</b>   |                       |

<sup>1</sup> Supplemental funding was provided to the Domestic Nuclear Detection Office, P.L. 110-28, for the Research, Development and Operations account in the amount of \$35 million.

**F. Permanent Positions by Grade (not applicable)**

**G. Capital Investment and Construction Initiative Listing (not applicable)**

## H. PPA Budget Justifications

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
Systems Engineering and Architecture  
Funding Schedule  
(Dollars in Thousands)**

| PPA: PPA Name                     |                                | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------------------|--------------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Object Classes:</b>            |                                |                   |                    |                    |                        |
| 21.0                              | Travel                         | 132               | 400                | 405                | 5                      |
| 25.1                              | Advisory & Assistance Services | 2,796             | 3,200              | 3,264              | 64                     |
| 25.3                              | Purchase from Govt. Accts.     | 10,207            | 6,320              | 7,385              | 1,065                  |
| 25.5                              | Research & Development         | 17,037            | 12,480             | 14,046             | 1,566                  |
| <b>Total, Sys. Eng. and Arch.</b> |                                | <b>\$30,172</b>   | <b>\$22,400</b>    | <b>\$25,100</b>    | <b>\$2,700</b>         |
| Full-Time Equivalents             |                                | ---               | ---                | ---                | ---                    |

### PPA Mission Statement

Systems Engineering and Architecture: DNDO Systems Engineering and Architecture programs are (1) developing an enhanced global nuclear detection architecture, including both domestic and international components, and (2) maintaining and supporting a disciplined systems engineering approach throughout DNDO. The global architecture comprises several key elements: a multi-layered structure of radiological/nuclear detection systems, deployed both domestically and overseas; a well-defined and carefully coordinated network of interrelationships among them; and a set of systems engineering-based principles and guidelines governing the architecture's design and evolution over time. From its initial stand-up, DNDO recognized the importance and need for the application of a systems engineering approach in achieving an integrated and balanced global nuclear detection system solution. Effective implementation and operation of detection systems begins with the design and development of reliable and maintainable systems, built to rigorous, established performance standards and specifications, while assessing total system performance and total ownership costs within the family of radiological/nuclear detection systems.

### Summary Justification and Explanation of Changes

|               | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---------------|-------------------|--------------------|--------------------|------------------------|
| <b>Travel</b> | <b>\$132</b>      | <b>\$400</b>       | <b>\$405</b>       | <b>\$5</b>             |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---|-------------------|--------------------|--------------------|------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$2,796</b>    | <b>\$3,200</b>     | <b>\$3,264</b>     | <b>\$64</b>            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>FY 2007</b>  | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|--|-----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$10,207</b> | <b>\$6,320</b> | <b>\$7,385</b> | <b>\$1,065</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>FY 2007</b>  | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|---------------------------------|-----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$17,037</b> | <b>\$12,480</b> | <b>\$14,046</b> | <b>\$1,566</b>      |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
Systems Development**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>              |                                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------------|---------------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>            |                                       |                           |                            |                            |                                |
| 21.0                              | Travel                                | 3                         | 450                        | 460                        | 10                             |
| 25.1                              | Advisory & Assistance Services        | 4,503                     | 4,445                      | 4,534                      | 89                             |
| 25.3                              | Purchase from Govt. Accts.            | 20,022                    | 12,179                     | 7,296                      | (4,883)                        |
| 25.4                              | Operation & maintenance of facilities | 8                         | ---                        | ---                        | ---                            |
| 25.5                              | Research & Development                | 53,946                    | 99,026                     | 93,810                     | (5,216)                        |
| 31.0                              | Equipment                             | 14,989                    | ---                        | ---                        | ---                            |
| 41.0                              | Grants/Subsidies/Contributions        | 3,250                     | 2,000                      | 2,000                      | ---                            |
| <b>Total, Systems Development</b> |                                       | <b>\$96,721</b>           | <b>\$118,100</b>           | <b>\$108,100</b>           | <b>(\$10,000)</b>              |
| Full-Time Equivalents             |                                       | ---                       | ---                        | ---                        | ---                            |

**PPA Mission Statement**

Systems Development: DNDO Systems Development and Acquisition (SDA) programs serve as the radiological/nuclear detection systems research, development and acquisition component within DNDO. SDA is responsible for the engineering development, production, and all developmental logistics products associated with the current and next generation of nuclear detection systems. Product lines include radiation portal monitors (and associated materials development and facilitation), radiography (which includes non-intrusive inspection, or NII, systems such as the CAARS), human-portable systems, and integration programs to address the needs of our operational customers (Federal, State, local, and tribal authorities).

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | <b>\$3</b>                | <b>\$450</b>               | <b>\$460</b>               | <b>\$10</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$4,503</b>            | <b>\$4,445</b>             | <b>\$4,534</b>             | <b>\$89</b>                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$20,022                  | \$12,179                   | \$7,296                    | (\$4,883)                      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$8                       | \$0                        | \$0                        | \$0                            |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Research and Development</b> | \$53,946                  | \$99,026                   | \$93,810                   | (\$5,216)                      |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|                  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Equipment</b> | \$14,989                  | \$0                        | \$0                        | \$0                            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

|                                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | \$3,250                   | \$2,000                    | \$2,000                    | \$0                            |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
Transformational Research and Development**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>                 |                                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------------------------|---------------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>               |                                       |                           |                            |                            |                                |
| 21.0                                 | Travel                                | ---                       | 350                        | 355                        | 5                              |
| 25.1                                 | Advisory & Assistance Services        | 7,977                     | 1,567                      | 1,598                      | 31                             |
| 25.3                                 | Purchase from Govt. Accts.            | 30,638                    | 49,722                     | 63,804                     | 14,082                         |
| 25.4                                 | Operation & maintenance of facilities |                           |                            |                            | ---                            |
| 25.5                                 | Research & Development                | 15,058                    | 44,361                     | 47,543                     | 3,182                          |
| 41.0                                 | Grants/Subsidies/Contributions        | 3,139                     | ---                        | ---                        | ---                            |
| <b>Total, Transformation R&amp;D</b> |                                       | <b>\$56,812</b>           | <b>\$96,000</b>            | <b>\$113,300</b>           | <b>\$17,300</b>                |
| Full-Time Equivalents                |                                       | ---                       | ---                        | ---                        | ---                            |

**PPA Mission Statement**

Transformational Research and Development: DNDO has established a transformational research and development program to identify, explore, and develop scientific and technological approaches that will dramatically improve the performance of nuclear detection components and systems. Dramatic technological improvements may be defined in a number of ways: in system or component effectiveness and performance characteristics; in cost of acquisition or maintenance; or in ease of operation by users in the field. R&D investments will be made based on competitive awards, with investigators in all sectors – government laboratories, academia, and private industry – encouraged to participate. This program will take advantage of the qualities and respective advantages of all three sectors to develop products, and will strongly encourage teaming among them.

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>                | <b>\$350</b>               | <b>\$355</b>               | <b>\$5</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$7,977</b>            | <b>\$1,567</b>             | <b>\$1,598</b>             | <b>\$31</b>                    |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | <b>\$30,638</b>           | <b>\$49,722</b>            | <b>\$63,804</b>            | <b>\$14,082</b>                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. This additional funding will provide for the optimization of several promising radiation detection materials which have been discovered and developed over the last several years. Optimization includes characterization and fabrication efforts.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Research and Development</b> | <b>\$15,058</b>           | <b>\$44,361</b>            | <b>\$47,543</b>            | <b>\$3,182</b>                 |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. This additional funding will provide for the optimization of several promising radiation detection materials which have been discovered and developed over the last several years. Optimization includes characterization and fabrication efforts.

|                                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | <b>\$3,139</b>            | <b>\$0</b>                 | <b>\$0</b>                 | <b>\$0</b>                     |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations**

**Assessments**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>      |                                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------|---------------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>    |                                       |                           |                            |                            |                                |
| 21.0                      | Travel                                | 41                        | 532                        | 545                        | 13                             |
| 25.1                      | Advisory & Assistance Services        | 4,632                     | 5,461                      | 5,570                      | 109                            |
| 25.3                      | Purchase from Govt. Accts.            | 23,169                    | 6,924                      | 1,026                      | (5,898)                        |
| 25.4                      | Operation & maintenance of facilities | ---                       | 8,300                      | 8,466                      | 166                            |
| 25.5                      | Research & Development                | 1,205                     | 10,801                     | 10,761                     | (40)                           |
| 25.7                      | Operation & maintenance of equipment  | ---                       | 382                        | 390                        | 8                              |
| 41.0                      | Grants/Subsidies/Contributions        | 10                        | 5,100                      | 5,242                      | 142                            |
| <b>Total, Assessments</b> |                                       | <b>\$29,057</b>           | <b>\$37,500</b>            | <b>\$32,000</b>            | <b>(\$5,500)</b>               |
| Full-Time Equivalents     |                                       | ---                       | ---                        | ---                        | ---                            |

**PPA Mission Statement**

Assessments: The DNDO research, development, and acquisition process is anchored by an independent assessment of DNDO-mission related programs as they are developed, deployed, and implemented, as well as a continual assessment of the global nuclear detection and reporting architecture, through a variety of means. Assessments programs include test and evaluation (T&E) campaigns to characterize technologies and systems, execution of pilots with operational agencies to evaluate concepts of operation, red teaming assessments to deepen our understanding of adversary capabilities, and net assessments to identify the effectiveness of the planned and deployed global nuclear detection and reporting architecture.

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | <b>\$41</b>               | <b>\$532</b>               | <b>\$545</b>               | <b>\$13</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$4,632</b>            | <b>\$5,461</b>             | <b>\$5,570</b>             | <b>\$109</b>                   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>FY 2007</b>  | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|--|-----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$23,169</b> | <b>\$6,924</b> | <b>\$1,026</b> | <b>(\$5,898)</b>    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|  | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$0</b>     | <b>\$8,300</b> | <b>\$8,466</b> | <b>\$166</b>        |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account.

|                                 | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|---------------------------------|----------------|-----------------|-----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$1,205</b> | <b>\$10,801</b> | <b>\$10,761</b> | <b>(\$40)</b>       |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$0</b>     | <b>\$382</b>   | <b>\$390</b>   | <b>\$8</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                       | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---------------------------------------|----------------|----------------|----------------|---------------------|
|                                       | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$10</b>    | <b>\$5,100</b> | <b>\$5,242</b> | <b>\$142</b>        |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects.

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
Operations Support  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: PPA Name</b>             |                                | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------------------------|--------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b>           |                                |                           |                            |                            |                                |
| 21.0                             | Travel                         | 27                        | 500                        | 510                        | 10                             |
| 25.1                             | Advisory & Assistance Services | 6,283                     | 7,237                      | 7,382                      | 145                            |
| 25.2                             | Other Services                 | 17                        | ---                        | ---                        | ---                            |
| 25.3                             | Purchase from Govt. Accts.     | 22,539                    | 23,081                     | 26,048                     | 2,967                          |
| 25.5                             | Research & Development         | 1,909                     | 3,682                      | 3,860                      | 178                            |
| 31.0                             | Equipment                      | 1,263                     | ---                        | ---                        | ---                            |
| <b>Total, Operations Support</b> |                                | <b>\$32,038</b>           | <b>\$34,500</b>            | <b>\$37,800</b>            | <b>\$3,300</b>                 |
| Full-Time Equivalents            |                                | ---                       | ---                        | ---                        | ---                            |

**PPA Mission Statement**

Operations Support: DNDO Operations Support is responsible for supporting the situational awareness of the nuclear and radiological landscape and the global nuclear detection architecture, while directly facilitating the technical adjudication of rad/nuc incidents. Operations Support is responsible for supporting the situational awareness of the nuclear and radiological landscape and the global nuclear detection architecture, while directly facilitating the technical adjudication of rad/nuc incidents. Operations Support is the primary entity within DNDO that provides actionable analytical and intelligence assessment products for operational decision makers, and works directly with law enforcement and other Federal partners to determine indicators of nuclear terrorism and recommend possible response or interdiction. The capability of the JAC is the 24/7 DNDO information hub, and the essence of DNDO's rapid information reporting. Additionally, Operations Support develops training, exercises, information sharing capabilities, and analytical tools necessary to create a fully integrated operating environment to be used by Federal, State, tribal, and local law enforcement agencies, as well as the larger intelligence and counterterrorism communities.

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | <b>\$27</b>               | <b>\$500</b>               | <b>\$510</b>               | <b>\$10</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$6,283</b>            | <b>\$7,237</b>             | <b>\$7,382</b>             | <b>\$145</b>                   |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Other Services</b> | \$17                      | \$0                        | \$0                        | \$0                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$22,539                  | \$23,081                   | \$26,048                   | \$2,967                        |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Research and Development</b> | \$1,909                   | \$3,682                    | \$3,860                    | \$178                          |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

|                  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Equipment</b> | \$1,263                   | \$0                        | \$0                        | \$0                            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Research, Development, and Operations  
National Technical Nuclear Forensics Center**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>   |                                | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------|--------------------------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Object Classes:</b> |                                |                           |                            |                            |                                |
| 21.0                   | Travel                         | ---                       | 200                        | 205                        | 5                              |
| 25.1                   | Advisory & Assistance Services | 351                       | 939                        | 958                        | 19                             |
| 25.3                   | Purchase from Govt. Accts.     | 9,603                     | 13,509                     | 16,313                     | 2,804                          |
| 25.5                   | Research & Development         | 164                       | 352                        | 424                        | 72                             |
| <b>Total, NTNFC</b>    |                                | <b>\$10,118</b>           | <b>\$15,000</b>            | <b>\$17,900</b>            | <b>\$2,900</b>                 |
| Full-Time Equivalents  |                                | ---                       | ---                        | ---                        | ---                            |

**PPA Mission Statement**

National Technical Nuclear Forensics Center: DNDO provides national-level planning, integration, development, assessment, and readiness of an enduring national nuclear forensics capability—serving as the national “systems integrator” for USG nuclear forensics. This capability provides means for the collection, analysis, and evaluation of rad/nuc materials and associated evidence for the purpose of comprehensive and timely forensic analysis to contribute to attribution conclusions. The NTNFC’s nuclear materials R&D program supports the assigned DHS mission as the national capability provider for technical nuclear forensics of rad/nuc materials interdicted before a detonation. These capabilities are essential to criminal terrorism investigations in that they can serve to deter terrorist attacks, or if a threatened or actual attack occurs, to support the identification and ultimately prosecution of those responsible. DNDO will develop the technical capability to rapidly, accurately, and credibly execute the technical forensic requirements supporting attribution conclusions about the origins and pathways of intercepted or collected materials, intact rad/nuc devices, radiological dispersal devices (RDDs) after detonation, and nuclear devices after nuclear yield. In addition, this capability will directly support decision makers with information necessary to determine appropriate national security responses.

**Summary Justification and Explanation of Changes**

|               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|---------------------------|----------------------------|----------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>                | <b>\$200</b>               | <b>\$205</b>               | <b>\$5</b>                     |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$351</b>   | <b>\$939</b>   | <b>\$958</b>   | <b>\$19</b>         |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|--|----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$9,603</b> | <b>\$13,509</b> | <b>\$16,313</b> | <b>\$2,804</b>      |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The increase in funds from FY 2008 to FY 2009 is required to improve national nuclear forensics expertise by initiating post-graduate fellowships and related programs at universities and National Labs in order to begin to resupply the pipeline of nuclear forensics experts and assure an enduring nuclear forensics capability. The increase will also support more aggressive research and development of nuclear materials signatures required to trace the origins of those materials.

|                                 | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Research and Development</b> | <b>\$164</b>   | <b>\$352</b>   | <b>\$424</b>   | <b>\$72</b>         |

Research and Development includes costs for contracts for the conduct of basic and applied research and development.

**I. Changes In FTE (not applicable)**

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity (not applicable)**

# Department of Homeland Security

## *Domestic Nuclear Detection Office*

### *Systems Acquisition*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## DOMESTIC NUCLEAR DETECTION OFFICE SYSTEMS ACQUISITION

### I. Appropriation Overview

**A. Mission Statement for Systems Acquisition:** The Domestic Nuclear Detection Office (DNDO) has management responsibility for all Department of Homeland Security (DHS) system procurement, deployment, and installation of the domestic nuclear detection architecture and systems to border crossings and seaports. This responsibility has since expanded to include acquisition equipment for other DHS components, including the U.S. Coast Guard (USCG), the Border Patrol, and Customs and Border Protection (CBP) officers at international general aviation airports. In addition, the DNDO acquisition program provides robust systems development, systems engineering, and test and evaluation programs. The methodology employed in this program ensures that acquired systems have been fully evaluated prior to any acquisition decisions, so that deployed systems are operated in a known and efficient manner. Deployed technologies will be accompanied by the appropriate training, exercises, and alarm response protocols. This will ensure that systems are operated properly, and alarms are immediately reported to the appropriate agencies and personnel.

### **B. Budget Activities:**

**Radiation Portal Monitor Program:** The Radiation Portal Monitor (RPM) Program was established at CBP in January 2002 with the objective of deploying RPMs at ports of entry (POEs) and providing the scientific and technical expertise to design, acquire, deploy, operate and maintain these systems. In 2005, DNDO assumed the responsibility of designing, acquiring and deploying the systems, and it has worked with CBP to establish a POE program to bring the latest technology to bear on the threat of illicit nuclear materials crossing our borders. A first generation of detector based on Polyvinyl-Toluene technology (PVT) has been developed and is being deployed.

A second generation of advanced radiation detection systems, known as Advanced Spectroscopic Portal (ASP) systems, is now being developed for CBP use at POEs. These efforts are part of the multi-layered strategy to keep U.S. POEs safe and secure by interdicting rad/nuc materials in five transport vectors: international mail and express consignment courier facilities (ECCFs), seaport terminals, international airports, land crossings, and rail crossings. The goal is to screen 100% of the cargo and privately owned vehicles entering the U.S. by FY 2014, while minimizing the impact on legitimate cargo.

**Securing the Cities (STC) Initiative:** The initiative seeks to design and implement a detection architecture to prevent illicit radiological or nuclear materials from being used as a weapon within a major urban area. This initiative is a part of Secretary Chertoff's goal to "Continue to Protect Our Nation from Dangerous Goods." The initial STC engagement is being conducted with the New York City (NYC) region, defined as within 45 miles of the NYC city limits. STC stakeholders include NYC (including the New York Police Department), the counties proximate to NYC, the State of New York, the State of New Jersey, the State of Connecticut, the Port Authority of New York/New Jersey (PANY/NJ) and the Metropolitan Transportation Authority (MTA). State and local participation has

been and will continue to be incorporated into all aspects of the STC initiative through working groups consisting of all relevant regional partners.

Human Portable Radiation Detection Systems (HPRDS) Program: The HPRDS program is structured to provide a wide variety of law enforcement and first-responder services with the capability to detect and identify terrorist nuclear explosive devices or radiological dispersal devices (RDDs). HPRDS provides key radiation detection, threat source identification, and notification capabilities to aid law enforcement officers in mitigating terrorist nuclear threats in both POE and non-POE locations. HPRDS fills existing shortfalls through either commercial-off-the-shelf (COTS) solutions tailored to existing concepts of operations (CONOPs) and operating environments or, where COTS systems are demonstrated to be inadequate, the development of cutting edge technology. These handheld, 'relocatable,' and backpack systems are used as primary detection tools by Customs officers, Border Patrol agents, and USCG personnel subsequent to interdiction. State and local law enforcement agencies and first responders use this equipment for queued search and secondary identification operations. HPRDS will also play a key role in initiatives to ensure that nuclear threat detection capabilities are afforded to newly emerging mission areas such as general aviation and maritime preventive rad/nuc detection early phased deployments.

**C. Budget Request Summary:** The Domestic Nuclear Detection Office requests \$190,700,000 for FY 2009 Systems Acquisition. DNDO is requesting an increase of \$60,950,000 over the FY 2008 Enacted amount of \$129,750,000.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Systems Acquisition**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |            |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |            |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT     |
| Radiation Portal Monitoring Program                          |                   | \$107,191        |                    | \$90,000         |                    | \$157,700        | ---                                      | \$67,700        | ---             | 67,700          | ---                 | ---        |
| Securing the Cities  |                   | 162              |                    | 30,000           |                    | 20,000           | ---                                      | (10,000)        | ---             | (10,000)        | ---                 | ---        |
| Human Portable Radiation Detection Systems Program           |                   | 6,317            |                    | 9,750            |                    | 13,000           | ---                                      | 3,250           | ---             | 3,250           | ---                 | ---        |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | ---               | <b>\$113,670</b> | ---                | <b>\$129,750</b> | ---                | <b>\$190,700</b> | ---                                      | <b>\$60,950</b> | ---             | <b>\$60,950</b> | ---                 | <b>\$0</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |            |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | ---               | <b>\$113,670</b> | ---                | <b>\$129,750</b> | ---                | <b>\$190,700</b> | ---                                      | <b>\$60,950</b> | ---             | <b>\$60,950</b> | ---                 | <b>\$0</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Systems Acquisition**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: RADIATION PORTAL MONITOR PROGRAM

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 EOY Actual</b>       | ---                 | ---        | <b>\$107,191</b> |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$90,000</b>  |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0              |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$90,000</b>  |
| 2009 Program Change          | ---                 | ---        | \$67,700         |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$157,700</b> |
| Total Change 2008-2009       | ---                 | ---        | \$67,700         |

DNDO requests \$157.700 million for this activity. This is an increase of \$67.700 million over FY 2008 for the Radiation Portal Monitor Program. This request will provide funding for the procurement of additional Advanced Spectroscopic Portal fixed cargo units.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

DNDO is responsible for the acquisition and deployment of rad/nuc detection systems within the U.S. These efforts include the procurement and installation of nuclear detection systems for border crossings and seaports. This responsibility has since expanded to include acquisition equipment for other DHS components, including the USCG, the Border Patrol, and CBP officers at international general aviation airports.

In FY 2009, DNDO will manage three principle acquisition programs – two of which are technology based, and one of which is user based. The RPM program and the HPRDS program seek to provide mature systems to a wide-range of users, including Customs officers, Border Patrol agents, and USCG personnel. The STC initiative seeks to build on these technology delivery programs, working with a targeted regional group of State and local officials in the New York region. The STC initiative will provide a range of technical solutions (potentially to include ASP, HPRDS, and commercially available systems) as a suite of technical and operational capabilities, adapted to meet the unique operational requirements of the State and local participants in the initiative.

All DNDO acquisition programs provide robust systems development, systems engineering, and test and evaluation (T&E) programs. The methodology employed in this program ensures that all acquired systems have been fully evaluated prior to any acquisition decisions, so that all deployed systems are operated in an appropriate and efficient manner. Additionally, all deployed technologies will be accompanied by the necessary training, exercise, and alarm response protocols.

Additional details on the missions, accomplishments, and projected plans for each acquisition program are included in the following sections.

Radiation Portal Monitor Program:

Under the RPM program, DNDO works closely with CBP to define and implement a multi-layered strategy to keep U.S. ports safe and secure by interdicting rad/nuc materials in five transport vectors: international mail and express consignment courier facilities (ECCFs), seaport terminals, international airports, land crossings, and rail crossings. DNDO and CBP, together, prioritize RPM deployments toward the largest and most immediate threats, and to ensure that the resulting technology is practical and workable in the field. DNDO, with CBP support and guidance, focused on deployments to the 22 largest seaports, the Northern border and the Southern Border. DNDO began deployment of RPMs to domestic airport ports of entry (APOEs). DNDO is ramping up efforts to deploy RPM along the Northern Border in order to accelerate the schedule by which we will scan 100% of all containerized cargo coming from Canada. Additionally we will accelerate the deployment of RPMs to lower-volume seaports.

DNDO performed testing and data collection of ASP cargo portal units at the Nevada Test Site (NTS), New York Container Terminal (NYCT), Pacific Northwest National Laboratory (PNNL) and eight field validation sites (at five ports of entry) as part of the ASP development effort. DNDO will begin deployment of ASP units for sole secondary screening applications at land, air, and sea POE upon receipt of Secretarial certification of ASP performance and assurance that the systems are ready for operational use.

In early FY 2008, the Secretary decided to more closely couple ASP certification with a larger production and deployment decision, representing Key Decision Point 3 (KDP-3) in DHS Management Directive (MD) 1400. Therefore, certification will now signify not only that the next-generation ASP systems demonstrate significant improvement in operational effectiveness, but that they also fully meet the functional requirements of the principal operator, CBP. DNDO has developed a detailed breakdown of the functional requirements that have been identified by CBP, and developed a joint approach to addressing these requirements throughout 2008. The ASP certification decision, now projected for late FY 2008, will provide a final decision point prior to both full scale procurement and the beginning of a broader deployment of systems.

DNDO procured and developed SUVs equipped with ASP detectors for the Securing the Cities initiative and the Southeast Transportation Corridor Program. These SUV systems are designed to be used for special events, choke point and weigh station scanning operations.

DNDO acquired Sodium Iodide crystals in sufficient quantities to support the initial build of ASP units once the decision is reached to begin production.

Going forward the RPM program will continue its deployment of PVT RPMS and complete the development of ASP so that the significant increase in performance can be deployed to the field when they are ready.

Significant FY 2007 accomplishments include:

- At the end of FY 2007 over 97% of all containerized cargo entering U.S. seaports is being scanned for radiation.

- Completed deployments of PVT RPMs along the Northern Border where we now scan 91% of all containerized cargo and 81% of all privately-operated vehicles entering the U.S. land POEs.
- Completed deployments of PVT RPMs along the Southern Border where we now scan 100% of all containerized cargo entering U.S. land POEs.
- Began deployment of PVT RPMs to domestic airports of entry (APOEs).
- Produced 76 LRIP ASP cargo portal units (procured using FY 2006 funds) necessary for testing and initial field validation trails. Not all units were used during testing and field validation; DNDO intends to upgrade 45 units for initial deployments for secondary scanning applications in FY 2008.
- Procured eight vehicle-mounted SUV-based radiation detection systems for the STC initiative and the Southeast Transportation Corridor Pilot (SETCP).

FY 2008 planned accomplishments include:

- By the end of 2008, DNDO will have completed deployments to scan 98% of all land and sea containerized cargo, and 96% of all privately-operated vehicles entering U.S. land POEs along the Northern Border.
- Complete development and evaluation (with consultation from the National Academy of Sciences) to support a Secretarial certification of ASP for sole secondary applications.
- Initiate deployment of PVT RPM units necessary for the rad/nuc screening of inbound international air cargo at two domestic APOEs.
- Expand the use of mobile-based RPM systems by incorporating new operational requirements.
- Subsequent to the Secretary's ASP Certification, DNDO will upgrade and deploy the 45 low rate initial production ASP units. Based on the availability of funds and the results of FY 2008 evaluations, DNDO also plans to make additional procurements of ASP systems in late FY 2008. Specific procurement amounts will be determined later in the fiscal year.
- Deploy the eight SUV-based ASP EDM units to support SETCP and STC users that were ordered in FY 2007.

FY 2009 planned accomplishments are discussed below:

- Deploy radiation portal units to low and high volume ports in accordance with the joint DNDO-CBP deployment strategy, including the deployment of ASP units for sole secondary screening applications into high volume ports of entry.
- After the receipt of anticipated Secretarial Certification, DNDO will procure and begin deploying the first full rate production allotment of 120 ASP fixed cargo portal units for sole secondary applications.

- Complete deployments to scan 100% of all containerized cargo and privately-operated vehicles entering U.S. land POEs along the Northern Border.
- Complete deployments to scan 99% of all containerized cargo at seaports.
- Continue deployment of PVT RPM and ASP units for the rad/nuc screening of inbound international air cargo to additional domestic APOEs.
- Initiate the upgrade of the ASP systems to provide interoperability with the CBP's national integration effort - the Port Radiation, Inspection, Detection, & Evaluation system (PRIDE).

PPA: SECURING THE CITIES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 EOY Actual</b>       | ---                 | ---        | <b>\$162</b>    |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$30,000</b> |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0             |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$30,000</b> |
| 2009 Program Change          | ---                 | ---        | (\$10,000)      |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$20,000</b> |
| Total Change 2008-2009       | ---                 | ---        | (\$10,000)      |

DNDO requests \$20.000 million for this activity. This is a decrease of \$10.000 million from the FY 2008 enacted level.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Securing the Cities (STC) Initiative: The Securing the Cities (STC) initiative seeks to design and implement an architecture for coordinated and integrated detection and interdiction of illicit radiological materials that may be used as a weapon within a major urban area. This initiative is a part of Secretary Chertoff’s goal to “Continue to Protect Our Nation from Dangerous Goods,” announced on December 14, 2006. The initial STC engagement is being conducted with the New York City (NYC) region, which for the purposes of the STC initiative is defined as within 45 miles of the NYC border. STC stakeholders include NYC (New York Police Department, in particular), the counties proximate to NYC, the State of New York, the State of New Jersey, the State of Connecticut, the Port Authority of New York/New Jersey (PANY/NJ) and the Metropolitan Transportation Authority (MTA). State and local participation is incorporated into all aspects of the STC initiative through multi-jurisdictional working groups.

Acquisition funds will be utilized to procure, integrate, deploy, test, evaluate, train, and exercise a multi-layer, multi-pathway, multi-jurisdiction preventive radiological and nuclear detection and reporting architecture for the NYC region. These funds will also be allocated to ensure detection capabilities are integrated with Federal, State, and local command, control, and situational awareness capabilities. State and local partners will provide in-kind resources through bearing operational costs. Funds will also be used for logistics, maintenance, and calibration costs as well as personnel costs to support the training necessary to operate detection equipment and conduct operational exercises. State and local partners will be provided with the information they need to appropriately budget for the long-term sustainability of capabilities implemented under this initiative. Regional stakeholders are aware that the U.S. Government (USG) will not fund operational costs or maintenance costs for systems after the three year engagement period.

In FY 2008, the first year of the STC Initiative, acquisition funding will be utilized to acquire basic and advanced capabilities for robust test and evaluation. Basic capabilities will involve the use of personal radiation detectors and the capabilities to resolve alarms from these detectors remotely, including associated training. Advanced capabilities will involve backpack and mobile detection systems, and associated training, capable of performing special event screening, sweeps of areas of interest, small

maritime vessel screening, and checkpoint operations. Regional information sharing protocols and automated information exchange capabilities will be developed.

In FY 2009, DNDO plans to complete the STC initiative with the procurement and deployment of equipment to the NYC region for final testing and evaluation as part of the initial STC engagement with the region. In addition, equipment purchases will assist State and local entities in carrying out jurisdiction-specific and regional CONOPs. Planned activities may include:

- Further expansion of basic and advanced detection set equipment and training.
- Provision of a regional logistics, maintenance, and calibration capability for all equipment purchased under the STC initiative.
- Procurement of a fixed site detection system in addition to the initial site. Fixed systems will be utilized as a part of operations on roadways leading into lower Manhattan.
- Completion of regional information sharing capabilities and protocols to enable all STC stakeholders to effectively execute region-wide CONOPs.
- Execution of one or more large-scale Federal, State, and local exercises to assess and improve developed capabilities.

PPA: HUMAN PORTABLE RADIATION DETECTION SYSTEMS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 EOY Actual</b>       | ---                 | ---        | <b>\$6,317</b>  |
| <b>2008 Enacted</b>          | ---                 | ---        | <b>\$9,750</b>  |
| 2009 Adjustments-to-Base     | ---                 | ---        | \$0             |
| <b>2009 Current Services</b> | ---                 | ---        | <b>\$13,000</b> |
| 2009 Program Change          | ---                 | ---        | \$3,250         |
| <b>2009 Request</b>          | ---                 | ---        | <b>\$13,000</b> |
| Total Change 2008-2009       | ---                 | ---        | \$3,250         |

DNDO requests \$13.000 million for this activity. This is an increase of \$3.250 million over the FY 2008 enacted level.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Human Portable Radiation Detection Systems (HPRDS) Program: Effective deterrence of terrorist nuclear threats to the U.S. requires DNDO to look beyond the official POEs; the HPRDS program is structured to provide a wide variety of law enforcement and first-responder services with the capability to detect and identify terrorist nuclear explosive devices or RDDs. HPRDS provides key radiation detection, threat source identification, and notification capabilities to aid law enforcement officers in mitigating terrorist nuclear threats in both POE and non-POE environments.

HPRDS fills existing material shortfalls through Commercial-Off-The-Shelf (COTS) solutions tailored to CONOPs and operating environments or development of cutting edge technology when commercially available systems are demonstrated to be inadequate to meet DHS requirements. These handheld, ‘relocatable,’ and backpack systems are used as primary detection tools by Customs officers, Border Patrol agents, and USCG personnel subsequent to interdiction. “Relocatable” systems refer to small detectors that are human portable, but not necessarily carried by the user during operation (systems would be put down for some period, and then moved to another location for subsequent operations). Customs officers use this equipment as an additional inspection tool at ports of entry, while State and local law enforcement agencies and first responders use this equipment for queued search and secondary identification operations. HPRDS will also play a key role in initiatives to ensure that nuclear threat detection capabilities are afforded to newly emerging mission areas such as general aviation and maritime preventive rad/nuc detection early phased deployments.

Users execute CONOPs unique to their operating environment; depending on the CONOPs to be addressed, different detection systems will be utilized and different resolution levels will be required. HPRDS systems are designed to meet a variety of operational requirements as defined by these environment-specific CONOPs. Accordingly, the HPRDS program is conducting an analysis of alternatives to identify the appropriate technologies for each user and each CONOP.

Significant FY 2007 accomplishments include:

- Delivered 249 COTS handhelds and 28 wide area search devices (backpacks) to the USCG to bring the USCG to full operational capability. By the end of FY 2007, the USCG had radiological and nuclear detection capability for all inspection/boarding teams.
- Procured 366 HPRDS Communication Packages for the USCG to enable boarding/inspection teams to send spectral data via wireless (satellite/cell phone) communications back to the reachback facility for analysis.
- Procured 171 handheld units for delivery to CBP for additional hand-held screening capability.

FY 2008 planned accomplishments include:

- Deploy the 366 HPRDS Communication Packages to the USCG. Procure and deliver additional HPRDS Communication Packages to the USCG.
- Procure advanced detection equipment (e.g. Handheld and Linear Radiation Monitors, HPGe Gamma Spectrometers, Gamma Ray Imaging Systems, etc) for the USCG Maritime Security Response Team to assist with meeting its Special Mission Unit requirements.
- Procure 145 LRIP handheld units and 22 LRIP backpack units and transfer them to CBP for an Operational Test and Evaluation (OT&E) campaign. Lessons learned and product improvements will be infused into the full-rate production system (first NaI-based, then LaBr3-based). OT&E will also be coordinated with the general aviation initiative in order to field detection capability appropriate for that mission area.
- Acquire human portable radiation detection systems for the ports of Seattle/Tacoma and San Diego as part of the West Coast Maritime Preventive Rad/Nuc Detection (PRND) Pilot program. Analysis of alternatives will be conducted with FY 2008 RD&O funding.

By FY 2009, DNDO will have developed acquisition strategies in partnership with each operational organization that will ultimately be responsible for implementing acquisition strategies. These include:

- Recapitalization of equipment for Customs Officers at ports of entry;
- Recapitalization of equipment for U.S. Coast Guard boarding teams;
- Initial procurements for Border Patrol agents;
- Additional procurements for the Puget Sound and San Diego regions as part of the West Coast Maritime PRND Pilot program; and
- Additional procurements for Customs Officers scanning general aviation flights.

HPRDS acquisition funding for FY 2009 provides approximately 200 NaI, LaBr3, and HPGe handheld units and 10 backpack units to CBP officers and 64 handhelds to the Border Patrol. In addition, DNDO will begin to recapitalize USCG handheld and backpack units at a rate of approximately 20% per year. These systems will be used as law enforcement tools in detecting, identifying, and initiating response actions against terrorist nuclear devices and RDDs.

Continuing an effort begun in FY 2008, the West Coast Maritime PRND Pilot program will acquire HPRDS systems for deployment to the ports of Seattle/Tacoma and San Diego. DNDO will continue to support the West Coast Maritime PRND Pilot Project in the Puget Sound, Washington and San Diego, California regions. This pilot will provide limited deployment of radiation detection systems into the State and local environment to validate detector performance in the maritime environment and develop interagency CONOPs for a regional maritime PRND Program. Documentation of lessons learned during this pilot will improve the effectiveness of a wider deployment of capability to other priority U.S. ports and strengthen the domestic detection architecture over time.

Based on an analysis of alternatives conducted in FY 2008, the West Coast Maritime PRND Pilot program will develop acquisition strategies for FY 2008 and FY 2009 efforts. In FY 2008, acquisition funding will be utilized to acquire a limited number of COTS human portable radiation detection systems and engineering development models from the DNDO HPRDS Program for various Federal, State, local, and tribal agencies participating in this Pilot. HPRDS procurement requirements are discussed in the justification below. Regional CONOPS, information sharing, alarm resolution, and adjudication will be developed to exploit choke points and buffer zones where possible.

In FY 2009, DNDO plans to complete the procurement and deployment of human portable radiation detection systems and procure mobile/fixed standoff radiation detection systems. These detection systems may include commercially available and/or next-generation radiation detection systems that may be developed as a rapid prototype. Operational test and evaluation will be conducted to validate detector performance in the maritime environment. Exercises will be conducted to validate the training, techniques, and procedures of the maritime stakeholders.

In addition, DNDO will accelerate the procurement of handheld detection systems for deployment to CBP Officers scanning arriving general aviation flights. Acquisition efforts will begin in FY 2008, based on the results of equipment evaluations and an analysis of alternatives. CBP Officers began the scanning of arriving flights in FY 2007 using equipment temporarily redeployed from CBP scanning operations at other ports of entry.

*Mobile Detection Deployment Program:* In FY 2007, DNDO also began the procurement of a national nuclear detection "surge" capability, a suite of mobile and re-locatable detection systems deployable to varying locations based upon heightened threat and security alert levels. This Federal asset will increase limited existing "surge" capacity of domestic deployments of radiation detection equipment to support special events, allow for wide-area detection in response to non-specific threats, and serve as a force multiplier for Nuclear Incident Response Teams (NIRT). The 2007 appropriation provided funding for the procurement of a mobile detection system to be deployed to provide increased security in specific areas in periods of heightened alert or if specific threats are identified. DNDO will procure a number of mobile (man-portable) and relocatable (vehicle-mounted) detection assets, as well as the accompanying communications and information infrastructure. These systems will provide a superior "preventive rad/nuc detection package" that can provide a Federal cache of equipment to a myriad of first responders. The system package will be Federally-owned, but operated in conjunction with State and local agencies.

Though this procurement program was funded only in FY 2007, program execution will be completed in FY 2008.

Significant FY 2007 accomplishments include:

- Collected requirements from end users and finalized specifications for Mobile Detection Deployment Program (MDDP) equipment suite.
- Equipment suite (detection and communications equipment) and mobile system to provide force multiplier to DOE and augment detection capacity to respond to heightened threat or intelligence driven events

FY 2008 planned accomplishments include:

- Complete the design and build-out of the initial MDDP system. The system is to be deployed at threat-driven and planned special events in FY 2008.
- Evaluate the MDDP system. If the MDDP concept is validated, and if DNDO users indicate a requirement for additional systems, DNDO will develop final design requirements for use in the creation of future MDDP systems.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Domestic Nuclear Detection Office (DNDO)  
Systems Acquisition  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 1:** Advanced Spectroscopic Portal Program

Strategic Goal(s) & Objective(s): 2.1

PPA: Radiation Portal Monitor Program

Program Increase:      Positions ---      FTE ---      Dollars \$67,700

#### Funding Profile

|                        | FY 2007 Actual |     |                  | FY 2008 Enacted |     |                 | FY 2009 Request |     |                  |
|------------------------|----------------|-----|------------------|-----------------|-----|-----------------|-----------------|-----|------------------|
|                        | Pos            | FTE | Dollars (\$000)  | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000)  |
| Current Services Level |                |     |                  |                 |     |                 | ---             | --- | \$90,000         |
| Program Increase       |                |     |                  |                 |     |                 | ---             | --- | \$67,700         |
| <b>Total Request</b>   | ---            | --- | <b>\$107,191</b> | ---             | --- | <b>\$90,000</b> | ---             | --- | <b>\$157,700</b> |

#### Description of Item

This request will provide funding for the procurement of additional Advanced Spectroscopic Portal fixed cargo units.

#### Justification

The Advanced Spectroscopic Portal Program increase provides for the procurement and deployment of an additional 87 ASP fixed cargo portals.

A critical component of the DNDO nuclear detection architecture is a passive RPM suitable for examining cargo containers, trucks, and privately-owned vehicles. Beginning in 2003, DHS deployed passive RPMs at land and sea-based POEs. At each POE, RPMs are typically installed in a primary screening location to survey cargo and vehicles. DHS installs additional RPMs and deploys handheld radioisotopic identification devices (RIIDs) into secondary screening locations to further investigate primary alarms.

The first-generation RPMs currently deployed by CBP are based on PVT gamma-ray sensors and Helium-3 (<sup>3</sup>He) neutron sensors. DNDO is developing ASP systems, which utilize sodium iodide (NaI) or high-purity germanium (HPGe) gamma sensors and <sup>3</sup>He neutron sensors. The ASP technology uses the gamma radiation spectrum from the inspected material to make a detection and identification decision. This ability to differentiate between threat material and naturally occurring radioactive material (NORM) reduces the number of alarms due to non-threat sources, and dramatically improves the probability of correctly identifying and interdicting smuggled nuclear material.

By FY 2009, DNDO projects to have completed Secretarial certification of ASP systems for use in secondary scanning operations. ASP systems will provide significant improvements in the ability to

resolve alarms generated by PVT-based RPMs in primary scanning (detection), when compared to handheld detection systems currently being used. The current DNDO-CBP Joint Deployment Strategy calls for the eventual deployment of ASP systems to all secondary scanning locations, resulting in a requirement of just over 400 ASP systems for this application.

Building on the ASP units included at the current services level and the 87 units procured and deployed with this program increase will accelerate improvements to the Nation's ability to identify radiological and nuclear threats in the stream of commerce quickly.

Impact on Performance (Relationship of Increase to Strategic Goals)

The \$67.700 million Radiation Portal Monitor Program increase will directly improve the DNDO ability to meet Strategic Goal 2.1, "Continue to protect our Nation from dangerous goods – Nuclear/Radiological." Particularly, the increase will fund the procurement and deployment of next-generation ASP systems to be operated at U.S. ports of entry.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office (DNDO)**  
**Systems Acquisition**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 2:** Securing the Cities

Strategic Goal(s) & Objective(s): 2.1

PPA: Securing the Cities

Program Decrease: Positions --- FTE --- Dollars (\$10,000)

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | --- | \$30,000        |
| Program Increase       |                |     |                 |                 |     |                 | ---             | --- | (\$10,000)      |
| <b>Total Request</b>   | ---            | --- | <b>\$167</b>    | ---             | --- | <b>\$30,000</b> | ---             | --- | <b>\$20,000</b> |

Description of Item

This request will provide funding to procure, integrate, deploy, test, evaluate, train, and exercise a multi-layer, multi-pathway, multi-jurisdiction preventive radiological and nuclear detection and reporting architecture for the New York City (NYC) region.

Justification

In FY 2009, DNDO plans to complete the procurement and deployment of equipment to the NYC region begun in FY 2008. Between FY 2008 and FY 2009, DNDO will have provided \$50 million in rad/nuc detection equipment and training to the NYC region. Equipment purchases will continue to assist State and local entities in carrying out jurisdiction-specific and regional CONOPs. In addition to the procurement of systems, funding will support the training of State and local officials on the operation of provided equipment, the exercising of equipment. Finally, DNDO will work with NYC area partners to provide regional logistics, maintenance, and calibration capabilities for all equipment purchased under the STC initiative.

Impact on Performance (Relationship of Increase to Strategic Goals)

The FY 2009 funding request of \$20.000 million would directly improve DNDO's ability to meet Strategic Goal 2: Prevention – Detect, deter, and mitigate threats to our homeland. Particularly, FY 2009 funding will continue efforts begun in FY 2008 to prevent a rad/nuc attack on a high-risk urban area, the NYC region, by enhancing regional capabilities to detect and interdict radiological threats.

**Department of Homeland Security  
Domestic Nuclear Detection Office (DNDO)  
Systems Acquisition  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 3:** Human Portable Radiation Detection Systems

Strategic Goal(s) & Objective(s): 2.1  
PPA: Human Portable Radiation Detection Systems

Program Increase: Positions --- FTE --- Dollars \$3,250

Funding Profile

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ---             | --- | \$9,750         |
| Program Increase       |                |     |                 |                 |     |                 | ---             | --- | \$3,250         |
| <b>Total Request</b>   | ---            | --- | <b>\$6,317</b>  | ---             | --- | <b>\$9,750</b>  | ---             | --- | <b>\$13,000</b> |

Description of Item

This request will provide funding for accelerated procurement of commercial-of-the-shelf and next-generation radioisotope identification devices (RIIDs). This increase will support deployments to several operators, including Customs Officers at ports of entry (including general aviation airports of entry), Border Patrol agents, and U.S. Coast Guard boarding teams.

Justification

As DNDO has continued to grow and mature, efforts have been underway to ensure that efforts were aimed at preventing nuclear or radiological terrorism, regardless of the target, pathways, or source materials. The fact remains that the Nation faces an innovative and evolving threat. It is with this understanding that, beginning in FY 2006 and continuing through FY 2007, DNDO developed strategies to secure the Nation from threats originating not through official ports of entry, but by small maritime vessels, across our land borders, and through the aviation sector.

Because of the vastness of space that many of these challenges pose, these strategies are built around the concepts of mobility and unpredictability. Due to their small size and considerable capability, RIIDs serve as a critical tool in providing these capabilities. DNDO has developed or is developing acquisition strategies in partnership with each operational organization that will ultimately be responsible for implementing these strategies. Funds requested in this program increase will specifically fund the procurement of equipment for Customs officers to scan general aviation aircraft arriving in the U.S. Scanning of general aviation flights began in FY 2007 through the temporary redeployment of RIIDs from other ports of entry. In FY 2008, DNDO is conducting equipment evaluations and an analysis of alternatives to identify permanent technical solutions to meet this mission. This program increase will accelerate acquisition efforts resulting from these assessments that will begin in FY 2008 and continue into FY 2009.

Impact on Performance (Relationship of Increase to Strategic Goals)

The FY 2009 funding request of \$3.25 million would directly improve DNDO's ability to meet Strategic Goal 2: Prevention – Detect, deter, and mitigate threats to our homeland. Specifically, this request will accelerate the procurement of RIIDs for the DHS operator community.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

Department of Homeland Security  
Domestic Nuclear Detection Office  
Justification of Proposed Changes in Systems Acquisition  
Appropriation Language

For expenses for the Domestic Nuclear Detection Office acquisition and deployment of radiological detection systems in accordance with the global nuclear detection architecture, [\$129,750,000] \$190,700,000, to remain available until September 30, [2010]2011[: Provided, That none of the funds appropriated under this heading shall be obligated for full-scale procurement of Advanced Spectroscopic Portal Monitors until the Secretary of Homeland Security submits to the Committees on Appropriations of the Senate and the House of Representatives a report certifying that a significant increase in operational effectiveness will be achieved: Provided further, That the Secretary shall submit separate and distinct certifications prior to the procurement of Advanced Spectroscopic Portal Monitors for primary and secondary deployment that address the unique requirements for operational effectiveness of each type of deployment: Provided further, That the Secretary of Homeland Security shall consult with the National Academy of Sciences before making such certification: Provided further, That none of the funds appropriated under this heading shall be used for high-risk concurrent development and production of mutually dependent software and hardware]. (Department of Homeland Security Appropriations Act, 200[8]9.)

#### Explanation of Changes:

DNDO has presented a revised Advanced Spectroscopic Portal Monitors spend plan to Congress. By FY 2009, DNDO projects to have completed Secretarial certification of ASP systems for use in secondary scanning operations.

**B. FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Systems Acquisition  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....                     | ---         | ---        | <b>\$113,670</b> |
| <b>FY 2008 Enacted</b> .....                    | ---         | ---        | <b>129,750</b>   |
| <b>Adjustments-to-Base</b>                      |             |            |                  |
| Increases                                       |             |            |                  |
| Non-pay inflation excluding GSA Rent.....       | ---         | ---        | 2,595            |
| Total Increases.....                            | ---         | ---        | 2,595            |
| Decreases                                       |             |            |                  |
| Termination of one-time costs.....              | ---         | ---        |                  |
| Management and Technology Efficiencies.....     | ---         | ---        | (2,595)          |
| Total Decreases.....                            | ---         | ---        | (2,595)          |
| <b>Total Adjustments-to-Base</b> .....          | ---         | ---        | ---              |
| <b>2009 Current Services</b> .....              | ---         | ---        | <b>129,750</b>   |
| <b>Program Changes</b>                          |             |            |                  |
| Program Increases/(Decreases)                   |             |            |                  |
| Radiation Portal Monitor Program.....           | ---         | ---        | 67,700           |
| Securing the Cities.....                        | ---         | ---        | (10,000)         |
| Human Portable Radiation Detection Systems..... | ---         | ---        | 3,250            |
| <b>Total Program Changes</b> .....              | ---         | ---        | <b>60,950</b>    |
| <b>FY 2009 Request</b> .....                    | ---         | ---        | <b>190,700</b>   |
| <b>2008 to 2009 Total Change</b> .....          | ---         | ---        | <b>60,950</b>    |

## C. Summary of Requirements

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Systems Acquisition  
Summary of Requirements  
(Dollars in Thousands)**

|  | FY 2009 Request |     |                  |
|--|-----------------|-----|------------------|
|  | Perm. Pos.      | FTE | Amount           |
| <b>FY 2007 Actual</b>  | ---             | --- | <b>\$113,670</b> |
| <b>FY 2008 Enacted</b>   | ---             | --- | <b>129,750</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |                 |     |                  |
| Transfers  | ---             | --- | ---              |
| Increases  | ---             | --- | 2,595            |
| Decreases  | ---             | --- | (2,595)          |
| Total Adjustments-to-Base  | ---             | --- | ---              |
| <b>2009 Current Services</b>   | ---             | --- | <b>129,750</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---             | --- | 60,950           |
| <b>FY 2009 Total Request</b>   | ---             | --- | <b>190,700</b>   |
| 2008 to 2009 Total Change  | ---             | --- | 60,950           |

| Estimates by Program/Project Activity              | FY 2008 Enacted |     |                  | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |                 | FY 2009 Request |     |                  | 2008 to 2009 Total Change |     |                 |
|--|-----------------|-----|------------------|--------------------------|-----|------------|---------------------|-----|-----------------|-----------------|-----|------------------|---------------------------|-----|-----------------|
|  | Pos.            | FTE | Amount           | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount          | Pos.            | FTE | Amount           | Pos.                      | FTE | Amount          |
| 1 Radiation Portal Monitor Program                 | ---             | --- | \$90,000         | ---                      | --- | \$0        | ---                 | --- | \$67,700        | ---             | --- | \$157,700        | ---                       | --- | \$67,700        |
| 2 Securing the Cities                              | ---             | --- | 30,000           | ---                      | --- | ---        | ---                 | --- | (10,000)        | ---             | --- | 20,000           | ---                       | --- | (10,000)        |
| 3 Human Portable Radiation Detection Systems Prog. | ---             | --- | 9,750            | ---                      | --- | ---        | ---                 | --- | 3,250           | ---             | --- | 13,000           | ---                       | --- | 3,250           |
| <b>Total</b>                                       | ---             | --- | <b>\$129,750</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>\$60,950</b> | ---             | --- | <b>\$190,700</b> | ---                       | --- | <b>\$60,950</b> |

**D. Summary of Reimbursable Resources (not applicable)**

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Systems Acquisition**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes                                      | FY 2007<br>Actual <sup>1</sup> | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009 Change |
|---|--------------------------------|--------------------|--------------------|--------------------|
| 25.3 Purchases of goods & svcs. from gov't accounts | 79,200                         | 84,200             | 147,900            | 63,700             |
| 25.5 Research and development contracts             | 3,016                          | ---                | ---                | ---                |
| 25.7 Operation and maintenance of equipment         | 162                            | ---                | ---                | ---                |
| 31.0 Equipment                                      | 31,292                         | 45,550             | 42,800             | (2,750)            |
| <b>Total, Other Object Classes</b>                  | <b>\$113,670</b>               | <b>\$129,750</b>   | <b>\$190,700</b>   | <b>\$60,950</b>    |
| <b>Total, Direct Obligations</b>                    | <b>\$113,670</b>               | <b>\$129,750</b>   | <b>\$190,700</b>   | <b>\$60,950</b>    |
| Unobligated balance, start of year                  | ---                            | (164,000)          | (20,800)           | ---                |
| Unobligated balance, end of year                    | 164,330                        | 25,950             | 38,140             | ---                |
| Recoveries of prior year obligations                | ---                            | ---                | ---                | ---                |
| <b>Total requirements</b>                           | <b>\$278,000</b>               | <b>(\$8,300)</b>   | <b>\$208,040</b>   | ---                |

<sup>1</sup> Supplemental funding was provided to the Domestic Nuclear Detection Office, P.L. 110-28, for the Systems Acquisition account in the amount of \$100 million.

**F. Permanent Positions by Grade (not applicable)**

**G. Capital Investment and Construction Initiative Listing (not applicable)**

## H. PPA Budget Justifications

**Department of Homeland Security  
Domestic Nuclear Detection Office  
Systems Acquisition  
Radiation Portal Monitoring Program  
Funding Schedule  
(Dollars in Thousands)**

| PPA: Radiation Portal Monitoring Program          |                            | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------------------|-------------------|--------------------|--------------------|------------------------|
| <b>Object Classes:</b>                            |                            |                   |                    |                    |                        |
| 23.1  | GSA rent                   | 50                | ---                | ---                | ---                    |
| 25.3  | Purchase from govt. accts. | 72,833            | 72,200             | 139,900            | 67,700                 |
| 25.5  | Research & development     | 3,016             | ---                | ---                | ---                    |
| 31.0  | Equipment                  | 31,292            | 17,800             | 17,800             | ---                    |
| <b>Total, Radiation Portal Monitoring Program</b> |                            | <b>\$107,191</b>  | <b>\$90,000</b>    | <b>\$157,700</b>   | <b>\$67,700</b>        |
| Full Time Equivalents                             |                            | ---               | ---                | ---                | ---                    |

### PPA Mission Statement

Radiation Portal Monitor Program: The Radiation Portal Monitor (RPM) Program was established at CBP in January 2002 with the objective of deploying RPMs at ports of entry (POEs) and providing the scientific and technical expertise to design, acquire, deploy, operate and maintain these systems. In 2005, DNDO assumed the responsibility of designing, acquiring and deploying the systems, and it has established a Ports of Entry program to work with CBP to bring the latest technology to bear on the threat of illicit nuclear materials crossing our borders. A first generation of detector based on Polyvinyl-Toluene technology (PVT) has been developed and is being deployed.

A second generation of advanced radiation detection systems, known as Advanced Spectroscopic Portal (ASP) systems, is now being developed for CBP use at POEs. These efforts are part of the multi-layered strategy to keep U.S. ports safe and secure by interdicting rad/nuc materials in five transport vectors: international mail and express consignment courier facilities (ECCFs), seaport terminals, international airports, land crossings, and rail crossings. The goal is to screen 100% of the cargo and privately owned vehicles entering the U.S. by FY 2014, while minimizing the impact on legitimate cargo.

### Summary Justification and Explanation of Changes

|          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|----------|-------------------|--------------------|--------------------|------------------------|
| GSA rent | \$50              | \$0                | \$0                | \$0                    |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                                   | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------------------|-------------------|--------------------|--------------------|------------------------|
| Purchase from government accounts | \$72,833          | \$72,200           | \$139,900          | \$67,700               |

Purchases from government accounts include costs for purchases from other Federal government agencies or accounts that are not otherwise classified.

|                          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|--------------------------|-------------------|--------------------|--------------------|------------------------|
| Research and development | \$3,016           | \$0                | \$0                | \$0                    |

Research and development includes costs for contracts for the conduct of basic and applied research and development.

|           | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 to 2009<br>Change |
|-----------|-------------------|--------------------|--------------------|------------------------|
| Equipment | \$31,292          | \$17,800           | \$17,800           | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Domestic Nuclear Detection Office**  
**Systems Acquisition**  
**Securing the Cities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Securing the Cities</b>   |                            | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|-----------------------------------|----------------------------|----------------|-----------------|-----------------|---------------------|
|                                   |                            | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>            |                            |                |                 |                 |                     |
| 25.3                              | Purchase from govt. accts. | ---            | 12,000          | 8,000           | (4,000)             |
| 31.0                              | Equipment                  | ---            | 18,000          | 12,000          | (6,000)             |
| <b>Total, Securing the Cities</b> |                            | <b>\$162</b>   | <b>\$30,000</b> | <b>\$20,000</b> | <b>(\$10,000)</b>   |
| Full Time Equivalents             |                            | ---            | ---             | ---             | ---                 |

**PPA Mission Statement**

Securing the Cities (STC) Initiative: The initiative seeks to design and implement detection architecture to prevent illicit radiological materials from being used as a weapon within a major urban area. This initiative is a part of Secretary Chertoff's goal to "Continue to Protect Our Nation from Dangerous Goods." The initial STC engagement is being conducted with the New York City (NYC) region, defined as within 45 miles of the NYC city limits. STC stakeholders include NYC (especially the New York Police Department), the counties proximate to NYC, the State of New York, the State of New Jersey, the State of Connecticut, the Port Authority of New York/New Jersey (PANY/NJ) and the Metropolitan Transportation Authority (MTA). State and local participation has been and will continue to be incorporated into all aspects of the STC initiative through working groups consisting of all relevant regional partners.

**Summary Justification and Explanation of Changes**

|  | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b> | <b>2008 to 2009</b> |
|--|----------------|-----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from government accounts</b> | <b>\$0</b>     | <b>\$12,000</b> | <b>\$8,000</b> | <b>(\$4,000)</b>    |

Purchases from government accounts include costs for purchases from other Federal government agencies or accounts that are not otherwise classified. This reduction, in conjunction with the (\$6,000) in Equipment, will result in up to 3200 State and local law enforcement officers not being equipped and trained to conduct the PRND mission. The ability of the 2009 independent assessment to then assess the effectiveness of the STC engagement model and ability of State and local personnel to take on the PRND mission will be reduced.

|   | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of equipment</b> | <b>\$162</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Depending upon the supportability concept implementation plan developed in 2008, some portion of Equipment funding may be move to this category to fund initial maintenance contracts.

|                  | <b>FY 2007</b> | <b>FY 2008</b>  | <b>FY 2009</b>  | <b>2008 to 2009</b> |
|------------------|----------------|-----------------|-----------------|---------------------|
|                  | <b>Actual</b>  | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>     | <b>\$18,000</b> | <b>\$12,000</b> | <b>(\$6,000)</b>    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. This reduction, in conjunction with the (\$4,000) in Purchase from government accounts, will result in up to 3200 State and local law enforcement officers not being equipped and trained to conduct the PRND mission. The ability of the 2009 independent assessment to then assess the effectiveness of the STC engagement model and ability of State and local personnel to take on the PRND mission will be reduced.

**Department of Homeland Security**  
**Domestic Nuclear Detection Office**  
**Systems Acquisition**  
**Human Portable Radiation Detection Systems Program**  
**Funding Schedule**  
(Dollars in Thousands)

|  |                            | FY 2007        | FY 2008        | FY 2009         | 2008 to 2009   |
|--|----------------------------|----------------|----------------|-----------------|----------------|
|  |                            | Actual         | Enacted        | Request         | Change         |
| <b>PPA: Human Portable Radiation Detection Systems Program</b> |                            |                |                |                 |                |
| <b>Object Classes:</b>   |                            |                |                |                 |                |
| 25.3   | Purchase from govt. accts. | 6,317          | ---            | ---             | ---            |
| 31.0   | Equipment                  | ---            | 9,750          | 13,000          | 3,250          |
| <b>Total, HPRDS Program</b>                                    |                            | <b>\$6,317</b> | <b>\$9,750</b> | <b>\$13,000</b> | <b>\$3,250</b> |
| Full Time Equivalents  |                            | ---            | ---            | ---             | ---            |

**PPA Mission Statement**

Human Portable Radiation Detection Systems (HPRDS) Program: The HPRDS program is structured to provide a wide variety of law enforcement and first-responder services with the capability to detect and identify terrorist nuclear explosive devices or radiation dispersal devices (RDDs). HPRDS provides key radiation detection, threat source identification, and notification capabilities to aid law enforcement officers in mitigating terrorist nuclear threats in both POE and non-POE locations. HPRDS fills existing shortfalls through either commercial-off-the-shelf (COTS) solutions tailored to existing concepts of operations (CONOPs) and operating environments or, in instance where COTS systems are demonstrated to be inadequate, the development of cutting edge technology. These handheld, 'relocatable', and backpack systems are used as primary detection tools by Customs officers, Border Patrol agents, and USCG personnel subsequent to interdiction. State and local law enforcement agencies and first responders use this equipment for queued search and secondary identification operations. HPRDS will also play a key role in initiatives to ensure that nuclear threat detection capabilities are afforded to newly emerging mission areas such as general aviation and maritime preventive rad/nuc detection early phased deployments.

**Summary Justification and Explanation of Changes**

|  | FY 2007        | FY 2008    | FY 2009    | 2008 to 2009 |
|--|----------------|------------|------------|--------------|
|  | Actual         | Enacted    | Request    | Change       |
| <b>Purchase from government accounts</b> | <b>\$6,317</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b>   |

Purchases from government accounts include costs for purchases from other Federal government agencies or accounts that are not otherwise classified.

|                  | FY 2007    | FY 2008        | FY 2009         | 2008 to 2009   |
|------------------|------------|----------------|-----------------|----------------|
|                  | Actual     | Enacted        | Request         | Change         |
| <b>Equipment</b> | <b>\$0</b> | <b>\$9,750</b> | <b>\$13,000</b> | <b>\$3,250</b> |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The additional funding will be used to expand the scope of system characterization and operational suitability assessments.

**I. Changes In FTE (not applicable)**

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity (not applicable)**

# Department of Homeland Security

## *Domestic Nuclear Detection Office*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**DOMESTIC NUCLEAR DETECTION OFFICE (DNDO)**

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# I. STRATEGIC CONTEXT FOR THE FY 2009-2013 BUDGET

## A. Mission and Description of the Domestic Nuclear Detection Office (DNDO)

The Domestic Nuclear Detection Office (DNDO) is the lead agency within the Department of Homeland Security to integrate efforts across the Department in combating the threat of nuclear attack, and the lead Departmental representative for all interagency activities to coordinate the U.S. Government's (USG) nuclear defense posture. Key to the success of the Department of Homeland Security (DHS) is improving its ability to mitigate risks across the entire threat spectrum. In recognition of the catastrophic risk posed by the use of a nuclear weapon within the United States, all nuclear detection research, development, test, evaluation, and operational support has been consolidated into a single office. To this end, the DNDO has developed, and continues to improve, the global nuclear detection architecture and the domestic detection system, which detects and reports attempts to import or transport nuclear devices, fissile, and radiological materials intended for illicit use.

The DNDO will:

- Develop the global nuclear detection and reporting architecture;
- Develop, acquire, and support the domestic nuclear detection and reporting system;
- Fully characterize detector system performance before deployment;
- Establish situational awareness through information sharing and analysis;
- Establish operation protocols to ensure detection leads to effective response;
- Conduct a transformational research and development program; and
- Establish the National Technical Nuclear Forensics Center to provide centralized planning and integration of USG nuclear forensics programs.

To meet its diverse mission, the DNDO is jointly-staffed with representatives from the Department of Defense (DoD), Department of Energy (DOE), Department of Justice's (DOJ) Federal Bureau of Investigation (FBI), the State Department, the Nuclear Regulatory Commission (NRC), the Science and Technology Directorate, U.S. Customs and Border Protection, the Transportation Security Administration, and the U.S. Coast Guard. The seven major subdivisions of the DNDO are the Systems Architecture, Systems Engineering and Evaluation Directorate (SEED), Production and Acquisition Directorate (PAD), Transformational and Applied Research Directorate (TAR), the Operations Support Directorate (OS), Red Teaming and Net Assessments, and the National Technical Nuclear Forensics Center (NTNFC). Each of these subdivisions performs a unique and critical role within the DNDO.

The DNDO implements the technology development cycle across all of these subdivisions. The cornerstone of all effective systems development and deployment efforts must be well-defined systems architecture, implemented according to clear systems engineering practices. PAD and TAR develop technology solutions to meet requirements arising from these systems architecture analyses. TAR executes the long-range, higher risk research programs that are likely to deliver the highest payoff improvements in detection capabilities needed to address any critical capability gap

in the Nation's detection architecture. PAD pursues near-term, operationally-driven technology development programs, resulting in fully-tested, deployable systems within three years of the conclusion of TAR concept exploration and initial demonstration. SEED provides an independent assessment of technologies and capabilities developed through the research, development, and acquisition programs of PAD and TAR. OS must ensure that technologies that are developed by DNDO are deployed into an operational environment that is supported by information from the Nation's intelligence, counterterrorism, and law enforcement communities, and are operated according to standardized training and response protocols. Finally, the NTNFC provides technical capability to determine the origin and nature of nuclear or radiological attacks and interdicted source materials and devices, for the purpose of prosecution or other U.S. Government (USG) action.

## B. Major Activities and Key Strategic Issues

In FY 2009, the President's Budget Request included \$563.8 million for the activities of the DNDO. The largest portion of these funds, approximately \$157.7 million, is requested to continue the acquisition and deployment of radiation detection equipment. Using this funding, the DNDO will have completed the deployment of radiation portal monitors to all southern and major northern border crossings, a total of approximately 43 ports of entry (POEs), as well as high-volume seaports, providing the ability to scan approximately 98% of all containers entering the United States by land or sea for radiological and nuclear material by the end of 2008. Currently 92% of all cargo containers entering the U.S. at land and sea points of entry are scanned for radiation. FY 2009 deployments will focus on additional northern border land crossings, as well as international airports. Additionally, a total of \$30.0 million (\$10.0 million in Research, Development and Operations funding and \$20.0 million in Systems Acquisition funding) will continue to support the Securing the Cities (STC) Initiative in the New York City region. At the end of FY 2009, DNDO will conduct an assessment of the STC business model (costing approximately \$600,000) to determine its applicability in other urban areas.

The FY 2009 request provides \$108.1 million and \$113.3 million for Systems Development and Transformational Research and Development, respectively. These two programs conduct all short- and long-term radiation detection R&D within the Department, including the Advanced Spectroscopic Portal program, the Cargo Advanced Automated Radiography Systems Program, the Human Portable Radiation Detection Systems program, and Advanced Technology Demonstrations in Intelligent Personal Radiation Locators and Stand-off Radiation Detection, all of which were competitively awarded in 2006 and 2007. These activities address the problems of detecting shielded or unshielded radiological and nuclear materials. As part of this effort, the DNDO conducted an in-depth series of test campaigns in preparation for a full-rate production decision in the Advanced Spectroscopic Portal program. These campaigns included performance testing at the Nevada Test Site, operational testing at the New York Container Terminal, deployment readiness testing at the Pacific Northwest National Laboratory, and field validations at several ports of entry.

Detection technology acquisition alone will not adequately combat the threat of nuclear terrorism. The President's Budget Request also includes \$37.8 million for Operations Support to fuse detection data and intelligence assessments in a near real-time environment to maintain an overall system and situational awareness. This requires that the DNDO closely interact with the Intelligence Community as a developer of intelligence requirements and consumer of intelligence products. This integrated approach to detection and information analysis will ultimately provide substantial improvement in nuclear alarm resolution, threat assessments, data trend analysis, and

overall probability of mission success. DNDO conducted radiological and nuclear preventive training for over 400 State and local officials in FY 2006, and over 1,400 officials in FY 2007. DNDO plans to train another 2,400 personnel in FY 2008 and 3,600 personnel in FY 2009. Finally, the President's Budget Request includes approximately \$17.9 million to continue to activities of the NTFNC. In FY 2009, the NTFNC will continue to lead the development of the national capability for pre-detonation rad/nuc materials forensics, which provides the technical capabilities to rapidly, accurately, and credibly conduct nuclear forensics to support attribution conclusions about the origin, nature, and pathways of interdicted threats.

As with any integrated research, development, and acquisition program, there is some inherent technical risk regarding the successful development of projected capabilities. If technical solutions cannot be developed to meet performance requirements, acquisition programs face some subsequent risk – primarily schedule risk.

### C. Resources Requested and Performance Impact

Increments over current service level:

The proposed President's Budget includes 137 FTE and \$563.8 million for DNDO activities, an increase of 16 FTE and \$79.05 million in base funding over the FY 2008 Enacted. This funding includes a program increase of \$1.399 million in Management and Administration for an increase in staff of seven (7) FTE (included in the total of 16 additional FTE). This will maintain ongoing activities to develop the global nuclear detection architecture and the domestic detection system. The DNDO will continue to support the Department's strategic mission and goals by integrating efforts across DHS to combat the threat of nuclear attack.

In FY 2009, the President's Budget requests an incremental increase of \$67.7 million for the Radiation Portal Monitor Program's Advanced Spectroscopic Portal Program, which provides for the procurement and deployment of an additional 87 ASP fixed cargo portals.

By FY 2009, DNDO projects to have completed Secretarial certification of ASP systems for use in secondary scanning operations. ASP systems will provide significant improvements in the ability to resolve alarms generated by PVT-based RPMs in primary scanning (detection), when compared to handheld detection systems currently being used. The current DNDO-CBP Joint Deployment Strategy calls for the eventual deployment of ASP systems to all secondary scanning locations, resulting in a requirement of just over 400 ASP systems for this application.

Building on the ASP units included at the current services level and the 87 units procured and deployed with this program increase will accelerate improvements to the Nation's ability to identify radiological and nuclear threats in the stream of commerce quickly.

The President's Budget requests an incremental increase of \$10 million for exploratory efforts in radiation detection materials R&D. Over the last several years, with many of these efforts funded by DNDO, there have been several very promising materials, which would be significant improvements over the state of the art materials with respect to sensitivity, energy resolution, manufacturability, and cost. Increased funding in FY 2009 will provide the required support for these focused efforts and will provide a high rate of return on past investments. The time intervening between now and FY 2009 will be used to allow preparation for the increased efforts. Thrust here would be to provide additional funds for both labor and equipment to support

optimization of these materials. Much of the preliminary groundwork has been established for these promising materials, but the optimization is labor intensive. Some additional equipment expenses would further improve the efficiency of optimization.

D. How Domestic Nuclear Detection Office Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.

The following list of programs with their performance goals are followed by the DHS goals and objectives they support.

Domestic Nuclear Detection program performance goal – Improve the Nation’s capability to detect and report unauthorized attempts to import, possess, store, develop, or transport radiological or nuclear material for use against the Nation.

Goal 2 – Continue to protect our Nation from dangerous goods.

Objective 2.1 – Nuclear/Radiological

E. Performance Based Budget Highlights by Program

For each major program, the performance goal, main performance measure/s, indicators, budget including allocation of non-programmatic overhead, and FTE are shown below. A complete listing of performance measures may be found on the OMB web site Expectmore.gov. In a few instances, program names in PARTweb may differ slightly from those used in the Performance Budget.

| <b>Program: Domestic Nuclear Detection</b>   |         |         |           |           |           |           |
|--|---------|---------|-----------|-----------|-----------|-----------|
| <b>Performance Goal:</b> Improve the Nations capability to detect and report unauthorized attempts to import, possess, store, develop, or transport radiological or nuclear material for use against the Nation. |         |         |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | None    | None    | \$317,392 | \$398,320 | \$484,382 | \$563,800 |
| <b>FTE</b>   | None    | None    | 14        | 112       | 121       | 137       |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of individual Urban Area Security Designs completed for the Securing the Cities Program.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is one of several for informing the DNDO leadership of the reduction in risk to the interior layer of the global nuclear detection architecture. An Urban Area Security Design will consist of a strategy for encountering and identifying illicit radioactive or nuclear materials in or near high risk urban areas or regions. The design will provide an acquisition plan with types, quantities, and placements of radiation/nuclear materials detectors, and describe interfaces to other Federal systems that collectively will enhance the security of the interior layer against a terrorist attack. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | 0       | 0       | 1       |
| <b>Actual:</b>   | None    | None    | None    | 0       | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of cargo, by volume, that passes through radiation portal monitors upon entering the Nation.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The Domestic Nuclear Detection Office (DNDO) is responsible for acquiring all radiation detection equipment to be deployed to the Nation's ports of entry (POEs). Radiation portal monitors are one of the principle pieces of equipment used to meet this requirement. While Customs and Border Patrol (CBP) maintains the responsibility for operating the systems, this measure reflects the capability that DNDO provides to CBP in support of this mission. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | 90%     | 98%     | 98%     |
| <b>Actual:</b>  | None    | None    | 85%     | 92%     | N/A     | N/A     |

F. Digest Tables by Future Year Homeland Security Program (FYHSP) Programs

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
**(dollars in thousands)**

| Budget Activity  | FY2007<br>Actual |                | FY2008<br>Enacted |                | FY2009<br>Request |                | Increase (+) or Decrease (-) For FY 2009 |               |                 |               |               |              |
|--|------------------|----------------|-------------------|----------------|-------------------|----------------|--|---------------|-----------------|---------------|---------------|--------------|
|  | FTE              | AMOUNT         | FTE               | AMOUNT         | FTE               | AMOUNT         | Total Changes                            |               | Program Changes |               | Other Changes |              |
|  |                  |                |                   |                |                   |                | FTE                                      | AMOUNT        | FTE             | AMOUNT        | FTE           | AMOUNT       |
| <b>Domestic Nuclear Detection</b>                        | <b>112</b>       | <b>615,968</b> | <b>121</b>        | <b>484,750</b> | <b>137</b>        | <b>563,800</b> | <b>16</b>                                | <b>79,050</b> | <b>7</b>        | <b>73,049</b> | <b>9</b>      | <b>6,701</b> |
| Management & Admin.                                      | 112              | 30,468         | 121               | 31,500         | 137               | 38,900         | 16                                       | 7,400         | 7               | 1,399         | 9             | 6,001        |
| Research, Dev. & Operations                              | -                | 307,500        | -                 | 323,500        | -                 | 334,200        | -  | 10,700        | -               | 10,700        | -             | -            |
| Systems Acquisition                                      | -                | 278,000        | -                 | 129,750        | -                 | 190,700        | -  | 60,950        | -               | 60,950        | -             | -            |
| Unobligated budget expiring                              | -                | -              | -                 | -              | -                 | -              | -  | -             | -               | -             | -             | -            |
| <b>Subtotal, Budget Authority (All Sources)</b>          | <b>112</b>       | <b>615,968</b> | <b>121</b>        | <b>484,750</b> | <b>137</b>        | <b>563,800</b> | <b>16</b>                                | <b>79,050</b> | <b>7</b>        | <b>73,049</b> | <b>9</b>      | <b>6,001</b> |
| <b>Less Adjustments for Other Funding Sources:</b>       |                  |                |                   | (368)          |                   |                |  |               |                 |               |               |              |
| <b>Total enacted appropriations and budget estimates</b> | <b>112</b>       | <b>615,968</b> | <b>121</b>        | <b>484,382</b> | <b>137</b>        | <b>563,800</b> | <b>16</b>                                | <b>79,050</b> | <b>7</b>        | <b>73,049</b> | <b>9</b>      | <b>6,001</b> |

# Department of Homeland Security

*National Protection and Programs Directorate*

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Fiscal Year 2009  
Overview  
Congressional Justification

**i-A: Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
National Protection and Programs Directorate  
Strategic Context Overview  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)**

| Budget Activity  | FY 2007 Actuals <sup>1</sup> |                  | FY 2008 Enacted Excluding Emergency Funds |                  | FY 2009 Request |                    | Increase (+) or Decrease (-) For FY 2008 |                  |                 |                 |                     |                  |
|--|------------------------------|------------------|---|------------------|-----------------|--------------------|--|------------------|-----------------|-----------------|---------------------|------------------|
|  |                              |                  |   |                  |                 |                    | Total Changes                            |                  | Program Changes |                 | Adjustments-to-Base |                  |
|  | FTE                          | AMOUNT           | FTE                                       | AMOUNT           | FTE             | AMOUNT             | FTE                                      | AMOUNT           | FTE             | AMOUNT          | FTE                 | AMOUNT           |
| Management and Administration  | 44                           | 15,075           | 65  | 47,346           | 94              | 54,600             | 29                                       | 7,254            | 29              | \$6,167         | ---                 | 1,087            |
| Infrastructure Protection and Information Security                     | 367                          | 497,278          | 497                                       | 654,730          | 636             | 841,200            | 139                                      | 186,470          | 85              | \$142,143       | 54                  | 44,327           |
| United States Visitor Status and Immigrant Status Indicator Technology | 83                           | 343,223          | 102                                       | 200,000          | 119             | 390,300            | 17                                       | 190,300          | 17              | (\$85,209)      | ---                 | 275,509          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>           | <b>494</b>                   | <b>855,576</b>   | <b>664</b>                                | <b>902,076</b>   | <b>849</b>      | <b>1,286,100</b>   | <b>185</b>                               | <b>384,024</b>   | <b>131</b>      | <b>63,101</b>   | <b>54</b>           | <b>320,923</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>                    |                              |                  |   |                  |                 |                    |  |                  |                 |                 |                     |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                | <b>494</b>                   | <b>\$855,576</b> | <b>664</b>                                | <b>\$902,076</b> | <b>849</b>      | <b>\$1,286,100</b> | <b>185</b>                               | <b>\$384,024</b> | <b>131</b>      | <b>\$63,101</b> | <b>54</b>           | <b>\$320,923</b> |

<sup>1</sup> FY 2007 Actuals reflects expenditures incurred for CMO, NCRC, Faith-based, SLGC, NPIP, and Ready Campaign that transferred per the 872 reorganization effective April 1, 2007. Expenditures are through March 31, 2007. FY 2007 Actuals also include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

**i-B: Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
National Protection and Programs Directorate  
Strategic Context Overview**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actuals <sup>1</sup> |                  | FY 2008<br>Enacted |                    | FY 2009<br>Request |                    | Increase (+) or Decrease (-) For FY 2008 |                  |                 |                 |                     |                 |
|--|---------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--|------------------|-----------------|-----------------|---------------------|-----------------|
|  |                                 |                  |                    |                    |                    |                    | Total Changes                            |                  | Program Changes |                 | Adjustments-to-Base |                 |
|  | FTE                             | AMOUNT           | FTE                | AMOUNT             | FTE                | AMOUNT             | FTE                                      | AMOUNT           | FTE             | AMOUNT          | FTE                 | AMOUNT          |
| Management and Administration  | 44                              | 15,075           | 65                 | 47,346             | 94                 | 54,600             | 29                                       | 7,254            | 29              | \$6,167         | ---                 | 1,087           |
| Infrastructure Protection and Information Security                     | 367                             | 497,278          | 497                | 654,730            | 636                | 841,200            | 139                                      | 186,470          | 85              | 142,143         | 54                  | 44,327          |
| United States Visitor Status and Immigrant Status Indicator Technology | 83                              | 343,223          | 102                | 475,000            | 119                | 390,300            | 17                                       | (84,700)         | 17              | (85,209)        | ---                 | 509             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>           | <b>494</b>                      | <b>855,576</b>   | <b>664</b>         | <b>1,177,076</b>   | <b>849</b>         | <b>1,286,100</b>   | <b>185</b>                               | <b>109,024</b>   | <b>131</b>      | <b>63,101</b>   | <b>54</b>           | <b>45,923</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>                    |                                 |                  |                    |                    |                    |                    |  |                  |                 |                 |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                | <b>494</b>                      | <b>\$855,576</b> | <b>664</b>         | <b>\$1,177,076</b> | <b>849</b>         | <b>\$1,286,100</b> | <b>185</b>                               | <b>\$109,024</b> | <b>131</b>      | <b>\$63,101</b> | <b>54</b>           | <b>\$45,923</b> |

<sup>1</sup> FY 2007 Actuals reflects expenditures incurred for CMO, NCRC, Faith-based, SLGC, NPIP, and Ready Campaign that transferred per the 872 reorganization effective April 1, 2007. Expenditures are through March 31, 2007. FY 2007 end of year (EOY) Projected Actuals also include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

ii-A: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity  | 2007<br>Actuals <sup>1</sup> |                  |              |            |            |                  | 2008 Enacted<br>Excluding Emergency Funds |                  |              |            |            |                  | 2009<br>Request |                  |              |            |            |                  |
|--|------------------------------|------------------|--------------|------------|------------|------------------|---|------------------|--------------|------------|------------|------------------|-----------------|------------------|--------------|------------|------------|------------------|
|  | Homeland                     |                  | Non-Homeland |            | Total      |                  | Homeland                                  |                  | Non-Homeland |            | Total      |                  | Homeland        |                  | Non-Homeland |            | Total      |                  |
|  | FTE                          | Amount           | FTE          | Amount     | FTE        | Amount           | FTE                                       | Amount           | FTE          | Amount     | FTE        | Amount           | FTE             | Amount           | FTE          | Amount     | FTE        | Amount           |
| <b>National Protection and Programs Directorate</b>                    | <b>44</b>                    | <b>\$15,075</b>  | ---          | <b>\$0</b> | <b>44</b>  | <b>\$15,075</b>  | <b>65</b>                                 | <b>\$47,346</b>  | ---          | <b>\$0</b> | <b>65</b>  | <b>\$47,346</b>  | <b>94</b>       | <b>\$54,600</b>  | ---          | <b>\$0</b> | <b>94</b>  | <b>\$54,600</b>  |
| - Administration   | 44                           | 13,475           | ---          | ---        | 44         | 13,475           | 54  | 37,934           | ---          | ---        | 54         | 37,934           | 66              | 43,100           | ---          | ---        | 66         | 43,100           |
| - Chief Medical Officer (CMO)  | ---                          | 1,239            | ---          | ---        | ---        | 1,239            | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - National Capital Region Coordination (NCRC)                          | ---                          | 361              | ---          | ---        | ---        | 361              | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Intergovernmental Programs   | ---                          | ---              | ---          | ---        | ---        | ---              | ---                                       | ---              | ---          | ---        | ---        | ---              | 17              | 2,000            | ---          | ---        | 17         | 2,000            |
| - Risk Management and Analysis   | ---                          | ---              | ---          | ---        | ---        | ---              | 11  | 9,412            | ---          | ---        | 11         | 9,412            | 11              | 9,500            | ---          | ---        | 11         | 9,500            |
| <b>Infrastructure Protection and Information Security (IPIS)</b>       | <b>367</b>                   | <b>\$497,278</b> | ---          | <b>\$0</b> | <b>367</b> | <b>\$497,278</b> | <b>497</b>                                | <b>\$654,730</b> | ---          | <b>\$0</b> | <b>497</b> | <b>\$654,730</b> | <b>636</b>      | <b>\$841,200</b> | ---          | <b>\$0</b> | <b>636</b> | <b>\$841,200</b> |
| - Management and Administration  | 367                          | 73,183           | ---          | ---        | 367        | 73,183           | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Critical Infrastructure Outreach and Partnership                     | ---                          | 85,196           | ---          | ---        | ---        | 85,196           | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Critical Infrastructure Identification and Evaluation                | ---                          | 50,481           | ---          | ---        | ---        | 50,481           | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - National Infrastructure Simulation and Analysis Center               | ---                          | 24,999           | ---          | ---        | ---        | 24,999           | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Biosurveillance  | ---                          | 930              | ---          | ---        | ---        | 930              | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Protective Actions   | ---                          | 32,318           | ---          | ---        | ---        | 32,318           | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Infrastructure Protection  | ---                          | ---              | ---          | ---        | ---        | ---              | 324                                       | 272,596          | ---          | ---        | 324        | 272,596          | 386             | 272,800          | ---          | ---        | 386        | 272,800          |
| - National Cyber Security Division <sup>2</sup>                        | ---                          | 79,283           | ---          | ---        | ---        | 79,283           | 59  | 210,413          | ---          | ---        | 59         | 210,413          | 105             | 293,500          | ---          | ---        | 105        | 293,500          |
| - National Communications System <sup>3</sup>                          | ---                          | 139,016          | ---          | ---        | ---        | 139,016          | 95  | 136,021          | ---          | ---        | 95         | 136,021          | 103             | 236,600          | ---          | ---        | 103        | 236,600          |
| - Office of Emergency Communications                                   | ---                          | 11,872           | ---          | ---        | ---        | 11,872           | 19  | 35,700           | ---          | ---        | 19         | 35,700           | 42              | 38,300           | ---          | ---        | 42         | 38,300           |
| <b>United States Visitor and Immigrant Status Indicator Technology</b> | <b>83</b>                    | <b>343,223</b>   | ---          | ---        | <b>83</b>  | <b>343,223</b>   | <b>102</b>                                | <b>200,000</b>   | ---          | ---        | <b>102</b> | <b>200,000</b>   | <b>119</b>      | <b>390,300</b>   | ---          | ---        | <b>119</b> | <b>390,300</b>   |
| <b>Total Direct Appropriations and Budget Estimates</b>                | <b>494</b>                   | <b>855,576</b>   | ---          | ---        | <b>494</b> | <b>855,576</b>   | <b>664</b>                                | <b>902,076</b>   | ---          | ---        | <b>664</b> | <b>902,076</b>   | <b>849</b>      | <b>1,286,100</b> | ---          | ---        | <b>849</b> | <b>1,286,100</b> |
| <b>Fee Accounts</b>  | ---                          | ---              | ---          | ---        | ---        | ---              | ---                                       | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |

<sup>1</sup> FY 2007 Actuals reflects expenditures incurred for CMO, NCRC, Faith-based, SLGC, NPPI, and Ready Campaign that transferred per the 872 reorganization effective April 1, 2007. Expenditures are through March 31, 2007. FY 2007 Actuals also include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

ii-B: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity  | 2007<br>Actuals <sup>1</sup> |                  |              |            |            |                  | 2008<br>Enacted |                  |              |            |            |                  | 2009<br>Request |                  |              |            |            |                  |
|--|------------------------------|------------------|--------------|------------|------------|------------------|-----------------|------------------|--------------|------------|------------|------------------|-----------------|------------------|--------------|------------|------------|------------------|
|  | Homeland                     |                  | Non-Homeland |            | Total      |                  | Homeland        |                  | Non-Homeland |            | Total      |                  | Homeland        |                  | Non-Homeland |            | Total      |                  |
|  | FTE                          | Amount           | FTE          | Amount     | FTE        | Amount           | FTE             | Amount           | FTE          | Amount     | FTE        | Amount           | FTE             | Amount           | FTE          | Amount     | FTE        | Amount           |
| <b>National Protection and Programs Directorate</b>                    | <b>44</b>                    | <b>\$15,075</b>  | ---          | <b>\$0</b> | <b>44</b>  | <b>\$15,075</b>  | <b>65</b>       | <b>\$47,346</b>  | ---          | <b>\$0</b> | <b>65</b>  | <b>\$47,346</b>  | <b>94</b>       | <b>\$54,600</b>  | ---          | <b>\$0</b> | <b>94</b>  | <b>\$54,600</b>  |
| - Administration   | 44                           | 13,475           | ---          | ---        | 44         | 13,475           | 54              | 37,934           | ---          | ---        | 54         | 37,934           | 66              | 43,100           | ---          | ---        | 66         | 43,100           |
| - Chief Medical Officer (CMO)  | ---                          | 1,239            | ---          | ---        | ---        | 1,239            | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - National Capital Region Coordination (NCRC)                          | ---                          | 361              | ---          | ---        | ---        | 361              | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Intergovernmental Programs   | ---                          | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              | 17              | 2,000            | ---          | ---        | 17         | 2,000            |
| - Risk Management and Analysis   | ---                          | ---              | ---          | ---        | ---        | ---              | 11              | 9,412            | ---          | ---        | 11         | 9,412            | 11              | 9,500            | ---          | ---        | 11         | 9,500            |
| <b>Infrastructure Protection and Information Security (IPIS)</b>       | <b>367</b>                   | <b>\$497,278</b> | ---          | <b>\$0</b> | <b>367</b> | <b>\$497,278</b> | <b>497</b>      | <b>\$654,730</b> | ---          | <b>\$0</b> | <b>497</b> | <b>\$654,730</b> | <b>636</b>      | <b>\$841,200</b> | ---          | <b>\$0</b> | <b>636</b> | <b>\$841,200</b> |
| - Management and Administration  | 367                          | 73,183           | ---          | ---        | 367        | 73,183           | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Critical Infrastructure Outreach and Partnership                     | ---                          | 85,196           | ---          | ---        | ---        | 85,196           | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Critical Infrastructure Identification and Evaluation                | ---                          | 50,481           | ---          | ---        | ---        | 50,481           | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - National Infrastructure Simulation and Analysis Center               | ---                          | 24,999           | ---          | ---        | ---        | 24,999           | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Biosurveillance  | ---                          | 930              | ---          | ---        | ---        | 930              | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Protective Actions   | ---                          | 32,318           | ---          | ---        | ---        | 32,318           | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |
| - Infrastructure Protection  | ---                          | ---              | ---          | ---        | ---        | ---              | 324             | 272,596          | ---          | ---        | 324        | 272,596          | 386             | 272,800          | ---          | ---        | 386        | 272,800          |
| - National Cyber Security Division <sup>2</sup>                        | ---                          | 79,283           | ---          | ---        | ---        | 79,283           | 59              | 210,413          | ---          | ---        | 59         | 210,413          | 105             | 293,500          | ---          | ---        | 105        | 293,500          |
| - National Communications System <sup>3</sup>                          | ---                          | 139,016          | ---          | ---        | ---        | 139,016          | 95              | 136,021          | ---          | ---        | 95         | 136,021          | 103             | 236,600          | ---          | ---        | 103        | 236,600          |
| - Office of Emergency Communications                                   | ---                          | 11,872           | ---          | ---        | ---        | 11,872           | 19              | 35,700           | ---          | ---        | 19         | 35,700           | 42              | 38,300           | ---          | ---        | 42         | 38,300           |
| <b>United States Visitor and Immigrant Status Indicator Technology</b> | <b>83</b>                    | <b>343,223</b>   | ---          | ---        | <b>83</b>  | <b>343,223</b>   | <b>102</b>      | <b>475,000</b>   | ---          | ---        | <b>102</b> | <b>475,000</b>   | <b>119</b>      | <b>390,300</b>   | ---          | ---        | <b>119</b> | <b>390,300</b>   |
| <b>Total Direct Appropriations and Budget Estimates</b>                | <b>494</b>                   | <b>855,576</b>   | ---          | ---        | <b>494</b> | <b>855,576</b>   | <b>664</b>      | <b>1,177,076</b> | ---          | ---        | <b>664</b> | <b>1,177,076</b> | <b>849</b>      | <b>1,286,100</b> | ---          | ---        | <b>849</b> | <b>1,286,100</b> |
| <b>Fee Accounts</b>  | ---                          | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              | ---             | ---              | ---          | ---        | ---        | ---              |

<sup>1</sup> FY 2007 Actuals reflects expenditures incurred for CMO, NCRC, Faith-based, SLGC, NPIP, and Ready Campaign that transferred per the 872 reorganization effective April 1, 2007. Expenditures are through March 31, 2007. FY 2007 Actuals also include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

<sup>2</sup> Cyber Security renamed to National Cyber Security Division in FY 2009

<sup>3</sup> NS/EP Telecommunications renamed to National Communications System in FY 2009

**i. Status of Congressionally Requested Studies, Reports and Evaluation**

**Department of Homeland Security  
National Protection and Programs Directorate**

| <b>Fiscal Year</b> | <b>Due Date</b>    | <b>Reference/Citation</b>                               | <b>Requirement</b>   | <b>Status</b>                |
|--------------------|--------------------|---|--|------------------------------|
| 2005               | December 15, 2007  | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (November 2007) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.  | Report undergoing clearance. |
| 2005               | January 15, 2007   | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (December 2007) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.  | Report is coming due.        |
| 2005               | February 15, 2007  | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (January 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.   | Report is coming due.        |
| 2005               | March 15, 2007     | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (February 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.  |                              |
| 2005               | April 15, 2007     | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (March 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.     |                              |
| 2005               | May 15, 2007       | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (April 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.     |                              |
| 2005               | June 15, 2007      | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (May 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.       |                              |
| 2005               | July 15, 2007      | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (June 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.      |                              |
| 2005               | August 15, 2007    | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (July 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.      |                              |
| 2005               | September 15, 2007 | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (August 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.    |                              |
| 2005               | October 15, 2007   | Reference: House 108-280<br>Citation: Title II, page 21 | Deployment (September 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports. |                              |

|      |                   |  |  |   |
|------|-------------------|--|--|---|
| 2005 | November 15, 2007 | Reference: House 108-280<br>Citation: Title II, page 21            | Deployment (October 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.   |   |
| 2005 | December 15, 2007 | Reference: House 108-280<br>Citation: Title II, page 21            | Deployment (November 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.  |   |
| 2005 | January 15, 2008  | Reference: House 108-280<br>Citation: Title II, page 21            | Deployment (December 2008) - Detailed monthly reports on the planned and actual deployment of US VISIT entry and exit systems and equipment at airports and seaports.  |   |
| 2007 | September 7, 2007 | Reference: Senate Report S. 109-273<br>Citation: Title II, page 19 | Briefing - IDENT/IAFIS - 4th quarter: The Committee directs the US VISIT program office to provide quarterly briefings on progress being made on the transition to 10-print and the status of the IDENT/IAFIS initial operating capability. The briefings should be provided no later than December 1, 2006, and continue on a quarterly basis.  | Briefing scheduled for January 28, 2008.  |
| 2007 | January 23, 2007  | Reference: HR 2764<br>Citation: Title III page 57                  | Directs the Secretary to develop a national strategy for bombing prevention, including a review of existing federal, state, and local efforts in this effort. The Secretary of Homeland Security is directed to submit this strategy to the Committees on Appropriations as soon as possible, and if unable to do so by the deadline noted, in this statement, to explain in writing the cause of the delay.   | Report approved and signed by the President. The White House Homeland Security Council staff is currently working with DHS Leg Affairs on delivery to Congress. |
| 2007 | January 23, 2007  | Reference: House Report 109-476<br>Citation: Title III, page 94    | The Committee commends the Department's April 26 predesignation of 28 federal officials to coordinate the federal government's role in the 2006 storm season. The Department is directed to define the roles of these officials and fully train these officials before the start of the 2006 hurricane season. FEMA is directed to report no later than July 1, 2006, on the status of these teams and the Department's efforts to identify and train field personnel.   | Report is undergoing clearance.   |
| 2008 | May 4, 2008       | Reference: HR 109-699<br>Citation: Title XVIII (Sec. 1802) page 83 | (a) IN GENERAL.—The Secretary, acting through the Director for Emergency Communications, and in cooperation with the Department of National Communications System (as appropriate), shall, in cooperation with State, local, and tribal governments, Federal departments and agencies, emergency response providers, and the private sector, develop not later than 180 days after the completion of the baseline assessment under section 1803, and periodically update, a National Emergency Communications Plan to provide recommendations regarding how the United States should— “(1) support and promote the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and “(2) ensure, accelerate, and attain interoperable emergency communications nationwide. | Component is completing report; targeting July 2008 completion.   |

|      |                   |  |   |   |
|------|-------------------|--|---|---|
| 2008 | Novemer 4, 2007   | Reference: HR 109-699<br>Citation: Title XVIII<br>(Sec. 1803) page 84-85 | BASELINE ASSESSMENT.—Not later than 1 year after the date of enactment of this section and not less than every 5 years thereafter, the Secretary, acting through the Director for Emergency Communications, shall conduct an assessment of Federal, State, local, and tribal governments that— “(1) defines the range of capabilities needed by emergency response providers and relevant government  | Component working with OMB to incorporate changes.  |
| 2008 | November 4, 2007  | Reference: HR 109-699<br>Citation: Title XVIII<br>(Sec. 1806) page 88    | “(2) prepare and submit to Congress, on an annual basis, a strategic assessment regarding the coordination efforts of Federal departments and agencies to advance— “(A) the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man-made disasters; and “(B) interoperable emergency communications;   | Component is currently forming an ECPC as outlined in Section 1806 of the Homeland Security Act. Report expected to be completed in 2008  |
| 2008 | October 4, 2007   | Reference: HR 109-699<br>Citation: Title XVIII<br>(Sec. 1803) page 90    | Not later than one year after the date of enactment of this section and biennially thereafter, the Secretary, acting through the Director for Emergency Communications, shall submit to Congress a report on the progress of the Department in achieving the goals of, and carrying out its responsibilities under, this title, including— “(1) a description of the findings of the most recent baseline assessment conducted under subsection (a); “(2) a determination of the degree to which interoperable emergency communications capabilities have been attained to date and the gaps that remain for interoperability to be achieved... | Progress report is undergoing clearance.  |
| 2008 | March 26, 2008    | Reference: Senate Bill<br>S. 1644<br>Citation: Title V, page 108-109     | SEC. 552 - 2010 Vancouver Olympic and Paralympic Games - As soon as practicable, but not later than 3 months after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Committee on Appropriations, the Committee on Homeland Security and Governmental Affairs, and the Committee on Commerce, Science, and Transportation of the House of Representatives a report regarding the plans of the Secretary of Homeland Security relating to -- ...   | Requested the report be reassigned to Director of Operations.   |
| 2008 |                   | Reference: HR 2764<br>Citation: Title III, page 55                       | The Committee includes bill language withholding \$5,000,000 from obligation for Management and Administration until the Committee on Appropriations receives and approves an expenditure plan for all NPPD accounts that has been reviewed by the Government Accountability Office [GAO].  | Currently coordinating with all components in order to generate draft expenditure plans. At present each draft plan is under NPPD review. |
| 2008 |                   | Reference: HR 2764<br>Citation: Title III, page 55                       | The Committees on Appropriations direct the Department to respond to GAO's legal opinion, to balance the former Preparedness directorate's books, and if it cannot do so using the account adjustment statue, report an Antideficiency Act violation.   |   |
| 2008 | February 26, 2008 | Reference: HR 2764<br>Citation: Title III, page 56                       | "Secure Handling of Ammonium Nitrate", the Committees on Appropriations have included a statutory provision establishing a registration system for producers, sellers, and purchasers of ammonium nitrate, as proposed by the Senate. The Deputy Undersecretary for Protection and Programs is directed to provide the Committees on Appropriations a plan to implement this new provision, including an analysis of the resources required to do so, and a proposal for reallocating funding within the National Protection and Programs Directorate budget to fund this initiative.   | Component is currently drafting a plan.   |

|      |                   |   |   |  |
|------|-------------------|---|---|--|
| 2008 | October 30, 2007  | Reference: HR 109-476<br>Citation: Title III, page 90           | Protection Security (4thQ FY07) Quarterly Report--The Committee directs IPIS to continue its quarterly report summarizing the status of the implementation of the PSA and FSD programs, including the number and locations of field personnel, the number of site assistance visits, buffer zone protection plans, and site verification and assistance visits that have been completed. These reports should be provided no later than 30 days after the end of each quarter.  | Report is undergoing clearance.                                  |
| 2008 | April 26, 2008    | Reference: HR 2764<br>Citation: Title III, page 56              | The Assistant Secretary for Infrastructure Protection is directed to provide the Committees on Appropriations with semi-annual briefings on the progress of implementing NIPP.  |  |
| 2008 | December 26, 2008 | Reference: HR 2764 Citation:<br>Title III, page 56              | The Assistant Secretary for Infrastructure Protection is directed to provide the Committees on Appropriations with semi-annual briefings on the progress of implementing NIPP.  |  |
| 2008 | February 26, 2008 | Reference: HR 110-181<br>Citation: Title III, page 85           | <u>Within 60 days of enactment, the Committee directs the Assistant Secretary for Infrastructure Protection, in conjunction with the Department of Energy, to provide a report on the most critical, capacity-limited segments of the North American electricity transmission and distribution network, the disruption of which would generate a cascading effect on other critical infrastructure sectors.</u> Additionally, within one calendar year thereafter, the Assistant Secretary shall provide a companion report developed in conjunction with the Department of Energy that identifies system-level approaches to mitigate the highest risks of failure associated with the identified segments.  |  |
| 2008 | April 26, 2008    | Reference: HR 2764<br>Citation: Title III, page 58              | Briefing - The Congress has invested over \$400,000,000 since fiscal year 2002 in upgrading the nation's privately owned telephonic networks; DHS will largely complete the project with an additional \$50,000,000 investment in fiscal year 2008, which the Committee recommends. In addition to these resources, DHS has proposed \$52,064,000 for Next Generation Networks (NGN), an increase of more than 350 percent over the fiscal year 2007 enacted level. Because this extreme level of program growth does not appear justified at this time, the Committee recommends funding NGN at \$21,100,000 and directs the Assistant Secretary for Cyber Security and Communications to brief the Committee no later than December 1, 2007, on the planned expenditure of these funds. | NPPD believes this requirement has been met; DHS CFO to confirm. |
| 2008 | June 26, 2008     | Reference: Senate Report 110-84<br>Citation: Title III, page 85 | In addition, the Committee directs the Office for Bombing Prevention, within 180 days of the date of enactment of this act, to report to the Committee on the bombing prevention capabilities of all State and local bomb squads, SWAT, public safety dive teams, and explosives detection canine teams. Up to \$100,000 is provided for this purpose.  | Requested Justice take the lead.                                 |
| 2008 | May 26, 2008      | Reference: HR 2764<br>Citation: Title III, page 58              | Integrated Wireless Network - To avoid a repeat of the difficulties experienced with this program to date, the Committee directs the Department to respect the independence of OEC management of the IWN budget, and directs the Assistant Secretary of Cyber Security and Communications to report no later than October 1, 2007, on efforts to correct the shortcomings identified in the Office of Inspector General report.   | Component is completing report.                                  |

|      |                  |   |   |  |
|------|------------------|---|---|--|
| 2008 | May 26, 2008     | Reference: HR 2764<br>Citation: Title III, page 59    | SEC. 549 - National Strategy on Closed Circuit Television Systems - ... (2) provide to the Committees on Homeland Security and Governmental Affairs, Appropriations, and the Judiciary of the Senate and the Committees on Homeland Security, Appropriations, and the Judiciary of the House of Representatives a report that includes -- (A) the strategy required under paragraph (1);...   | NPPD requested Privacy Office take the lead. DHS-CFO to confirm. |
| 2008 | January 25, 2008 | Reference: HR 110-181<br>Citation: Title III, page 88 | The Committee includes \$228,000,000, as requested, to support development and implementation of 10-print biometric data collection for entry, exit and other law enforcement collection purposes (for example, by the Coast Guard when intercepting ships, CBP when encountering illegal border crossers, or ICE when conducting enforcement operations). The Committee directs the Department to report to the Committees on Appropriations not later than 30 days after enactment of this Act on its plans, with detailed milestones, for establishing full capability for 10-print collection and data sharing to align US-VISIT fully with and meet the needs of all DHS agencies. |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | As in recent years, the Committees on Appropriations retain a requirement for an expenditure plan and provide that \$125,000,000 shall not be available for obligation until the plan has been reviewed by the Government Accountability Office and approved by the Committees on Appropriations. The plan need not include submission of a new strategic plan, as proposed by the House; however, it shall include detailed information on implementation of biometric exit solutions and the management of identity services.   | Component is completing report.                                  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 1st Qtr - The Department is also directed to continue to provide quarterly reports on US-Visit implementation, to include coordination with the Western Hemisphere Travel Initiative, the Secure Border Initiative, and other DHS efforts related to border security and interdiction of terrorist travel.  |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 2nd Qtr - The Department is also directed to continue to provide quarterly reports on US-Visit implementation, to include coordination with the Western Hemisphere Travel Initiative, the Secure Border Initiative, and other DHS efforts related to border security and interdiction of terrorist travel.  |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 3rd Qtr - The Department is also directed to continue to provide quarterly reports on US-Visit implementation, to include coordination with the Western Hemisphere Travel Initiative, the Secure Border Initiative, and other DHS efforts related to border security and interdiction of terrorist travel.  |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 4th Qtr - The Department is also directed to continue to provide quarterly reports on US-Visit implementation, to include coordination with the Western Hemisphere Travel Initiative, the Secure Border Initiative, and other DHS efforts related to border security and interdiction of terrorist travel.  |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 1st Qtr Briefing - The Committee directs the US VISIT program office to continue aggressively pursuing the issue and to continue providing quarterly briefings on progress being made on Unique Identity.   |  |
| 2008 |                  | Reference: HR 2764<br>Citation: Title III, page 59    | 2nd Qtr Briefing - The Committee directs the US VISIT program office to continue aggressively pursuing the issue and to continue providing quarterly briefings on progress being made on Unique Identity.   |  |

|      |              |  |  |  |
|------|--------------|--|--|--|
| 2008 |              | Reference: HR 2764<br>Citation: Title III, page 59 | 3rd Qtr Briefing - The Committee directs the US VISIT program office to continue aggressively pursuing the issue and to continue providing quarterly briefings on progress being made on Unique Identity.  |  |
| 2008 |              | Reference: HR 2764<br>Citation: Title III, page 59 | 4th Qtr Briefing - The Committee directs the US VISIT program office to continue aggressively pursuing the issue and to continue providing quarterly briefings on progress being made on Unique Identity.  |  |
| 2008 | May 26, 2008 | Reference: HR 2764<br>Citation: Title III, page 60 | The Committees on Appropriations expect DHS to assess whether an exit solution for the land borders is feasible and, if so, detail the specific steps, funding, and schedule required to achieve one. If it is not achievable at this time, the Department is directed to explain its rationale and describe the value of a US-Visit program that lacks such a solution. |  |

ii. **Schedule of Authorized/Unauthorized Appropriations by PPA**

| <b>Budget Activity</b>  | <b>Last Year of Authorization</b>   | <b>Authorized Level</b> | <b>Appropriation in Last Year of Authorization</b> | <b>FY 2009 Request</b> |
|---|-------------------------------------|-------------------------|--|------------------------|
|   | <b>Fiscal Year</b>                  | <b>Amount</b>           | <b>Amount</b>                                      | <b>Amount</b>          |
|   | Management and Administration (M&A) | 2008                    | \$ 47,346  | \$ 47,346              |
| Infrastructure Protection and Information Security (IPIS)         | 2008                                | 654,730                 | 654,730  | 841,200                |
| U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) | 2008                                | 475,000                 | 475,000  | 390,300                |
| <b>Total Direct Authorization/Appropriation</b>                   |                                     | <b>\$ 1,177,076</b>     | <b>\$ 1,177,076</b>                                | <b>\$ 1,286,100</b>    |

# Department of Homeland Security

*National Protection and Programs Directorate*

*Management and Administration*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **National Protection and Programs Directorate Management and Administration**

### **I. Appropriation Overview**

National Protection and Program Directorate (NPPD) Management and Administration (M&A) directs and assists the Directorate's programs to enhance the protection of America's critical infrastructure and key resources. This appropriation supports activities associated with Directorate management, including the Office of the Under Secretary, Administration, Information Technology, and Information Management and Business Culture. Together these activities provide Directorate leadership, budgeting, financial execution, human capital, security, program review and evaluation, executive secretariat functions, information technology support, facilities build out, rent and security services.

The NPPD Management and Administration appropriation includes Intergovernmental Programs (IGP), which serves as the primary liaison between the Secretary, senior Department leadership and their counterparts across the Nation at the State, local, tribal and territorial levels. Intergovernmental Programs handles communications and coordination activities across the spectrum of issues confronting all agencies and components of the Department.

Additionally, NPPD Management and Administration appropriation includes the Office of Risk Management and Analysis (RMA). RMA leads the Department's efforts to establish a common framework to address the overall management and analysis of homeland security risk. RMA meets the following objectives:

- (1) Develop and embed a consistent, coordinated, and collaborative national approach to risk
- (2) Leverage risk expertise across DHS components and external stakeholders
- (3) Identify and develop DHS-level risk performance metrics
- (4) Develop the Department's Risk Communication Strategy

### **A. Mission Statement of the Management and Administration Appropriation**

The mission of the Management and Administration appropriation is to direct and assist the Offices within the Directorate to reduce the risk of attack against the Nation by protecting critical physical and cyber infrastructure, guarding against threats posed by foreign travelers to the country, and by standardizing the Department's approach to the analysis and management of potential risks to the Nation. This requires concerted leadership, coordination, outreach and partnerships among multiple Homeland Security agencies, the national preparedness and response community of Federal agencies, State and local governments, tribal organizations, the private sector, and the American public.

## **B. Budget Activities:**

The M&A appropriation major program activities include:

- Directorate Administration
- Intergovernmental Programs
- Risk Management and Analysis

**Directorate Administration:** NPPD Directorate Administration includes: Under Secretary front office staff, Administration Division, Information Management and Business Culture Division, Information Technology Division, and facilities activities and costs.

**Intergovernmental Programs:** Intergovernmental Programs (IGP) coordinates Department-wide plans and activities with those of State, local and tribal government partners and serves as a liaison with the Department for those partners. IGP engages with public and private sector partners to ensure effective information exchange, collaboration, and supervises the development of synchronized doctrines at the national and regional levels.

**Risk Management and Analysis:** RMA leads the Department's efforts to establish a common framework to address the overall management and analysis of homeland security risk.

## **C. Budget Request Summary:**

NPPD requests 106 positions, 94 FTE and \$54,600,000 in the FY 2009 request, an increase of 29 FTE and \$7,254,000 from FY 2008 Enacted of 65 FTE and \$47,346,000.

Program Enhancements / Decreases:

1. Program enhancement for \$4,980,000, 12 FTE and 24 positions to support additional personnel, retention and recruitment bonuses, and training for NPPD Directorate Administration.
2. Program enhancement for \$2,000,000, 17 FTE and 17 positions for Intergovernmental Programs. IGP is not a new start for DHS in FY 2009. IGP was funded in FEMA in FY 2007 and FY 2008 per the 872 Reorganization.

Adjustments-to-Base:

1. Pay increase of 3% for 2008 and 2.9% pay inflation for 2009: \$274,000.
2. Non-pay inflation of 2.0%: \$630,000.
3. Management and technology efficiencies of (\$630,000).

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration**

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actuals <sup>1</sup> |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                |                 |              |                     |              |
|--|---------------------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|----------------|-----------------|--------------|---------------------|--------------|
|  |                                 |                 |                    |                 |                    |                 | Total Changes                            |                | Program Changes |              | Adjustments-to-Base |              |
|  | FTE                             | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT         | FTE             | AMOUNT       | FTE                 | AMOUNT       |
| Directorate Administration                                   | 44                              | 13,475          | 54                 | 37,934          | 66                 | 43,100          | 12                                       | 5,166          | 12              | 4,980        | ---                 | 186          |
| Chief Medical Officer  | ---                             | 1,239           | ---                | ---             | ---                | ---             | ---                                      | ---            | ---             | ---          | ---                 | ---          |
| National Capital Region Coordination                         | ---                             | 361             | ---                | ---             | ---                | ---             | ---                                      | ---            | ---             | ---          | ---                 | ---          |
| Intergovernmental Programs                                   | ---                             | ---             | ---                | ---             | 17                 | 2,000           | 17                                       | 2,000          | 17              | 2,000        | ---                 | ---          |
| Risk Management & Analysis                                   | ---                             | ---             | 11                 | 9,412           | 11                 | 9,500           | ---                                      | 88             | ---             | ---          | ---                 | 88           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>44</b>                       | <b>15,075</b>   | <b>65</b>          | <b>47,346</b>   | <b>94</b>          | <b>54,600</b>   | <b>29</b>                                | <b>7,254</b>   | <b>29</b>       | <b>6,980</b> | <b>---</b>          | <b>274</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                                 |                 |                    |                 |                    |                 |  |                |                 |              |                     |              |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>44</b>                       | <b>\$15,075</b> | <b>65</b>          | <b>\$47,346</b> | <b>94</b>          | <b>\$54,600</b> | <b>29</b>                                | <b>\$7,254</b> | <b>29</b>       | <b>6,980</b> | <b>---</b>          | <b>\$274</b> |

<sup>1</sup>FY 2007 Actuals reflect expenditures incurred for CMO, NCRC, Faith-based, SLGC/IGP OLA, NPIP, and Ready Campaign that transferred per the 872 reorganization.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Program Performance Justification**

(Dollars in thousands)

#### PPA: Directorate Administration

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actuals*</b>         | <b>54</b>           | <b>44</b>  | <b>\$13,475</b> |
| <b>2008 Enacted</b>          | <b>54</b>           | <b>54</b>  | <b>\$37,934</b> |
| 2009 Adjustments-to-base     | ...                 | ...        | 186             |
| <b>2009 Current Services</b> | <b>54</b>           | <b>54</b>  | <b>\$38,120</b> |
| 2009 Program Changes         | 24                  | 12         | 4,980           |
| <b>2009 Request</b>          | <b>78</b>           | <b>66</b>  | <b>\$43,100</b> |
| Total Changes 2008-2009      | 24                  | 12         | 5,166           |

\* FY 2007 Actuals include expenses incurred for Intergovernmental Programs prior to 872 Reorganization.

The National Protection and Programs Directorate requests \$43,100,000, 78 positions and 66 FTE for Directorate Administration. The request represents an increase of \$5,166,000, 24 Positions and 12 FTE over FY 2008 Enacted. Adjustments-to-base include \$186,000 for pay inflation and \$630,000 for non-pay inflation offset by management and technology efficiencies. Program increases include \$4,980,000, 12 FTE and 24 positions to support the Office of the Under Secretary, Administration, Information Management and Business Culture, and the Information Technology Divisions, by providing additional staff, recruitment and retention bonuses and training for Directorate Administration personnel.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

Directorate Administration currently consists of 54 positions, whose functions include:

- (1) The Office of the Under Secretary
- (2) Administration Division
- (3) Information Management and Business Culture Division
- (4) Information Technology Division
- (5) Rent, facilities build-out, and security costs
- (6) Appropriation contribution to the Department Working Capital Fund

\$ thousands

| Appropriation..... Management & Administration |           |           |                  |           |           |                  |           |           |                 |
|--|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|-----------------|
| Project..... Directorate Administration        |           |           |                  |           |           |                  |           |           |                 |
|  | FY 2008   |           |                  | FY 2009   |           |                  | Change    |           |                 |
|  | FTE       | FTP       | Enacted          | FTE       | FTP       | Request          | FTE       | FTP       | \$              |
| <b>Salaries &amp; Benefits</b>                 | <b>54</b> | <b>54</b> | <b>\$ 6,400</b>  | <b>66</b> | <b>78</b> | <b>\$ 9,333</b>  | <b>12</b> | <b>24</b> | <b>\$ 2,933</b> |
| <i>Retention and Recruitment</i>               |           |           | \$ -             |           |           | \$ 1,000         |           |           | \$ 1,000        |
| <i>Official Representation Funds</i>           |           |           | \$ 5             |           |           | \$ 5             |           |           | \$ -            |
| <i>Information Technology Division</i>         |           |           | \$ 3,520         |           |           | \$ 3,454         |           |           | \$ (66)         |
| <i>IMBC</i>                                    |           |           | \$ 507           |           |           | \$ 498           |           |           | \$ (9)          |
| <i>Business Operations</i>                     |           |           | \$ 2,752         |           |           | \$ 2,703         |           |           | \$ (49)         |
| <i>OUS Travel</i>                              |           |           | \$ 250           |           |           | \$ 255           |           |           | \$ 5            |
| <i>Training and Equipment</i>                  |           |           | \$ 300           |           |           | \$ 1,250         |           |           | \$ 950          |
| <i>Rent, Facilities &amp; Fitout</i>           |           |           | \$ 20,549        |           |           | \$ 20,938        |           |           | \$ 389          |
| <i>COOP Rent and IT</i>                        |           |           | \$ 1,052         |           |           | \$ 1,093         |           |           | \$ 41           |
| <i>Working Capital Fund</i>                    |           |           | \$ 2,600         |           |           | \$ 2,570         |           |           | \$ (30)         |
| <b>Program Costs</b>                           |           |           | <b>\$ 31,534</b> |           |           | <b>\$ 33,767</b> |           |           | <b>\$ 2,232</b> |
| <b>Total</b>                                   | <b>54</b> | <b>54</b> | <b>\$ 37,934</b> | <b>66</b> | <b>78</b> | <b>\$ 43,100</b> | <b>12</b> | <b>24</b> | <b>\$ 5,166</b> |

### Office of the Under Secretary

The Office of the Under Secretary provides Directorate leadership and management; coordinates Directorate activities throughout the Department; and serves as an advocate for protection across all governmental sectors, protection stakeholders, and citizens. The Office of the Under Secretary consists of the Under Secretary, Deputy Under Secretary, Chief of Staff, Public Affairs, as well as legal and administrative support.

### Administration Division

The Administration Division provides support services to NPPD offices including budget formulation and financial management, contract and program management, human capital and training, and logistics.

Budget Formulation and Financial Management: The Financial Management branch consists of the Budget Execution, Budget Formulation and Program Review and Evaluation teams.

The Budget Formulation team is responsible for the creation and formulation of the congressional budget justification and briefings, cost estimation, allocation modeling for annual NPPD Working Capital Fund assessment, investment portfolio management, as well as performance management and measurement functions.

The Budget Execution team is responsible for the obligation and expenditure of enacted NPPD funding during the year of execution. Additionally, the Financial Execution branch is responsible for entering, validating and reconciling allocations in the accounting system, invoice tracking and the production of status of funds reports.

The Program Review and Evaluation (PR&E) team conducts program performance reviews, risk assessments and performance compliance evaluations.

Contract and Program Management: The Contract and Program Management branch is responsible for preparing and managing Management and Administration contracts. The branch is also responsible for enhancing program management capabilities across the Directorate by sharing regulations and requirements, Program Management best practices and training opportunities.

Human Capital and Training: The Human Capital and Training branch is responsible for maintaining records of NPPD personnel and tracking staff levels by office, as well as the coordination of training programs for the Directorate.

Logistics Branch: The Logistics Branch is responsible for facilities property and logistics support, security services, emergency preparedness and continuity of operations, and the Directorate exercise program.

The Property and Logistics Support team is responsible for NPPD facility space planning, rent, procurement and oversight of facilities support services.

The Security support team is responsible for implementing all of the National Security Information (NSI) programs, Controlled Unclassified Information (CUI), and Sensitive Security Information (SSI) programs. The Security Branch also procures the armed guards and escort services for NPPD facilities, physical access control and key control for NPPD facilities, and ensure NPPD facilities' intrusion detection systems and security access control mechanisms are maintained and up-to-date.

Emergency Plans and Continuity is responsible for the coordination of NPPD Continuity of Operations (COOP) plans.

The Directorate Exercise Program is responsible for planning exercises and coordinating NPPD participation in Departmental or government-wide exercises.

### **Information Management and Business Culture Division**

The Office of Information Management and Business Culture (IMBC) is responsible for improving internal and external communications for NPPD, enhancing the Directorate work environment and creating an employee advisory structure. Information Management and Business Culture comprises the Office of the Executive Secretariat, the Freedom of Information Act (FOIA)/Privacy Office, Audit Liaison Branch, Business Culture office and Communications Branch.

Executive Secretariat: The Office of the Executive Secretariat (OES) serves as the central processing point for formal documents and taskers sent to/from NPPD. As part of their daily function, OES staff members assign, monitor, review, edit and manage the disposition of correspondence, action and information memoranda, congressional reports, White House taskings, congressional questions for the record and other materials. OES plans, develops, and implements operating policies, procedures and guidelines for the preparation and routing of correspondence for signature by NPPD senior executives or Department officials. OES coordinates regularly with NPPD management officials to ensure the accuracy and appropriateness of correspondence and ensures timely review and completion of NPPD mandated reports to Congress. OES is also responsible for daily preparation of the Under Secretary's briefing book.

Freedom of Information Act (FOIA) Office: The FOIA Office is responsible for the development and implementation of effective Freedom of Information Act (FOIA) and Privacy Act (PA) programs for the Directorate. These responsibilities include review, analysis and recommendations on release/denial of information requests under FOIA/PA as mandated by statute; development and implementation of FOIA/PA policy within the Directorate; support for the Department Chief FOIA Officer; conduct FOIA/PA training; and provide guidance to Directorate personnel.

Privacy Office: The NPPD Privacy Office works in concert with the Department Privacy Office, which serves as the steward of Section 222 of the Homeland Security Act, the Privacy Act of 1974, the Freedom of Information Act, the E-Government Act of 2002 and the numerous laws, Executive Orders, court decisions and Departmental policies that protect the collection, use and disclosure of personal and Departmental information. The NPPD Privacy Office works to build privacy protections into NPPD programs and systems.

Audit Liaison Branch: The Audit Liaison branch serves as a liaison among external Departmental offices, the Government Accountability Office (GAO), Office of the Inspector General (OIG) and NPPD components for all audit activities undertaken by either the GAO or OIG. Activities include entrance/exit conferences, fieldwork, release of draft and final reports, and recommendation follow-up. The Audit Liaison Branch provides policies and procedures for NPPD for engaging the GAO/OIG during ongoing audits and for responding to and implementing recommendations in audit reports issued by the OIG and the GAO. The audit follow-up program is an integral part of sound program management and works to ensure that NPPD takes timely action in response to audit findings and recommendations from the OIG and GAO.

The Audit Liaison Office ensures and maintains the NPPD process for audit follow-up; works with NPPD components to determine final responses to audit recommendations; works with components to ensure follow-up activities are tracked and reported; and works with the Office of Financial Management to ensure it carries out its delegated responsibilities in audit follow-up.

Business Culture: The mission of the Office of Business Culture is to create and sustain processes and programs that promote employee satisfaction, morale, effective working condition and work efficiencies and promote open communications amongst all NPPD personnel. The Office's primary concern is employee needs in the workplace. The Business Culture Office is responsible for sharing the vision of Department and NPPD leadership, promoting acceptance and understanding of change, and listening to employee input and concerns.

Communications: The Communications Branch of the Office of Information Management and Business Culture is the center of communications for NPPD. The mission of the Communications Branch is to communicate information regarding NPPD—such as its programs, strategic issues and accomplishments—to Congress, federal government partners, NPPD employees, other stakeholders, and the American public. In addition, the Communications Branch sets communications policies for NPPD. The Communications Branch is responsible for Directorate-wide internal communications, producing both traditional and electronic publications for NPPD employees. The Branch is responsible for writing and/or clearing all testimony, talking points, and speeches at the executive level. The Communications Branch also manages the content of the NPPD website. The Communications Branch works closely with the Office of the Executive Secretariat to ensure consistent and accurate messaging for all internal and external stakeholders

### **Information Technology Division**

The Information Technology Division is responsible for developing, maintaining, and facilitating the implementation of sound and integrated information technology architecture. Responsibilities include: Enterprise Architecture alignment and planning; Capital Planning and Investment Control (CPIC) support; IT project management and engineering support services including engineering and liaison services; IT portfolio management; technical specification development; administration and use of Project Management Information Systems (PMIS); Integrated Project Team (IPT) customer support;

IT policy, governance and process development; and ensuring that performance based management principles are used for acquiring IT.

**Facilities Rent and Build-out**

Facilities Rent and Build-out includes GSA rent, non-GSA rent, and facilities build-out for NPPD facilities at the Nebraska Avenue Complex and sites along Glebe Road in Arlington, Virginia. Additionally, facilities and rent includes facility operations and maintenance, security services, parking, and guard and escort services. Facilities, Rent and Build-out also includes the rent and IT costs for the NPPD COOP location.

*\$ thousands*

| <b>Appropriation</b> .....                 | Management & Administration |                  |               |
|--|-----------------------------|------------------|---------------|
| <b>Activity</b> .....                      | Rent & Facilities           |                  |               |
|  | <b>FY 2008</b>              | <b>FY 2009</b>   | <b>Change</b> |
|  | <b>Enacted</b>              | <b>Request</b>   | <b>\$</b>     |
| <i>Nebraska Avenue Complex Rent</i>        | \$ 2,626                    | \$ 2,588         | \$ (38)       |
| <i>Arlington Rent</i>                      | \$ 6,465                    | \$ 6,862         | \$ 397        |
| <i>Security Services</i>                   | \$ 3,952                    | \$ 4,031         | \$ 79         |
| <i>Parking &amp; Transit Services</i>      | \$ 739                      | \$ 757           | \$ 18         |
| <i>Mail Operations</i>                     | \$ 162                      | \$ 80            | \$ (82)       |
| <i>Facilities Operations &amp; Support</i> | \$ 1,275                    | \$ 1,299         | \$ 24         |
| <i>Federal Occupational Health Clinic</i>  | \$ 81                       | \$ 84            | \$ 3          |
| <b>Total Rent &amp; Facilities</b>         | <b>\$ 15,300</b>            | <b>\$ 15,701</b> | <b>\$ 401</b> |
| <i>COOP Rent and IT</i>                    | \$ 1,052                    | \$ 1,093         | \$ 41         |
| <i>Facilities Fitout</i>                   | \$ 5,249                    | \$ 5,238         | \$ (11)       |
| <b>Total</b>                               | <b>\$ 21,600</b>            | <b>\$ 22,032</b> | <b>\$ 432</b> |

**PLANNED ACCOMPLISHMENTS**

**Office of the Under Secretary:**

- Continue to provide leadership and support to the components of NPPD.
- Continue to coordinate Directorate activities throughout the Department.
- Serve as the advocate for protection across all government sectors, protection stakeholders, and citizens.
- Increase strategic planning coordination activities with other Departmental entities.

**Administration Division:**

- Provide ongoing support to NPPD offices for budget formulation and execution, acquisition and procurement, asset management, facilities and security support.
- Continue efforts to strengthen the performance measures and performance management process. Collect and analyze data more effectively to inform corrective actions and program/activity changes that minimize risk.
- Continue to enhance investment portfolio management and prioritization through the development of and adherence to an NPPD Investment Review Process. Support investments by interpreting the Department’s investment review guidance, assisting in compliance, and facilitating investments through the Department’s Investment Review Process.
- Continue to strengthen the Directorate knowledge base of program management techniques to enhance status reporting and to reduce program/project risk.

- Continue to support long range facilities planning efforts, including participating in the planning efforts for the eventual move to the St. Elizabeth's campus.

#### **Information Management and Business Culture Division:**

- Assign, monitor, review, edit, and manage the disposition of correspondence, action and information memoranda, congressional reports, White House taskings, congressional questions for the record, and other materials.
- Plan, develop, and implement operating policies, procedures, and guidelines for the preparation and routing of correspondence for signature of NPPD senior executives or Department officials.
- Coordinate with NPPD management officials on a regular basis to ensure the accuracy and appropriateness of correspondence.
- Ensure timely review and completion of NPPD mandated reports to Congress.
- Receive and process FOIA requests submitted for information held by NPPD and provide guidance to NPPD personnel responsible for assisting with FOIA document and information requests.
- Continue working to build privacy protections into NPPD programs and systems.
- Provide policies and procedures for NPPD for responding to and implementing recommendations in audit reports issued by the Office of Inspector General (OIG) and the General Accounting Office (GAO).
- Promote open communications among all NPPD personnel.
- Manage agency-wide internal communications, producing both traditional and electronic publications for NPPD employees, and manage the content of the NPPD website.

#### **Information Technology Division:**

- Continue to deliver IT services via a Project Management Office in direct support of the NPPD mission, goals, objectives, and programs for major systems.
- Ensure project execution according to the standards of the System Development Lifecycle (SDLC) for all NPPD IT investments and projects, ensuring mission requirements are met and are cost-effective.
- Manage and ensure Earned Value periodic reporting for IT investments quarterly.
- Develop and maintain NPPD Enterprise Architecture (EA) alignment with the Department EA.
- Support NPPD IT transformation and investment funding prioritization and allocation by delivering advanced decision support to leadership.
- Manage and administer NPPD IT resources and assets.
- Develop and maintain a Directorate Information Security Program that is fully aligned with the Department, including development and enforcement of Security policy, COMSEC Management, DAA/ISSM/ISSO training.
- Implement a Scanning and Wireless Tool Kit and modernize other IT security operations.
- Perform Privacy Impact Assessments and Privacy Threshold Analyses.
- Ensure Directorate Section 508 compliance through review of all IT purchases and Section 508 grievances filed with the Civil Rights and Liberties Office. Additionally, ensure all new programs are Section 508 compliant.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Program Performance Justification**

(Dollars in thousands)

**PPA: Intergovernmental Programs**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actuals*</b>         | ...                 | ...        | ...            |
| <b>2008 Enacted*</b>         | ...                 | ...        | ...            |
| 2009 Adjustments-to-base     | ...                 | ...        | ...            |
| <b>2009 Current Services</b> | ...                 | ...        | ...            |
| 2009 Program Changes         | 17                  | 17         | 2,000          |
| <b>2009 Request</b>          | <b>17</b>           | <b>17</b>  | <b>\$2,000</b> |
| Total Changes 2008-2009      | 17                  | 17         | 2,000          |

\* Intergovernmental Programs was funded in FEMA in FY 2007 and FY 2008 per the 872 Reorganization.

The National Protection and Programs Directorate requests \$2,000,000, 17 Positions and 17 FTE for Intergovernmental Programs. The request represents an increase of \$2,000,000, 17 Positions and 17 FTE over FY 2008 Enacted. Program changes include an enhancement of \$2,000,000 and 17 FTE.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The mission of the Office of Intergovernmental Programs (IGP) as defined in the Homeland Security Act of 2002, is to act both as an advocate for State, local, tribal, and territorial officials within the Department and to operate as the primary liaison between those officials and the Secretary of Homeland Security as well as other senior Department leadership IGP facilitates an integrated national approach to homeland security by ensuring, coordinating, and advancing Federal interaction with State, local, tribal, and territorial governments.

The stakeholder community consists of over 500,000 non-Federal elected and appointed officials within the United States, including governors, mayors, county executives, State legislators, leadership of the 561 Federally recognized Indian tribes, law enforcement officials, emergency managers, and the national associations which represent these officials.

IGP manages communications and coordinates activities across the spectrum of issues confronting all 22 agencies and components of the Department. No other Departmental entity is charged with this Department-wide function.

The mission and functions of Intergovernmental Programs also include coordination with counterpart intergovernmental offices within the other Executive Branch agencies to provide for coordinated interaction with non-Federal governmental officials.

The Assistant Secretary for Intergovernmental Programs facilitates timely communication between Department headquarters and the State and local homeland security community, and serves as an advocate for the needs of State, local, tribal, and territorial officials.

## ACCOMPLISHMENTS

### **FY 2007**

- IGP was critical in building a coalition among border states to establish Enhanced Driver's Licenses (EDL), an initiative of the Western Hemisphere Travel Initiative (WHTI). IGP led discussions with Governors of Washington and Vermont and relevant Departmental components (Policy/Screening Coordinating Office) on this effort. Currently, the Department is negotiating with Arizona, New York, Michigan, Texas, and California for EDL production; and IGP is assisting in these efforts.
- IGP traveled to various locations on the Southwest Border to brief Border Patrol Sector Chiefs on the message that DHS would be disseminating to State and local officials regarding the border fence.
- The office has led consultations in conjunction with the REAL ID Program Office in sixteen (16) states and territories and with national associations on the REAL ID Act.
- Recently, IGP met with sixteen (16) Washington DC Governor representatives in order to address their questions and discuss their views on the REAL ID ACT.
- IGP has facilitated meetings and other outreach efforts to gain state insight on pending regulations.
- IGP investigated issues brought forth from the State, local, tribal, and territorial level and advises the Secretary with courses of action.
- IGP acquainted Department components with strategies, processes, and procedures for working with State, local, tribal, and territorial officials. IGP staff reviewed Departmental documents and policies providing input regarding the most advantageous methods for working with State, local, tribal, and territorial partners.
  - IGP guided the establishment of the Domestic Nuclear Detection Office's External Programs Office which has become a model of how to work with State, local, tribal and territorial governments.
- Numerous members of IGP were deployed during Hurricanes Katrina and Rita as well as during the 2004 DNC and RNC Conventions. IGP staff members served as liaisons between State and local officials during these events
- IGP is a member of The President's Task Force on Puerto Rico's Status, which was established by Presidential Order in 2000, to foster open dialogue between the President and the people of Puerto Rico regarding the future status of the territory. IGP was tasked to represent the department.
- IGP is constantly engaged with other cabinet agencies on a variety of issues:
  - IGP worked with the Department of Commerce to rollout the \$1 Billion Public Safety Interoperability Communication Grant Program (PSIC).
  - IGP worked in partnership with HHS when the President directed Pan Flu summits be hosted in all states and territories to ensure the nation was prepared for an influenza pandemic. IGP worked as a liaison with HHS to ensure proper representation at each summit.
  - IGP works with the State Department on a regular basis on various issues in which both agencies have a stake, including WHTI.
  - IGP has worked with the USDA in particular on a Foot and Mouth Disease incident this past summer, in which IGP was called to be part of the Department Crisis Action Team.
- IGP coordinated and participated in a meeting with the Secretary, the Governor of Arizona, and senior officials from CBP and DOD to discuss the various concerns that the Governor had on the Border with Operation Jump Start. Following this meeting IGP was tasked with putting

together a comprehensive briefing for the Governor on what is being done to address her concerns.

- IGP chaired a comprehensive briefing for the Mayors of Denver, Minneapolis and St. Paul regarding the role the Department plays in a National Special Security Event (NSSE).
- IGP orchestrated and participated in a meeting of Sheriff's from every Southwest Border County.

#### **FY 2008 and FY 2009 Planned Accomplishments**

- Continue to support the coalition among border states on the Western Hemisphere Travel Initiative (WHTI). IGP will continue discussions with Governors and leadership of border states.
- Continue to communicate the Department guidance on the border fence and the Real ID requirements.
- Advise the Department on strategies, processes, procedures at the State, local, tribal and territorial levels.
- Advocate for the policy positions taken by State, local, tribal and territorial officials and the resources needed to carry out Departmental policy decisions.
- Coordinate timely, consistent, and accurate communications to our State, local, tribal and territorial officials.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Risk Management and Analysis (RMA)

|                              | <b>Perm Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|-----------------|------------|----------------|
| <b>2007 Actuals*</b>         | ...             | ...        | ...            |
| <b>2008 Enacted</b>          | <b>11</b>       | <b>11</b>  | <b>\$9,412</b> |
| 2009 Adjustments-to-Base     | ...             | ...        | 88             |
| <b>2009 Current Services</b> | <b>11</b>       | <b>11</b>  | <b>\$9,500</b> |
| 2009 Program Change          | ...             | ...        | ...            |
| <b>2009 Request</b>          | <b>11</b>       | <b>11</b>  | <b>\$9,500</b> |
| Total Change 2008-2009       | ...             | ...        | 88             |

\* FY 2007 funded out of Infrastructure Protection \$2.316M; National Cyber Security Division \$1.158M; National Communications System \$1.158M; IPIS M&A \$0.509M for salaries and benefits for 8 FTE (4 FTE from IP, 2 FTE from National Cyber Security Division, 2 FTE from National Communications System); and OUS M&A \$0.178M for salaries and benefits for 3 FTE.

The National Protection and Programs Directorate requests \$9,500,000, 11 Positions and 11 FTE for Risk Management and Analysis (RMA). The FY 2009 Request represents an increase of \$88,000 from FY 2008 Enacted. The FY 2009 Request includes an adjustment-to-base of \$88,000 for pay inflation.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

On January 18, 2007, the Secretary directed organizational changes as a result of the Post-Katrina Emergency Management Reform Act passed as part of the FY 2007 DHS Appropriations Act. Included in the changes is the establishment of RMA and the office began its initial operational capability on April 1, 2007. The mission of RMA is to lead the Department's efforts to establish a common framework to address the overall management and analysis of homeland security risk. To accomplish this mission, the Secretary has established the following strategic objectives for the office:

- Develop and embed a consistent, coordinated, and collaborative national approach to risk
- Leverage risk expertise across DHS components and external stakeholders
- Identify and develop DHS-level risk performance metrics
- Develop the Department's Risk Communication Strategy

RMA ensures that all individual risk programs are synchronized and integrated, and that they use a common approach/lexicon. In addition, by leveraging and integrating risk expertise across the Department's components and external stakeholders, RMA will establish a common framework to address the overall analysis and management of homeland security risk.

The National Strategy for Homeland Security states that we must apply a risk-based framework across all homeland security efforts in order to identify and assess potential hazards (including their downstream effects), determine what levels of relative risk are acceptable, and prioritize and allocate resources among all homeland security partners, both public and private, to prevent, protect against,

and respond to and recover from all manner of incidents.<sup>1</sup> The Secretary of Homeland Security stated that risk management must guide our decision-making as we examine how we can best organize to prevent, respond and recover from an attack.<sup>2</sup> At its core, homeland security is therefore about managing risk as a Nation at the Federal, State, and local levels, to include the three levels of risk management: strategic, operational, and tactical.

RMA is broke out into four programs including Risk Policy, Risk Analysis, Risk Management and Risk Performance.

### **Risk Policy**

The objective of Risk Policy is to review, analyze and catalog all Department risk mitigation and management processes used to synchronize and refine the Department risk framework and risk management programs. This activity will lay the foundation for the development of a national risk policy, the development of an integrated strategic plan for risk management, and the development of training standards for risk analysis.

This activity also supports the administration and operation of a Department Risk Steering Committee (RSC). The Steering Committee is a cooperative body formed to ensure that risk management is carried out consistently throughout the Department. Chaired by the Under Secretary for National Protection and Programs Directorate and comprised of Departmental component heads and other identified personnel, the committee assists in the framing of processes and procedures for the Department's risk-management architecture, enabling collaboration and Department-wide agreement on risk management efforts.

### **Risk Analysis**

The objective of Risk Analysis is to understand the processes of quantification of probabilities and expected consequences including risk assessment and risk management alternatives performed to understand the nature of the process or hazard. One of the components required to achieve the objective for Risk Analysis is the development of a common risk lexicon. A common lexicon is essential to ensuring all stakeholders have the same understanding of risk programs. Another objective for this activity will be to continue the data collection on and the drafting of business practices for data collection and risk methodology. These business practices will ensure the establishment of a common frame of reference to better integrate and synchronize risk management and analysis programs.

### **Risk Management**

The objective of Risk Management is to achieve an acceptable level of risk at an acceptable cost by the recognition and assessment of risks; and the development, selection, and implementation of countermeasures. A required step for Management will be the data collection on risk reduction strategies and management techniques that are being used across the Department to measure the buying down of risk. The techniques will then be evaluated and prioritized to identify best practices and to identify the commonality and differences between existing methods.

A second objective for this activity will be the evaluation and development of communication capabilities to accurately explain the Department's risk programs. Effective risk communications will enhance the preparation and protection of cyber, human, and physical sectors through an improved

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<sup>1</sup> The National Strategy for Homeland Security, October 2007, page 41.

<sup>2</sup> DHS Secretary Michael Chertoff prepared remarks at George Washington University Homeland Security Policy Institute (March 16, 2005)

understanding of the Department risk management practices. This objective will include the creation of presentations, documents, and brochures to describe, explain and socialize how the Department and/or national risk strategies, framework and methods are applied and why.

### **Risk Performance**

The objective of Risk Performance is to design criteria for risk performance scorecards to measure the effects of risk management programs within the Department. These measures will be an important tool in the development of a risk performance report which will be used to reflect the efficiency and effectiveness of programs in reducing risk.

### **MILESTONES:**

#### **FY 2007 Accomplishments**

- Established the office of Risk Management and Analysis.
- Created the Department Risk Steering Committee (RSC). RMA establish and maintains a risk committee to assist in the framing of processes and procedures for the Department risk management architecture. The committee membership includes three tiers; component principals (Tier I), sub-component principals (Tier II), and action officers (Tier III). There is also an Executive Committee for the RSC. The RSC process provides the framework for collaboration and Department-wide integration and agreement on risk management efforts.
- Established the process for development of a Department-wide risk comparison tool to help inform the Department resource allocation process. This was completed in coordination with S&T, Policy, and PA&E, and is known as the Risk Assessment Process for Informed Decision-making (RAPID).
- Formed a lexicon development team to begin the process of identifying common risk terminology.

#### **FY 2008 Planned Milestones**

- Implement a Department lexicon development program for risk.
- Prototype RAPID to inform the Future Year Homeland Security Program development process.
- Establish a Department risk management framework which threads together the National strategies and policies, statutory requirements, Secretary's goals and priorities, and National plans with the components' risk methodologies.
- Design and evaluate a regional risk assessment process.
- Begin the conceptual development and analysis for implementing an integrative incident-driven risk analysis process to inform operational decision making.
- Develop an integrative Risk Reduction Program. Identify public and private best practices and develop risk reduction measurement techniques including assisting Department components; developing consequence, threat, and vulnerability analysis modules as they pertain to risk reduction, develop a Departmental inventory of cost/benefit analysis methods and analyze differences within existing methodologies.
- Develop self-assessment tools for conducting risk management performance assessments.
- Develop a Department scorecard.

## **FY 2009 Planned Milestones**

### **Risk Policy**

- Maintain the Department's Risk Steering Committee (RSC).
- Development of a Department risk policy. The Department risk management processes will have to be reviewed, analyzed and cataloged annually by RMA. The cataloging will maintain the foundation used for synchronizing and refining a Department risk framework and risk management program. As this framework is developed, RMA will develop policies to support the risk management program.
- Further refine the process across the Department for building Homeland Security Grant Program guidance. This will include the development of a strategic national risk reduction road map to advance the grant allocation methodology. By emphasizing the principle of risk reduction, which assesses the likelihood that resources obtained via the grant program will address short falls in capability and reduce long-term risk, the Nation's resources will be best allocated to reduce the strategic risk.

### **Risk Analysis**

- Develop a common risk lexicon. Through the use of a collaborative Lexicon Working Group, draft, publish, and maintain a Lexicon Guide for the Department. This activity includes the development of the Department's process for staffing and adjudicating terms related to risk management to ensure all components' interests are considered and included. A common lexicon is essential to ensuring all stakeholders have the same understanding of risk programs which is a fundamental requirement for the development of the Department's risk architecture.
- Develop and prototype an integrative incident-driven risk analysis process to best inform the operational decision making process. Risk analysis is the process by which risks are identified and evaluated. The risk analysis during an incident is essential for addressing the variable descriptions and proxies that are used to derive threat, vulnerability, and consequence.

### **Risk Management:**

- Review the process and procedures for Homeland Security Special Events and implement improvements consistent with a risk-informed approach. This includes forming and leading work groups with other Federal Departments and Agencies and Department components to refine and improve the risk methodology for analyzing Special Events.
- Maintain data on risk reduction strategies and management techniques.
- Identify and promulgate best practices to assist Department risk programs.
- Evaluate risk reduction measurement techniques. Measurement techniques will be developed by identifying best practices used across other Federal agencies and the private sector that measure the reduction of risks through the application of countermeasures, programs and activities. These measurement techniques will be continually updated and refined.
- Revise the Risk Assessment Process for Informed Decision-making (RAPID) in accordance with the lessons learned from the prototype and implement an expanded prototype to inform Future Year Homeland Security Program development process. The primary focus of RAPID is to develop a Department-wide risk comparison tool to help inform the Department resource allocation process. The RAPID effort has resulted in a broader understanding of the complexities of assessing risk across multiple unrelated and interrelated threat areas spanning the breadth of the Department mission space.
- Further develop the national risk management strategy/policy by synchronizing and leveraging assets across the Department.

- Prototype a regional risk assessment capability. RMA, in coordination with the Office of National Capital Region (NCR) and Washington Council of Governments, framed a process for the development of a regional risk assessment program that would identify and prioritize hazards to the regional continuity.
- Evaluate and develop risk communication capabilities. RMA will develop an effective risk story to improve the understanding of the Department risk management practice. RMA will create presentations, documents, and brochures that describe, explain and socialize how the Department and/or national risk strategies, framework and methods are applied and why.

### **Risk Performance**

- Further development of criteria for risk performance scorecards. Development of a strategic system of individual performance scorecards (that support a system of measurement) to determine progress toward full implementation of risk reduction management strategies and capabilities. In order to accomplish the risk performance scorecard and the annual risk performance report, numerous measurement techniques will be developed in order to equitably, consistently and objectively measure results. These results could then be used by the Department for strategic operational planning.
- Further development of a “Risk Performance Report.” This will be an annual report on the progress that the Department is making towards maturing the risk management programs within the Department. The report will be an important tool for implementing and monitoring the progress of a national risk management program.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: Chief Medical Officer**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actuals</b>          | ...                 | ...        | <b>\$1,239</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | ...            |
| 2009 Adjustments-to-base     | ...                 | ...        | ...            |
| <b>2009 Current Services</b> | ...                 | ...        | ...            |
| 2009 Program Changes         | ...                 | ...        | ...            |
| <b>2009 Request</b>          | ...                 | ...        | ...            |
| Total Changes 2008-2009      | ...                 | ...        | ...            |

The Chief Medical Officer transferred to the Office of Health Affairs appropriation in FY 2007.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Program Performance Justification**  
(Dollars in thousands)

**PPA: National Capital Region Coordination**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actuals</b>          | ...                 | ...        | <b>\$361</b>  |
| <b>2008 Enacted</b>          | ...                 | ...        | ...           |
| 2009 Adjustments-to-base     | ...                 | ...        | ...           |
| <b>2009 Current Services</b> | ...                 | ...        | ...           |
| 2009 Program Changes         | ...                 | ...        | ...           |
| <b>2009 Request</b>          | ...                 | ...        | ...           |
| Total Changes 2008-2009      | ...                 | ...        | ...           |

National Capital Region Coordination transferred to FEMA in FY 2007.

#### IV. Program Justification of Changes

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase:** **NPPD Directorate Administration Personnel, Recruitment, Retention, and Training**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify Departmental Operations and Management

PPA: Directorate Administration

Program Increase: Positions 24 FTE 12 Dollars \$4,980,000

Funding Profile (\$ in thousands)

|                        | FY 2007 Actuals* |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|------------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos              | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level | 54               | 44        | \$13,475        | 54              | 54        | \$37,934        | 54              | 54        | \$38,120        |
| Program Increase       | ...              | ...       | ...             | ...             | ...       | ...             | 24              | 12        | \$4,980         |
| <b>Total Request</b>   | <b>54</b>        | <b>44</b> | <b>\$13,475</b> | <b>54</b>       | <b>46</b> | <b>\$37,934</b> | <b>78</b>       | <b>66</b> | <b>\$43,100</b> |

\* FY 2007 Actuals include expenses incurred for Intergovernmental Programs prior to 872 Reorganization.

Description of Item

NPPD Directorate Administration aims to achieve a level of sustainment that will provide responsive, fully integrated processes across the Directorate. As NPPD analyzes its organizational needs to accomplish its goal, and is able to increase its federal staffing levels, it can begin to reduce its reliance on contract staff and promote employee satisfaction levels.

The requested positions will allow NPPD Directorate Administration to build institutional knowledge and expertise. In many critical business operations, information technology, and information management areas, the staff consists of one federal government employee supported by contractors. Additional FTE will provide a knowledgeable federal workforce that will ensure accurate and coordinated responses to key stakeholders, oversight agencies and Congress, as well as providing continuity of services, skills, and accountability.

NPPD requests twelve positions for the Administration Division. These positions will support the following administrative areas: budget formulation, budget execution, procurement, program management oversight, facilities, security, COOP, incident management, exercises, and program review and evaluation. As the budget and staff levels grow across the NPPD offices, increased support is needed to implement the program enhancements requested in the FY 2009 budget. Government

personnel are needed to provide increased procurement, program management, and budget formulation and execution functions. The Security Branch also requires additional Federal staff to oversee security at multiple NPPD sites.

NPPD requests six positions for Information Technology (IT) Division. The additional FTE will fulfill critical roles that are currently being performed by contract staff and ensure there is adequate institutional knowledge should key staff depart. The increase would support positions in areas of IT business planning, procurements, project management, security, requirements, and operations.

NPPD requests six positions for the Information Management and Business Culture Division. The additional positions will support development of the Information Sharing Office. The Information Sharing Office will serve as the mechanism to promote information sharing and collaboration, workplace efficiencies, and employee satisfaction. Information Sharing Office functions and mission are mirrored after the successful implementation of similar functions within the Transportation Security Administration (TSA). Functions of the Information Sharing Office include:

Employee Advisory Council: The Employee Advisory Council (EAC) comprises employees from throughout NPPD. The EAC's mission is to create and sustain processes and programs that promote employee satisfaction, morale, effective working conditions, and work efficiencies. The EAC serves in an advisory capacity to the Under Secretary, Assistant Secretaries and Directors, the Office of Information Management and Business Culture (IMBC), and the Human Capital and Training branch. EAC responsibilities include:

- Championing efforts to create an environment of collaboration and participation, including a system that provides NPPD employees an opportunity to share concerns and submit ideas to the EAC. The EAC will emphasize employee issues and concerns regarding NPPD work culture or work environment and recommend specific action plans for improvement.
- Coordinating the NPPD Annual Employee Recognition Program with IMBC and Human Capital.
- Developing a calendar of employee town hall meetings and recommend issues for the Under Secretary to address.
- Developing a calendar of employee activities (social events, blood drives, celebrations of federally recognized commemorations, such as Black History Month, Hispanic Heritage Month, etc.) and make recommendations for communicating and observing events.

InfoCenter:

The InfoCenter will be a central, online information repository for all NPPD programs. The collaboration tool will house the Directorate's strategic plans, policies, external documents, program information; and will be available, as appropriate, to all Directorate employees. The InfoCenter will continually gather cross-cutting information for each NPPD component office. By forging relationships and breaking down internal communication barriers, InfoCenter promotes information sharing and collaboration, and encourages efficient information management across NPPD.

IdeaFactory:

The IdeaFactory is an online forum for NPPD employees to openly and candidly share best practices and ideas for workplace innovation with Directorate leadership and other Directorate employees. IdeaFactory, which has already proven successful within TSA, will provide a secure

intranet restricted to registered users inside the Directorate that allows for the sharing of ideas to improve the workplace environment and strategies for achieving NPPD mission. Once employees submit ideas, other staff will have the ability to review and vote for those ideas they would like to see implemented. Ideas receiving a high level of votes are then reviewed by an implementation council for implementation. The forum forges relationships, breaks down internal communication barriers, and empowers employees to become a part of the Directorate's development process. Most importantly, it takes advantage of the wealth of knowledge and expertise of employees at all levels for the betterment of the entire Directorate.

Additionally, NPPD Directorate Administration would like to provide funding for retention and recruitment initiatives to slow the rate of turnover within the ranks of Federal staff, and to facilitate recruitment of talented personnel to fill critical positions. Such initiatives would include bonuses for retention of current employees, bonuses to competitively attract new personnel to fill vacant positions, participation and organization of job fairs, as well as internship programs and on-campus recruiting initiatives for recent college and masters program graduates. Recruitment and retention of employees would be facilitated by reimbursement programs for student loans and other professional certifications. Stabilization and fortification of the ranks of Federal staff within NPPD Directorate Administration will help to decrease reliance on contractors and facilitate conversion efforts currently underway.

This program change would also provide NPPD Administration the opportunity to provide greater training opportunities for its staff based on relevant functional areas within the office. Training opportunities would include Financial Management, Facilities Management, Human Capital, and Appropriations Law. Training efforts to enhance understanding of the various functions of NPPD Administration would benefit the front office, as well as Directorate offices that rely on NPPD Administration to provide guidance and support in numerous capacities.



## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration  
Appropriation Language**

For salaries and expenses of the Office of the Under Secretary for National Protection and Programs Directorate, [the National Protection Planning Office,] support for operations, information technology, ***Intergovernmental Programs***, and Risk Management and Analysis, [\$47,346,000]: ***\$54,600,000***. *Provided*, that not to exceed \$5,000 shall be for official reception and representation expenses. [*Provided further*, that of the total amount provided under this heading, \$5,000,000 shall not be obligated until the Committees on Appropriations of the Senate and the House of Representatives receive and approve an expenditure plan by program, project and activity.]

#### **Explanation of Changes:**

- 1) NPPD is requesting that the NPPO language be removed. No funding was received in FY 2008, nor are funds being requested for this office in FY 2009.
- 2) NPPD is requesting that Intergovernmental Programs be included in the Management & Administration appropriation.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|--|-------------|------------|-----------------|
| <b>FY 2007 Actuals*</b> .....  | <b>54</b>   | <b>44</b>  | <b>\$15,075</b> |
| <b>FY 2008 Enacted</b> .....   | <b>65</b>   | <b>65</b>  | <b>47,346</b>   |
| <b>Adjustments-to-Base</b>   |             |            |                 |
| Increases  |             |            |                 |
| Annualization of 2008 pay raise.....   | ---         | ---        | 68              |
| 2009 pay increase.....   | ---         | ---        | 206             |
| Non-pay inflation excluding GSA Rent.....  | ---         | ---        | 577             |
| GSA Rent.....  | ---         | ---        | 53              |
| <b>Total Increases</b> .....   | <b>---</b>  | <b>---</b> | <b>904</b>      |
| Decreases  |             |            |                 |
| Management and Technology Efficiencies.....                                      | ---         | ---        | (630)           |
| <b>Total Decreases</b> .....   | <b>---</b>  | <b>---</b> | <b>(630)</b>    |
| <b>Total Adjustments-to-Base</b> .....   | <b>---</b>  | <b>---</b> | <b>274</b>      |
| <b>FY 2009 Current Services</b> .....  | <b>65</b>   | <b>65</b>  | <b>47,620</b>   |
| <b>Program Changes</b>   |             |            |                 |
| Program Increases/(Decreases)  |             |            |                 |
| Directorate Administration: Personnel, Recruitment, Retention &<br>Training..... | 24          | 12         | 4,980           |
| Intergovernmental Programs.....  | 17          | 17         | 2,000           |
| <b>Total Program Changes</b> .....   | <b>41</b>   | <b>29</b>  | <b>6,980</b>    |
| <b>FY 2009 Request</b> .....   | <b>106</b>  | <b>94</b>  | <b>54,600</b>   |
| <b>FY 2008 to FY 2009 Total Change</b> .....                                     | <b>41</b>   | <b>29</b>  | <b>\$7,254</b>  |

\* FY 2007 Actuals reflect expenditures incurred for CMO, NCRC, Faith-based, SLGC/IGP OLA, NPIP, and Ready Campaign that transferred per the 872 reorganization.

## C. Summary of Requirements

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration**  
Summary of Requirements  
(Dollars in Thousands)

|  | 2009 Request |           |                 |
|--|--------------|-----------|-----------------|
|  | Perm. Pos.   | FTE       | Amount          |
| <b>FY 2007 Actuals*</b>  | <b>54</b>    | <b>44</b> | <b>\$15,075</b> |
| <b>2008 Enacted</b>  | <b>65</b>    | <b>65</b> | <b>47,346</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                 |
| Transfers  | ---          | ---       | ---             |
| Increases  | ---          | ---       | 904             |
| Decreases  | ---          | ---       | (630)           |
| Total Adjustments-to-Base  | ---          | ---       | 274             |
| <b>2009 Current Services</b>   | <b>65</b>    | <b>65</b> | <b>47,620</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 41           | 29        | 6,980           |
| <b>2009 Total Request</b>  | <b>106</b>   | <b>94</b> | <b>\$54,600</b> |
| 2008 to 2009 Total Change  | 41           | 29        | 7,254           |

| Estimates by Program/Project Activity | 2008 Enacted |           |                 | 2009 Adjustments-to-Base |            |              | 2009 Program Change |           |                | 2009 Request |           |                 | 2008 to 2009 Total Change |           |                |
|---------------------------------------|--------------|-----------|-----------------|--------------------------|------------|--------------|---------------------|-----------|----------------|--------------|-----------|-----------------|---------------------------|-----------|----------------|
|                                       | Pos.         | FTE       | Amount          | Pos.                     | FTE        | Amount       | Pos.                | FTE       | Amount         | Pos.         | FTE       | Amount          | Pos.                      | FTE       | Amount         |
| 1 Directorate Administration          | 54           | 54        | 37,934          | ---                      | ---        | 186          | 24                  | 12        | 4,980          | 78           | 66        | 43,100          | 24                        | 12        | 5,166          |
| 2 Intergovernmental Programs          | ---          | ---       | ---             | ---                      | ---        | ---          | 17                  | 17        | 2,000          | 17           | 17        | 2,000           | 17                        | 17        | 2,000          |
| 3 Risk Management & Analysis          | 11           | 11        | 9,412           | ---                      | ---        | 88           | ---                 | ---       | ---            | 11           | 11        | 9,500           | ---                       | ---       | 88             |
| <b>Total</b>                          | <b>65</b>    | <b>65</b> | <b>\$47,346</b> | <b>---</b>               | <b>---</b> | <b>\$274</b> | <b>41</b>           | <b>29</b> | <b>\$6,980</b> | <b>106</b>   | <b>94</b> | <b>\$54,600</b> | <b>41</b>                 | <b>29</b> | <b>\$7,254</b> |

\* FY 2007 Actuals reflect expenditures incurred for CMO, NCRC, Faith-based, SLGC/IGP OLA, NPIP, and Ready Campaign that transferred per the 872 reorganization.

## **D. Summary of Reimbursable Resources**

**N/A**

## E. Summary of Requirements by Object Class

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|---------------------|-----------------|-----------------|------------------------|
| 11.1 Total FTE & personnel compensation               | 4,765               | 5,833           | 9,520           | \$3,688                |
| 11.3 Other than full-time permanent                   | 665                 | ---             | ---             | ---                    |
| 11.5 Other Personnel Compensation                     | 386                 | 117             | 242             | 125                    |
| 11.8 Special Service Pay                              | 209                 | ---             | ---             | ---                    |
| 12.1 Benefits   | 1,411               | 1,866           | 4,047           | 2,180                  |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$7,435</b>      | <b>\$7,816</b>  | <b>\$13,808</b> | <b>\$5,993</b>         |
| Other Object Classes:                                 |                     |                 |                 |                        |
| 21.0 Travel   | 235                 | 290             | 325             | 35                     |
| 23.1 GSA rent   | ---                 | 2,626           | 2,588           | (38)                   |
| 23.2 Other rent                                       | ---                 | 7,017           | 7,445           | 428                    |
| 23.3 Communications, utilities, & other misc. charges | 13                  | ---             | ---             | ---                    |
| 24.0 Printing and reproduction                        | 2                   | ---             | ---             | ---                    |
| 25.1 Advisory and assistance services                 | 5,381               | 15,005          | 15,333          | 327                    |
| 25.2 Other services                                   | 1,773               | 530             | 540             | 10                     |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 4                   | 2,600           | 3,067           | 467                    |
| 25.4 Operation & maintenance of facilities            | ---                 | 11,457          | 11,489          | 32                     |
| 26.0 Supplies and materials                           | 230                 | 5               | 5               | ---                    |
| 31.0 Equipment  | 1                   | ---             | ---             | ---                    |
| <b>Total, Other Object Classes</b>                    | <b>\$7,639</b>      | <b>\$39,530</b> | <b>\$40,792</b> | <b>\$1,261</b>         |
| <b>Total, Direct Obligations</b>                      | <b>\$15,075</b>     | <b>\$47,346</b> | <b>\$54,600</b> | <b>\$7,254</b>         |
| Unobligated balance, start of year                    | ---                 | ---             | ---             |                        |
| Unobligated balance, end of year                      | ---                 |                 |                 |                        |
| Recoveries of prior year obligations                  | ---                 | ---             | ---             |                        |
| <b>Total requirements</b>                             | <b>\$15,075</b>     | <b>\$47,346</b> | <b>\$54,600</b> | <b>(\$38)</b>          |

\* FY 2007 Actuals reflect expenditures incurred for CMO, NCRC, Faith-based, SLGC/IGP OLA, NPIP, and Ready Campaign that transferred per the 872 reorganization.

## F. Permanent Positions by Grade

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|-----------------|-----------------|-----------------|------------------------|
|                                  | Pos.            | Pos.            | Pos.            | Total                  |
| Total, SES                       | ---             | ---             | 1               | 1                      |
| Total, EX                        | 5               | 6               | 7               | 1                      |
|                                  |                 |                 |                 |                        |
| GS-15                            | 19              | 26              | 30              | 4                      |
| GS-14                            | 12              | 16              | 24              | 8                      |
| GS-13                            | 8               | 7               | 22              | 15                     |
| GS-12                            | 7               | 5               | 13              | 8                      |
| GS-11                            | 1               | 3               | 5               | 2                      |
| GS-9                             | 1               | 1               | 2               | 1                      |
| GS-6                             | 1               | 1               | 1               | ---                    |
| GS-5                             | ---             | ---             | 1               | 1                      |
| <b>Total Permanent Positions</b> | <b>54</b>       | <b>65</b>       | <b>106</b>      | <b>41</b>              |
| Unfilled Positions EOY           | 11              | ---             | 12              | 12                     |
| Total Perm. Employment EOY       | 43              | 65              | 94              | 29                     |
| <b>FTE</b>                       | <b>43</b>       | <b>65</b>       | <b>94</b>       | <b>29</b>              |
| Headquarters                     | 43              | 65              | 94              | 29                     |
| <b>Total Permanent Positions</b> | <b>43</b>       | <b>65</b>       | <b>94</b>       | <b>29</b>              |
| <b>Average ES Salary</b>         | \$140,118       | \$143,761       | \$146,924       |                        |
| <b>Average GS Salary</b>         | \$96,239        | \$88,956        | \$82,305        |                        |
| <b>Average GS Grade</b>          | 14.32           | 13.40           | 14.40           |                        |

## **G. Capital Investment and Construction Initiative Listing**

**N/A**

## H. PPA Budget Justification

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration  
Directorate Administration  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Directorate Administration</b> |  | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                 |  |                          |                         |                         |                                |
| 11.1                                   | Perm Positions                             | \$3,981                  | \$4,776                 | \$ 6,927                | \$2,151                        |
| 11.3                                   | Other than perm                            | 559                      | ---                     | ---                     | ---                            |
| 11.5                                   | Other per comp                             | 363                      | 96                      | 190                     | 94                             |
| 11.8                                   | Spec Srvc Pay                              | 209                      | ---                     | ---                     | ---                            |
| 12.1                                   | Benefits                                   | 1,150                    | 1,528                   | 3,217                   | 1,689                          |
| 21.0                                   | Travel                                     | 170                      | 250                     | 255                     | 5                              |
| 23.1                                   | GSA rent                                   | ---                      | 2,626                   | 2,588                   | (38)                           |
| 23.2                                   | Other rent                                 | ---                      | 7,017                   | 7,445                   | 428                            |
| 23.3                                   | Communication, Utilities, and misc charges | 13                       | ---                     | ---                     | ---                            |
| 24.0                                   | Printing                                   | 2                        | ---                     | ---                     | ---                            |
| 25.1                                   | Advisory & Assistance Services             | 5,075                    | 7,079                   | 7,904                   | 825                            |
| 25.2                                   | Other Services                             | 1,773                    | 500                     | 510                     | 10                             |
| 25.3                                   | Purchase from Govt. Accts.                 | 4                        | 2,600                   | 2,570                   | (30)                           |
| 25.4                                   | Operation & maintenance of facilities      | ---                      | 11,457                  | 11,489                  | 32                             |
| 26.0                                   | Supplies & materials                       | 174                      | 5                       | 5                       | ---                            |
| 31.0                                   | Equipment                                  | 1                        | ---                     | ---                     | ---                            |
| 91.0                                   | Unvouchered                                | 1                        | ---                     | ---                     | ---                            |
| <b>Total, Administration</b>           |  | <b>\$13,475</b>          | <b>\$37,934</b>         | <b>\$ 43,100</b>        | <b>\$5,166</b>                 |
| Full Time Equivalents                  |  | 44                       | 54                      | 66                      | 12                             |

\* FY 2007 Actuals reflect expenditures incurred for Faith-based, SLGC/IGP OLA, and Ready Campaign that transferred per the 872 reorganization.

### PPA Mission Statement

Directorate Administration provides support to the Directorate offices including the Under Secretary front office staff, Administration, Information Management and Business Culture, Information Technology, and facilities.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$6,261                  | \$6,400                 | \$10,334                | \$3,934                        |

Salaries and Benefits includes all personnel costs for 66 FTE. The FY 2009 Request represents a net increase of \$3,934,000 and 12 FTE for Administration. The FY 2009 Request includes program enhancements of \$2,748,000 and 12 FTE for Administration staff, \$1,000,000 for recruitment and retention, as well as adjustments-to-base of \$186,000 for pay inflation.

|               | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$170                    | \$250                   | \$255                   | \$5                            |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with federal travel regulations. In FY 2009, \$255,000 is requested for travel, and represents an adjustment-to-base of \$5,000 over FY 2008 for non-pay inflation.

|                 | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                      | \$2,626                 | \$2,588                 | (\$38)                         |

GSA Rent was funded out of the IPIS M&A appropriation in FY 2007. GSA Rent includes all payments to General Services Administration (GSA) for the spaces occupied at the Nebraska Avenue Complex. The FY 2009 request of \$2,588,000 for GSA rent represents a net \$38,000 decrease over FY2008. The GSA rent includes an increase of \$53,000 for non-pay inflation and an efficiency adjustment of \$91,000 for consolidation of several NPPD NAC locations.

|                   | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                      | \$7,017                 | \$7,445                 | \$428                          |

All Non-GSA rent was funded in IPIS M&A in FY 2007. Other Rent includes all Non-GSA facilities occupied by NPPD for the OUS and IPIS programs, and COOP-site rent. The FY 2009 request of \$7,445,000 represents a \$428,000 increase from FY 2008. This includes \$140,000 for non-pay inflation and \$288,000 for an enhancement to occupy additional space for new staff.

|  | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$13                     | \$0                     | \$0                     | \$0                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 Request represents no change from FY 2008 Enacted.

|                 | <b>2007<br/>Actuals*</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|--------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$2                      | \$0                     | \$0                     | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 Request represents no change from FY 2008 Enacted.

|   | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|------------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$5,075          | \$7,079         | \$7,904         | \$825                  |

Advisory and assistance services include services acquired by contract from non-federal sources for IT, Business Operations, and other administrative support. The FY 2009 Request represents a \$825,000 net increase over FY 2008. It includes \$944,000 program enhancement for training and retention programs, \$142,000 for non-pay inflation, \$261,000 efficiency adjustment for reductions to contract support.

|                       | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|------------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$1,773          | \$500           | \$510           | \$10                   |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 Request of \$510,000 represents an increase of \$10,000 from FY 2008 Enacted for non-pay inflation.

|  | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|------------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$4              | \$2,600         | \$2,570         | (\$30)                 |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request is a net reduction of \$30,000, and includes \$52,000 in non-pay inflation for DHS Working Capital Fund expenses and an efficiency adjustment of \$82,000 for reductions to detailees.

|  | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|------------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$0              | \$11,457        | \$11,489        | \$32                   |

Operation and maintenance of facilities was funded in IPIS M&A in FY 2007. Operation and maintenance of facilities includes security, transit, parking, mail operations and facilities fit out for the Directorate. The FY 2009 request of \$11,489,000 represents a net change of \$32,000, which includes \$229,000 for non-pay inflation and \$197,000 efficiency adjustment for decreases to facilities ops and maintenance costs.

|                                 | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|------------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$174            | \$5             | \$5             | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 Request represents no change from FY 2008.

|                  | 2007<br>Actuals* | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|------------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$1              | \$0             | \$0             | \$0                    |

There is nothing requested in this object class in FY 2009.

| 2007 | 2008 | 2009 | 2008 to 2009 |
|------|------|------|--------------|
|------|------|------|--------------|

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration  
Intergovernmental Programs  
Funding Schedule  
(Dollars in Thousands)**

| <b>PPA: Intergovernmental Programs</b>   |                | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|----------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                   |                |                         |                         |                         |                                |
| 11.1                                     | Perm Positions | ---                     | ---                     | \$1,470                 | \$1,470                        |
| 11.5                                     | Other per comp | ---                     | ---                     | 29                      | 29                             |
| 12.1                                     | Benefits       | ---                     | ---                     | 471                     | 471                            |
| 21.0                                     | Travel         | ---                     | ---                     | 30                      | 30                             |
| <b>Total, Intergovernmental Programs</b> |                | <b>\$0</b>              | <b>\$0</b>              | <b>\$2,000</b>          | <b>\$2,000</b>                 |
| Full Time Equivalents                    |                | ---                     | ---                     | 17                      | 17                             |

**PPA Mission Statement**

The mission of the Intergovernmental Programs is to be the primary liaison between the Secretary, senior DHS leadership and their counterparts across the Nation at the state, local, tribal and territorial levels. Intergovernmental Programs handles communications and coordination activities across the spectrum of issues confronting all 22 agencies and components of DHS.

**Summary Justification and Explanation of Changes**

|                              | <u>2007<br/>Actuals</u> | <u>2008<br/>Enacted</u> | <u>2009<br/>Request</u> | <u>2008 to 2009<br/>Change</u> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | <b>\$0</b>              | <b>\$0</b>              | <b>\$1,970</b>          | <b>\$1,970</b>                 |

Salaries and Benefits represent personnel costs for 17 FTE and 17 Positions.

|               | <u>2007<br/>Actuals</u> | <u>2008<br/>Enacted</u> | <u>2009<br/>Request</u> | <u>2008 to 2009<br/>Change</u> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | <b>\$0</b>              | <b>\$0</b>              | <b>\$30</b>             | <b>\$30</b>                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with federal travel regulations. The FY 2009 Request includes \$30,000 travel costs for Intergovernmental Programs FTE.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Risk Management and Analysis**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Risk Management and Analysis</b>     |                                | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--------------------------------|----------------|----------------|----------------|---------------------|
|  |                                | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>                       |                                |                |                |                |                     |
| 11.1   | Perm Positions                 | ---            | \$ 1,056       | \$ 1,123       | \$66                |
| 11.5   | Other per comp                 | ---            | 21             | 22             | 1                   |
| 12.1   | Benefits                       | ---            | 338            | 359            | 21                  |
| 21.0   | Travel                         | ---            | 40             | 40             | ---                 |
| 25.1   | Advisory & Assistance Services | ---            | 7,926          | 7,429          | (498)               |
| 25.2   | Other Services                 | ---            | 30             | 30             | ---                 |
| 25.3   | Purchase from Govt. Accts.     | ---            | ---            | 497            | 497                 |
| <b>Total, Risk Management &amp; Analysis</b> |                                | <b>\$0</b>     | <b>\$9,412</b> | <b>\$9,500</b> | <b>\$88</b>         |
| Full Time Equivalents                        |                                | ---            | 11             | 11             | ---                 |

1 FY 2007 funded and reflected in IP \$2.316M; in National Cyber Security Division \$1.158M; in National Communications System \$1.158M; in IPIS M&A \$0.509M for salaries and benefits for 8 FTE (4 FTE from IP, 2 FTE from National Cyber Security Division, 2 FTE from National Communications System); and OUS.

**PPA Mission Statement**

The Office of Risk Management and Analysis (RMA) leads the Department's efforts to establish a common framework to address the overall management and analysis of homeland security risk.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                     | \$1,416                 | \$1,504                 | \$88                           |

The FY 2009 request includes \$1,504,000 in salaries and benefits for 11 FTE. The FY 2009 Request represents an increase of \$88,000 for pay inflation.

|               | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                     | \$40                    | \$40                    | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request of \$40,000 represents no change from FY 2008 Enacted.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$0                     | \$7,926                 | \$7,429                 | (\$498)                        |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 Request of \$7,429,000 represents a \$498,000 decrease from FY 2008 Enacted to offset working capital fund expenses.

|                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$0                     | \$30                    | \$30                    | \$0                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request of \$30,000 in Other Services expenses, which represents no change from FY 2008 Enacted.

|  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$0                     | \$0                     | \$497                   | \$497                          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 Request of \$497,000 includes all RMA Working Capital Fund expenses.

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration**

**Chief Medical Officer<sup>1</sup>**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Chief Medical Officer</b>   |                                | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |                                |                         |                         |                         |                                |
| 11.1                                | Perm Positions                 | \$564                   | \$0                     | \$0                     | \$0                            |
| 11.3                                | Other than perm                | 85                      | ---                     | ---                     | ---                            |
| 11.5                                | Other per comp                 | 10                      | ---                     | ---                     | ---                            |
| 12.1                                | Benefits                       | 195                     | ---                     | ---                     | ---                            |
| 21.0                                | Travel                         | 59                      | ---                     | ---                     | ---                            |
| 25.1                                | Advisory & Assistance Services | 270                     | ---                     | ---                     | ---                            |
| 26.0                                | Supplies & materials           | 56                      | ---                     | ---                     | ---                            |
| <b>Total, Chief Medical Officer</b> |                                | <b>\$1,239</b>          | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents               |                                | ---                     | ---                     | ---                     | ---                            |

Notes:

<sup>1</sup> The Chief Medical Officer (CMO) transferred to the Office of Health Affairs (OHA) appropriation in FY 2007.

**PPA Mission Statement**

The Office of the Chief Medical Officer (OCMO) transferred to the Office of Health Affairs appropriation in FY 2008.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Management and Administration**  
**Office of the National Capital Region Coordination<sup>1</sup>**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: National Capital Region Coordination</b>   |                                | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                             |                                |                         |                         |                         |                                |
| 11.1   | Perm Positions                 | \$220                   | \$0                     | \$0                     | \$0                            |
| 11.3   | Other than perm                | 21                      | ---                     | ---                     | ---                            |
| 11.5   | Other per comp                 | 13                      | ---                     | ---                     | ---                            |
| 12.1   | Benefits                       | 66                      | ---                     | ---                     | ---                            |
| 21.0   | Travel                         | 6                       | ---                     | ---                     | ---                            |
| 25.1   | Advisory & Assistance Services | 36                      | ---                     | ---                     | ---                            |
| <b>Total, National Capital Region Coordination</b> |                                | <b>\$361</b>            | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents                              |                                | 3                       | ---                     | ---                     | ---                            |

Notes:

<sup>1</sup> The NCRC transferred to FEMA in FY 2007.

**PPA Mission Statement**

The Office of National Capital Region Coordination transferred to FEMA in FY 2008.

## I. Changes in Full-Time Equivalents

### Department of Homeland Security National Protection and Programs Directorate Management and Administration Changes in Full-Time Equivalents

|  | FY 2007* | FY 2008 | FY 2009 |
|--|----------|---------|---------|
| Base: Year-end Actual from Prior Year                          | 96       | 44      | 65      |
| <b>INCREASES</b>   |          |         |         |
| Increase #1:   |          |         |         |
| Description: New Positions for Procurement                     | 1        |         |         |
| Increase #2:   |          |         |         |
| Description: Unfilled Vacant Positions                         |          | 10      |         |
| Increase #3:   |          |         |         |
| Description: Enhancement: Directorate Administration personnel |          |         | 12      |
| Increase #4:   |          |         |         |
| Description: Enhancement: Risk Management and Analysis         |          | 11      |         |
| Increase #5:   |          |         |         |
| Description: Enhancement: Intergovernmental Programs           |          |         | 17      |
| <b>DECREASES</b>   |          |         |         |
| Decrease #1:   |          |         |         |
| Description: Transfer of CMO FTE to OHA *                      | -15      |         |         |
| Decrease #2:   |          |         |         |
| Description: Transfer of SLGC FTE to FEMA *                    | -17      |         |         |
| Decrease #3:   |          |         |         |
| Description: Transfer of NCRC FTE to FEMA *                    | -6       |         |         |
| Decrease #4:   |          |         |         |
| Description: Transfer of Faith-Based FTE to FEMA *             | -1       |         |         |
| Decrease #5:   |          |         |         |
| Description: Transfer of NPIP FTE to FEMA *                    | -14      |         |         |
| <br>Year-end Actual/Estimated FTEs                             | <br>44   | <br>65  | <br>94  |
| <br>Net Change from prior year base to Budget Year Estimate:   | <br>-52  | <br>21  | <br>29  |

\*Transfers per the 872 Reorganization effective March 31, 2007.

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
National Protection and Programs Directorate  
Management and Administration**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity          | FY 2007<br>Actuals | FY 2008<br>Enacted | FY 2009<br>Anticipated | Increase / Decrease<br>for FY 2009 |
|-----------------------------------|--------------------|--------------------|------------------------|------------------------------------|
|                                   | AMOUNT             | AMOUNT             | AMOUNT                 | AMOUNT                             |
| Directorate Administration        | 169                | 2,600              | 2,570                  | (30)                               |
| Risk Management and Analysis      | -                  | -                  | 497                    | 497                                |
| <b>Total Working Capital Fund</b> | <b>\$169</b>       | <b>\$2,600</b>     | <b>\$3,067</b>         | <b>\$467</b>                       |

# Department of Homeland Security

*National Protection and Programs Directorate*

*Infrastructure Protection and Information Security*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## National Protection and Programs Directorate Infrastructure Protection and Information Security

### I. Appropriation Overview

#### A. Mission Statement for Infrastructure Protection and Information Security:

##### Office of the Assistant Secretary for Infrastructure Protection:

The mission of Infrastructure Protection (IP) is based on the requirements of the Homeland Security Act of 2002, The Intelligence Reform and Terrorism Prevention Act of 2004, Homeland Security Presidential Directive (HSPD)-7, “Critical Infrastructure Identification, Prioritization, and Protection,” Section 550 of the Fiscal Year 2007 Homeland Security Appropriations Act, HSPD-19, “Combating Terrorist Use of Explosives in the United States,” and additional Executive Orders, HSPDs and National Security Presidential Directives. IP leads the coordinated national effort to reduce risk to our critical infrastructures and key resources (CIKR) posed by acts of terrorism and enables national preparedness, timely response, and rapid recovery in the event of an attack, natural disaster, or other emergency.

IP functions include:

- (1) Leading a robust organizational framework to facilitate the identification, prioritization, coordination, and protection of CIKR in support of Federal, State, local, territorial, and tribal governments, and the private sector, and facilitate information regarding threats, vulnerabilities, incidents, potential protective measures, and best practices that enhance protection, response, mitigation, and restoration activities;
- (2) Developing, maintaining, and implementing the National Infrastructure Protection Plan (NIPP) and mechanisms for enhancing CIKR-related protective and response capabilities under the National Response Framework (NRF) in order to provide operational support to government and private entities in response to significant threats and incidents;
- (3) Facilitating/conducting vulnerability assessments across all seventeen CIKR sectors in the United States and communicating standards to the infrastructure owners/operators and key stakeholders;
- (4) Ensuring the maintenance of a CIKR sector governance and information-sharing framework to facilitate coordination and collaboration for infrastructure protection, and serving as the designated Sector Specific Agency for five sectors: Dams, Emergency Services, Nuclear, Chemical and Commercial Facilities;
- (5) Collecting data and analyzing risk to CIKR and providing government and private sector stakeholders with a means to prioritize resource allocation and assistance, and assisting stakeholders in developing protection strategies, programs, training, and best practices activities that reduce vulnerability and coordinate the protection of CIKR;
- (6) Establishing and maintaining international programs and relationships that promote a global culture for the protection of CIKR; and
- (7) Establishing and enforcing a regulatory security framework for the Nation’s high risk chemical facilities; and

- (8) Ensuring the development and implementation of infrastructure protection programs and capabilities at the State and Local level to meet the unique requirements of local jurisdictions.

Office of the Assistant Secretary for Cyber Security and Communications:

The Office of Cyber Security and Communications reduces risk to the Nation's communications and information technology infrastructures, enables timely response and recovery under all circumstances, including both natural disaster and terrorist related disruptions, and coordinates the planning for and provision of national security and emergency preparedness communications for the Federal Government. Functions include:

- (1) Oversight of the development of a national telecommunications infrastructure that is responsive to national security and emergency preparedness needs of the Nation;
- (2) Ensuring the provision of a national cyber response system to prevent, detect, respond to and reconstitute rapidly from a cyber incident;
- (3) Ensuring the provision of an industry-Government coordinating center with capabilities to assist in the initiation, coordination, restoration and reconstitution of NS/EP telecommunications services or facilities under all conditions of crisis and emergency;
- (4) Coordinate with the private sector to reduce vulnerabilities and minimize the severity of cyber attacks and developing recommendations for telecommunications architecture to meet current and future national security and emergency preparedness telecommunications requirements;
- (5) Oversight of the development of procedures for the management, allocation, and use of federally owned or leased telecommunications assets under all conditions of crisis or emergency;
- (6) Ensuring the development of a national awareness program to include training and education to empower businesses, the general workforce and the general population to secure their portion of cyberspace;
- (7) Coordination with the intelligence and law enforcement communities to identify and reduce threats to cyberspace;
- (8) Provision of technical and analytical expertise and staff support to the National Security Telecommunications Advisory Committee responsible under Executive Order 12382 to provide information and advice to the President;
- (9) Oversight of the conduct of technical studies and, in partnership with the Science and Technology Directorate, coordination, research, review, and development efforts to support work in the telecommunications and cyber security arenas;
- (10) Ensuring the conduct of test and exercise programs in the telecommunications and cyber security area to evaluate incident management and recovery plans and programs;
- (11) Support and promote the ability of emergency response providers and Federal Officials to continue to communicate in the event of natural disasters, acts of terrorism, or other manmade disasters, and to ensure, accelerate, and attain interoperable emergency communications nation-wide.

**B. Budget Activities:**

Infrastructure Protection

**Infrastructure Protection (IP)** – The FY 2009 request for Infrastructure Protection is \$272,800,000. The IP budget structure is based on the requirements of the National Infrastructure Protection Plan (NIPP) and the Chemical Facilities Anti-Terrorism Standards (CFATS) regulatory framework as

described in the CFATS Interim Final Rule and accompanying Appendix A listing chemicals of interest and screening threshold quantities. The NIPP provides the coordinated approach to establish national CIKR protection priorities, goals, and requirements so that Federal funding and resources are applied in the most effective manner to reduce vulnerabilities, deter threats, and minimize the consequences of terrorist attacks, natural disasters, and other incidents. It provides an integrated, risk-based approach for the national CIKR protection program, to focus Federal grant assistance to State, local, and tribal entities, and to complement relevant private sector activities. It clearly identifies roles and responsibilities of all partners, and includes mechanisms to involve private sector partners in the planning process and supports collaboration among security partners to establish priorities, define requirements, share information, and maximize the use of finite resources. The NIPP serves as the unifying framework to ensure that CIKR investments are coordinated and address the highest priorities, based on risk, to achieve the homeland security mission and ensure continuity of the essential infrastructure and services that support the United States Government, economy, and way of life. Implementation of this coordinated approach ensures that limited resources are applied efficiently and effectively to address the Nation's most critical CIKR protection needs. Achieving the NIPP goals requires meeting a series of objectives that include understanding and sharing information about terrorist threats and other hazards, building security partnerships, implementing a long-term risk management program, and maximizing the efficient use of resources.

#### Cyber Security and Communications

**National Cyber Security Division (NCS) (formerly Cyber Security)** – FY 2008 Enacted was \$210,413,000 and the FY 2009 request is \$293,500,000. NCS funds are executed through a variety of programs intended to: 1) partner with the private sector, government, military and intelligence stakeholders in risk assessment and mitigation of vulnerabilities and threats to critical IT assets and activities that affect the operation of the critical infrastructures of the U.S.; and 2) provide cyber threat and vulnerability analysis, early warning, and incident response assistance for public and private sector constituents.

**National Communications System (NCS) (formerly NS/EP Telecommunications)** – National Communications System FY 2008 Enacted was \$136,021,000 and the FY 2009 request is \$236,600,000. These funds are used to provide mission-critical communications for Federal, State and local governments, and private industry through the following functions: (1) administering the National Coordinating Center for Telecommunications to facilitate the initiation, coordination, restoration and reconstitution of NS/EP Telecommunications services or facilities under all circumstances; (2) developing and ensuring the implementation of plans and programs that support telecommunications infrastructure hardiness, redundancy, mobility, connectivity and security; and (3) serving as the focal point for industry and government NS/EP telecommunications planning and partnerships and enhancing the use of cyber and telecommunications infrastructures by providing the information, concept of operations, and unified interoperable capabilities which enable governments to accomplish their command and coordination essential functions. The network centric approach will require continual capability enhancements. The Department, acting as Executive Agent, will undertake development of “enhanced” Long Range Navigation (eLORAN) as a backup for the Global Positioning System (GPS) in the Homeland. The United States Coast Guard will transfer \$34,500,000 to NCS in FY 2009 to oversee LORAN-C modernization as a first step toward providing back-up capability for critical infrastructure that depends on GPS for position, navigation and timing.

**Office of Emergency Communications (OEC)** – Department of Homeland Security Appropriations Act of 2007 established the OEC in FY 2007 and the FY 2009 request is \$38,300,000. Major

initiatives for the OEC in its first year include an initial stand-up and staffing of the office and completing the congressionally mandated Sufficiency of Resources Plan and National Baseline Assessment.

### **C. Budget Request Summary:**

Infrastructure Protection and Information Security requests 725 positions, 636 FTE, and \$841,200,000 for FY 2009, an increase of 139 FTE and an increase of \$186,470,000 over the FY 2008 enacted budget of 497 FTE and \$654,730,000. Within this total, NPPD and the Department have identified critical enhancements to existing programs through transfers or program increases/decreases, and have prioritized new undertakings to accomplish the NPPD mission. The summaries of changes are:

#### Adjustments-to-Base

1. Pay factors include 3.5% inflation for 2008 and 2.9% for 2009.
2. Includes annualization of 54 FTE and \$7,713,000 (12 Infrastructure Security Compliance personnel, 18 OEC personnel, 1 NCCC personnel, and 23 US-CERT personnel).
3. Includes a transfer of \$34,500,000 from the United States Coast Guard for LORAN.

#### Program Enhancements

4. Infrastructure Protection includes a program enhancement of \$12,857,000, 50 FTE and 100 positions for Mitigation Programs.
5. NCS includes a program enhancement of \$79,896,000, 23 FTE and 45 positions for US-CERT.
6. NCS includes a program enhancement of \$5,751,000 for Strategic Initiatives.
7. NCS includes a program enhancement of \$34,900,000 for Next Generation Networks.
8. NCS also includes a program enhancement of \$57,037,000, 7 FTE and 14 positions for National Command and Coordination Capability (NCCC).
9. The Office of Emergency Communications (OEC) includes a program enhancement of 5 FTE and 10 positions to enhance OEC State and local outreach efforts.

#### Program Reductions

10. Infrastructure Protection includes a program reduction of \$552,000 for Identification and Analysis.
11. Infrastructure Protection also includes a program reduction of \$15,484,000 for Coordination and Information Sharing.
12. NCS includes a program reduction of \$5,920,000 for Information Sharing and Collaboration for higher priority initiatives.
13. NCS includes program reductions of \$18,978,000 for Priority Telecommunications Program, \$4,947,000 for Critical Infrastructure Programs, \$996,000 for Programs to Study and enhance Telecommunications, and \$1,421,000 for Industry-Government and Interagency Processes.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actuals <sup>1</sup> |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|--|---------------------------------|------------------|--------------------|------------------|--------------------|------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|  |                                 |                  |                    |                  |                    |                  | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|  | FTE                             | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| Critical Infrastructure Outreach and Partnership             | ---                             | 85,196           | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| Critical Infrastructure Identification and Evaluation        | ---                             | 50,481           | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| National Infrastructure Simulation and Analysis Center       | ---                             | 24,999           | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| Protective Actions   | ---                             | 32,318           | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| Biosurveillance  | ---                             | 930              | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| Infrastructure Protection                                    | ---                             | ---              | 324                | \$272,596        | 386                | 272,800          | 62                                       | 204              | 50              | (3,179)          | 12                  | 3,383           |
| National Cyber Security Division <sup>2</sup>                | ---                             | 79,283           | 59                 | \$210,413        | 105                | 293,500          | 46                                       | 83,087           | 23              | 79,727           | 23                  | 3,360           |
| National Communications System <sup>3</sup>                  | ---                             | 139,016          | 95                 | \$136,021        | 103                | 236,600          | 8  | 100,579          | 7               | 65,595           | 1                   | 34,984          |
| Office of Emergency Communications                           | ---                             | 11,872           | 19                 | \$35,700         | 42                 | 38,300           | 23                                       | 2,600            | 5               | ---              | 18                  | 2,600           |
| IPIS Management and Administration                           | 367                             | 73,183           | ---                | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>367</b>                      | <b>497,278</b>   | <b>497</b>         | <b>654,730</b>   | <b>636</b>         | <b>841,200</b>   | <b>139</b>                               | <b>186,470</b>   | <b>85</b>       | <b>142,143</b>   | <b>54</b>           | <b>44,327</b>   |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                                 |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>367</b>                      | <b>\$497,278</b> | <b>497</b>         | <b>\$654,730</b> | <b>636</b>         | <b>\$841,200</b> | <b>139</b>                               | <b>\$186,470</b> | <b>85</b>       | <b>\$142,143</b> | <b>54</b>           | <b>\$44,327</b> |

<sup>1</sup> FY 2007 Actuals include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

<sup>2</sup> Cyber Security was renamed to National Cyber Security Division in FY 2009.

<sup>3</sup> NS/EP Telecommunications was renamed to National Communications System in FY 2009.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Infrastructure Protection (IP)

|                              | Perm Pos   | FTE        | Amount           |
|------------------------------|------------|------------|------------------|
| <b>2007 Actuals</b>          | ...        | ...        | ...              |
| <b>2008 Enacted</b>          | <b>340</b> | <b>324</b> | <b>\$272,596</b> |
| 2009 Adjustments-to-Base     | ...        | 12         | 3,383            |
| <b>2009 Current Services</b> | <b>340</b> | <b>336</b> | <b>\$275,979</b> |
| 2009 Program Change          | <b>100</b> | 50         | (3,179)          |
| <b>2009 Request</b>          | <b>440</b> | <b>386</b> | <b>\$272,800</b> |
| Total Change 2008-2009       | 100        | 62         | \$204            |

The National Protection and Programs Directorate (NPPD) requests \$272,800,000 for Infrastructure Protection. The adjustments-to-base of \$3,383,000 include the annualization of 12 FTE received for Infrastructure Security Compliance and pay inflation. The program changes include an increase of 45 FTE (90 positions) for Infrastructure Security Compliance and 5 additional FTE (10 positions) for Protective Security Advisors (PSA). The Infrastructure Protection program is defined by three mission areas: Identification and Analysis, Coordination and Information Sharing, and Mitigation Programs.

| IP Mission Areas                     | FY 2008 Enacted      | FY 2009 Request      |
|--------------------------------------|----------------------|----------------------|
| Identification and Analysis          | \$69,522,000         | \$77,326,000         |
| Coordination and Information Sharing | \$68,821,000         | \$45,644,000         |
| Mitigation Programs                  | \$134,253,000        | \$149,830,000        |
| <b>Total IP</b>                      | <b>\$272,596,000</b> | <b>\$272,800,000</b> |

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

##### **Identification and Analysis**

| Identification and Analysis | FY 2008 Enacted     | FY 2009 Request     |
|-----------------------------|---------------------|---------------------|
| <b>Total</b>                | <b>\$69,522,000</b> | <b>\$77,326,000</b> |
| Personnel Costs             | <b>\$9,495,000</b>  | <b>\$11,127,000</b> |
| Program Costs               | <b>\$60,027,000</b> | <b>\$66,199,000</b> |

The National Protection and Programs Directorate (NPPD) requests \$77,326,000 for Identification and Analysis. Identification and Analysis consists of IP projects that support the capability to identify the Nation's CIKR, assess CIKR vulnerabilities and consequences, prioritize assets and systems, and analyze and reduce risk. These efforts support IP's capabilities to provide a comprehensive inventory

of the Nation’s CIKR assets, and to collect the vulnerability and consequence information required to conduct incident management and response activities and produce comprehensive asset and system risk analyses. It also supports CIKR protection strategic and tactical risk analysis, simulation and modeling, and intelligence fusion with information from practical field assessments to enable interdependencies and cascading effects analysis. Identification and Analysis is divided into three projects: *Vulnerability Assessments, Infrastructure Sector Analysis and Infrastructure Information Collection and Visualization.*

\$ thousands

|                                   |            |  |                 |            |                |                 |               |            |              |
|-----------------------------------|------------|--|-----------------|------------|----------------|-----------------|---------------|------------|--------------|
| <b>Program/Mission Area</b> ..... |            | <b>IP/Identification &amp; Analysis</b>  |                 |            |                |                 |               |            |              |
| <b>Project</b> .....              |            | <b>Vulnerability Assessments</b>         |                 |            |                |                 |               |            |              |
| <b>Division</b> .....             |            | <b>CIKR Protective Security Division</b> |                 |            |                |                 |               |            |              |
|                                   |            | <b>FY 2008</b>                           |                 |            | <b>FY 2009</b> |                 | <b>Change</b> |            |              |
| <b>Activity</b>                   | <b>FTE</b> | <b>FTP</b>                               | <b>Enacted</b>  | <b>FTE</b> | <b>FTP</b>     | <b>Request</b>  | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>    |
| <b>Salaries &amp; Benefits</b>    | <b>33</b>  | <b>33</b>                                | <b>\$4,292</b>  | <b>33</b>  | <b>33</b>      | <b>\$4,424</b>  | <b>0</b>      | <b>0</b>   | <b>\$132</b> |
| <i>Vulnerability Assessments</i>  |            |  | \$12,205        |            |                | \$12,985        |               |            | \$780        |
| <i>[WCF]</i>                      |            |  | <i>[1,341]</i>  |            |                | <i>[850]</i>    |               |            |              |
| <b>Activity Costs</b>             |            |  | <b>\$12,205</b> |            |                | <b>\$12,985</b> |               |            | <b>\$780</b> |
| <b>Total</b>                      | <b>33</b>  | <b>33</b>                                | <b>\$16,497</b> | <b>33</b>  | <b>33</b>      | <b>\$17,409</b> | <b>0</b>      | <b>0</b>   | <b>\$912</b> |

The Vulnerability Assessments (VA) project is a Department/IP-led, Federal, State, local, and private sector collaborative effort to identify vulnerabilities and enhance the security of the Nation’s Tier One and Tier Two CIKR. In addition to supporting Homeland Security Presidential Directive 7 by integrating and coordinating implementation of efforts among Federal departments and agencies, state and local governments, and the private sector to protect the Nation’s CIKR, the VA project supports the implementation of the NIPP and the NRF. Current ongoing efforts cover the complete spectrum of assessing vulnerability from local constituencies conducting Buffer Zone Protection Plans (BZP) and federal field teams conducting single Site Assist Visits (SAVs), to larger scale assessments of collections of assets or subsectors via Comprehensive Reviews (CRs). In addition, new requirements associated with new commercial nuclear facilities licensing factor into resource planning. As required under the Energy Policy Act of 2005, IP will be responsible for performing the departmental security consultation and assessment for new nuclear reactor license applications received by the Nuclear Regulatory Commission (NRC). This effort started in FY 2008 and will continue through until FY 2011. This additional requirement is currently in the assessment methodology development, report template development, and coordination stage with the NRC to conduct these consultations.

High-Risk Infrastructure Cluster vulnerability assessment efforts base CIKR risk mitigation on a regional approach. The regional, rather than an individual asset-based approach will enable CIKR vulnerability assessments and security planning activities to be conducted across multiple sectors within high-risk regions and will facilitate multi-jurisdictional planning and information sharing with State and local governments and the private sector. The approach focuses on Urban Area Security Initiative (UASI) jurisdictions to identify Tier One and Tier Two CIKR and the interdependent infrastructure within those jurisdictions. The resulting High-Risk Infrastructure Cluster assessment will identify both vulnerabilities of assets and the security gaps of Local Law Enforcement (LLE) and first responders in the corresponding jurisdiction. The mitigation strategy will include targeting UASI and other grants to mitigate these vulnerabilities and fill security gaps through protective measures to reduce the risk of a successful terrorist attack and all-hazard events.

## Project Milestone/Schedules:

### FY 2007 Accomplishments

- Completed 110 SAVs with conjunction with Federal, State, local, and private-sector stakeholders
- Completed remaining 28 Nuclear CRs (65 total Nuclear Power Plants)
- Completed remaining 5 Regional Chemical CRs (6 total high-risk chemical regions)
- Provided assessments that guided \$25 million dollars of BZPP grant funds for increased LLE capability to protect the buffer zones around high-risk chemical facilities as identified through the Chemical CR
- Completed 200 Buffer Zone Plans, leading to the provision of \$50 million in BZPP grant funds for increased LLE capabilities
- Completed 130 Soft Target Awareness Courses to LLE and private sector security managers
- Completed 50 Surveillance Detection Courses to LLE protecting the Nation's CIKR

### FY 2008 Planned Accomplishments

- Develop a scalable assessment methodology to execute SAVs, Buffer Zone Plans (BZP), CRs, and High-Risk Infrastructure Cluster Assessments. This represents an important step in working with other SSAs to standardize assessment methodologies while fulfilling bombing prevention requirements, providing accessibility to State and local partners through ACAMS, and allowing PSA-led assessment teams to coordinate and report on vulnerability assessments in the field
- Integrate 10 National Guard teams into the VA Project and conduct approximately 300 vulnerability assessments on Tier 1/2 CIKR. The National Guard will test, evaluate, and calibrate the new methodology
- Conduct the high-risk cluster assessment pilot on 72 assets in the Lower Manhattan Security Initiative and 24 assets in the District of Columbia Metroplex Initiative. These assessments will allow IP to evaluate and enhance the methodology to conduct full scale High-Risk Infrastructure Cluster assessments in following years
- Expand the CR effort to conduct assessments for high-consequence sectors such as liquefied natural gas
- Conduct the first CR on an infrastructure system. The California Water System CR will be developed and executed in conjunction with Federal, State, and local government partners and integrated with the BZP to align protective measures to gaps identified in the CR
- Establish a Protective Measures Section within IP to track Federal, State, and local government and private sector assessments and protective actions. This section will collect and analyze information to evaluate and verify the effectiveness of assessments, protective measures implemented, and grant funding provided to high-priority CIKR
- Develop and conduct security assessments on proposed new nuclear reactor facilities. In collaboration with the Nuclear Regulatory Commission, Homeland Infrastructure Threat and Analysis Center (HITRAC), and IP's Sector Specific Agency Emergency Management Office (SSA EMO), the VA Project will assess the security considerations of building new reactors at existing and proposed "greenfield" commercial nuclear power plant facilities. The VA Project will conduct approximately 30 of these security assessments over a three-year period
- Conduct recurring assessments, as required, in additional high-consequence sectors, such as Energy, Water, and Transportation, with particular focus on high concentrations of Tier 1/2 CIKR

FY 2009 Planned Accomplishments

- Develop a protective measures tool that will track and electronically visualize risk reduction based on empirical data gathered from protective measures and mitigation strategies implemented at Tier 1/2 CIKR
- Conduct approximately 315 vulnerability assessments on Tier 1/2 CIKR, utilizing the National Guard in coordination and collaboration with Federal, State, local, and private sector partners
- Conduct between 3-5 High-Risk Infrastructure Cluster assessments in UASI jurisdictions to identify vulnerabilities and security gaps.

\$ thousands

|                                   |  |            |                 |                |            |                 |               |            |                 |
|-----------------------------------|--|------------|-----------------|----------------|------------|-----------------|---------------|------------|-----------------|
| <b>Program/Mission Area</b> ..... | <b>IP/Identification &amp; Analysis</b>                |            |                 |                |            |                 |               |            |                 |
| <b>Project</b> .....              | <b>Infrastructure Sector Analysis</b>                  |            |                 |                |            |                 |               |            |                 |
| <b>Division</b> .....             | <b>Infrastructure Analysis &amp; Strategy Division</b> |            |                 |                |            |                 |               |            |                 |
|                                   | <b>FY 2008</b>   |            |                 | <b>FY 2009</b> |            |                 | <b>Change</b> |            |                 |
| <b>Activity</b>                   | <b>FTE</b>   | <b>FTP</b> | <b>Enacted</b>  | <b>FTE</b>     | <b>FTP</b> | <b>Request</b>  | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>       |
| <b>Salaries &amp; Benefits</b>    | <b>22</b>  | <b>22</b>  | <b>\$2,862</b>  | <b>22</b>      | <b>22</b>  | <b>\$2,949</b>  | <b>0</b>      | <b>0</b>   | <b>\$87</b>     |
| <i>HITRAC</i>                     |  |            | <i>\$10,249</i> |                |            | <i>\$11,800</i> |               |            | <i>\$1,551</i>  |
| <i>[WCF]</i>                      |  |            | <i>[1,219]</i>  |                |            | <i>[772]</i>    |               |            |                 |
| <i>NISAC</i>                      |  |            | <i>\$20,000</i> |                |            | <i>\$16,000</i> |               |            | <i>-\$4,000</i> |
| <i>[WCF]</i>                      |  |            | <i>[1,652]</i>  |                |            | <i>[1,047]</i>  |               |            |                 |
| <b>Activity Costs</b>             |  |            | <b>\$30,249</b> |                |            | <b>\$27,800</b> |               |            | <b>-\$2,449</b> |
| <b>Total</b>                      | <b>22</b>  | <b>22</b>  | <b>\$33,111</b> | <b>22</b>      | <b>22</b>  | <b>\$30,749</b> | <b>0</b>      | <b>0</b>   | <b>-\$2,362</b> |

The Infrastructure Sector Analysis project provides the integrated capability to conduct comprehensive, timely, actionable, and risk-informed assessments, modeling and simulation, and analysis of CIKR to advance the Nation’s understanding of the dynamic risk landscape impacting the Nation’s CIKR. This capability is provided through the development and deployment of the methodologies, tools, and technologies required to enable implementation of the NIPP at the Federal, State, local, tribal, and Territorial government levels. This integrated capability provides common, consistent, and robust information and analysis of the Nation’s infrastructure; facilitates efficient and effective information sharing to public and private sector partners; provides standardized risk assessment methodologies for use by Federal, State, and local governments; enables focused, timely, and effective preparedness and response decisions; and provides a cost-effective solution through the use of consolidated technology and efforts.

The Infrastructure Sector Analysis project, through the Homeland Infrastructure Threat and Risk Analysis Center (HITRAC) and the National Infrastructure Simulation and Analysis Center (NISAC), analyzes and monitors risks to the Nation’s infrastructure, and allows Infrastructure Protection (IP) to provide Department decision-makers and external customers with immediate, actionable analysis and recommendations to manage risk. In addition, the Infrastructure Sector Analysis Project supports the Science and Technology (S&T) Directorate’s Integrated Product Team (IPT) program in the analysis and application of millions of dollars in annual funding to new technology transition projects related to CIKR protection. This effort includes monitoring and supporting the full range of S&T Capstone IPTs while assisting IP in leading the Infrastructure Protection IPT, Chemical-Biological IPT, and Counter-Improvised Explosive Device IPT. Drawing upon expertise across IP and S&T, the Infrastructure Sector Analysis project will examine new technologies and methodologies that support CIKR-related risk reduction efforts throughout the Nation to ensure critical infrastructure requirements feed the IPT process and are effectively being addressed through research and development (R&D) programs. Similar actions will be taken to address modeling, simulation, and analysis collection requirements.

The Infrastructure Sector Analysis project mission area directly supports departmental Strategic Goals to identify and understand threats, assess vulnerabilities, determine potential impacts and disseminate timely information to our homeland security partners and the American public. The Infrastructure Sector Analysis project's budget requests support its ability to develop products and work broadly with its partners on the Federal, State, local, tribal, Territorial, and private sector levels. This capability is essential to effective implementation of the NIPP.

Homeland Infrastructure Threat and Risk Analysis Center (HITRAC):

HITRAC, a jointly operated and funded infrastructure-intelligence fusion center with the Office of Intelligence and Analysis (OI&A), develops analytical products by combining intelligence expertise based on all-source information, threat assessments, and trend analysis with practical business and CIKR operational expertise informed by current infrastructure status, operations information, and NISAC analysis. This comprehensive analysis provides an understanding of the threat, CIKR vulnerabilities, the potential consequences of attacks, and the effects of risk-mitigation actions. This combination of intelligence and infrastructure knowledge allows HITRAC to provide CIKR risk assessment products that contain strategically relevant and actionable information.

HITRAC conducts strategic risk analysis of all 17 CIKR and develops products and briefings at various classification levels for dissemination to Federal, State, local, tribal, Territorial, and private sector partners. Since March 2006, HITRAC has released approximately 140 products to include joint homeland security assessments with the Federal Bureau of Investigation and State threat assessments for all 56 States and Territories. These State threat assessments, along with the Tier 1/Tier 2 lists which identify the approximately 3,000 nationally significant CIKR assets and systems across the Nation, help to inform UASI, State Homeland Security, and Buffer Zone Protection (BZP) grant programs. HITRAC has also achieved the Government Accountability Office (GAO) performance expectation to identify and assess threats and vulnerabilities for critical infrastructure through its Strategic Homeland Infrastructure Risk Assessment (SHIRA) program. The SHIRA program develops a methodology for comparing and prioritizing risk across all 17 CIKR sectors, and the analysis derived from this methodology serves as the National CIKR Risk Profile in the National CIKR Protection Annual Report. Finally, HITRAC provides support to the Committee on Foreign Investment in the United States (CFIUS) by developing written threat and risk assessments of foreign direct investment in the United States. In 2007, HITRAC provided support to 150 CFIUS cases.

National Infrastructure Simulation and Analysis Center (NISAC):

NISAC was established to provide a comprehensive capability to assess the national system of interdependent infrastructures through advanced simulation and modeling. NISAC conducts analyses of technical, economic, and national security implications of CIKR protection, mitigation, response, and recovery options. To do this, NISAC conducts gap analysis using modeling and simulation to predict the performance of infrastructure under abnormal conditions (e.g., natural and manmade incidents), the effects of interdependencies, and the dynamics of their interconnections.

NISAC consistently meets customer requests for modeling and simulation analysis. Recent products include hurricane swath analyses that simulated hurricane scenarios and analyzed their impacts to populations and CIKR assets and systems, as well as a report conducted in support of the President's National Strategy for Pandemic Influenza that models, simulates, and analyzes the potential impacts of a pandemic influenza on the population, infrastructure, and economy of the Nation. These products have been disseminated to a variety of customers and posted on numerous information portals, to include: Homeland Security Information Network (HSIN); National Infrastructure Coordinating Center (NICC) tactical portals; State and Local Fusion Centers; Homeland Security Advisors; Principal

Federal Officials; and the Federal Emergency Management Agency (FEMA). NISAC analysis has also been disseminated through support to homeland security-related exercises.

### **Project Milestones/Schedules**

#### **FY 2007 Accomplishments**

- Developed national- and sector-level CIKR risk profiles for inclusion in the National CIKR Protection Annual Report
- Developed 2007 Tier 1 and Tier 2 lists of CIKR with the greatest consequences in collaboration with State governments and federal partners
- Worked with various sectors, including the Federal Sector Specific Agencies (SSAs) and the Government and Sector Coordinating Councils to develop unique sector-specific criteria to determine the criticality of assets and systems
- Developed geographic impact models of a variety of hurricane scenarios and disseminated them to the CIKR sectors through HSIN preceding the last and current hurricane seasons
- Developed tailored strategic assessments of the threats and risks posed to each infrastructure sector
- Completed a study of the impacts of pandemic influenza on the Nation's CIKR.
- Provided analytical products in support of Hurricane Preparedness Top Officials Exercise (TOPOFF) 4, Vigilant Shield, and Arden Sentry exercises
- Developed over 140 threat and risk assessments for dissemination to Federal, State, local, tribal, Territorial, and private sector partners

#### **FY 2008 Planned Accomplishments**

- Enhance CIKR information collection and analytical efforts to improve the ability to provide timely and actionable risk-informed analytical products at multiple infrastructure levels to security partners
- Work with IP partners to improve the identification and tracking of the effects of risk mitigation across all levels of CIKR
- Leverage Sector CIKR Protection Annual Report inputs in FY 2008 NISAC work plan development—completing the first iteration of a new requirements-driven analysis program.
- Collaborate on a sector requirements process/capability gap prioritization process with other analytic partners
- Leverage Sector CIKR Protection Annual Reports and the National CIKR Protection Annual Report to support and lead identification and development of new programs accomplished under the IP, Chemical-Biological IPTs, and Counter-IED IPTs, and assist in other capstone IPTs to address high risks to US CIKR
- Expand piloting activities with specialized simulation, modeling, and analysis centers

#### **FY 2009 Planned Accomplishments**

- Complete the development of IP's core risk-based product lines and coordinate with security partners and stakeholders to identify new areas of focus such as forecasting and trend analysis.
- Leverage Sector CIKR Protection Annual Report inputs in FY 2008 NISAC work plan development, and weigh ability to complete sector requirements while also completing exercise and real-world analysis requirements
- Publish a bi-annual Hurricane and/or Incident Analysis book with updated hurricane and other all-hazard analyses. NISAC will also collaborate to improve the level of detailed analyses

provided to select localities. Key portions of this analysis will be available on HSIN or other electronic sharing mechanism for wider promulgation to approved government agencies and sectors

\$ thousands

| Program/Mission Area.....        |  | IP/Identification & Analysis                                     |           |                 |           |           |                 |           |           |                |
|----------------------------------|--|--|-----------|-----------------|-----------|-----------|-----------------|-----------|-----------|----------------|
| Project.....                     |  | Infrastructure Information Collection and Visualization          |           |                 |           |           |                 |           |           |                |
| Division.....                    |  | Infrastructure Information Collection and Visualization Division |           |                 |           |           |                 |           |           |                |
|                                  |  | FY 2008  |           | FY 2009         |           | Change    |                 |           |           |                |
| Activity                         |  | FTE  | FTP       | Enacted         | FTE       | FTP       | Request         | FTE       | FTP       | \$             |
| <b>Salaries &amp; Benefits *</b> |  | <b>18</b>  | <b>18</b> | <b>\$2,341</b>  | <b>28</b> | <b>28</b> | <b>\$3,754</b>  | <b>10</b> | <b>10</b> | <b>\$1,413</b> |
| <i>iCAV</i>                      |  |  |           | \$4,685         |           |           | \$4,997         |           |           | \$312          |
| <i>[WCF]</i>                     |  |  |           | <i>[516]</i>    |           |           | <i>[327]</i>    |           |           |                |
| <i>PCII *</i>                    |  |  |           | \$0             |           |           | \$6,723         |           |           | \$6,723        |
| <i>[WCF]</i>                     |  |  |           | <i>[0]</i>      |           |           | <i>[440]</i>    |           |           |                |
| <i>IICP</i>                      |  |  |           | \$12,888        |           |           | \$13,694        |           |           | \$806          |
| <i>[WCF]</i>                     |  |  |           | <i>[1,414]</i>  |           |           | <i>[896]</i>    |           |           |                |
| <b>Activity Costs</b>            |  |  |           | <b>\$17,573</b> |           |           | <b>\$25,414</b> |           |           | <b>\$7,841</b> |
| <b>Total</b>                     |  | <b>18</b>  | <b>18</b> | <b>\$19,914</b> | <b>28</b> | <b>28</b> | <b>\$29,168</b> | <b>10</b> | <b>10</b> | <b>\$9,254</b> |

\* PCII was realigned in FY 2009 from the IP Coordination and Information Sharing Mission Area. The amount transferred was \$6,723,000 for activity costs and \$1,341,000 for salaries and benefits for 10 FTE/Positions.

As directed by the Homeland Security Act of 2002 and HSPD-7, the Department is responsible for identifying, prioritizing, and protecting the Nation’s infrastructure. A crucial component of this responsibility is the need to collect, protect, manage, and share infrastructure data to inform sector-specific and cross-sector risk identification and analysis and incident management and response activities, which will ultimately enhance infrastructure protection. The Infrastructure Information Collection and Visualization (IICV) project achieves this need through developing and deploying integrated methodologies, tools, and technologies to identify and inventory assets, systems, networks, and functions; protect infrastructure information; and provide geospatial services to enable and enhance infrastructure protection programs and capabilities. This project enables the identification, assessment, and prioritization of CIKR at all levels of government and within the private sector through these three activities; Integrated Common Analytical Viewer (iCAV), Infrastructure Information Collection Program (IICP), and Protected Critical Infrastructure Information (PCII).

Additionally, IP will leverage the NIPP partnership framework to gain valuable insight to ensure it is developing value-added capabilities, programs, and plans that support infrastructure protection at all levels of government and the private sector. Specific focus will be given to ensure that IP meets the requirements of its diverse stakeholders to:

- Identify and warehouse data regarding the Nation’s infrastructure
- Enable near real-time persistent awareness of the Nation’s infrastructure status
- Inform CIKR incident management planning and operations
- Afford protection to infrastructure information
- Enhance cross-sector and cross-jurisdictional infrastructure protection planning and other related infrastructure protection activities
- Access geospatial and information management tools

In addition, the integrated national IICV project will provide protected access to common and consistent infrastructure information to all homeland security partners. IP will also establish technical

standards for integrating various sector, State, and local tools and technologies already in place to ensure the widest collaboration, communication, and sharing of resources and information through IICV.

#### Integrated Common Analytical Viewer (iCAV):

ICAV is the Department's Geospatial Enterprise Solution for geospatial mapping, analysis, and sorting of the Nation's CIKR. Leveraging existing geospatial capabilities and technology that are operating at the National Geospatial-Intelligence Agency, the iCAV system spatially displays and maps information contained in the Infrastructure Data Warehouse (IDW), the NICC's Infrastructure Mega Situational Awareness log and Watch technology called INSight, and the National Operations Center's Common Operational Picture. Additionally, iCAV will assist in merging the capability to identify and assess threats to the homeland and map those threats against infrastructures and vulnerabilities. When fully operational, iCAV will assist in maintaining operational, situational, and strategic awareness of the Nation's infrastructure on multiple security level networks. The iCAV system's multi-level viewing options provide users with the ability to view information at the national, regional, local, or urban level with a set of analytical tools.

#### Infrastructure Information Collection Program (IICP):

IICP provides a standardized information collection management capability to provide quantifiable, risk-related infrastructure information; data standards to provide common and consistent information to enable efficient information sharing; a common information collection, maintenance, and update process; and a processing capability to fuse and disseminate information to infrastructure protection partners internal and external to the Department. This will initiate the development of new programmatic efforts and development of an integrated collection process that focuses collection of information on vetted and prioritized requirements from Federal, State, local, territorial, and tribal stakeholders as well as private sector entities. The collection strategy will decrease reliance on the long-term purchase or licensing of commercial data, and focus on utilizing a distributed architecture to integrate existing government-owned information that can be used long-term. The integration of existing government-owned information greatly decreases out-year data costs.

IICP will serve as an integrating collection program by integrating the following existing tools:

- Automated Critical Assessment Management System (ACAMS): Web-based tool enabling collection of infrastructure and risk information from owners/operators, law enforcement and first responders at the State and Local level.
- Infrastructure Data Warehouse (IDW): Partial functions of the previously existing National Asset Database (NADB) will combine with new advanced capabilities and integrate into the IDW. The IDW will establish a distributed IT architecture to integrate existing data sets from Federal, State and commercial sources through a rapid ingest capability that will improve data collection time/cost efficiencies. This architecture will reduce duplication of effort and improve robustness of existing information, while facilitating data maintenance and verification by numerous partners and entities with the homeland security community.
- Methodology Technical Implementation (MTI): The technical implementation of defined CIKR risk and vulnerability methodologies, to include the Risk Analysis and Methodology of Critical Asset Protection (RAMCAP), the Vulnerability Identification and Self-Assessment Tool (VISAT), and other NIPP-compliant methods into the user interface. This will allow users, private sector owners and operators, or State and Local entities to assess infrastructure using common metrics and methods and provide comparative results within and across sectors or jurisdictions.

These integrated tools will be geospatially enabled using iCAV and the data collected will reside in an integrated data warehouse that will provide role-based access to all of our Federal, State, local, and tribal government partners and the private sector.

#### Protected Critical Infrastructure Information (PCII):

The PCII project was created pursuant to the Critical Infrastructure Information (CII) Act of 2002. The PCII Program Office was established to implement this Act through an interim rule on February 20, 2004. On September 1, 2006, the Department issued the Final Rule, *Procedures for Handling Critical Infrastructure Information*, which finalizes the procedures for the PCII Program in governing the receipt, validation, handling, storage, marking and use of critical infrastructure information voluntarily submitted to the Department.

The project encourages the private sector to voluntarily submit sensitive and vital information about the Nation's critical infrastructure by offering protection from public disclosure through the Freedom of Information Act (FOIA), State and local sunshine laws and through civil litigation. Pursuant to the CII Act of 2002, the project is designed to help government analysts, emergency responders and other homeland security professionals gain access to important data about the facilities and systems upon which the country depends.

### **Project Milestones/Schedules**

#### FY 2007 Accomplishments

- Achieved initial operating capability of iCAV system to provide situational awareness within the National Operations Center
- Achieved initial operating capability of Information Data Management Subsystem on Secret LAN
- Completed FY 2007 Tier 2 Data Call for infrastructure information from States and SSAs
- Publish FY 2007 IICD Data Collection Standards (IP Taxonomy, National Information Exchange Mechanism (NIEM) Unique Infrastructure Identifier Matrix, and IDS Data Dictionary)
- C/ACAMS successfully completed 13 training sessions to include 600 new users
- Completed development of sector-specific methodologies for Drinking Water/Wastewater Treatment facilities, and Conventional Dams and Navigational Locks
- Increased PCII program outreach and effectiveness of various information-sharing partnerships through its accreditation program and relationships with the US Chamber of Commerce, Federal, State and local government agencies, and other programs
- Trained 88 Federal and State officials on how to establish PCII Programs in their respective entities (this figure includes officers and deputies)
- Trained approximately 1,258 potential users of PCII

#### FY 2008 Planned Accomplishments

- Develop and implement a systematic process for the collection and management of CIKR information to ensure that information requirements enable internal and external partners to execute their preparedness, response, and recovery missions
- Develop an integrated Infrastructure Data Warehouse (IDW) with raw infrastructure-related asset information and completed CIKR information products
- Develop and implement a robust communications and marketing plan to gain insight and advocacy on the part of State and local government and private sector partners

- Establish the initial capability for an IICP system to integrate information management, assessment, and geospatial capabilities and tools
- Continue assistance with the technical implementation of the tool for use in the collection and assessment of sector-level CIKR.
- Integrate sector tools into the IICP
- Employ a Train-the-Trainer program for ACAMS to enable State and local partners to expeditiously continue program deployment and national rollout
- Leverage the National Guard to provide ACAMS training to State and local partners, including training in the new scalable methodology developed within the VA project
- Implement automated tools for Protected Critical Infrastructure Information (PCII) to support submitters (CIKR stakeholders) and other authorized users
- Expand the number of accredited entities that can handle PCII, and continue to integrate PCII protections with other automated collection tools (e.g., ACAMS and HSIN-CS)

#### FY 2009 Planned Accomplishments

- Employ a Train-the-Trainer program for iCAV and MTI to enable Sector and Critical Infrastructure Protection (CIP) partners to expeditiously continue program deployment and national rollout.
- Provide the functionality to more efficiently and effectively conduct analysis for the Tier 1 and Tier 2 program, and facilitate information exchange, verification, and maintenance with State and sector partners.
- Expand the number of accredited entities that can handle PCII, and further integrate PCII protections with other automated collection tools (e.g., ACAMS and HSIN-CS).

**CURRENT SERVICES PROGRAM DESCRIPTION:**

**Coordination and Information Sharing**

| <b>Coordination and Information Sharing</b> | <b>FY 2008 Enacted</b> | <b>FY 2009 Request</b> |
|---|------------------------|------------------------|
| <b>Total</b>                                | <b>\$68,821,000</b>    | <b>\$45,644,000</b>    |
| <b>Personnel Costs</b>                      | <b>12,097,000</b>      | <b>\$9,064,000</b>     |
| <b>Program Costs</b>                        | <b>56,724,000</b>      | <b>\$36,580,000</b>    |

The National Protection and Programs Directorate (NPPD) requests \$45,644,000 for Coordination and Information Sharing. Coordination and Information Sharing includes IP projects that enhance situational awareness and maximize the ability of government and private sector CIKR security partners at all levels to assess risks, coordinate programs and processes, and execute risk-mitigation programs and activities. In support of security partner coordination, IP leads, integrates, and coordinates the execution of the NIPP, in part by acting as a central clearinghouse for the information sharing and coordination of the individual sector governance structures and by facilitating the development and ongoing support of these security partner governance and coordination structures or models. Building security partnerships represents the foundation of the coordination and information sharing efforts and is divided into four projects: *CIKR Information Sharing, NIPP Management, CIKR Partnerships, and Management, Planning, and Administration.*

\$ thousands

| <b>Program/Mission Area</b> ..... | <b>IP/Coordination and Information Sharing</b>      |            |                 |                |            |                 |               |            |                 |
|-----------------------------------|---|------------|-----------------|----------------|------------|-----------------|---------------|------------|-----------------|
| <b>Project</b> .....              | <b>CIKR Information Sharing</b>                     |            |                 |                |            |                 |               |            |                 |
| <b>Division</b> .....             | <b>CIKR Partnership and Outreach Division (POD)</b> |            |                 |                |            |                 |               |            |                 |
|                                   | <b>FY 2008</b>                                      |            |                 | <b>FY 2009</b> |            |                 | <b>Change</b> |            |                 |
| <b>Activity</b>                   | <b>FTE</b>  | <b>FTP</b> | <b>Enacted</b>  | <b>FTE</b>     | <b>FTP</b> | <b>Request</b>  | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>       |
| <b>Salaries &amp; Benefits *</b>  | <b>24</b>   | <b>24</b>  | <b>\$3,122</b>  | <b>14</b>      | <b>14</b>  | <b>\$1,876</b>  | <b>-10</b>    | <b>-10</b> | <b>-\$1,246</b> |
| <i>HSIN-CS</i>                    |   |            | \$6,028         |                |            | \$6,028         |               |            | \$0             |
| <i>[WCF]</i>                      |   |            | [622]           |                |            | [394]           |               |            |                 |
| <i>CWIN</i>                       |   |            | \$8,896         |                |            | \$7,690         |               |            | -\$1,206        |
| <i>[WCF]</i>                      |   |            | [794]           |                |            | [503]           |               |            |                 |
| <i>PCII *</i>                     |   |            | \$6,723         |                |            | \$0             |               |            | -\$6,723        |
| <i>[WCF]</i>                      |   |            | [694]           |                |            | [0]             |               |            |                 |
| <b>Activity Costs</b>             |   |            | <b>\$21,647</b> |                |            | <b>\$13,718</b> |               |            | <b>-\$7,929</b> |
| <b>Total</b>                      | <b>24</b>   | <b>24</b>  | <b>\$24,769</b> | <b>14</b>      | <b>14</b>  | <b>\$15,594</b> | <b>-10</b>    | <b>-10</b> | <b>-\$9,175</b> |

\* *PCII was realigned in FY 2009 to the IP Identification and Analysis Mission Area. The amount transferred was \$6,723,000 for activity costs and \$1,341,000 for salaries and benefits for 10 FTE/Positions.*

In its recommendations, the 9/11 Commission Report emphasized the improvement of information sharing and analysis. IP continues to address and outreach, awareness, communication, and coordination through the CIKR Information Sharing project. Information is a critical enabler for the risk management activities that strengthen the security and resiliency of the Nation’s CIKR. An effective and robust environment that promotes a free flow of information will consist of an effective governance structure allowing for consensus-built policy and strategy; a comprehensive set of mechanisms and processes that provide useful and actionable content; efficient mechanisms and processes to engage and exchange information; trusted relationships among the stakeholders who must utilize the information to take action; and an effective and trusted set of information sharing risk mitigation mechanisms and processes, uniquely tailored to enable communication with the private

sector. The CIKR Information Sharing project is organized through these two activities: Homeland Security Information Network for Critical Sectors (HSIN-CS) and Critical Infrastructure Warning Information Network (CWIN).

The resourcing of this project will ensure that the path forward for information sharing can be successfully conducted, accessible, and usable. Future funding is essential to evolve information sharing from a national sector-centric basis to the formal adoption of the CIKR ISE as the private sector component of the national ISE. The ISE places emphasis on the role of State, local, tribal, and territorial governments as another cornerstone of information sharing, specifically through the establishment and operation of State fusion centers. Other components leading to the formal adoption of the CIKR ISE include developing guidelines for standardizing private sector handling and sharing of classified information, implementing and sharing CIKR network tools, and improving overall information sharing processes for better and more efficient information transferal.

An Information Sharing Environment (ISE) provides CIKR partners with comprehensive risk, threat and hazard information to enhance their ability to assess risks to CIKR assets, make prudent security investments, and take appropriate protective actions. The National Program Manager ISE (PM-ISE) designated IP as the Executive Agent for integrating the private sector into the ISE.

The NIPP defines protection as activities to enhance security and resiliency of the Nation's CIKR. These outcomes drive information sharing for the CIKR. The information sharing mechanisms and tools of the NIPP provide the structure and processes within which public and private sector security partners share vital information. The CIKR ISE supports three levels of decision making and action: 1) strategic planning and investment; 2) situational awareness and preparedness; and 3) operational planning and response. It provides for policy, governance, planning, and coordination of information sharing, as well as forums for identifying and developing effective, tailored forms and types of information necessary for security partners to make appropriate decisions and take necessary actions for effective risk management.

The CIKR ISE also encompasses a number of mechanisms which facilitate the flow of information, mitigate obstacles to voluntary information sharing by CIKR owners and operators, and provide feedback and continuous improvement for structures and processes. It accommodates a broad range of sector cultures, operations, and risk management approaches and recognizes the unique policy and legal challenges for full two-way sharing of information between the CIKR owners and operators and government, and their unique requirements for efficient operational processes. This project provides for the coordination and implementation of this environment and coordinates its compliance with the requirements of the national ISE. The ISE program also provides tailored cross sector and sector specific CIKR terrorism and infrastructure protection information over the HSIN-CS network.

Homeland Security Information Network for Critical Systems (HSIN-CS):

HSIN-CS is a robust information sharing capability that supports each of the 17 CIKR sectors both in the NIPP-related steady state CIKR protection and NRF-related incident management activities requiring coordination and communication. It also provides the information-sharing processes that form the bridge between these two critical homeland security mission areas. Providing a common platform, HSIN-CS supports intra-and cross-sector two-way information sharing with the Department and the SSAs HSIN-CS was planned specifically to be tailored according to the operating requirements unique to each sector through working groups created under the auspices of the CIKR Sector Partnership. To be sustainable, information sharing processes need to be constructed expanding upon accepted and established processes developed by each sector to implement preparedness,

protection, response and recovery within an all-hazards environment. HSIN-CS also supports the State, Local, Tribal and Territorial Government Coordinating Council (SLTTGCC) as a means for implementing its communication and coordination processes with the rest of the State, local, tribal and territorial government leadership responsible for overseeing CIKR policy, strategy, and programs within their respective jurisdictions. IP develops and deploys HSIN-CS, currently utilizing the HSIN portal and network platform operated by the Operations Directorate within the Department.

#### Critical Infrastructure Warning Information Network (CWIN):

CWIN, part of the broader HSIN framework, is the critical, survivable network connecting the Department with vital sectors partners that are essential in restoring the Nation's core infrastructure. CWIN connects the Department with the vital sector partners (including Federal, State, private sector, Canada and the United Kingdom) that are essential in restoring the Nation's infrastructure during incidents of national significance. These sectors include the Electricity, Information Technology and Telecommunications industries; private sector partners in other critical sectors; the states' homeland security advisors; and the sector-specific agencies and resources for each of the critical infrastructure sectors. CWIN provides voice and data connectivity using Voice over Internet Protocol (VIP) phones and thin client computing devices. CWIN connects the emergency operations centers of the fifty states and the District of Columbia to the Department's National Operations Center (NOC). CWIN's backbone is used by HSIN-SECRET (HSIN-S) to provide classified connectivity and video conferencing between the Department and the states. In a circumstance where all or a major part of telecommunications and Internet connectivity are lost, CWIN provides a survivable "out of band" communications and information sharing capability to coordinate and support their restoration. CWIN is unique among the Department's connectivity tools as a separate, non-public network-dependent means of communicating with Federal, State and private sector entities. It has been operational since 2003 and operated through the Northeast Power Blackout in 2003 and subsequent hurricane seasons. There have been two membership-wide Forums, with participation from a variety of CWIN members each time; these meetings provided a valuable opportunity for the Department leadership to brief CWIN members on plans and the role that CWIN plays within the Department's communications tools.

#### **Project Milestones/Schedules:**

##### FY 2007 Accomplishments

- Information Sharing Council and PM-ISE adopted CIKR ISE as the private sector component of the ISE through formal interagency issuance of the Department CIKR Information Sharing Environment strategy paper
- The CIKR Sector Partnership Framework was adopted as the mechanism to execute the responsibilities of the Private Sector Sub-Committee of the Federal Information Sharing Council (ISC) to support the development of policies and strategies for the ISE relating to private sector; this Sub-Committee delivered a set of formal recommendations on the draft Guideline for Controlled Unclassified Information to the PM-ISE
- Nine CIKR sectors or major sub-sectors signed Memorandums of Understanding with the Department to utilize HSIN-CS for sector wide information sharing
- A "system of record" provided for the secure dissemination of SBU/FOUO information products from intelligence components of the Department to CIKR representatives via the National Infrastructure Coordinating Center (NICC)'s use of HSIN-CS as a primary dissemination tool
- Concept of operations and standard operating procedures to support the CIKR user environment, including training and outreach, was completed and is being implemented

- Began sector-wide registration process in the Nuclear, Oil and Gas, and Chemical Sectors to clearly identify all owners and operators
- Constructed an information-sharing environment between the public and private sector, including the development, creation, and implementation of an e-submission process

#### FY 2008 Planned Accomplishments

- Utilizing input from FY 2007 from the CIKR sectors, jointly develop principles and guidelines for standardizing private sector handling of Controlled Unclassified Information and jointly develop and institutionalize efficiency and effectiveness metrics for information sharing
- Finalize and document criteria for the sharing of classified information with CIKR owners and operators; and, working with other members of the ISE, streamline procedures for declassifying classified threat information for broader distribution
- Jointly assess high value information sharing content for CIKR stakeholders that will enhance decision making and implement strategy for access; identify gaps in content; and prioritize for implementation
- Implement a requirements-driven and reliable operating network platform for CIKR stakeholder participation that satisfies the majority of their functional requirements to access and use departmental information sharing tools such as HSIN-Critical Sectors (CS) and Critical Infrastructure Warning Information Network (CWIN); expand participation throughout the CIKR sectors in utilizing these tools within both the government and the private sector
- Improve existing standard processes for steady-state communication and coordination among the key relationship managers (sector specialists, PSAs, SSAs, and the NICC) within departmental and key external partners to enhance situational awareness
- Define the intersection of the CIKR protection mission, including the NICC's specific value-added role, and the mission of State fusion centers
- Work with States and private sector partners to build a robust CIKR protection mission area capability into fusion center design and operations
- Identify joint CIKR information sharing needs and processes, and implement them with international partners
- Expand the security clearance program to support increased public/private sector information sharing

#### FY 2009 Planned Accomplishments

- Jointly implement the agreed-upon policy and strategy for private sector handling of controlled unclassified information through outreach and education initiatives via the NIPP partnership framework
- Building upon the consensus identified gaps from FY 2008, work with CIKR sectors to build and execute a process to collect requirements for additional information sharing content tailored to each sector
- Expand the number of CIKR sectors utilizing the Homeland Security Information Network for Critical Sectors (HSIN-CS) operationally to 100 percent; complete integration of CWIN into the HSIN platform to more fully and efficiently utilize installed network resources
- Develop standard operating procedures to guide interactions among HITRAC, the NICC, and State fusion centers
- Incorporate State, local, tribal, and territorial government and regional stakeholders into an information sharing framework for CIKR planning, situational awareness, and response coordination

- Identify and resolve critical policy and legal issues related to information sharing with international partners
- Establish and complete an operating environment fully compliant with requirements set by the Federal Information Security Oversight Office for the private sector security clearance program.
- Identify and evaluate liability and antitrust issues as required by the November 2006 ISE Implementation Plan, to identify and implement potential solutions

\$ thousands

| Program/Mission Area.....         |           | IP/Coordination and Information Sharing      |                 |           |           |                |           |           |                  |
|-----------------------------------|-----------|--|-----------------|-----------|-----------|----------------|-----------|-----------|------------------|
| Project.....                      |           | NIPP Management                              |                 |           |           |                |           |           |                  |
| Division.....                     |           | CIKR Partnership and Outreach Division (POD) |                 |           |           |                |           |           |                  |
|                                   |           | FY 2008                                      |                 |           | FY 2009   |                |           | Change    |                  |
| Activity                          | FTE       | FTP  | Enacted         | FTE       | FTP       | Request        | FTE       | FTP       | \$               |
| <b>Salaries &amp; Benefits</b>    | <b>26</b> | <b>26</b>                                    | <b>\$3,382</b>  | <b>20</b> | <b>20</b> | <b>\$2,714</b> | <b>-6</b> | <b>-6</b> | <b>-\$668</b>    |
| <i>NIPP Program Management</i>    |           |  | \$16,646        |           |           | \$2,530        |           |           | -\$14,116        |
| <i>[WCF]</i>                      |           |  | [1,373]         |           |           | [166]          |           |           |                  |
| <i>NIPP SSA Support</i>           |           |  | \$0             |           |           | \$3,710        |           |           | \$3,710          |
| <i>[WCF]</i>                      |           |  | [0]             |           |           | [243]          |           |           |                  |
| <i>Sector Partnerships *</i>      |           |  | \$9,697         |           |           | \$0            |           |           | -\$9,697         |
| <i>[WCF]</i>                      |           |  | [950]           |           |           | [0]            |           |           |                  |
| <i>NIAC *</i>                     |           |  | \$1,815         |           |           | \$0            |           |           | -\$1,815         |
| <i>[WCF]</i>                      |           |  | [0]             |           |           | [0]            |           |           |                  |
| <i>Cross Sector Cross Cutting</i> |           |  | \$162           |           |           | \$162          |           |           | \$0              |
| <i>[WCF]</i>                      |           |  | [17]            |           |           | [11]           |           |           |                  |
| <b>Activity Costs *</b>           |           |  | <b>\$28,320</b> |           |           | <b>\$6,402</b> |           |           | <b>-\$21,918</b> |
| <b>Total</b>                      | <b>26</b> | <b>26</b>                                    | <b>\$31,702</b> | <b>20</b> | <b>20</b> | <b>\$9,116</b> | <b>-6</b> | <b>-6</b> | <b>-\$22,586</b> |

\* Sector Partnerships and NIAC are requested under CIKR Partnerships in FY 2009.

The National Infrastructure Protection Plan (NIPP) provides the coordinated approach for establishing national priorities, goals, and requirements for CIKR protection. Following this approach ensures that Federal funding and resources are applied in the most effective manner to reduce vulnerability, deter threats, and minimize the consequences of attacks and other incidents. The NIPP establishes the overarching concepts relevant to the 17 CIKR sectors identified in HSPD-7 and addresses the physical, cyber, and human considerations required for effective implementation of comprehensive programs. In addition to HSPD-7, the NIPP traces its origin to the Homeland Security Act of 2002, which provides the basis for the Department's responsibilities in protecting CIKR, and the National Strategy for Homeland Security, which established the national vision for CIKR protection.

Ensuring that the NIPP and the supporting Sector-Specific Plans (SSPs) effectively guide and direct national CIKR protection efforts requires executing the roles and responsibilities set forth in the NIPP for Infrastructure Protection (IP) and the NIPP Program Office. This national coordination effort is executed through activities: NIPP Program Management and NIPP Sector-Specific Agency (SSA) Support.

NIPP Program Management:

IP has the responsibility to coordinate with a multitude of public and private entities to continuously enhance CIKR protection across a growing number of sector partners. This includes identifying nationally critical assets, systems, networks, and functions as threats change, businesses evolve, and protective measures are implemented to reduce risk. The implementation of the NIPP across all sectors provides the framework for collaborating on the development, implementation, and maintenance of a

national strategy for CIKR protection. The 2007 release of the 17 CIKR SSPs enables continued implementation and leveraging of this framework and creates a broader forum for awareness of sector-specific and cross-sector information sharing and CIKR protection efforts.

The NIPP and SSPs are dynamic in nature and reflect growth in an ever-changing operating environment and risk landscape. This includes the quantity and nature of the sectors as designated in HSPD-7; evolving threats, vulnerabilities, and consequences; increased engagement and leadership from the private sector; increased state and local participation; regional and geographic-based risk management approaches; and changes in the regulatory environment.

The status of risk management efforts performed under the NIPP, and the progress made in managing risk to the Nation's CIKR from terrorist attacks and other hazards will be measured to support development of the National and Sector CIKR Protection Annual Reports. The results will influence national and sector-level CIKR risk management decisions. IP's national and sector-specific CIKR measurement and analysis (metrics) process will provide an overall picture of the health and effectiveness of national CIKR protection efforts and help drive future investments and resource decisions. This process corresponds to the feedback loop designated in the NIPP risk management framework, which involves providing continuous information on the performance and progress of CIKR protection programs.

The NIPP and SSPs call for the implementation of a comprehensive national awareness program that supports the sustainability of CIKR protection measures, security investments, and public and private sector understanding of the CIKR all-hazards risk environment. IP supports outreach and training efforts of the individual sectors through a variety of activities that include, but not limited to, providing classroom and Web-based training materials; providing informational collateral materials including brochures, videos, newsletters, fact sheets, frequently asked questions, and adaptable templates; coordinating the development and delivery of training courses for government and private sector security partners, coordinating with academia and the professional community on guidelines and practices; developing toolkits, briefing packets and other hardcopy, electronic and online resources; conducting workshops and providing information and support at sector-based conferences and other events; providing venues to share effective practices, concepts, and core messages. Collectively, these efforts help to ensure the implementation of an effective and efficient awareness program to protect the Nation's CIKR over the long term.

Through the NIPP framework, IP will continue to lead the identification of CIKR protection efforts nationwide; determine the priorities and requirements driving these efforts; and initiate guidance and methodologies to measure their effectiveness. To further the NIPP mission, IP will engage with SSAs; State, local, tribal, territorial governments, and the private sector. While these functions remain constant, IP efforts will continue to evolve and improve CIKR protection efforts nationwide.

#### NIPP Sector Specific Agency Support:

NIPP implementation requires an unprecedented level coordination and support to ensure consistent and integrated execution by each of the 17 SSAs and the State, Local, Territorial and Tribal Government Coordinating Council (SLTTGCC). The Department/IP provides support to each SSA to ensure continuity, consistency, and coordination throughout all stages of NIPP planning, development, execution, and monitoring. This support includes:

- Provide direct NIPP program support and subject matter expertise (SME) to the 17 CIKR sectors for the development and coordination of their Sector CIKR Protection Annual Reports
- Provide support and SME to the SLTTGCC for coordination and integration of State, local, territorial, and tribal requirements into the individual SSPs, Sector Annual Reports, and the National Annual Report
- Support SSAs in identifying the sector-specific needs, potential requirements, and impacts on their sectors to ensure consistent implementation CIKR protection, reporting, and monitoring guidance issued by the Department
- Provide support for developing and coordinating the Sector Annual Research and Development Report; Sector Modeling, Simulation, and Analysis Requirements Report; and the Annual CIKR Protection Information Requirements Report
- Support compliance with and execution of requirements identified in departmental guidance and support for the cross-sector collaboration process

The Department assigned IP the responsibility to identify and address high-priority and high-risk multi-sector and cross-sector protection program requirements that the Sector Specific Agencies (SSAs) can not address. IP will lead and coordinate the identification of multi-sector and cross-sector risks and gaps in protection programs and work jointly with the SSAs and the State, local, territorial and tribal governments (SLTT) to prioritize and implement pilot programs to mitigate those gaps. When successfully piloted or proof of concept is completed, IP will work jointly with the SSAs and the SLTTs for their full deployment, and eventual evolution to the relevant SSAs and their sector security partners.

As required by the NIPP and Homeland Security Presidential Directive 7 (HSPD-7), each of the 17 SSAs is required to submit a Sector CIKR Protection Annual Report (Sector Annual Report) to DHS that identifies goals and priorities, describes the current status of sector-specific CIKR protection efforts, and provide a snapshot of existing protective programs and resources to address those CIKR requirements. Each of the 17 sectors also developed Sector-Specific Plans (SSP) that outline how the sector will apply the NIPP risk management framework to their sector and its assets, systems, networks, and functions. The intent of the Cross-Sector and Cross-Cutting initiative is to address those critical shortfalls, gaps, or significant requirements in CIKR protection efforts that fall between and/or across the sectors that cannot be addressed in the short term by a sector or sectors. Conducting this type of analysis at the outset accelerates the actions required to mitigate the risks associated with cross-sector interdependencies as well as make more efficient the implementation of protection programs common to multiple sectors. This process enables IP to aggregate the risks and gaps identified and summarize them in the National CIKR Protection Annual Report—responsible for identifying risks, addressing gaps, and mitigating risk to the Nation’s CIKR through the development and implementation of CIKR protection programs that cross multiple and interdependent sectors.

**Project Milestone/Schedules:**

FY 2007 Accomplishments

- Published the NIPP 17 CIKR SSPs
- Participated in international relationships and obligations, with emphasis on cross-border CIKR vulnerability assessments and information sharing in accordance with NIPP objectives
- Completed the 2007 National and Sector CIKR Protection Annual Reports in accordance with the NIPP

- Developed IP Annual Report, which identified the accomplishments, performance measures, and path forward as the national coordinator for the NIPP
- Released the NIPP Online Training Module through FEMA/EMI to kickoff the NIPP and SSP national education, outreach and awareness campaign
- Participated in numerous sector-specific conferences and distributed over 8,000 NIPP outreach and awareness packets to SSAs, IP Protective Security Advisors and conference attendee
- Initiated and completed the 2007 NIPP CIKR Protection Core Metrics Initiative to include NIPP and IP implementation actions
- Reviewed the Sector Annual Reports and the National CIKR Protection Annual Report (National Annual Report) for specific cross-sector requirements (in collaboration with the SSAs).
- Began review of cross-cutting needs from the SSPs and coordinated them with the National Annual Report; intent was to determine if further evaluation was needed, or if the risks are acceptable if identified deficiencies are not mitigated
- Delineated requirements resulting from the top-down national risk profiles, which drove sectors to identify areas not addressed in FY 2007

#### FY 2008 Planned Accomplishments

- Sustain implementation of the NIPP and fully initiate implementation of all SSPs; develop education and outreach plans for long-term awareness initiatives and actions
- Complete assessments of Sector CIKR Protection Annual Reports and State plans to enhance development of the National CIKR Protection Annual Report and to better inform the budget process
- Collaborate with the 17 SSAs to expand the CIKR measurement and analysis process; address gaps in CIKR protection programs that are revealed from increasingly mature SSPs and National and Sector CIKR Protection Annual Reports
- Enhance sector-level CIKR measurement and analysis processes to effectively measure the state of CIKR protection, track how resources are being used to protect CIKR by all SSAs, and develop a feedback mechanism in coordination with SSAs to ensure continuous improvement
- Initiate education and outreach efforts across all sectors with increased emphasis on State, local, tribal, and territorial governments and the private sector
- Deepen and increase CIKR owner and operator participation in CIKR Sector Partnership projects through the expansion of communication channels through the SLTTGCC
- Jointly establish and implement standards and metrics for the Sector Partnership Model with the SCCs and GCCs
- Complete assessment of previous year's information developed in each of the Sector CIKR Protection Annual Reports due July 1st annually
- Complete protection status and requirements assessments of individual State Program and Capabilities Enhancement Plans reported to FEMA's National Preparedness Directorate, in addition to assessments on gaps and duplication in protection programs and initiatives within and across all 17 CIKR sectors
- Aggregate assessments of Sector CIKR Protection Annual Reports and State plans for summarization and incorporation into a National CIKR Protection Annual Report to be submitted during the fall budget formulation process
- Identify and prioritize gaps, in coordination with the SSAs and the State, local, tribal, and territorial governments, that are common across multiple sectors and/or interdependent sectors that require accelerated investment and resolution

- Identify resource requirements and develop pilots in coordination with other government partners that address the highest priority common risks and interdependencies. Common technology requirements will be assessed in partnership with S&T through the IPT process. NISAC and other national lab programs will also coordinate with IP and S&T to develop pilot programs.
- Leverage expertise at analysis centers nationwide to conduct CIKR modeling, simulation, and analysis

FY 2009 Planned Accomplishments

- Implement regional partnership model in selected areas with high-concentration/ high-consequence CIKR assets
- Track NIPP implementation metrics for all sectors and provide assistance in developing refined metrics to selected high risk CIKR sectors
- Track NIPP program metrics for all sectors and provide assistance in developing partnership standards and metrics to selected high risk sectors
- Develop and coordinate the NIPP National and Sector Annual Reports;
- Conduct gap and requirements analysis of NIPP National and Sector Annual Reports for selected high risk sectors
- Support Sector Specific Plan implementation activity for selected high risk sectors

*\$ thousands*

|                                  |  |   |            |                |                |            |                 |               |            |                 |
|----------------------------------|--|---|------------|----------------|----------------|------------|-----------------|---------------|------------|-----------------|
| <b>Program/Mission Area.....</b> |  | <b>IP/Coordination and Information Sharing</b>      |            |                |                |            |                 |               |            |                 |
| <b>Project.....</b>              |  | <b>CIKR Partnerships</b>                            |            |                |                |            |                 |               |            |                 |
| <b>Division.....</b>             |  | <b>CIKR Partnership and Outreach Division (POD)</b> |            |                |                |            |                 |               |            |                 |
|                                  |  | <b>FY 2008</b>                                      |            |                | <b>FY 2009</b> |            |                 | <b>Change</b> |            |                 |
| <b>Activity</b>                  |  | <b>FTE</b>  | <b>FTP</b> | <b>Enacted</b> | <b>FTE</b>     | <b>FTP</b> | <b>Request</b>  | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>       |
| <b>Salaries &amp; Benefits</b>   |  | <b>0</b>  | <b>0</b>   | <b>\$0</b>     | <b>6</b>       | <b>6</b>   | <b>\$772</b>    | <b>6</b>      | <b>6</b>   | <b>\$772</b>    |
| <i>Sector Partnerships *</i>     |  |   |            | <i>\$0</i>     |                |            | <i>\$9,501</i>  |               |            | <i>\$9,501</i>  |
| <i>[WCF]</i>                     |  |   |            | <i>[0]</i>     |                |            | <i>[622]</i>    |               |            |                 |
| <i>NIAC *</i>                    |  |   |            | <i>\$0</i>     |                |            | <i>\$1,604</i>  |               |            | <i>\$1,604</i>  |
| <i>[WCF]</i>                     |  |   |            | <i>[0]</i>     |                |            | <i>[105]</i>    |               |            |                 |
| <b>Activity Costs *</b>          |  |   |            | <b>\$0</b>     |                |            | <b>\$11,105</b> |               |            | <b>\$11,105</b> |
| <b>Total</b>                     |  | <b>0</b>  | <b>0</b>   | <b>\$0</b>     | <b>6</b>       | <b>6</b>   | <b>\$11,877</b> | <b>6</b>      | <b>6</b>   | <b>\$11,877</b> |

\* Sector Partnerships and NIAC are enacted in NIPP Management in FY 2008.

**CIKR Partnerships:**

Sector Partnerships, comprised of Federal, State, local, tribal governments, and CIKR private sector partners, are the primary organizational components that coordinate CIKR projects. The partners work in tandem to create and execute a coordinated national framework for CIKR protection under the NIPP framework within and across sectors. Sector Coordinating Councils (SCCs), Government Coordinating Councils (GCCs), and Cross Sector Councils (NIPP Federal Senior Leadership Council [NIPPSLC], Partnership for Critical Infrastructure Security [PCIS], State, Local, Tribal and Territorial Government Coordinating Council [SLTTGCC]) provide the organizing framework for the CIKR Sector Partnership. The SLTTGCC, the newest of the Councils provides a unique, consensus-built voice for state homeland security directors or their equivalents from state, local, county, tribal and territorial government into national CIKR policy, programs, and issues. The SCCs represent each sector’s owners and operators, and the GCCs consist of representatives from relevant Federal state, local and tribal agencies. The Department provides program support to the individual SCCs, GCCs, PCIS, NIPPSLC and SLTTGCC for sector specific and cross sector projects, strategies, policies, and issues. Complementing and enhancing the existing CIKR sector partnership framework, which is a

critical foundation for the NIPP, are CIKR relevant regional coalitions that are cross-sector in nature, or have a region-specific expertise, providing a local or region-specific or cross-border or international perspective. The Department provides a structure and mechanisms for effective coordination and communication channels among these regional and international coalitions with the CIKR Sector Partnership. Successful implementation of the NIPP requires an interlocking, well coordinated network of mutually supportive partnerships containing all these elements.

National Infrastructure Advisory Council:

The National Infrastructure Advisory Council (NIAC) is a Presidential advisory council consisting of thirty (30) chief executive officers representing CIKR sectors and their counterpart equivalents from academia, state and local government. The Department is the executive agent for the NIAC and provides executive secretariat, subject matter experts and logistical support to the Council. Support includes:

- Meeting Management
- Member Management
- Study and Working Group Writing and Coordination for four to six studies a year
- Federal Advisory Committee Act (FACA) and other Government regulatory compliance

The NIAC bases its recommendations on well-researched studies, the data from which is normally published in the Council's reports along with its final recommendations. It usually convenes a wide range of subject matter experts from government, private sector and academia, obtaining multiple perspectives, to accomplish its studies. Studies conducted by the NIAC include:

- Public-Private Sector Intelligence Coordination
- Government Intervention Best Practices
- Cyber and Physical Convergence
- Chemical Biological and Radiological Events and the Critical Infrastructure Workforce
- Pandemic Flu Prioritization of CIKR Work Force
- CIKR Sector Interdependencies
- Hardening the Internet

## **Project Milestones/Schedules**

### **FY 2007 Accomplishments**

- All SCCs/GCCs became operational.
- The SLTTGCC established full operations with 27 + members and 3 working groups-(1) Review of SSPs, the National Annual Report and the CIKR Annex of the National CIKR Annual Report (2) Communication with rest of SLTT; (3) Regional and local information sharing related to CIKR
- The partnership with the National Association of Regulatory Utility Commissioners (NARUC), a member of the Sector Partnership delivered:
  - Five training workshops on security investment cost recovery and the NIPP to a total of 120 state utility regulatory commissioners and commission staff
  - A curriculum and two webcasts to "train" the trainers among commissioners and their staff to train others in their regions on role of commissions in CIKR protection
- A DHS partnership with the Conference Board delivered three executive level reports to Fortune 500 companies on security risk management, and a major business security research study as a

foundation for identifying the needs of, and measuring the progress of security investments and activity in private sector, particularly among mid-level sized companies

- NIAC completed a major study and recommendations to the President on public and private sector intelligence coordination
- NIAC completed a study and recommendations on the potential consequences of physical and cyber convergence of critical infrastructure
- NIAC completed a short-time frame study and recommendations, jointly requested by the Secretaries of the Department and Health and Human Services (HHS), on pandemic flu CIKR Work Force prioritization; results became a basis for strategy development and implementation by HHS to address CIKR-related issues in pandemic planning
- NIAC Secretariat provided efficient and effective administrative and logistics support for the operations of the council and working group meetings

#### FY 2008 Planned Accomplishments

- CIKR Sectors (SCC/GCC/CIPAC/NIAC/Sector Specialists): Develop processes to encourage broader participation of CIKR owners and operators in the activities of their SCCs; communicate and educate stakeholders on standards and metrics for partnership; sustain effective and efficient operations and coordination for all coordinating councils, including roadmap support for each council to identify and set NIPP implementation goals and priorities; complete the stand-up of the mechanisms, processes, and procedures related to Sector Specialist activities
- Other Federal Agencies (FSLC, functional agencies): Identify and formally establish partnerships with CIKR functional support agencies (such as the FBI) and SSAs (such as the Treasury Department which sponsor regional organizations such as Chicago First) to jointly sponsor CIKR-related programs and partnerships (such as InfraGard); complete institutionalization of national planning structures and processes that engage SSAs and other Federal government NIPP signatories; work with SSAs to enhance planning and reporting processes to improve efficiency and effectiveness
- State, Local, Tribal, and Territorial Government Coordinating Council (SLTTGCC): Based on the 2007 SLTTGCC study recommendations, implement pilots with regional and State CIKR coalitions identified by the SLTTGCC to establish formal channels of coordination with the national Sector Partnership; complete implementation of structures and processes for communication and coordination with the SLTTGCC on CIKR issues; complete integration of the SLTTGCC and local and regional CIKR partners into the full cycle of NIPP planning and reporting
- Regional: Identify established and effective regional partnerships with subject matter or sector-specific expertise, and build them into the NIPP partnership framework; implement NIPP-focused coordination or partnership relationships, as appropriate
- International: Establish a federal government policy, structure, and process for engagement with other nations and international organizations to foster international CIKR protection, specifically clarifying agency roles/responsibilities and prioritization criteria/process for engagement for use in supply chain analyses, critical asset identification, and risk assessments

#### FY 2009 Planned Accomplishments

- CIKR Sectors (SCC/GCC/CIPAC/NIAC/Sector Specialists): Enhance the operations of the councils based on feedback resulting from full deployment of the partnership as a primary forum for addressing CIKR issues; update and fully deploy partnership standards and metrics; fully implement cross-sector coordination within the Sector Partnership structure and include full integration of the SLTTGCC into CIPAC and cross-sector deliberations

- Other Federal Agencies (FSLC, functional agencies): Implement processes and incentives for cross-sector coordination and problem solving; sustain efficient and effective operations of the FSLC; continue to implement partnerships with CIKR functional agencies and their CIKR partners to support joint programs regionally and locally
- State, Local, Tribal, and Territorial Governments (SLTTGCC): Continue integration of sector partnership structures and processes with the State and regional cross-sector stakeholders; fully deploy strategy for engagement to implement the NIPP at the local level
- Regional: Establish processes and mechanisms to support effective coordination and communication among regional CIKR-relevant coalitions, federal agencies, and special focus coalitions with subject matter or sector-specific expertise
- International: Undertake independent or joint risk assessments of identified CIKR with international governments, organizations, and CIKR owners and operators; build clear understanding with identified priority international partners on productive mutual risk mitigation issues and programs, and address them through appropriate international forums such as bilaterals and multi-laterals.

\$ thousands

|   |   |            |                 |                |            |                |               |            |                 |
|---|---|------------|-----------------|----------------|------------|----------------|---------------|------------|-----------------|
| <b>Program/Mission Area</b> .....               | <b>IP/Coordination and Information Sharing</b>          |            |                 |                |            |                |               |            |                 |
| <b>Project</b> .....                            | <b>Management, Planning, and Administration</b>         |            |                 |                |            |                |               |            |                 |
| <b>Division</b> .....                           | <b>Office of the Assistant Secretary for IP (OASIP)</b> |            |                 |                |            |                |               |            |                 |
|   | <b>FY 2008</b>  |            |                 | <b>FY 2009</b> |            |                | <b>Change</b> |            |                 |
| <b>Activity</b>                                 | <b>FTE</b>  | <b>FTP</b> | <b>Enacted</b>  | <b>FTE</b>     | <b>FTP</b> | <b>Request</b> | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>       |
| <b>Salaries &amp; Benefits</b>                  | <b>43</b>   | <b>43</b>  | <b>\$5,593</b>  | <b>43</b>      | <b>43</b>  | <b>\$3,701</b> | <b>0</b>      | <b>0</b>   | <b>-\$1,892</b> |
| <i>Management, Planning, and Administration</i> |   |            | \$6,757         |                |            | \$5,356        |               |            | -\$1,401        |
| <i>[WCF]</i>                                    |   |            | [553]           |                |            | [350]          |               |            |                 |
| <b>Activity Costs</b>                           |   |            | <b>\$6,757</b>  |                |            | <b>\$5,356</b> |               |            | <b>-\$1,401</b> |
| <b>Total</b>                                    | <b>43</b>   | <b>43</b>  | <b>\$12,350</b> | <b>43</b>      | <b>43</b>  | <b>\$9,057</b> | <b>0</b>      | <b>0</b>   | <b>-\$3,293</b> |

The Management, Planning and Administration (MPA) project is a key enabler of all of IP’s programmatic actions. This project supports effective management of IP senior leadership and the Infrastructure Protection mission area. It encompasses a number of disparate planning, policy, and programmatic areas, including:

- human resource management
- professional development
- investment planning
- budget formulation, implementation, and execution
- acquisition strategy
- personnel and facility security
- logistics and executive secretariat support
- GAO and DHS IG facilitation and support
- policy development and evaluation
- legislative analysis
- IP International Partnership Coordination

Integrating these activities on a strategic-, organizational-, and project-level represents a core competency for IP. The MPA Project focuses on maturing and improving IP strategic planning, business, and administrative processes to support project management and execution and on instituting long-term investment planning and decision making for efficient and effective project execution. An

integrated planning and performance capability ensures that IP's planning and communication and outreach efforts include on Federal, State, local, tribal, and territorial governments; the private sector; and international security partners, thereby facilitating both greater transparency and a sense of community.

#### International CIKR Protection:

Through the MPA Project, IP addresses the international implications of the CIKR global risk environment by working with DHS components, federal agencies, and security partners to develop and implement specific strategic guidance and policies for US international CIKR protection. The protection of our national CIKR necessitates addressing protection from a global risk standpoint. The destruction or disruption of domestic or shared transnational CIKR and the key global systems and networks that underpin them have the potential to significantly hinder the functioning of our government and economy. The total global risk environment is taken into account in order to provide a complete protective architecture for CIKR as required by IP mandate. The MPA Project ensures IP's capability to participate in international relationships and interagency security. International CIKR protection efforts emphasize cross-border CIKR vulnerability assessments and information sharing in accordance with NIPP objectives. IP works with the DHS Office of International Affairs to engage in multilateral and bilateral discussions to further international CIKR security awareness and policy development. Working in partnership with DHS components allows IP to provide leadership and expertise in multilateral and regional forums, including the Group of Eight Industrialized Nations; Organization of American States; North Atlantic Treaty Organization; Asia-Pacific Economic Cooperation; European Union; and Security and Prosperity Partnership of North America. IP also provides guidance and supporting capabilities to other US government agencies in their efforts to address international implications and requirements related to CIKR protection.

#### Interagency Security Committee (ISC):

Executive Order 12977 was issued in 1995 to improve government-wide coordination of security initiatives. The Order established the Interagency Security Committee (ISC) to enhance the quality and effectiveness of security and protection of federal buildings and facilities. The ISC is responsible for establishing policies and standards for federal facility security. The ISC also oversees the implementation of federal facility security measures. On October 1, 2007, IP assumed the lead and functional responsibility for the ISC.

Looking forward, the ISC will raise the visibility of federal physical security issues nationwide; harmonize the activities of the ISC and the Government Facilities GCC; ensure focus on funding and resources for physical security functions; improve the ISC's ability to interact with senior officials throughout the Federal Government; and ensure that federal physical security policies and standards are coordinated and implemented consistently. The ISC will focus its efforts on three primary objectives: improving security program management; enhancing guidance and standards for security operations; and improving coordination of security and protection initiatives.

### **Project Milestones/Schedules**

#### FY 2007 Accomplishments

- Issued the FY 2008 to FY 2013 IP Strategic Plan
- Held two IP Leadership Offsite Workshops to discuss mid and long term CIP organizational and programmatic issues, and to establish guidance going forward

- Led a resources management transformation effort which grouped 44 programmatic functions into 15 key infrastructure protection capabilities (projects) eliminating duplication and saving program support costs
- Developed an Integrated Performance Management approach to ensure compliance with all documentation requirements
- Developed and implemented the Human Capital Module of the Visual Performance Suite
- Developed the Program, Management, and Planning Module of the Visual Performance Suite
- Finalized IP expansion and reorganization, and aligned it with a new Table of Organization
- Established a robust Employee Recognition Program

#### FY 2008 Planned Accomplishments

- Institute a comprehensive communications and awareness strategy to ensure that efficient and effective interaction takes place both internally and externally throughout all levels of IP's management structure
- Continue the implementation of a comprehensive governance processes and supporting documents are mature, operational, and communicated to IP staff at all levels to enable long-term strategic planning, facilitate decision making, reduce redundancy, and maximize return on investments
- Realize a functional, streamlined, and transparent human capital recruitment and retention activity that integrates with the DHS and NPPD leadership
- Implement the Program, Management, and Planning Module of the Visual Performance Suite, to aid in completing required documentation more efficiently
- Begin implementation of the redefined CIKR protection goals under the revised Security and Prosperity Partnership of North America
- Work in conjunction with the National Infrastructure Institute's Center for Infrastructure Expertise to initiate a beta cross-border initiative on CIKR-related risk management and incident management with the state of Michigan and Canadian federal, local, and provincial authorities
- Identify and prioritize a list of international security partners for incorporation into the TRIPwire program
- Work with the Department's Office of International Affairs and the government of the United Kingdom on initial implementation of the Joint Contact Group Critical Infrastructure Protection work proposal
- Present a sector-prioritized CIKR protection work proposal to the Group of Eight for adoption and implementation
- Engage in risk assessments of the Paraguayan-Brazilian Friendship Bridge and the Itaipú hydroelectric dam, following bilateral discussions within the Organization of American States; participate in security efforts involved with the Panama Canal expansion; and engage with the International Commission on Large Dams to establish a committee on dam security
- Work jointly with the Department Attaché to the European Union to develop coordination and collaboration mechanisms to participate in CIKR protection efforts within the European Union
- Work jointly with the DHS military liaison to develop coordination and collaboration mechanisms to better integrate departmental international CIKR protection efforts with the efforts of the US Northern Command (NORTHCOM)
- Issue guidance on the use of performance measures for Federal facility security programs, allocating resources using risk principles and the strategic management of human capital
- Develop guidance on construction standards for shelter-in-place locations
- Develop physical security standards for childcare facilities and land ports of entry

- Update the physical security standards for existing buildings (replaces the 1995 *Department of Justice Vulnerability Assessment of Federal Facilities Report*)
- Develop guidance for safe mail handling, and issue revised guidance for law enforcement access to Federal facilities

#### FY 2009 Planned Accomplishments

- Initiate a Professional Development program that defines educational levels and training requirements for IP staff at all levels
- Fully implement an integrated performance management structure
- Provide an integrated and comprehensive suite of processes, procedures, and methods related to all procurements and financial activities
- Complete the beta cross-border initiative on CIKR-related risk management and incident management with the state of Michigan and Canadian Federal, local, and provincial authorities
- Expand the TRIPwire program by incorporating prioritized international security partners (as identified in FY 2008)
- Continue implementation of the sector prioritized CIKR protection work proposal within the Group of Eight
- Promote the leveraging of technology for use in facility security operations
- Develop minimum standards for the use, training, and certification of contract security guards
- Improve ISC marketing and communication with agencies and security partners

**CURRENT SERVICES PROGRAM DESCRIPTION:**

**Mitigation Programs**

| Mitigation Programs  | FY 2008 Enacted      | FY 2009 Request      |
|----------------------|----------------------|----------------------|
| <b>Total</b>         | <b>\$134,253,000</b> | <b>\$149,830,000</b> |
| <b>Personnel</b>     | <b>\$23,451,000</b>  | <b>\$30,938,000</b>  |
| <b>Program Costs</b> | <b>\$110,802,000</b> | <b>\$118,892,000</b> |

NPPD requests \$149,830,000 for Mitigation Programs. Mitigation Programs utilizes measures designed to prevent, deter, and mitigate threat to CIKR, and reduce and enable timely, efficient response and restoration in a post-event situation for all hazards.

Mitigation Programs utilize measures designed to prevent, deter, and mitigate threat to CIKR, and reduce and enable timely, efficient response and restoration in a post-event situation for all hazards. Mitigation programs facilitate security partners to identify and mitigate vulnerabilities, implement protective measures, and increase preparedness for facilities, systems, and surrounding communities. They also support public awareness efforts and facilitate the sharing of CIKR protection-related best practices and lessons learned. Additionally, they enable IP planning, readiness and incident management capabilities. Mitigation Programs is divided into seven projects: *Infrastructure Coordination and Incident Management, Contingency Planning, Readiness, Infrastructure Security Compliance, Protective Security Advisors, SSA Management, and Bombing Prevention.*

\$ thousands

| Program/Mission Area.....      | IP/Mitigation Programs                                     |           |                 |           |           |                 |          |          |              |
|--------------------------------|--|-----------|-----------------|-----------|-----------|-----------------|----------|----------|--------------|
| Project.....                   | Infrastructure Coordination and Incident Management        |           |                 |           |           |                 |          |          |              |
| Division.....                  | CIKR Contingency Planning and Incident Management Division |           |                 |           |           |                 |          |          |              |
|                                | FY 2008  |           |                 | FY 2009   |           |                 | Change   |          |              |
| Activity                       | FTE  | FTP       | Enacted         | FTE       | FTP       | Request         | FTE      | FTP      | \$           |
| <b>Salaries &amp; Benefits</b> | <b>12</b>  | <b>12</b> | <b>\$1,560</b>  | <b>12</b> | <b>12</b> | <b>\$1,609</b>  | <b>0</b> | <b>0</b> | <b>\$49</b>  |
| <i>NICC</i>                    |  |           | \$11,902        |           |           | \$11,902        |          |          | \$0          |
| <i>[WCF]</i>                   |  |           | [1,229]         |           |           | [779]           |          |          |              |
| <i>OIP Incident Management</i> |  |           | \$5,029         |           |           | \$5,741         |          |          | \$712        |
| <i>[WCF]</i>                   |  |           | [519]           |           |           | [375]           |          |          |              |
| <i>COOP</i>                    |  |           | \$2,396         |           |           | \$2,396         |          |          | \$0          |
| <i>[WCF]</i>                   |  |           | [0]             |           |           | [156]           |          |          |              |
| <b>Activity Costs</b>          |  |           | <b>\$19,327</b> |           |           | <b>\$20,039</b> |          |          | <b>\$712</b> |
| <b>Total</b>                   | <b>12</b>  | <b>12</b> | <b>\$20,887</b> | <b>12</b> | <b>12</b> | <b>\$21,648</b> | <b>0</b> | <b>0</b> | <b>\$761</b> |

Guided by the NIPP and the NRF, the Infrastructure Coordination and Incident Management project provides the structures and mechanisms needed to execute a coordinated, interoperable, CIKR-focused response to emerging and no-notice incidents. The project is the means for IP leadership to operationalize relationships, maintain situational awareness, share information, analyze data, process requests for information and assistance, contribute to national reporting, and distribute key products. There are three activities of the Infrastructure Coordination and Incident Management project: Incident Management Cell (IMC), the National Incident Coordination Center (NICC), and Continuity of Operation programs (COOP).

#### IP Incident Management:

The Incident Management activity provides IP with the capability for incident management coordination during steady-state and incident activities. The project was established after the 2005 Hurricane Season, which clearly demonstrated the requirement for an IP incident management capability to enable CIKR protection, response and recovery efforts. Incident management provides a centralized information flow for the Infrastructure Liaison and CIKR support staff located in the Joint Field Office under the NRF.

The IP incident management suite of plans and their execution is in accordance with the policies and procedures described in the National Incident Management System (NIMS), NRF, and NIPP, and derives its authority from Title II of the Homeland Security Act of 2002, and HSPD-7. The NRF and NIPP provide an integrated approach to addressing the Nation's homeland security mission to prevent terrorist attacks, reduce vulnerabilities and respond to incidents.

#### National Infrastructure Coordination Center (NICC):

The Infrastructure Coordination and Incident Management project operates the NICC; a 24x7 watch designated in the NRF and NIPP as one of five core elements of the DHS National Operations Center (NOC). As the CIKR-focused element of the NOC, the NICC synthesizes CIKR reporting from the 17 Sector-Specific Agencies, IP elements, and other CIKR stakeholders to provide the CIKR elements of the consolidated national reports as well as a range of internally produced reporting detailing impacts and potential impacts to CIKR. The NICC also coordinates readiness activities and provides direct personnel to support IP's Joint Field Office (JFO) Infrastructure Liaison (IL) support teams. As the focal point for IP's incident outreach and information-sharing with private sector CIKR partners, the NICC provides situational awareness through teleconferences, the IP Executive Notification Service, and HSIN Critical Sectors (HSIN-CS). The NICC coordinates responses to CIKR-related requests for information and assistance across CIKR stakeholders in government and industry. As the Department's hub for CIKR information sharing, the NICC disseminates a range of departmental, interagency, and other threat, warning, and CIKR protection products to the private sector and government entities. Additionally, the NICC receives and validates incidents of suspicious activities provided by CIKR owner/operators and reports these to intelligence and law enforcement, and when appropriate, to State and Local Fusion Centers.

#### Continuity of Operations Programs (COOP):

The COOP activity mandated by Presidential Decision Directive (PDD)-67, and Federal Preparedness Circular (FPC)-65, and now replaced with Homeland Security Presidential Directive 20 (HSPD 20) and the National Continuity Policy (NCD 1) requires departments and agencies (D/A) to have plans in place to continue their mission at alternate facilities if their primary facilities become uninhabitable for an extended period. The goal of the Continuity program is to improve the overall readiness, operations and execution of targeted capabilities of IP by conducting continuity operations to include Enduring Constitutional Government (ECD), and Continuity of Government (COG) operations, and exercising national and IP plans and procedures. The plan is designed to ensure the uninterrupted continuation of IP Primary Mission Essential functions (PMEFs) throughout any adverse situation. It also establishes the framework to ensure all IP staff members are trained to work continuity operations during an all-hazards event or incident in accordance with the NRF, NIMS, and NIPP, thus ensuring that IP can continue Mission Critical Functions.

The IP continuity program provides guidance for the organization, its key leaders, and all assigned staff, and facilitates preparation of site and activity specific plans and procedures regarding their required actions should IP be directed to operate from a COOP posture. The IP COOP Implementation

Plan identifies the essential functions of each IP division, the order of succession for IP leadership, Emergency Relocation Group and Advance Relocation team members, mission critical systems, vital records and databases, and required communications for the Emergency Relocation Site (ERS). The program supports IP's ability to develop plans, processes and procedures to meet specific threats to CIKR identified in each targeted planning scenario. The continuity program fulfills its mandate to enhance effective and efficient coordination of incident management operations to prepare, protect, mitigate and restore the Nation's CIKR.

### **Project Milestones/Schedules:**

#### FY 2007 Accomplishments

- Participated in numerous exercises and training sessions to institutionalize IP operations across Divisions
- Conducted a full gap analysis of NICC SOPs to ensure preparedness for the 2007 hurricane season
- Trained SSAs on the Department's reporting processes, and initiated monthly reporting drills
- Developed & documented a comprehensive watch stander training & qualification program
- Executed plans to integrate INSight with the Homeland Security Information Network – Critical Sectors (HSIN-CS) and the Integrated Common Asset Viewer (iCAV)
- Establish an NICC watch desk in the FEMA National Response Coordiantion Center (NRCC) to coordinate incident-specific CIKR information
- Conducted a 24-hour COOP relocation to an alternate facility without significant operational impact
- Establishment of a Joint Field Office support team coordination office
- Established the Infrastructure Protection Continuity Working Group
- Updated and published IP Mission Essential Functions
- Incorporated Pandemic Influenza planning into the Implementation Plan
- Incorporated and expanded Telework options for assigned personnel
- Established weekly "Communicator" testing for emergency personnel
- Executed Mission Essential Functions during Exercise Pinnacle 07

#### FY 2008 Planned Accomplishments

- Integrate the incident management efforts of IP with NPPD and departmental components and continue the phased integration of State, local, tribal, and territorial government and private sector partners into operational efforts, including fusion of incident information
- Increased incorporation of CIKR related plans, processes, and procedures to reinforce linkage to NRP and NIPP
- On an annual basis, participate in IP training, exercise, and qualifications, and incorporate best practices into contingency plans and procedures to ensure that IP staff and security partners are capable of performing incident response functions
- Increased numbers of exercises and training participation, including the implementation of lessons learned and other continued improvement processes
- On an annual basis, ensure Infrastructure Liaisons and CIKR Support Staff are equipped and trained on incident management roles and responsibilities to effectively support the Principal Federal Official (PFO) and the Federal Coordinating Officer
- Increased procedural documentation of IL procedural documents including Incident Management SOP and Infrastructure Liaison SOP

- Provide orientation sessions to all components of IP on IL and IL Support Team State, local, tribal, and territorial government and private sector partners
- Participate in TOPOFF 4 (T4) National Level Exercise Series and other appropriately identified national and regional exercises and training opportunities
- Enhance collaborative working relationship between NICC and the State and Local Fusion Centers
- Initiate rollout of NICC's INSight information management system to key operational partners
- Initiate the design phase of a Maritime Domain Awareness (MDA) cell to support a future role as the Enterprise Hub for infrastructure in the MDA Concept of Operations (CONOPS)
- Continue to engage the SSAs in training and drills on the national-level reporting process
- Complete overhaul and rewrite of the COOP Implementation Plan
- Develop and document a quarterly exercise and training qualification program
- Deploy full-time staff to the Alternate Relocation Site
- Strengthen IT and communications between ART and ERG members
- Establish a program and pamphlets to help personnel prepare their families for contingencies
- Develop a comprehensive COOP-Pandemic Influenza training and exercise program
- Develop a multi-year strategy and program management plan to better define essential functions and resources, short and long-term goals and objectives, budgetary requirements and staffing while anticipating and addressing issues and potential obstacles

#### FY 2009 Planned Accomplishments

- Develop outreach strategies to orient State, local, tribal, and territorial government and private sector partners on IL roles and responsibilities
- Enhance data exchange capabilities between IP divisions that provide senior leadership with a summary of reports and modeling to develop preemptive response actions
- Codify methodology to capture/disseminate relevant, timely, accurate CIKR data to internal and external stakeholders
- Enhance the incident management partnership between IP, NPPD, other departmental components, Federal, State, local, tribal, and territorial government and private sector partners; continue to expand IP's partnerships
- Fully implement all logistical, technical, and knowledge management aspects of the Infrastructure Liaison and the CIKR Support Staff
- Improve national coordination and situational awareness between the NICC and NORTHCOM J34
- Refine, expand and upgrade COOP capabilities to ensure execution and recovery in an "all hazards environment"

The Contingency Planning project provides IP contingency planning capabilities for all-hazard incidents in the United States as well as important incident management situational awareness and support in accordance with the NRF and NIMS. It contribute to DHS' preparedness through the development of contingency plans to address specified threat scenarios with coordinated preparedness, response and recovery activities that are relevant to critical infrastructure and key resources (CIKR) issues. The Contingency Planning project was established to address IP's planning requirements in support of inter-agency planning for National Special Security Events (NSSEs) and other special events.

\$ thousands

|                                   |   |            |                |                |            |                |               |            |             |
|-----------------------------------|---|------------|----------------|----------------|------------|----------------|---------------|------------|-------------|
| <b>Program/Mission Area</b> ..... | <b>IP/Mitigation Programs</b>                                     |            |                |                |            |                |               |            |             |
| <b>Project</b> .....              | <b>Contingency Planning</b>                                       |            |                |                |            |                |               |            |             |
| <b>Division</b> .....             | <b>CIKR Contingency Planning and Incident Management Division</b> |            |                |                |            |                |               |            |             |
|                                   | <b>FY 2008</b>  |            |                | <b>FY 2009</b> |            |                | <b>Change</b> |            |             |
| <b>Activity</b>                   | <b>FTE</b>  | <b>FTP</b> | <b>Enacted</b> | <b>FTE</b>     | <b>FTP</b> | <b>Request</b> | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>   |
| <b>Salaries &amp; Benefits</b>    | <b>6</b>  | <b>6</b>   | <b>\$781</b>   | <b>6</b>       | <b>6</b>   | <b>\$804</b>   | <b>0</b>      | <b>0</b>   | <b>\$23</b> |
| <i>Contingency Planning</i>       |   |            | \$3,800        |                |            | \$3,800        |               |            | \$0         |
| <i>[WCF]</i>                      |   |            | <i>[503]</i>   |                |            | <i>[249]</i>   |               |            |             |
| <b>Activity Costs</b>             |   |            | <b>\$3,800</b> |                |            | <b>\$3,800</b> |               |            | <b>\$0</b>  |
| <b>Total</b>                      | <b>6</b>  | <b>6</b>   | <b>\$4,581</b> | <b>6</b>       | <b>6</b>   | <b>\$4,604</b> | <b>0</b>      | <b>0</b>   | <b>\$23</b> |

The project involves the development of specific contingency plans to address vital CIKR and IP requirements and actions to prepare for, respond to, and recover from the situations described in the National Planning Scenarios. IP will develop contingency plans as needed but projected at a rate of three to four each year. In addition to the National Planning Scenarios, scenario specific plans will be developed. Scenario-specific plans are prioritized for drafting according to the order in which the federal interagency Incident Management Planning Team (IMPT) addresses each scenario. Currently, the Contingency Planning project provides liaisons to IMPT and the operational planning unit of the NRCC. Such cooperation and coordination is indicative of the level of internal communications between components that is vital to the success of CIKR protection.

Each year, the Contingency Planning project will incorporate best practices and lessons learned during the previous year’s exercises, incidents, and events into existing plans. In FY 2008, IP will continue to refine existing plans and incident management products and institutionalize them among security partners as appropriate. In FY 2009, the Contingency Planning project will examine the provision of liaisons to other planning elements, such as those within fusion centers. In FY 2010 and beyond, IP will progressively integrate security partners into plans that are in revision, consistently with their levels of participation in the Infrastructure Coordination and Incident Management project. By FY 2013, IP contingency plans will incorporate recognized, formalized doctrine, addressing all planning scenarios and will be included in CIKR-focused annexes to all major partners’ security plans. Consistent with the efforts and approach put forth in IP’s Readiness project, the Contingency Planning project maintains ongoing pre-event relationships with security partners and monitors ongoing activities to assist them with their efforts.

**Project Milestones/Schedules**

FY 2007 Accomplishments

- Completed the IP Suite of Plans, which includes the IP Base Plan, IP Incident Management Standard Operating Procedures, and the Infrastructure Liaison Standard Operating Procedures to ensure coordinated IP preparedness and response to incident management
- Supported the establishment of the IMPT and the finalization of four National Planning Scenario documents by providing full-time CIKR subject matter representatives to the Team
- Participated in the Joint Field Office Table-top Exercise to ensure IP’s incident management documentation accurately reflect divisional roles and responsibilities
- Worked with the National Protection and Programs Directorate on the development of their concept of operations and incident management documentation

- On behalf of IP, coordinating with the USCG Deployable Operations Group and the DHS Operations Coordination Group on an inter-agency effort to support a DHS enhanced security protection effort

#### FY 2008 Planned Accomplishments

- Build consensus across all IP divisions by institutionalizing contingency plans and incident management products, supporting their use in exercises, and capturing the processes for generating and disseminating them
- Fulfill our commitment to support the National Operations Center by providing liaison personnel to the IMPT and its role in developing plans and CIKR annexes addressing the National Planning Scenarios
- Utilize the DHS National Planning and Execution System (NPES) during the identification and development of plans and planning requirements, and support NPES training across IP to ensure a consistent methodology is used during national and contingency planning efforts
- In conjunction with NPPD, support the development and institutionalization of incident management planning and readiness efforts across the Directorate
- Develop approximately three or four contingency plans per year, as dictated by the IMPT schedule
- On an annual basis, support and facilitate required maintenance on national-level plans and IP contingency plans (including the IP Base Plan, Incident Management Standard Operating Procedures, and the Infrastructure Liaison Standard Operating Procedures) to ensure current roles, responsibilities and relationships are accurately reflected and updated as necessary
- On an annual basis, develop and publicize a Contingency Plans Development and Maintenance Schedule

#### FY 2009 Planned Accomplishments

- Establish and annually refine contingency planning metrics and continue to execute and measure effectiveness of internal Contingency Planning Program
- Ensure national-level and contingency plans continue to evolve to include expanded government and private sector CIKR security partners, including regional fusion centers, in support of continued information sharing and incident management efforts
- Support the cross-divisional effort to socialize the IP incident management plans with State, local, and industry partners, as appropriate
- Ensure Contingency Planning program staff are trained on incident management efforts to make certain IP and NPPD planning efforts remain highly-visible and essential elements to effective incident management

\$ thousands

|                                   |   |            |                |                |            |                |               |            |             |
|-----------------------------------|---|------------|----------------|----------------|------------|----------------|---------------|------------|-------------|
| <b>Program/Mission Area</b> ..... | <b>IP/Mitigation Programs</b>                                     |            |                |                |            |                |               |            |             |
| <b>Project</b> .....              | <b>Readiness</b>  |            |                |                |            |                |               |            |             |
| <b>Division</b> .....             | <b>CIKR Contingency Planning and Incident Management Division</b> |            |                |                |            |                |               |            |             |
|                                   | <b>FY 2008</b>  |            |                | <b>FY 2009</b> |            |                | <b>Change</b> |            |             |
| <b>Activity</b>                   | <b>FTE</b>  | <b>FTP</b> | <b>Enacted</b> | <b>FTE</b>     | <b>FTP</b> | <b>Request</b> | <b>FTE</b>    | <b>FTP</b> | <b>\$</b>   |
| <b>Salaries &amp; Benefits</b>    | <b>6</b>  | <b>6</b>   | <b>\$781</b>   | <b>6</b>       | <b>6</b>   | <b>\$804</b>   | <b>0</b>      | <b>0</b>   | <b>\$23</b> |
| <i>Readiness</i>                  |   |            | \$3,546        |                |            | \$3,546        |               |            | \$0         |
| <i>[WCF]</i>                      |   |            | [503]          |                |            | [232]          |               |            |             |
| <b>Activity Costs</b>             |   |            | <b>\$3,546</b> |                |            | <b>\$3,546</b> |               |            | <b>\$0</b>  |
| <b>Total</b>                      | <b>6</b>  | <b>6</b>   | <b>\$4,327</b> | <b>6</b>       | <b>6</b>   | <b>\$4,350</b> | <b>0</b>      | <b>0</b>   | <b>\$23</b> |

The Readiness project develops and implements exercise and raining programs to test, evaluate, and enhance the IP’s overall readiness to respond to incidents affecting the Nation’s CIKR. Training and exercise programs are fully compliant with the Homeland Security Exercise and Evaluation Program (HSEEP). Readiness training provides seminars and workshops to support incident management training. Using proven Instructional Systems Design (ISD) methodologies, the section creates highly specialized training modules for executives and staff members in public and private arenas. The training staff conducts “needs analyses,” and designs, develops, implements, and evaluates training courses related to CIKR incident management. IP incident management training efforts are comprehensive and designed to meet the needs of the target audience. A primary goal is to complete the development of a comprehensive CIKR Incident Management Qualifications training curriculum for IP Watch Officers, CIKR analysts, and Infrastructure Liaisons. The Readiness project designs, develops, and facilitates IP participation in national level Functional Exercises and Full-Scale Exercises. It successfully employed the Preparedness Exercise Series process to prepare for participation in Exercise Ardent Sentry – Northern Edge 2007, and continues to apply the process in preparation for the upcoming Top Officials 4 (TOPOFF 4) exercise in October, 2007.

The Readiness project conducts its own IP exercise program designated as the CIKR Preparedness Exercise Series. The IP program focuses on incident management efforts to protect and restore CIKR; validate IP roles and responsibilities; and interact with key response partners. The readiness exercise efforts are a high priority for IP. Exercises test IP’s communications and IT capabilities; processes and tools for sharing information; data analysis; and the timely development of models and reports. During exercises, participants have an opportunity to clarify roles and responsibilities, improve individual performance, and enhance interagency coordination and communications.

**Project Milestones/Schedules**

FY 2007 Accomplishments

- Initiated and led the IP Exercise Working Group with representatives from each of the IP Divisions
- Provided an organized and managed approach to exercises in accordance with the HSEEP methodology in support of the National Strategy for Infrastructure Protection and the National Infrastructure Protection Plan
- Coordinated and provided IP support to DOD Vigilant Shield exercise
- Coordinated IP participation in Hurricane Preparedness 07 exercises
- Led IP participation in the Exercise Series for Ardent Sentry-Northern Edge: Seminar, Table Top Exercise (TTX) and, Full Scale Exercise

- Planned and executed the Seminar, Plans Workshop, and Table Top Exercises for the Top Officials IV Exercise

FY 2008 Planned Accomplishments

- Plan and execute the IP Preparedness Exercise Series for the 2008 Hurricane Season and National Scenario Plans
- Develop a schedule of required training for CIKR-related incident management activities and effective use of simulations to improve and enhance risk assessments
- Align programs with recruiting efforts, budgeting decisions, and mission performance, establishing an integrated capability to enhance and maximize CIKR readiness
- Support the design and development of internal exercises designed to test IP internal operational processes
- Ensures that lessons learned, best practices, and issues requiring remedial action are identified and documented in after-action reviews and remedial action plans

FY 2009 Planned Accomplishments

- Readiness will coordinate IP participation in national, State, and local training events and exercises. Readiness will also support the development of internal intra-IP exercises to meet specific training objectives for IP and CIKR partners
- Build collaborative relationships with the Emergency Management Institute (EMI) and their support training development staff, Simulation Cell, and Media Support subject matter experts
- Readiness will also continue to build and strengthen planning efforts to ensure IP has a robust and viable incident management regime able to effectively respond to all hazard incidents
- The IP training program curriculum will be distributed to all organizations within IP and customer critique forms will be forwarded to IP leadership following training events

\$ thousands

| Program/Mission Area.....                 |           | IP/Mitigation Programs                                     |                 |           |            |                 |           |           |                 |
|---|-----------|--|-----------------|-----------|------------|-----------------|-----------|-----------|-----------------|
| Project.....                              |           | Infrastructure Security Compliance                         |                 |           |            |                 |           |           |                 |
| Division.....                             |           | CIKR Contingency Planning and Incident Management Division |                 |           |            |                 |           |           |                 |
|   |           | FY 2008  |                 | FY 2009   |            |                 | Change    |           |                 |
| Activity                                  | FTE       | FTP  | Enacted         | FTE       | FTP        | Request         | FTE       | FTP       | \$              |
| <b>Salaries &amp; Benefits</b>            | <b>21</b> | <b>37</b>  | <b>\$5,632</b>  | <b>78</b> | <b>123</b> | <b>\$11,219</b> | <b>57</b> | <b>86</b> | <b>\$5,587</b>  |
| <i>Infrastructure Security Compliance</i> |           |  | <i>\$44,368</i> |           |            | <i>\$51,781</i> |           |           | <i>\$7,413</i>  |
| <i>[WCF]</i>                              |           |  | <i>[2,075]</i>  |           |            | <i>[3,387]</i>  |           |           |                 |
| <b>Activity Costs</b>                     |           |  | <b>\$44,368</b> |           |            | <b>\$51,781</b> |           |           | <b>\$7,413</b>  |
| <b>Total</b>                              | <b>21</b> | <b>37</b>  | <b>\$50,000</b> | <b>78</b> | <b>123</b> | <b>\$63,000</b> | <b>57</b> | <b>86</b> | <b>\$13,000</b> |

The Infrastructure Security Compliance (ISC) project implements 6 CFR Part 27 and Public Law 109-295, which grants DHS the authority to regulate the Nation’s high-risk chemical facilities. This effort implements the Chemical Facility Anti-Terrorism Standards (CFATS), balancing regulatory authority and the need to secure the Nation’s highest-risk chemical facilities with the sustained economic vitality of the Nation’s Chemical Sector. During FY 2009, this project, in its third year of existence, will complete implementation of its initial phase of activities to aggressively assess high-risk chemical facilities, promote collaborative security planning, and ensure high-risk facilities meet risk-based performance standards through the execution of a cyclical compliance inspection and audit cycle for the highest-risk facilities. As stated in the preamble to the Announcement of Proposed Rule Making,

published in the Federal Register on December 28, 2006 that ISC will: “[F]ill a significant security gap in the country’s anti-terrorism efforts.”

A key portion of the ISC effort involves ongoing construction, improvement, and utilization of the Chemical Security Assessment Tool (CSAT) to enable the Department to identify and then define chemical facilities according to risk-based tiers (Tier 1 being the highest risk and Tier 4 being lowest risk). This system also enables the Department to conduct ongoing analysis of a facility’s risk profile using a consequence-based tier scheme, conduct vulnerability assessments, develop site security plans, and maintain results in a case management system. FY 2009 funding will provide for significant upgrading of capability to include starting to implement a “what if” capability to provide flexible and in-depth site security planning, creating a personnel surety/background screening tool, and maintaining the extensive analytical capability.

Implementation of CFATS also requires robust staffing of the Infrastructure Security Inspector cadre and the national program office to ensure the required level of collaboration and partnership with organizations internal to IP and the Department and external to the Department, including other federal agencies; State, local, and tribal governments; and the private sector. IP will collaborate with the Transportation Security Administration, United States Coast Guard, and Environmental Protection Agency, which have regulatory authorities over segments of the chemical sector not encompassed by authorities granted under P.L. 109-295, Section 550, to ensure a coordinated and informed effort to enhance the security of the chemical sector. Additionally, industry compliance with the performance standards of the CFATS program requires IP to facilitate close coordination at the State and local levels, with focus on interactions with State Homeland Security Advisors, State regulatory agencies, and law enforcement entities with high-risk chemical facilities within their jurisdictions.

Funding for FY 2009 is requested to continue the hiring, training, and nationwide deployment of an IP Infrastructure Security Inspector cadre and support staff (thereby completing the transition from detailee Infrastructure Security Inspectors). Infrastructure Security Inspectors, located in up to 10 primary field offices across the Nation, will inspect and ensure regulatory compliance at facilities covered by the CFATS regulation, including site security plan approval and maintaining respective inspection and audit schedule. Creating a fully functional cadre will require not just recruiting and training staff, but also procurement of communications and IT equipment (laptops, blackberries, etc.) to facilitate work efforts while conducting inspections and traveling, but also the acquisition of office space and equipment, government vehicles, support staff, safety equipment and clothing, and support for frequent travel.

Funding for FY 2009 is also requested to develop a permanent adjudications capability (requiring additional FTE) that is responsible for evaluating and handling all requests for relief, reconsideration, and appeals under the regulation. This office must receive, make a determination on, and respond to all requests for reconsideration that are filed with the Department. With Tier 3 and 4 facilities becoming a greater focus in FY 2009, the number of such requests received is expected to increase sharply.

Funding to develop and execute an economic model of the chemical sector is also included in the FY 2009 request. This is an essential step in identifying and validating the economic risks, chokepoints, and bottlenecks in the chemical sector. Economically, critical chemicals are those that (1) are essential to one or more critical infrastructure sectors or the national/regional economy; (2) are produced at a limited number of locations in the US; (3) have no direct or functional substitutes and; (4) cannot be imported. During the initial phase of program execution, economically critical chemical data will be collected through the screening process, however, the capability to analyze and model that data for the

purpose of tiering decisions will not yet exist. The requirement to identify chemicals that are of economic significance to the Nation (e.g., a material essential to the continued operation of an economically important activity, such as power generation, water treatment, steel fabrication, durable goods manufacturing, etc.) informs tiering and evaluation of facilities against the risk-based performance standards that underpin the program.

### **Project Milestones/Schedules:**

#### FY 2007 Accomplishments

Because the Department was granted chemical facility regulatory authority through P.L. 109-295 on October 4, 2007, FY 2007 represents the first year of existence for the ISC. During FY 2007, the project's focus was on establishing an initial operating capability with immediate focus on the highest-risk facilities and initiating the framework for a cyclical inspection and audit cycle of high-risk facilities.

- Published Interim Final Regulations (6 CFR Part 27) on April 9, 2007 that implements Section 550 of P.L. 195-295
- Deployed the Chemical Security Assessment Tool Top-Screen prior to the effective date of the Interim Final Regulations, June 8, 2007
- Established an initial core inspection capability with Federal Protective Service employees.
- Began initial site assistance visits of expected Tier 1 chemical facilities to assist with Top-Screen efforts

#### FY 2008 Planned Accomplishments

- Assist in security plan development and complete initial inspections of Phase 1 facilities for compliance with risk-based performance standards
- Develop requirements for version 2.0 of the Chemical Security Assessment Tool (CSAT), which will provide an interactive risk management tool for high-risk facilities and a system for comprehensive analysis and review of key data and documents received from chemical facilities
- Initiate Phase 2 of the CFATS program, which includes conducting initial pilot inspections of a selection of Tier 1 and 2 facilities and begin receiving/reviewing vulnerability assessment and security plan submission packages
- The Department OGC will engage with and align the chemical sector regulatory program with other departmental regulatory authorities with IP assistance
- Begin hiring and training an IP Infrastructure Security Inspector cadre to transition from a detailee Infrastructure Security Inspector cadre
- Engage with local officials and chemical facilities to plan, train, and exercise activities related to delay and response performance standards
- The Department OGC will implement an adjudication and appeals function with IP assistance.
- Publish Appendix A of 6 CFR Part 27 in the Federal Register

#### FY 2009 Planned Accomplishments

- Continue development and pilot implementation of CSAT version 2.0, providing chemical facilities with the ability to conduct "what if" analyses based on their risk assessments and a personnel surety capability
- Provide ongoing technical support to chemical facility sites and local authorities
- Continue the transition from a detailee Infrastructure Security Inspector cadre to a fully trained and equipped IP Infrastructure Security Inspector cadre, ultimately over 229 Infrastructure

Security Inspectors are expected to be located in at least 10 primary field offices around the Nation

- Ensure that the Adjudication Office is able to meet established deadlines for DHS decisions and rulings
- Complete initial pilot inspections of a selection of Tier 1-4 facilities, and begin the second round of inspections of Tier 1 facilities. Continue inspections of Tier 1 and 2 facilities and begin inspections on lower tier facilities
- Develop and implement an economic model for chemical sector security. This is an essential step in identifying and validating the economic risks, chokepoints, and bottlenecks in the chemical sector
- DHS OGC will lead an effort to harmonize departmental regulatory authorities related to the chemical sector with IP assistance

\$ thousands

| Program/Mission Area.....           |           | IP/Mitigation Programs                         |                 |           |            |                 |          |           |                |
|-------------------------------------|-----------|--|-----------------|-----------|------------|-----------------|----------|-----------|----------------|
| Project.....                        |           | Protective Security Advisors                   |                 |           |            |                 |          |           |                |
| Division.....                       |           | CIKR Protective Security Coordination Division |                 |           |            |                 |          |           |                |
|                                     |           | FY 2008  |                 |           | FY 2009    |                 |          | Change    |                |
| Activity                            | FTE       | FTP  | Enacted         | FTE       | FTP        | Request         | FTE      | FTP       | \$             |
| <b>Salaries &amp; Benefits</b>      | <b>90</b> | <b>90</b>                                      | <b>\$11,706</b> | <b>95</b> | <b>100</b> | <b>\$12,871</b> | <b>5</b> | <b>10</b> | <b>\$1,165</b> |
| <i>Protective Security Advisors</i> |           |  | \$13,190        |           |            | \$13,755        |          |           | \$565          |
| <i>[WCF]</i>                        |           |  | [1,328]         |           |            | [900]           |          |           |                |
| <b>Activity Costs</b>               |           |  | <b>\$13,190</b> |           |            | <b>\$13,755</b> |          |           | <b>\$565</b>   |
| <b>Total</b>                        | <b>90</b> | <b>90</b>                                      | <b>\$24,896</b> | <b>95</b> | <b>100</b> | <b>\$26,626</b> | <b>5</b> | <b>10</b> | <b>\$1,730</b> |

The Department of Homeland Security cannot protect and reduce the risk to the Nation’s CIKR from Washington DC. To better partner with State governments, local communities, and owners and operators of critical infrastructure, the Department established the Protective Security Advisor (PSA) Program in 2004 as stated in the Fiscal Year 2004 House Report 108-812, which placed PSAs in local communities throughout the country to assist with local efforts to protect critical assets as part of the DHS mission to develop, implement, and maintain a unified national approach to infrastructure protection through an unprecedented public-private sector partnership as outlined in the Homeland Security Act of 2002 and Homeland Security Presidential Directive 7. PSAs were deployed to provide a local perspective to the national risk picture and serve as the Department’s on-site critical infrastructure and vulnerability assessment specialists, and as a vital channel of communication for officials and private sector owners and operators of CIKR assets seeking to communicate with the Department. As IP’s representatives in the field, PSAs regularly interact with State Homeland Security Advisors (HSAs), Emergency Management Directors, Federal Bureau of Investigation (FBI) special agents, and other private sector, Federal, State, territorial, local, and tribal entities. As a result of their locations throughout the United States, PSAs are often the first Department personnel to respond to incidents. Consequently, PSAs are uniquely able to provide early situational awareness to the Department and IP leadership during an incident, often performing duties as the Infrastructure Liaison (IL) at the Joint Field Office (JFO) in support of the Principal Federal Official (PFO). PSAs also coordinate requests from CIKR asset owners and operators for services and resources to include Surveillance Detection (SD) and Soft Target Awareness Course (STAC) training, scheduling of Site Assistance Visits (SAVs), Buffer Zone Plans (BZPs), Comprehensive Reviews (CRs), and verification and technical assistance visits.

The PSA program receives strong Congressional support and was specifically noted in the FY 2007 House Report 109-476, accompanying the FY 2007 DHS Appropriations Bill. The Committee on Appropriations stated that it “is pleased with ongoing training and deployment of Protective Security Advisors (PSAs)... These individuals are essential for carrying out the Department’s nationwide critical infrastructure protection efforts.” There is high demand for PSAs in the field to provide support to State, territorial, local, tribal, private sector representatives, and International partners regarding cross-border interdependencies. The Fy 2009 budget requests resources to support an additional 10 PSA in States that do not currently have a dedicated PSA assigned

Project Milestones/Schedules:

#### FY 2007 Accomplishments

- Supervisory PSAs Gulf Coast Area and Southwest Area and PSAs Little Rock, AR; Baton Rouge, LA; Jackson, MS; Oklahoma City, OK; Nashville, TN; El Paso, TX; Houston, TX; and San Antonio, TX provided support to the State of Louisiana, State of Missouri, State of Texas, city of Galveston, and city of Houston, EOCs, the JFO in Baton Rouge, LA, and the JFO in Texas when identified, in support of preparation and response efforts for Hurricane Dean.
- Conducted over 5,655 liaison visits to local jurisdictions and facilities
- Provided support to over 110 SAVs, 214 BZPs, and 28 CRs
- Conducted numerous tabletop, counterterrorism, and training exercises attended and/or supported such as:
  - Jamestown 2007 Commemoration; 8-13 May (Mid-Atlantic Area and Richmond, VA)
  - Ardent Sentry JFO Full-Scale Exercise; 29 April – 18 May 2007; (Anchorage, AK; Denver, CO; New Haven, CT; Great Lakes Area; Headquarters; Chicago, IL; Indianapolis, IN; Boston, MA; Northeast Area; Northwest Area; Buffalo, NY; Cleveland, OH; and Milwaukee, WI)
  - Presidential State of the Union Address; Supervisory PSA and PSA, serving as the IL and Deputy IL, provided support to the PFO and JFO; 23 January 2007 (Washington, DC and Mid-Atlantic Area)
- Provided support and situational awareness provided to officials during special events and exercises such as:
  - PSA New York, NY provided situational awareness to the Department/RMD regarding a small plane crash into a Manhattan high-rise building on 11 October 2006
  - PSA Richmond, VA provided situational awareness and support to the Virginia State Fusion Center and the Department/PSCD during the Virginia Tech shootings from 16-20 April 2007
  - Supervisory PSA Northeast Area and PSAs New York, NY provided situational awareness to State and local officials and to the Department/PSCD during the John F. Kennedy Airport terrorist plot from 2-6 June 2007
- Provided support provided to state and local officials during incidents and contingencies such as:
  - PSA Honolulu, HI provided situational awareness and support to State and local officials at the City and County of Honolulu’s County EOC during the 6.7 Kiholo Bay earthquake off the Island of Hawaii from 15-27 October 2006
  - PSAs Miami, FL; Jacksonville, FL; and Mobile, AL provided situational awareness and support to the Department/PSCD and State and local officials at the Florida State EOC during the severe storms throughout Florida from 2-5 February 2007

- PSAs Jacksonville, FL and Tampa, FL provided situational awareness and support to the Florida State EOC and to the Department/PSCD during the Florida wildfires from 17 April to 6 June 2007

#### FY 2008 Planned Accomplishments

- Lead departmental efforts in the verification and validation of the Nation's Tier 1/2 CIKR. PSAs will also serve as a knowledge base for all high-priority CIKR and corresponding interdependencies in the PSA's State or district and will assist in collecting and verifying information related to these CIKR facilities
- Support development of the national risk profile by identifying, assessing, monitoring, and helping to minimize risk to high-risk CIKR at the local level
- Train and qualify 40 percent of PSAs to perform Infrastructure Liaison duties in a JFO in support of the PFO and ESF lead agencies, and to serve, when needed, as the "on-scene" IP representative within State and local EOCs coordinating the response to potential or suspected terrorist attacks or other incidents
- Support officials responsible for special events planning and exercises in their districts by providing local knowledge of high-risk CIKR and a reach-back capability to DHS and other Federal government resources
- Coordinate IP support for the Vulnerability Assessment program, to include SAVs, BZPs, CRs, and Computer-Based Assessment Tool assessments, as well as support for Surveillance Detection and Soft Target Awareness Training
- Determine and approve training courses, structure, and development of curriculum for the PSA certification program

#### FY 2009 Planned Accomplishments

- Deploy 10 additional PSAs. Assign 10 to States that currently do not have a PSA located within their boundaries
- Ensure that 75 percent of PSAs achieve certification, and 15 percent achieve master certification.
- Train and qualify 70 percent of PSAs to perform Infrastructure Liaison duties in a JFO in support of the PFO and ESF lead agencies

Within IP, the SSA Management project has been established to consolidate and leverage the efforts of five of the 17 Sector Specific Agencies (SSAs): Chemical, Commercial Facilities, Dams, Emergency Services, and Commercial Nuclear Reactors, Materials, and Waste (Nuclear). The SSA Management project supports these five sectors in fulfilling their core mission as the primary Federal entities responsible for coordinating the unified effort to protect against and mitigate the effects of natural or man-made events against critical infrastructure and key resources within those sectors.

The SSA Management project's core mission processes enable systematic NIPP implementation; targeted and consistent messaging; critical relationships leveraged at the right times; the development of subject matter expertise for the effective assessment of risk and the development of strategic protective program strategies; the ability to determine the relative importance of tactical activities; and demonstrable, outcome-oriented results in sector-wide risk reduction.

\$ thousands

| Program/Mission Area.....      |           | IP/Mitigation Programs                       |                 |           |           |                 |          |          |              |
|--------------------------------|-----------|--|-----------------|-----------|-----------|-----------------|----------|----------|--------------|
| Project.....                   |           | SSA Management                               |                 |           |           |                 |          |          |              |
| Division.....                  |           | CIKR Partnership and Outreach Division (POD) |                 |           |           |                 |          |          |              |
|                                |           | FY 2008                                      |                 |           | FY 2009   |                 |          | Change   |              |
| Activity                       | FTE       | FTP  | Enacted         | FTE       | FTP       | Request         | FTE      | FTP      | \$           |
| <b>Salaries &amp; Benefits</b> | <b>19</b> | <b>19</b>                                    | <b>\$2,471</b>  | <b>19</b> | <b>19</b> | <b>\$2,547</b>  | <b>0</b> | <b>0</b> | <b>\$76</b>  |
| SSA Chemical                   |           |  | \$2,038         |           |           | \$2,139         |          |          | \$101        |
| [WCF]                          |           |  | [221]           |           |           | [140]           |          |          |              |
| SSA Nuclear                    |           |  | \$3,665         |           |           | \$3,847         |          |          | \$182        |
| [WCF]                          |           |  | [397]           |           |           | [252]           |          |          |              |
| SSA Emergency Services         |           |  | \$3,637         |           |           | \$3,818         |          |          | \$181        |
| [WCF]                          |           |  | [394]           |           |           | [250]           |          |          |              |
| SSA Dams                       |           |  | \$3,734         |           |           | \$3,920         |          |          | \$186        |
| [WCF]                          |           |  | [405]           |           |           | [256]           |          |          |              |
| SSA Commercial Facilities      |           |  | \$3,974         |           |           | \$4,172         |          |          | \$198        |
| [WCF]                          |           |  | [431]           |           |           | [273]           |          |          |              |
| <b>Activity Costs</b>          |           |  | <b>\$17,048</b> |           |           | <b>\$17,896</b> |          |          | <b>\$848</b> |
| <b>Total</b>                   | <b>19</b> | <b>19</b>                                    | <b>\$19,519</b> | <b>19</b> | <b>19</b> | <b>\$20,443</b> | <b>0</b> | <b>0</b> | <b>\$924</b> |

The Sector Specific Agency (SSA) construct, as conceived in HSPD-7 and implemented through the NIPP, represents a new capability for the Federal government. The SSA's fundamental purpose is to build, maintain and leverage inclusive and robust relationships with all sector security partners in order to achieve coordinated risk reduction within each CIKR sector.

The high-level functions of the SSAs are codified in the Homeland Security Act of 2002, which tasks the Department with protecting the Nation's critical infrastructure and key resources, and further defined in HSPD-7. HSPD-7 requires Sector Specific Agencies (SSAs) to collaborate with all relevant federal departments and agencies, State and local governments, and the private sector, including with key persons and entities in their infrastructure sector in order to encourage the development and implementation of risk management strategies to protect against and mitigate the effects of attacks against critical infrastructure and key resources.

- The NIPP is the implementing framework for HSPD-7 and levies more than 150 requirements on each SSA. The role of the SSA in securing the sector extends across the entire spectrum of critical infrastructure protection, from preparedness, protection, response, recovery and mitigation. The projects of the SSA are captured in a set of core mission processes, outlined below: Establish and enhance sector security goals
- Continuously refine Sector-Specific Plans
- Identify sector CIKR
- Develop sector-specific risk methodologies and tools
- Assess sector risk (Threat, Vulnerability, Consequence)
- Establish a risk baseline for the sector
- Prioritize identified CIKR assets based on risk
- Develop and implement protective programs to reduce and manage sector risk
- Develop and implement sector-specific training and exercise programs
- Measure performance and continuous improvement

The SSA Management project serves as the *only* entity that can build and leverage robust relationships with state, local, tribal, territorial, Federal and private sector security partners to align competing sector interests and achieve meaningful, measurable risk reduction in the Chemical, Commercial Facilities, Dams, Emergency Services and Nuclear sectors.

In order to ensure that the scope and nature all SSA responsibilities are fully understood and effectively addressed, the SSA Management project has developed and is implementing a comprehensive resource requirements study and an operating concept that describes the integrated processes and steps required to enable each of the five SSAs meet their mandate. Through the development and management of sector-specific information sharing and risk reduction efforts and mechanisms, the SSA Management project will achieve its vision of becoming the recognized national and international leader for the coordination of security and protection efforts within the Chemical, Commercial Facilities, Dams, Emergency Services, and Nuclear sectors to better prepare and protect our Nation in an all-hazards context.

The following sections describe the core attributes of each of the sectors contained in the SSA Management project.

- Chemical Sector: includes all commercial chemical facilities, chemical industry, and federal partners. Information is exchanged with the sector via the Chemical Sector Coordinating Council (SCC), Chemical Government Coordinating Council (GCC), Chemical Information Sharing and Analysis Center (ISAC), and coordinating routine threat-related briefings for industry. The Chemical Sector extends well beyond any single regulatory program and covers approximately half a million assets.
- Nuclear Sector: includes commercial nuclear power plants, research and test reactors, nuclear fuel cycle facilities, radioactive waste management, nuclear materials transport, deactivated nuclear facilities, radioactive material users, and radioactive source production and distribution facilities. The Nuclear Sector does not address U.S. Department of Defense (DOD) and U.S. Department of Energy (DOE) nuclear facilities or radioactive materials associated with defense related activities.
- Emergency Services Sector (ESS): includes all of the nation's first responder community comprised of law enforcement, fire/rescue, hazardous materials, search & rescue, emergency medical services, emergency management, bomb squads and special weapons and tactics (SWAT)/tactical operations teams. The ESS SSA is committed to protecting the protectors in communities nationwide by bringing together information and resources through sustainable programs.
- Dams Sector: includes all dams, locks and levees either owned or operated by the federal, state, and local government, public utilities or privately held.
- Commercial Facilities Sector: comprises of diverse private organizations whose livelihood affects public confidence, safety and economic security. Commercial Facilities include, but are not limited to, commercial centers; sports leagues; theme and amusement parks; academic facilities; stadiums, arenas and convention centers; hospitality and entertainment facilities; commercial office facilities; multi-family facilities; and industrial facilities.

## **Project Milestones/Schedules:**

### FY 2007 Accomplishments

#### Program Integration:

- The SSA Management project developed an operating concept that: effectively links to and implements the NIPP Sector Partnership Model and risk management framework, ensuring that all SSA activities are in alignment with overarching goals, objectives, and implementing frameworks; facilitates collaboration and information sharing across IP internal divisions and other DHS components; establishes and leverages robust relationships between IP and its security partners; promotes a clear understanding of the roles and responsibilities of all security partners; and provides a solid foundation for a reproducible risk reduction and management processes.
- The SSA Management project commissioned a study to determine the personnel requirements and associated funding necessary for the SSAs to fulfill their responsibilities under HSPD-7, as implemented through the NIPP and the SSA concept of operations. The study was independently conducted and validated by a Federally Funded Research and Development Center.

#### Chemical Sector:

- Conducted bi-monthly chemical security and threat briefing teleconferences with the industry
- Conducted bi-annual classified briefings for the industry
- Met every six weeks with Chemical Sector Coordinating Council
- Completed the remaining Chemical Comprehensive Reviews at the six regions
- Finalized web-based Chemical Security Awareness Training and scheduled early 2008 rollout
- Developed a rough program plan for a Voluntary Security Recognition Program to acknowledge facilities that voluntarily take measures to improve security
- Organized tours of chemical facilities that provide policy makers, Intelligence Analysts, congressional staff, and other DHS Security partners the opportunity to gain firsthand knowledge of various chemical processes and security concerns
- Executed first annual Chemical Sector Security Summit, cosponsored by the Chemical Sector Coordinating Council
- Conducted a study to determine the vulnerability of cyber Process Control Systems in the Chemical Sector
- Revised SSA incident response plan based on lessons learned from Ardent Sentry exercise
- Coordinated a cross-sector and interagency effort to conduct Comprehensive Reviews (CR) of select CIKR in six regions and nine states. The CR initiative reviews existing security practices and capabilities at all levels across multiple sectors, including the Chemical Sector. The CR process for each region culminated in a one day facilitated scenario-based discussion in which chemical facilities, first responders, and State and local officials identified existing security capabilities to prevent and respond to a chemical incident as well as gaps in capabilities

#### Emergency Services Sector:

- Coordinated joint Emergency Services Sector GCC/SCC Meeting
- Provided appropriate outreach and representation at national level meetings and conferences
- Developed the Emergency Services Asset Screening Methodology (ESASM) to identify CIKR in the ESS
- Developed the Emergency Services Regional Assessment Process (ESRAP) as the primary risk assessment for the ESS. ESRAP supports the implementation of protective measures and

response capability enhancements in regions identified by DHS that contain groupings of potential high-consequence facilities

- Expanded the current capabilities of the National Capabilities Analysis Database (NCAD), which contains crucial information for Federal and State planning efforts to provide a sound method for the allocation of funds
- Conducted annual classified threat briefing for the sector

#### Dams Sector:

- Completed report for risk assessment methodology comparison study
- Performed numerical simulations to evaluate embankment cratering model performance
- Distributed “Security Awareness Handbook for Dams Owners/Operators” and conduct training sessions
- Performed numerical studies to predict aircraft impact damage on concrete dams
- Conducted Dams GCC and Dams Joint Workgroup meetings
- Promoted Dams Sector awareness by participating at various Dams Sector conferences and workshops

#### Commercial Facilities Sector:

- Developed additional Protective Measures Guides for other subsectors
- Refined and performed validation process of the NASCAR Mass Evacuation Template at one (large/small) NASCAR facility
- Enhanced the analytical features of HSIN-CFS to enable real-time analysis of data
- Engaged additional private sector and public sector entities

#### Nuclear Sector:

- Maintained scheduled field activities related to Nuclear Power Plant Comprehensive Reviews. All such onsite visits were completed as scheduled by the end of calendar year 2007
- Continued outreach and follow through for CROWN. The purposes of CROWN are to determine the status of the gaps and potential enhancements identified by the Comprehensive Review (CR) team and to continue the open and candid dialogue among the Government, industry, and State and local organizations
- Participated, with NRC and other federal partners, in subgroups associated with The Radiation Source Protection and Security Task Force Report in order to meet the requirements of the Energy Policy Act of 2005
- Performed in-depth analyses of the complete life cycle of radioactive sources used in the nuclear sector and identified security gaps that currently exist. Specific recommendations for improving security controls were included to address each gap. These recommendations were vetted with other agencies and the private sector through the Nuclear Sector Coordinating Council and Government Coordinating Council. These results were presented to the Secretary of Homeland Security and addressed by him in a letter to the Nuclear Regulatory Commission Chairman. The Nuclear SSA continues to monitor and track the completion of these actions through the NSCC/GCC structure

#### FY 2008 Planned Accomplishments:

- Sector-Specific Metrics – In close collaboration with the NIPP Program Management Office (PMO), the SSA Management project will develop sector-specific metrics that both augment and

inform the NIPP core metrics development process. Metrics results will be a critical tool in determining the effectiveness of risk-reduction strategies

- Science & Technology Integrated Project Teams (S&T) (IPT) – The SSA Management project, as part of its role in coordinating sector-specific research and development for the enhancement of CIKR protection efforts
- Sector Annual Report (SAR) - Prepare and deliver the SAR per the guidance established by the NIPP PMO, as required by HSPD-7 and the NIPP
- Sector Specific Planning – Conduct ongoing evaluations of strategic and tactical activities to ensure that risk-reduction, protective program, and information sharing strategies are developed, implemented, and evaluated to enhance and achieve the shared goals of the sector
- Tier 1 and 2 Reviews – Evaluate assets in the Infrastructure Data Warehouse (IDW) for accuracy and currency
- Biannual Classified Threat Briefings – Conduct and host biannual classified brief for the sectors to ensure that security partners are synchronized with the evolving risk environment
- Exercise Development, Participation, and Evaluation – Participate in relevant National exercises (i.e., TOPOFF) as resources allow. Develop sector-specific exercise programs to address gaps in security
- Review and identify the SSA requirements under HSPD-7 and the NIPP and map those requirements to the NIPP risk management framework. Identify the necessary processes for the five IP sectors to effectively carry out the SSA Management roles and responsibilities and share this information and lessons with other non-IP SSAs
- Provide SSAs with the first-generation SSA CONOPS and associated resource requirements. Both the SSA and NIPP frameworks are fundamentally new constructs. As such, SSA EMO will work with the SSAs to tailor the concept to the unique landscape of each sector, which will serve as the foundation for future continuous improvement activities
- Refine the NIPP risk management framework to address the unique characteristics and risk landscapes for each of the five sectors for which IP is the designated SSA. These fine-tuned frameworks will guide CIKR protection programs and mitigation efforts
- Refine effective information-sharing processes and protocols among security partners. These relationships are essential for obtaining information during an incident. Fine-tuned information-sharing processes and procedures will build trust among security partners and allow SSA Management to leverage CIKR security expertise, coordinate mitigation efforts, and build lasting relationships within the sector that encourage the timely sharing of critical information for national protection
- Promote sector-wide CIKR information sharing through education, training and exercises
- Ensure staff is properly trained to carry out risk reduction efforts

#### FY 2009 Planned Accomplishments:

- Sector-specific Metrics – The effectiveness of Metrics will be evaluated for continuous improvement. Data validity issues will be addressed
- Research and Development – The SSA Management project will continue to engage S&T's Capstone IPT's and will develop formal procedures for gathering and evaluating sector-specific requirements
- Sector Annual Report (SAR) - Prepare and deliver the SAR per the guidance established by the NIPP PMO, as required by HSPD-7 and the NIPP
- Triennial Review – SSPs should undergo significant revisions as a result of lessons learned from newly integrated SSAs. Plans should reflect evolutionary program strategies and more

granularity with respect to tactical programs that comprise risk-reduction and information sharing strategies. Metrics should be significantly enhanced

- Tier 1 and 2 Reviews – Evaluate assets in the Infrastructure Data Warehouse (IDW) for accuracy and currency
- Exercise Development, Participation, and Evaluation – Participate in relevant National exercises (i.e., TOPOFF) as resources allow. Develop sector-specific exercise programs to address gaps in security
- Prioritize protection of sector-wide CIKR. Using the established risk management framework to identify, prioritize, and coordinate the protection of sector-level CIKR with a particular focus on the highest risk CIKR
- Implement sector-specific mitigation efforts. Based on the security gaps identified by the SSA, specific targeted activities will be developed and implemented to reduce the risks of those security gaps within each CIKR Sector
- Vigorously support the sector’s use of HSIN-CS by private and public sector security partners in all five IP sectors. SSA staff will encourage sector use through active posting of alerts, warnings, and other information to sector portals, work with HSIN development teams to create the most effective HSIN portals, and publicly promote HSIN use at sector related events
- Revalidate the SSA Management CONOPS, and revise it, as necessary, as the SSAs mature

#### FY 2008-2009 Sector-Specific Milestones:

##### Representative Chemical Sector Milestones:

- Increase security awareness in chemical facilities nationwide via the Web-based Chemical Security Awareness Training Program, with the goal of reaching approximately 400,000 employees directly involved in the manufacture, transportation, and storage of chemicals. The training is designed for all facility employees, not just those traditionally involved in security
- Develop a Vehicle-Borne Improvised Explosive Device detection training program to train chemical plant security officers, using a train-the-trainer approach, on how to effectively and efficiently search incoming vehicles for signs of IED
- Develop a Voluntary Security Recognition Program to acknowledge facilities-that are not covered by the recent DHS chemical facility security regulations- that voluntarily take measures to improve security. These measures include activities such as vulnerability assessments and training
- Sponsor a cyber vulnerability study to identify common cyber vulnerabilities in process control systems and develop recommendations for cyber-related protective programs
- Improve information sharing and outreach efforts via the HSIN-Chemical portal; biweekly teleconferences with industry regarding reports of suspicious activity and cyber threats; annual Chemical Sector Security Summit; classified threat briefings to industry; regular SCC and GCC meetings; and SSA representatives speaking at various conferences and industry meetings throughout the country

##### Representative Commercial Facilities Sector Milestones:

- Partner with the Sports League Subcouncil to develop and distribute a protective measures guide to incorporate protective measures used by sports leagues into a single document. This guide will be used as a template to develop protective measures guides for the other seven Commercial Facilities subsectors
- Coordinate the participation of private sector partners in regional and national level training and exercises

- Improve information sharing and outreach efforts via the following channels: the HSIN Commercial Facilities portal; teleconferences with industry regarding reports of suspicious activity and cyber threats; classified threat briefings to industry; regular SCC and GCC meetings; and SSA representatives speaking at various conferences and industry meetings throughout the country
- Work with National Association for Stock Car Auto Racing (NASCAR) representatives and selected State and local emergency services to develop a template that can be used by facilities to develop plans and procedures to protect fans during an incident during a NASCAR-sponsored event
- Partner with IP's Bombing Prevention Project, the FBI, and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to compile a list of hazardous materials for use by subsector members to identify potential situations in which terrorists are accumulating material that could be used to make IEDs. The goal of the program is to develop an awareness tool that can be used at the lowest level of the retail industry, as well as provide a point of contact if action is necessary

#### Representative Dams Sector Milestones:

- Publish and distribute three dams-specific reference documents to the owners and operators of the more than 79,000 dams in the U.S. The first document is the Security Awareness Handbook which provides useful information on identifying security concerns, methodologies for addressing them and steps to establishing effective partnerships with local law enforcement. The second document is the Protective Measures Handbook will assist owners and operators in selecting protective measures to close security gaps and includes recommendations for developing site security plans. The third document is the Crisis Management Handbook, which will provide owners and operators with sector-specific technical information related to emergency response and preparedness issues
- Establish a "Levees" Sub-Sector which will provide additional focus to the security and protection perspectives required to properly address the security and resiliency of the Nation's levees
- Coordinate with the Department of the Interior's Bureau of Reclamation and NISAC to develop appropriate methodologies and tools to generate direct and indirect economic impacts that would result from dam failure  
Develop and update Comprehensive Facility Reports (CFRs) for the most critical Dams Sector assets. These CFRs will enable rapid situational awareness and quick regional evaluation regarding any potential threats affecting any of these critical assets from an all-hazards perspective

#### Representative Emergency Services Sector (ESS) Milestones:

- Develop security guidelines for first responders that correspond to DHS' color-coded Homeland Security Advisory System mirrored after FEMA's Fire and Emergency Services Preparedness Guide for the Homeland Security Advisory System (January 2004). These security and protective action guidelines will provide clear steps for all ESS disciplines to protect the Nation's first responder community
- Participate in national, State, and local emergency preparedness exercises, including the TOPOFF IV exercise, hurricane preparedness exercises, pandemic planning exercises, and Ardent Sentry. Also facilitate the involvement of Federal, State, and local officials in regional and national-level exercises in order to improve the national response capability

- Ensure that sector assets and capabilities are included in the CRs conducted in other CIKR sectors. The results of the CRs will be used to enhance the security posture of the sector's assets, as well as that of community responders
- Facilitate the process by which the ESS determines the regions that are of the highest significance nationally for maintaining the mission essential tasks and services of the sector. This information will be used to determine Tier 1 and Tier 2 CIKR and facilitate the implementation of sector risk assessment methodologies
- Work with sector partners to develop a coordinated program to increase awareness of cyber security issues impacting ESS infrastructure and encourage sharing and implementation of cyber security programs and lessons learned
- Improve information sharing and outreach via HSIN-CS; bi-weekly teleconferences with the SCC Chairman and Emergency Management and Response – Information Sharing and Analysis Center (EMR-ISAC); regular SCC and GCC meetings; and SSA representatives speaking at sector-specific conferences

#### Representative Nuclear Sector Milestones:

- Evaluate the possibility of establishing prompt emergency notification capabilities at all commercial nuclear power plants. This effort is based upon the positive results obtained during the trial of an improved emergency telecommunication system that would provide simultaneous notification of an attack on a nuclear power plant in the U.S. to both the Nuclear Regulatory Commission (NRC) and the NICC
- Improve information sharing and outreach efforts via the HSIN-Nuclear portal; teleconferences with industry regarding reports of suspicious activity and cyber threats; classified threat briefings to industry; regular SCC and GCC meetings; and SSA representatives speaking at various conferences and industry meetings throughout the country
- Lead the interagency effort, called the Comprehensive Review Outcomes Working Network (CROWN), to facilitate the reduction and/or closure of gaps identified during the Nuclear Comprehensive Reviews. Address potential enhancements that require collaboration of Federal, State, local, and private industry stakeholders, funding, or additional research and development action; and coordinate with FEMA's Office of Grants and Training to identify grant programs available to communities to address gaps
- Coordinate with the Radioisotope Subcouncil to develop a Web-based security self assessment and training tool for irradiator users and other users of radioactive materials. Use the Department of Energy security toolkit as a model
- Participate in site assistance visits to university research and test reactors conducted by the Department of Energy and the NRC.
- Integrate radioactive material security efforts with those of the NRC's Radiation Source Protection and Security Task Force and collaborate on projects to ensure the security of radioactive material in the U.S. Coordinate private sector input into the development of regulations and practices. The purpose of these efforts is to ensure that radioactive material does not become available for use in a weapon of mass destruction

\$ thousands

| Program/Mission Area.....      |  | IP/Mitigation Programs                         |          |                 |          |          |                |          |          |                 |
|--------------------------------|--|--|----------|-----------------|----------|----------|----------------|----------|----------|-----------------|
| Project.....                   |  | Bombing Prevention                             |          |                 |          |          |                |          |          |                 |
| Division.....                  |  | CIKR Protective Security Coordination Division |          |                 |          |          |                |          |          |                 |
|                                |  | FY 2008  |          |                 | FY 2009  |          |                | Change   |          |                 |
| Activity                       |  | FTE  | FTP      | Enacted         | FTE      | FTP      | Request        | FTE      | FTP      | \$              |
| <b>Salaries &amp; Benefits</b> |  | <b>4</b>                                       | <b>4</b> | <b>\$520</b>    | <b>4</b> | <b>8</b> | <b>\$1,085</b> | <b>0</b> | <b>4</b> | <b>\$565</b>    |
| <i>Bombing Prevention</i>      |  |  |          | \$9,523         |          |          | \$8,074        |          |          | -\$1,449        |
| <i>[WCF]</i>                   |  |  |          | [581]           |          |          | [528]          |          |          |                 |
| <b>Activity Costs</b>          |  |  |          | <b>\$9,523</b>  |          |          | <b>\$8,074</b> |          |          | <b>-\$1,449</b> |
| <b>Total</b>                   |  | <b>4</b>                                       | <b>4</b> | <b>\$10,043</b> | <b>4</b> | <b>8</b> | <b>\$9,159</b> | <b>0</b> | <b>4</b> | <b>-\$884</b>   |

The Bombing Prevention (BP) project enhances and synchronizes the Nation’s ability to detect, deter, prevent, and respond to terrorist explosive devices. BP serves as DHS’ lead agent for strategic planning, coordination, improving capabilities, and information-sharing element to improve bombing prevention efforts throughout State and local jurisdictions and the Federal government. Specifically, BP is responsible for:

- Coordination of national and intergovernmental bombing prevention efforts, to include leadership of the DHS Improvised Explosive Device (IED) Working Group;
- Requirements, capabilities and gap analysis in support of the nation’s bombing prevention and response community; and
- Information sharing and bombing prevention awareness

In FY 2009, BP will coordinate and streamline national bombing prevention efforts through the full execution and implementation of the Congressionally mandated National Strategy for Improvised Explosive Devices (NSIED) and Homeland Security Presidential Directive 19 (HSPD-19).

It will facilitate effective partnerships at the regional and local levels through Multi-Jurisdiction IED Security Planning (MJIEDSP). MJIEDSP assists high-risk urban areas and other vital locations to develop thorough bombing prevention and response plans that efficiently integrate assets and capabilities from multiple jurisdictions and emergency service sectors. Capabilities assessments for public safety bomb squads, explosives detection canine teams, and public safety dive teams will continue to be incorporated into the National Capability Asset Database. The database is an outreach-based analysis effort geared toward assessing unit-level capabilities (personnel, equipment, training and assets, including K9 and the ability to respond to chemical/biological/radiological incidents) and integrates the findings into a comprehensive database.

BP intends to expand the user base and content of the TRIPwire system. An online, collaborative, information-sharing resource, provided via a secure, restricted access internet portal free of charge to qualified bombing prevention and law enforcement personnel, TRIPwire was designed to provide critical information relative to the evolution in terrorist tactics, techniques, procedures, and technologies to State and local law enforcement officials.

BP also intends to expand its Bomb-making Materials Awareness Program (BMAP) following the completion of the scheduled FY2008 pilots. This outreach program increases Local Law Enforcement (LLE), and private sector awareness of homemade explosives (HME), a common terrorist IED tactic. Additionally, BMAP will educate private sector suppliers of commonly available precursor materials

used in the manufacture and construction of IEDs about the potential risks associated with the sale or theft of those products.

### **Project Milestone/Schedules:**

#### FY 2007 Accomplishments

- Led the Congressionally mandated NSIED, successfully partnered with DOJ to implement HSPD-19, and develop the Report and National Strategy on Combating Terrorist Use of Explosives within the United States
- TRIPwire membership expanded to over 2000 users representing 40 Federal departments and agencies, 28 military units, 365 State and local agencies, and 35 private sector organizations
- Conducted 41 on-site IED awareness-level education workshops to State and municipal leadership
- Assisted over 100 State and local jurisdictions in developing Underwater Terrorism Prevention Plans for 16 high risk ports
- NCAD conducted 175 onsite assessments and 300 online surveys of public safety bomb squads, and 12 onsite assessments of public safety dive teams. These bomb squads protect or respond to 1,009 Tier One and Tier Two CIKR assets
- Conducted 17 security plan development sessions for high risk port facilities around the country

#### FY 2008 Planned Accomplishments

- Coordinate the implementation of DHS and IP objectives required by HSPD-19 and NSIED through the DHS IED Working Group. These objectives include conducting annual technology and capability gap analyses and working in partnership with the Departments of Justice and Defense on information sharing and R&D requirements
- Develop four Multi-Jurisdiction IED Security Plans in high-risk areas to promote cross-sector and cross-jurisdictional coordination and enhance capabilities to protect CIKR from IED attacks.
- Complete capabilities analyses of 50 percent of public safety bomb squads and 10 percent of dive teams, and begin analyses of explosive detection canine teams to develop a baseline assessment of current national IED security capabilities through the National Capabilities Analysis Database
- Provide IED subject matter expert support to approximately 265 vulnerability assessments per year
- Fully operationalize the TRIPwire system in all 56 states and territories. IP will focus on continuing to expand the TRIPwire user base among bomb squad, law enforcement, and other emergency response personnel through additional outreach and media events
- Conduct six National Bombing Prevention and Awareness Campaign events annually in high-risk areas
- Design outreach materials and launch a BMAP pilot in three high-risk areas
- Assess and identify requirements for explosives detection canine standards

#### FY 2009 Planned Accomplishments

- Continue to support the implementation of the NSIED and HSPD-19 by leading the DHS IED Working Group and interagency partnerships
- Develop four Multi-Jurisdiction IED Security Plans in high-risk areas
- Continue to assess national IED security capabilities in high-risk areas through NCAD
- Continue to provide IED subject matter expertise to support approximately 315 vulnerability assessments per year

- Enhance TRIPwire capability, and expand the number of users to include select private sector security partners
- Conduct six National Bombing Prevention and Awareness Campaign events in high-risk areas
- Incorporate lessons learned from the BMAP pilot, and implement BMAP in five additional high-risk areas
- Develop and begin the implementation of canine explosives detection standards

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: National Cyber Security Division (Formerly Cyber Security)

|                              | <b>Perm</b> |            |                  |
|------------------------------|-------------|------------|------------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>    |
| <b>2007 Actuals</b>          | ...         | ...        | <b>\$79,283</b>  |
| <b>2008 Enacted</b>          | <b>83</b>   | <b>59</b>  | <b>\$210,413</b> |
| 2009 Adjustments-to-Base     | ...         | 23         | \$3,360          |
| <b>2009 Current Services</b> | <b>83</b>   | <b>82</b>  | <b>\$213,773</b> |
| 2009 Program Change          | 45          | 23         | \$79,727         |
| <b>2009 Request</b>          | <b>128</b>  | <b>105</b> | <b>\$293,500</b> |
| Total Change 2008-2009       | 45          | 46         | \$83,087         |

The National Protection and Programs Directorate requests \$293,500,000 for the National Cyber Security Division (NCSD) in FY 2009. Program enhancements include \$79,896,000 for US-CERT and \$5,751,000 for Strategic Initiatives Control Systems activities. Program decreases include \$5,920,000 for Information Sharing and Collaboration.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

NCSD includes the following branches:

- United States Computer Emergency Readiness Team (US-CERT)
- Strategic Initiatives (SI)
- Outreach and Awareness (O&A)
- Planning and Programs (P&P)

**US-CERT:**

*\$ thousands*

| Program/Mission Area..... National Cyber Security Division |           |           |                  |           |           |                  |           |           |                 |
|--|-----------|-----------|------------------|-----------|-----------|------------------|-----------|-----------|-----------------|
| Project..... US-CERT                                       |           |           |                  |           |           |                  |           |           |                 |
|  | FY 2008   |           |                  | FY 2009   |           |                  | Change    |           |                 |
|  | FTE       | FTP       | Enacted          | FTE       | FTP       | Request          | FTE       | FTP       |                 |
|  |           |           |                  |           |           |                  |           | \$        |                 |
| <b>Salaries &amp; Benefits</b>                             | <b>30</b> | <b>53</b> | <b>\$4,140</b>   | <b>76</b> | <b>98</b> | <b>\$10,784</b>  | <b>46</b> | <b>45</b> | <b>\$6,644</b>  |
| <i>Incident Handling</i>                                   |           |           | \$7,440          |           |           | \$13,961         |           |           | \$6,521         |
| <i>[WCF]</i>   |           |           | [338]            |           |           | [438]            |           |           |                 |
| <i>Analysis</i>  |           |           | \$10,999         |           |           | \$22,520         |           |           | \$11,521        |
| <i>[WCF]</i>   |           |           | [1,261]          |           |           | [705]            |           |           |                 |
| <i>Strategic Operations</i>                                |           |           | \$3,170          |           |           | \$13,170         |           |           | \$10,000        |
| <i>[WCF]</i>   |           |           | [552]            |           |           | [413]            |           |           |                 |
| <i>Situational Awareness</i>                               |           |           | \$127,466        |           |           | \$175,480        |           |           | \$48,014        |
| <i>[WCF]</i>   |           |           | [180]            |           |           | [5,499]          |           |           |                 |
| <i>Production</i>  |           |           | \$6,067          |           |           | \$6,509          |           |           | \$442           |
| <i>[WCF]</i>   |           |           | [300]            |           |           | [204]            |           |           |                 |
| <b>Activity Costs</b>                                      |           |           | <b>\$155,142</b> |           |           | <b>\$231,640</b> |           |           | <b>\$76,498</b> |
| <b>Total</b>   | <b>30</b> | <b>53</b> | <b>\$159,282</b> | <b>76</b> | <b>98</b> | <b>\$242,424</b> | <b>46</b> | <b>45</b> | <b>\$83,142</b> |

The \$159,282,000 shown above as the FY 2008 Enacted includes a \$115,000,000 budget amendment enacted as an adjustment to the base funding of \$44,282,000 provided by the FY 2008 Department of Homeland Security (DHS) appropriation. The \$115,000,000 provided funding for US-CERT to ramp up intrusion detection capabilities. The intrusion detection funding supports an upgraded Situational Awareness capability that will greatly increase the detection of intrusions of .gov networks, complemented by increased resources for Incident Handling and Analysis.

The US-CERT has primary responsibility for the National Cyberspace Security Response System to prevent, detect, respond to, and reconstitute rapidly after cyber incidents. The programmatic components of this responsibility include: Incident Handling, Analysis (Malicious Code), Strategic Operations, Situational Awareness, and Production.

### Incident Handling

The Incident Handling Program addresses cyber security incidents that may pose a threat at the national level. The US-CERT maintains a 24x7x365 incident handling capability that receives, identifies, correlates, triages, and responds to incidents impacting the Nation's critical assets. The Incident Handling Program coordinates the dissemination of cyber threat warning information via the National Cyber Alert System to warn the federal, state, and local governments, and associated critical infrastructure components of viruses, vulnerabilities, attacks, malicious code, impending threats, and weaknesses.

The US-CERT Incident Handling program covers the security of cross-agency information technology assets and services as well as assurance of essential citizen services. The 24x7 Secure Operations Center delivers these services by facilitating collaboration across Federal civilian government agencies to resolve information security weaknesses – many of which have been identified by US-CERT, the Office of Management and Budget, and the Congress. The center also services our partners in state, local and tribal governments as well as critical infrastructures and home users.

US-CERT is the primary federal agency handling American cybersecurity incidents and preventing future attacks. Through its 24x7 center, the Incident Handling program helps secure the Nation's critical infrastructure and reduces cyberspace security vulnerabilities by gathering, correlating, and disseminating information to prevent attacks and by responding to cybersecurity incidents.

Incident Handling provides US-CERT the ability to detect and mitigate targeted attacks against the Federal Government. US-CERT Incident Handling and Analysis provide the Government Forum of Incident Response and Security Teams (GFIRST) community, state, local and tribal governments, and critical infrastructure with unclassified situational awareness reports to help detect these attacks.

### FY 2007 Accomplishments

- Drafted US-CERT Private Sector Concept of Operations (CONOPS).
- Standardized incident reporting across the government utilizing US-CERT's new Incident Tracking mechanism.
- Refined Standard Operating Procedures (SOPs) so they are consistent with US-CERT CONOPS.
- Developed a phased US-CERT Portal integration into the Homeland Security Information Network (HSIN).
- Updated and implemented US-CERT CONOPS with the White House Policy Coordination Committee to define Personal Identifiable Information (PII) reporting requirements.
- Built initial capacity to detect, analyze and respond to cyber events.

- Responded to 37,213 cyber security incidents, an increase of more than 50 percent over the previous year.
- Responded with a coordinated national system to major cyber and communications disruptions to restore essential communications.
- Established an integrated joint operations center comprised of public and private sector members consisting of IT and communications organizations.
- Co-located US-CERT and National Coordinating Center for Telecommunications (NCC) watch operations to facilitate the sharing of critical cyber and communications information.
- Engaged with the Partnership for Critical Infrastructure Security (PCIS) and Information and Analysis Center (ISAC) Council to develop a Concept of Operations (CONOPS) and associated plans for coordinated watch and warning and incident response.

#### FY 2008 Planned Milestones

- Standardize incident reporting across the government utilizing US-CERT's new Incident Tracking mechanism.
- Develop a phased US-CERT Portal integration into the Homeland Security Information Network (HSIN).
- Update and implement US-CERT Concept of Operations (CONOPS) with the White House Policy Coordination Committee to define Personal Identifiable Information (PII) reporting requirements.
- Refine assets to further detect, analyze and respond to cyber events.
- Increase staffing for the 24x7 Secure Operations Center to provide the capability for in-depth incident tracking, detection, and mitigation.
- Continue to respond with a coordinated national system to major cyber and communications disruptions to restore essential communications.
- Continue to develop an integrated joint operations center comprised of public and private sector members consisting of IT and communications organizations.

#### FY 2009 Planned Milestones

- Establish cyber incident response capabilities within the US-CERT/NCC Operations Center that routinely incorporate international information sharing and collaboration.
- Build initial capacity to detect, analyze and respond to cyber events.
- Refine assets to further detect, analyze and respond to cyber events.
- Increase staffing for the 24x7 Secure Operations Center to provide the capability for in-depth incident tracking, detection, and mitigation.
- Continue to respond with a coordinated national system to major cyber and communications disruptions to restore essential communications.
- Continue to develop an integrated joint operations center comprised of public and private sector members consisting of IT and communications organizations.

#### Analysis

The United States Computer Emergency Readiness Team (US-CERT) Analysis program's objective is to correlate cyber threat data and disseminate actionable information. The program consists of four components: Network Analysis, Malware Analysis, Digital Media Analysis, and Critical Infrastructure and ISAC Partnership:

- Network Analysis Component - correlates network data (e.g., flow data) to identify emerging threats, ongoing trends, and intrusions that have already occurred. Network analysts work in a continuous feedback loop with all US-CERT constituents to identify and respond to cyber incidents.
- Malware Analysis Component - focuses on analyzing malicious code samples. Malicious code (e.g. viruses, worms, Trojan horses and rootkits) and other attack tools exploit vulnerabilities, presenting a real and present danger to the security of U.S. information systems. These samples come from a variety of sources, such as anonymous submissions, incidents discovered by other components of the Analysis Program, or malicious code reported to US-CERT through the Incident Handling Program.

Additionally, the Analysis program is developing a single homeland security catalogue of malicious code. The program's analysts use hardware/software technologies to analyze malicious code and vulnerabilities in an incubator facility. This facility, or malware laboratory, provides a controlled environment to conduct detailed analysis on computer hardware and software infected with malware. It affords analysts the capability to identify and reverse engineer malicious code on infected computers. The malware laboratory provides value to partners in industry and state, local, and tribal governments that are also seeking protection against damaging computer attacks.

- Digital Media Analysis Component - works with compromised digital media (e.g., hard drives and thumb drives) provided to US-CERT by Federal and state agencies for analysis. Digital Media analysts provide a depth of knowledge that many agencies and organizations do not have the means to support.
- The Critical Infrastructure and ISAC Partnership Component - reaches out to critical private sector entities to enhance operational relationships between US-CERT and those entities. These relationships provide valuable operational data, which aids the other three areas of the Analysis program in correlation and dissemination.

The Analysis program continually strives to maintain an in-house capability to analyze various types of data to improve overall understanding of current or emerging cyber threats. US-CERT will secure critical infrastructure and the Internet through timely analysis and production of actionable information to aid incident response efforts. The Analysis program works closely with cyber security experts in the federal government, state/local governments, intelligence community, critical infrastructure owners/operators, and other public and private sector organizations.

#### FY 2007 Accomplishments

- Consistent with the National Infrastructure Protection Plan (NIPP) Risk Management Framework, identified, assessed, and prioritized risks to the IT and Communications infrastructure, by analyzing threat, vulnerability, and consequence information.
- Continued to expand the National Vulnerability Database (NVD) to help establish a national baseline of specific standards to enable automated vulnerability management, measurement, and policy compliance evaluation (e.g., Federal Information Security Management Act (FISMA) compliance).
- Facilitated development and dissemination of IT and cyber threat assessments in coordination with the intelligence community.

- Provided ability to detect, respond to, and send notice of cyber incidents using analysis tools such as the Internet Health Service (IHS) and the Einstein capability.
- Provided the Federal Government technical information to detect targeted cyber attacks against Federal agencies.
- Provided outreach to the seventeen sector operators; this provided situational awareness for analysis across the Federal government, critical infrastructure, and the private sector, and allowed the US-CERT Analysis program to correlate significant cyber incidents.
- Maintained a streamlined capability to produce immediate actionable information, allowing for more detail as additional facts emerged.
- Encouraged and supported public and private sector partnerships, as well as international partnerships, to enable security partners to work together to promote secure, resilient IT and communications infrastructure.
- Continued to establish collaborative relationships and ongoing cooperation with key allies to address international vulnerabilities and global dependencies and interdependencies.

#### FY 2008 Planned Milestones

- Continue to work with International Partnerships, to enable security partners to work together to promote secure, resilient IT and communications infrastructure.
- Continue to identify, assess, and prioritize risks to the IT and communications infrastructure, by analyzing threat, vulnerability, and consequence information.
- Continue to expand the National Vulnerability Database (NVD) to help establish a national baseline of specific standards to enable automated vulnerability management, measurement, and policy compliance evaluation (e.g., FISMA compliance).
- Produce detailed reports of analysis activity for the purpose of informing and educating response personnel.
- Continue to facilitate development and dissemination of IT and cyber threat assessments in coordination with the intelligence community.
- Provide the ability to detect, respond to, and send notice of cyber incidents using analysis tools such as the Internet Health Service (IHS) and the Einstein capability.
- Outreach to the seventeen sector operators; this provides situational awareness for analysis across the Federal government, critical infrastructure, and the private sector. This allows the US-CERT Analysis Program to correlate significant cyber incidents.
- Maintain a streamlined capability to produce immediate actionable information, allowing for more detail as additional facts emerge.
- Increase manpower to fulfill the 24X7 responsibility to analyze, which will provide the capability for in-depth fusion analysis to support all US-CERT constituents.
- Produce detailed reports of analysis activity for the purpose of informing and educating response personnel.
- Continue to prepare and deter against catastrophic incidents by achieving a collaborative risk management and deterrence capability with a mature information sharing partnership(s) between Government and the private sector.

#### FY 2009 Planned Milestones

- Continue to work with International Partnerships, to enable security partners to work together to promote secure, resilient IT and communications infrastructure.
- Continue to identify, assess, and prioritize risks to the IT and communications infrastructure, by analyzing threat, vulnerability, and consequence information.

- Continue to expand the National Vulnerability Database (NVD) to help establish a national baseline of specific standards to enable automated vulnerability management, measurement, and policy compliance evaluation (e.g., FISMA compliance).
- Continue to produce detailed reports of analysis activity for the purpose of informing and educating response personnel.
- Continue to facilitate development and dissemination of IT and cyber threat assessments in coordination with the intelligence community.
- Provide the ability to detect, respond to and send notice of cyber incidents utilizing analysis tools such as the Internet Health Service (IHS) and the Einstein capability.
- Increase manpower to fulfill the 24x7 responsibility to analyze, which will provide the capability for in-depth fusion analysis to support all US-CERT constituents.
- Continue to prepare and deter against catastrophic incidents by achieving a collaborative risk management and deterrence capability with a mature information sharing partnership(s) between Government and the private sector.

### Strategic Operations

The Strategic Operations program's mission is to build critical interagency information sharing and incident response collaboration. It supports the US-CERT's and National Cyber Security Division's (NCSA) cyber incident response planning and coordination activities. The program's planning and coordination efforts have substantially increased the need for greater outreach and information sharing among public and private cyber security stakeholders. The expanding environment of cyber security requires broader and higher level planning to facilitate interagency information sharing for cyber readiness and response efforts. Enhanced coordination capacity is needed to plan effectively and implement fully integrated US-CERT responses to cyber incidents.

US-CERT must combine the right mix of well-trained people, processes and technology to produce a sufficient level of technological expertise in order to instantly and accurately analyze new or evolving security events. The success or failure of the US-CERT Strategic Operations program depends significantly on how accurately the US-CERT security analysts judge the severity as security events emerge. US-CERT is staffed through multiple contracting agencies and government employees. Moreover, the US-CERT Strategic Operations program maintains active partnerships with key organizations that can provide the necessary cyber security expertise to assist US-CERT personnel. The US-CERT Strategic Operations program has been comprised of two sub-programs, the Government Forum for Incident Response and Security Teams (GFIRST) and the Chief Information Security Officers' (CISO) Forum, and two activities are planned for FY 2009, as described below:

- Chief Information Security Officers' (CISO) Forum: The CISO Forum fosters interagency information sharing and collaboration among federal agency CISOs in support of cyber security. The CISO Forum is one of two key federal coordination programs established by NCSA to facilitate interagency information sharing and cooperation for readiness and response efforts. The CISO Forum brings together Cabinet-level officials responsible for the information security of their agencies and provides a trusted venue for them to collaborate; leverage one another's experiences, lessons learned, capabilities, and programs; and address and discuss particularly problematic or challenging areas.
- Government Forum of Incident Response and Security Teams (GFIRST): GFIRST is a group of technical and tactical security response practitioners, responsible for securing government information technology systems. Its members work together to understand and handle computer security incidents and to encourage proactive and preventative security practices.

GFIRST assists in securing Federal cyberspace, by fostering interagency information sharing and collaboration among Federal agency incident response security teams in support of cyber security. In addition, it provides members with technical information, tools, methods, assistance, and guidance. It coordinates proactive liaison activities and analytical support, furthers the development of quality products and services for the Federal government, shares specific technical details regarding incidents within a trusted U.S. Government environment on a peer-to-peer basis, and improves incident response operations.

Included in this expanding role is the requirement to develop a planning and response capability to support implementation of the National Response Plan (NRP) Cyber Annex and the National Coordinating Center (NCC) with deployable personnel upon implementation of the Emergency Support Function (ESF) #2 of the NRP. US-CERT will equip and train fly-away ESF #2 support teams for incident response operations. The ESF #2 teams will support major, short-term IT reconstitution efforts by providing services such as assessing equipment damage and any resulting equipment needs following a disaster. This upgraded strategic and operational planning role requires US-CERT to partner with an ever growing number of Federal, private, state and local agencies.

US-CERT's Strategic Operations is requesting FY 2009 funding for activities that will collaborate and integrate with existing National Cyber Security Division activities. The two Strategic Operations activities are:

- **Cyber Education & Expertise:**  
The objective of this project will be to improve the national and government posture for cyber readiness through enhanced human capital. In FY 2008, the project will outline a plan to baseline current cyber educational capabilities for civilian agencies, the Department of Defense and the Intelligence Community, academia, and industry. Requirements from other cyber initiatives will be identified and incorporated, and the desired cyber education end state will be identified. Also, a collective U.S. Government (USG) plan to strengthen and expand cyber educational and training programs will be developed. In FY 2009, the project will complete a cyber education and training program gap analysis; expand and improve Federal Cyber Service Programs; develop public/private training certification standards, accreditation, and performance testing; and identify desired cyber educational curriculum concepts, including K-12.
- **Supply Chain Risk Management:**  
The objective of this project will be to develop a broad approach to address the risks stemming from the globalization of the commercial information and communications technologies (ICT) marketplace. This globalization increases the opportunities to penetrate the U.S. Government supply chain for the purpose of gaining unauthorized access to data, altering data, or interrupting communications. Risk stemming from the global ICT supply chain must be managed in a strategic and comprehensive way over the entire life cycle of ICT products and services. In FY 2009, the project will implement acquisition policy, develop and implement life cycle acquisition processes and guidance, and examine mechanisms for utilizing supply chain risk information within Federal acquisitions.

### FY 2007 Accomplishments

- Prepared for and deterred catastrophic incidents by achieving a collaborative risk management and deterrence capability with a mature information sharing partnership(s) between Government and the private sector.
- Promoted strategies and protective programs to mitigate risk to the IT, communications, and cyber infrastructures.
- Fostered enhanced and improved agency information systems security across the Federal Enterprise.
- Hosted Chief Information Security Officers (CISO) meetings to facilitate lessons learned, FISMA Score Improvement Strategies, and Cyber Protection strategies.
- Promoted the CISO Forum to become the recognized expert body by the Chief Information Officer (CIO) Council with responsibilities and authorities supported by government policy.
- Held annual conferences for the GFIRST community to convene Government incident response teams. The focus of this event is to educate this community on various levels, from senior managers to junior analysts, regarding incident response activities.
- Conducted unannounced quarterly test calls for this community with a goal of 90 percent participation for its constituents.
- Facilitated meetings for the Assistant Secretary (A/S) with civilian agencies CIO's and CISO's.
- Provided content and moderating support to the GFIRST portal.
- Sponsored monthly meetings of the GFIRST members to improve information sharing and collaboration among Federal departments and agencies.

### FY 2008 Planned Milestones

- Continue to prepare for and deter catastrophic incidents by achieving a collaborative risk management and deterrence capability with a mature information sharing partnership(s) between Government and the private sector.
- Continue to promote strategies and protective programs to mitigate risk to the IT, communications, and cyber infrastructures.
- Continue to foster enhanced and improved agency information systems security across the Federal Enterprise.
- Continue to host Chief Information Security Officers (CISO) meetings to facilitate lessons learned, FISMA Score Improvement Strategies, and Cyber Protection strategies.
- Continue to promote the CISO Forum to become the recognized expert body by the Chief Information Officers (CIO) Council with responsibilities and authorities supported by government policy.
- Continue to hold annual conferences for the GFIRST community to convene Government incident response teams. The focus of this event is to educate this community on various levels, from senior managers to junior analysts, regarding incident response activities.
- Continue to conduct unannounced quarterly test calls for this community with a goal of 90 percent participation for its constituents.
- Continue to facilitate meetings for the Assistant Secretary (A/S) with civilian agencies CIO's and CISO's.
- Continue to provide content and moderating support to the GFIRST portal.
- Continue to sponsor monthly meetings of the GFIRST members to improve information sharing and collaboration among Federal departments and agencies.
- Outline a plan to baseline current cyber educational capabilities for civilian agencies, the Department of Defense and the Intelligence Community, academia, and industry.

- Identify and incorporate requirements from other cyber initiatives.
- Identify the desired cyber education end state.
- Develop a collective U.S. Government (USG) plan to strengthen and expand cyber educational and training programs.

#### FY 2009 Planned Milestones

- Continue to prepare for and deter catastrophic incidents by achieving a collaborative risk management and deterrence capability with a mature information sharing partnership(s) between Government and the private sector.
- Continue to promote strategies and protective programs to mitigate risk to the IT, communications, and cyber infrastructures.
- Continue to foster enhanced and improved agency information systems security across the Federal Enterprise.
- Continue to host Chief Information Security Officers (CISO) meetings to facilitate lessons learned, FISMA Score Improvement Strategies, and Cyber Protection strategies.
- Continue to promote the CISO Forum to become the recognized expert body by the Chief Information Officers (CIO) Council with responsibilities and authorities supported by government policy.
- Continue to hold annual conferences for the GFIRST community to convene Government incident response teams. The focus of this event is to educate this community on various levels, from senior managers to junior analysts, regarding incident response activities.
- Continue to conduct unannounced quarterly test calls for this community with a goal of 90 percent participation for its constituents.
- Continue to facilitate meetings for the Assistant Secretary (A/S) with civilian agencies CIO's and CISO's.
- Continue to provide content and moderating support to the GFIRST portal.
- Continue to sponsor monthly meetings of the GFIRST members to improve information sharing and collaboration among Federal departments and agencies.
- Complete a cyber education and training program gap analysis.
- Expand and improve Federal Cyber Service Programs.
- Develop public/private training certification standards, accreditation, and performance testing.
- Identify desired cyber educational curriculum concepts, including K-12.
- Identify, document, and distribute best practices.
- Draft and coordinate acquisition policy regarding use of supply chain risk in Federal procurement.

#### Situational Awareness

The objective of the US-CERT Situational Awareness program is to identify, analyze, and comprehend broad network activity and to support incident handling and analysis of cyber security trends for Federal agencies so that they may increase their own situational awareness and reduce cyber threats and vulnerabilities.

Situational Awareness consists of the following elements:

- Mission Operating Environment (MOE) – A collection of hardware and software that provides an operating platform that is sequestered from the Internet, separate from the DHS Local Area Network, and supports US-CERT cyber security operations. The MOE provides US-CERT with the capability to conduct incident handling, analysis, and information sharing safely and securely

without infecting computing infrastructure that supports DHS operations.

- US-CERT deals with sensitive and dangerous code on a regular basis. It needs a reliable and current operating environment that is capable of handling such malicious code. US-CERT needs a secure collaboration capacity to allow government and industry cyber experts to address threats to our cyber infrastructure in a collaborative manner in real time.
- Einstein – A collection of hardware and software that supports an automated process to collect, correlate, analyze, and share cyber security information across Federal government networks. Einstein collects data flows in real time from participating Federal agency Internet connections and provides an enhanced view and analysis of the health of critical cyber networks across the U.S. Government. The program provides a knowledge base for improving network security, resulting in increased resiliency of critical electronically delivered government services.
  - US-CERT serves as the central point for addressing cyber security incidents within the Federal government. To ensure that it has the ability to gather threat data and respond to Federal government computer security incidents, US-CERT needs real-time collection of data. Without real-time data collection as well as a way to share data across the computer incident response community, it would be difficult to gather relevant cyber-based threat and risk data. Further, the collection of data relevant to cyber network defense into a centralized repository will allow US-CERT to catalogue, index, and prioritize events to ensure that the federal community benefits from the aggregated analysis.
  - Einstein has emerged as a very successful program that partners with Federal agencies to collect and analyze network flows. In August 2007, the White House tasked US-CERT with developing an Einstein Deployment Plan that would roll out Einstein to all Cabinet-level agencies, while concurrently evolving the architecture to Einstein ‘Next Generation’. Situational Awareness’ Front End System I is being expanded to include 50 upgraded Einstein sensors and their accompanying hardware and software. In FY 2009, Situational Awareness plans to expand these Einstein activities and to implement the Front End System II, a new version of the Einstein system.
  - Situational Awareness has also started the process to develop a new data center function in FY 2008 to support the Trusted Internet Connections activities, and plans for an enhanced data center capacity with off-site storage in FY 2009. In addition, FY 2008 activities call for a facility to house current and new US-CERT and contractor personnel. The facility is planned to be expanded in FY 2009 to accommodate more personnel and equipment as well as a SCIFed component.
- Trusted Internet Connections - US-CERT’s Situational Awareness program plays a critical role by leading remote access defense across the Federal network enterprise. The Trusted Internet Connections (TIC) Initiative is a multifaceted Office of Management and Budget plan for improving the Federal government’s security posture through the reduction of external connections, including its Internet points of presence, from a current number of several thousand to a target of 50. This reduction facilitates improvement of the Federal government’s security posture by providing a more robust security monitoring capability and standardized security measures and mechanisms. Specific components of the TIC include:

- Monitoring, incident notification, and response support leveraging standardized and optimized portals by US-CERT using the Einstein intrusion detection technology and supporting processes;
- Continuing agency and trusted service provider network and security operations including defense-in-depth, incident response, and directional support; and
- Ensuring performance –based security and service level agreements between all parties.

This effort will provide oversight and compliance of .gov internet access point aggregation and implementation of sound information security measures. Situational Awareness is working to achieve a baseline of the .gov network configuration, that is, an understanding of key network characteristics and what security measures are in place.

- National Computer Forensics Institute (NCFI) – NCFI is an advanced, modern training facility operated by the U.S. Secret Service (USSS) for electronic crime investigators in Hoover, Alabama. The training is modeled on the current USSS Electronic Crimes Special Agent Program (ESCAP) curriculum, and provides training in three major areas of electronic crimes: Level I Basic Electronic Crimes Investigation Program (BICEP); Level II Network Intrusion Investigation (NITRO); and Level III Computer Forensics (CF). NCSD has a Memorandum of Understanding with USSS for the transfer of funding for state and local law enforcement officers to attend training at NCFI. NCSD will provide \$4 million to support the NCFI in FY09.

#### FY 2007 Accomplishments

- Expanded the Einstein Program to an overall total of 12 Federal agency sites.
- Addressed identified vulnerabilities within Einstein and resolved items.
- Promoted innovation to address next generation requirements and enhance cyber and communications infrastructure protection.
- Expanded modeling and analysis supporting next generation National Security/Emergency Preparedness (NS/EP) services, Internet resiliency, mitigation and response planning, and infrastructure protection.
- Expanded analytic capabilities and data sets to reflect increasing technological diversity and globalization of the infrastructure.
- Supported NCFI start-up.

#### FY 2008 Planned Milestones

- Address identified vulnerabilities within Einstein and resolve items, as necessary.
- Deploy Einstein to remaining Cabinet level Departments.
- Design, initiate and test Einstein ‘Next Generation’ architecture.
- Initiate pilot with participating Einstein partner agency to prove success for next generation.
- Install upgraded incident handling (Remedy) software on MOE.
- Increase situational awareness capability with two additional external data feeds for the Internet Health Service.
- Promote innovation to address next generation requirements and enhance cyber and communications infrastructure protection.
- Expand modeling and analysis supporting next generation NS/EP services, Internet resiliency, mitigation and response planning, and infrastructure protection.
- Expand analytic capabilities and data sets to reflect increasing technological diversity and globalization of the infrastructure.

- Develop a data center capacity to support increased storage needs from Einstein deployments.
- Plan and procure facility to house current and new US-CERT and contractor personnel to match expanded Einstein activities.
- Expand Front End System I to include 50 upgraded Einstein sensors and their accompanying hardware and software.
- Continue support of NCFI to provide training of state and local law enforcement officials.

#### FY 2009 Planned Milestones

- Address identified vulnerabilities within Einstein and resolve items, as necessary.
- Continue to upgrade incident handling with (Remedy) software on MOE.
- Expand data storage capacity to support program and team growth.
- Initiate migration of existing Einstein customer base to 'Next Generation' architecture.
- Develop and test increased analytic toolset to increase Einstein capabilities.
- Promote innovation to address next generation requirements and enhance cyber and communications infrastructure protection.
- Expand modeling and analysis supporting next generation national security/emergency preparedness (NS/EP) services, Internet resiliency, mitigation and response planning, and infrastructure protection.
- Expand analytic capabilities and data sets to reflect increasing technological diversity and globalization of the infrastructure.
- Implement Front End System II with new versions of Einstein sensors.

#### Production

US-CERT serves as the Federal government's cornerstone for protecting the nation's Internet infrastructure by coordinating defense against and response to cyber attacks. As such, US-CERT is charged with analyzing cyber threats, and publishing alerts and notices to promote awareness and network defense. The Production program plays a key role in accomplishing this mission by collaborating with both public and private sectors (Federal agencies, industry, the research community, state, local, and tribal governments, private citizens, et al.) to share and disseminate reasoned and actionable cyber security information. This information spans all levels of users in an effort to protect networks, information, assets, and critical infrastructures. The Production program delivers information through a variety of distribution mechanisms:

- Public US-CERT website - is an information source for citizens, private enterprise, IT professionals, control systems operators, and federal agencies. The website features regularly updated summaries of cybersecurity incidents and issues. This information is automatically disseminated to users through really simple syndication (RSS) feeds and subscribed mailing lists. The program also runs the National Cyber Alert System, which provides valuable cyber security information in the form of Technical Cyber Security Alerts, Cyber Security Alerts, Cyber Security Bulletins and Cyber Security Tips. Additional information products include Current Activity, Vulnerability Notes, the Vulnerability KnowledgeBase and Quarterly Trends and Analysis Reports.
- US-CERT Secure Portal - provides a secure channel for disseminating and sharing For Official Use Only (FOUO) related cybersecurity information to Information Sharing and Analysis Centers (ISACs), the Government Forum of Incident Response and Security Teams (GFIRST) and other vetted key stakeholders. The program creates and publishes information products for its secure portal constituents, including Situational Awareness Reports, Technical Information

Papers, Federal Information Notices, Critical Infrastructure Information Notices, Quarterly Trends Reports and other important additional alerts.

- SECRET (DHS-Homeland Secure Data Network) US-CERT website- is an information source located on the Department of Homeland Security's Homeland Secure Data Network (HSDN) to alert individuals within the classified community of current cybersecurity incidents and issues. The website is a combination of both the public website and secure portal in that it contains current activity information, notable vulnerability notes, and recent information products such as Situational Awareness Reports, Technical Information Papers, Federal Information Notices, Critical Infrastructure Information Notices, and Quarterly Trends Reports.

#### FY 2007 Accomplishments

- Strived to increase overall public awareness by improving mechanisms and procedures for information sharing on cyber threats, vulnerabilities, and threat assessments (e.g., technical and non-technical alerts, threat assessments, methodologies, and guidance).
- Created a website on the Homeland Secure Data Network (HSDN) to distribute classified information to constituents within the intelligence community.
- Created a quarterly Trends and Analysis Report to inform the public of activity reported and analyzed by US-CERT.
- Increased the number of reports being produced and distributed to federal, state and local governments, the private sector, and international constituents.
- Created a new and improved Incident Reporting Form to encourage accurate and timely reporting to comply with OMB and National Institute of Standards and Technology (NIST) requirements and guidelines.
- Increased awareness by contributing information and articles to be published in constituent newsletters such as the NCSA Newsletter, and the Department of Defense's Information Assurance Technology Analysis Center's (IATAC) *IAnewsletter*.
- Created a new alert system to notify the public of Current Activity, a section on our website that provides up-to-date information about high-impact types of security activity affecting the community at large.
- Implemented US-CERT Secure Portal enhancements to better protect and share information across sectors (reorganized folders, began to utilize the Alert feature, etc.).
- Worked with the Government Forum of Incident Response and Security Teams (GFIRST) to support their needs for the portal and annual GFIRST Conference.
- Annually verified, updated and confirmed the Standard Operating Procedures (SOPs) for US-CERT Operations.
- Provided the appropriate operational and technical guidance to stakeholders to protect and secure data to ensure the integrity, availability, and confidentiality of the information.

#### FY 2008 Planned Milestones

- Enhance the frequency and quantity of the information being published to the National Cyber Alert System and to the Current Activity RSS feeds and mailing list.
- Redesign the US-CERT website to allow users to navigate and find information more easily.
- Create a hardcopy of a newsletter or quarterly trends report for physical distribution.
- Continue to enhance the Incident Reporting Form to allow agencies to report incidents with greater ease.
- Provide graphic interface on the website to illustrate cyber security trends.

- Establish new relationships to publish information through new channels, i.e., constituent newsletters, websites, and reports.
- Enhance US-CERT Portal features to offer additional tools for situational awareness.
- Begin planning phases to create a US-CERT website on the Joint Worldwide Intelligence Communications System (JWICS) to distribute Top Secret/SCI classified information to constituents within the intelligence community.
- Create new information products specific to the intelligence community to be published on the Homeland Secure Data Network (HSDN) website and eventually, the JWICS website.
- Work with and support the Einstein Program's initiatives by creating reports and new information products as the program scales to new agencies.
- Continue to support the Government Forum of Incident Response and Security Teams (GFIRST) to support their needs for the portal and annual GFIRST Conference.
- Establish new technologies for creating a more robust infrastructure for supporting and securing the US-CERT website.
- Create and improve mechanisms for delivering information to various stakeholders in the event that key Internet/network functions are not available.
- Annually verify, update and confirm the alert systems and Standard Operating Procedures (SOPs) for US-CERT operations.
- Partner with additional private entities to market live feeds to new subscriber bases.
- Continue to provide the appropriate operational and technical guidance to stakeholders to protect and secure data to ensure the integrity, availability, and confidentiality of the information.
- Strive to increase overall public awareness by improving mechanisms and procedures for information sharing on cyber threats, vulnerabilities, and threat assessments (e.g., technical and non-technical alerts, threat assessments, methodologies, and guidance).

#### FY 2009 Planned Milestones

- Create a US-CERT website on the Joint Worldwide Intelligence Communications System (JWICS) to distribute Top Secret/SCI classified information to constituents within the intelligence community.
- Create and/or enhance classified information products to be published to JWICS and the Homeland Secure Data Network (HSDN).
- Update and reorganize the public website to accommodate growth and new communications technologies for disseminating information.
- Establish new working guidelines to better collaborate with US-CERT analysts in order to produce more information products for all constituents.
- Work with and support the Einstein Program's initiatives by creating reports and new information products as the program scales to new agencies.
- Establish new procedures and refine product classification as reporting needs increase with the overall mission and deployment of Einstein.
- Create a scalable means for producing and disseminating federal reports in a more timely, secure, and effective way.
- Continue to work with other NCSID initiatives (Strategic Initiatives/Software Assurance) to support their mission via the public website or secure portal.
- Continue to evaluate options for creating a more robust and secure infrastructure for the US-CERT website.
- Continue to support the Government Forum of Incident Response and Security Teams (GFIRST) to support their needs for the portal and annual GFIRST Conference.

- Continue to enhance US-CERT Portal features to offer additional tools for situational awareness.
- Annually verify, update and confirm the alert systems and Standard Operating Procedures (SOPs) for US-CERT operations.
- Continue to provide graphic interface on the website to illustrate cybersecurity trends.
- Create and improve upon mechanisms for delivering information to various stakeholders in the event that key Internet/network functions are not available.
- Continue to work with the private sector to increase awareness and educate home users.
- Enhance the frequency and quantity of the information being published to the National Cyber Alert System and to the RSS feeds.
- Continue to provide the appropriate operational and technical guidance to stakeholders to protect and secure data to ensure the integrity, availability, and confidentiality of the information.

**Strategic Initiatives:**

\$ thousands

| National Cyber Security Division          |           |           |                 |           |           |                 |          |          |                |
|---|-----------|-----------|-----------------|-----------|-----------|-----------------|----------|----------|----------------|
| Strategic Initiatives                     |           |           |                 |           |           |                 |          |          |                |
|   | FY 2008   |           |                 | FY 2009   |           |                 | Change   |          |                |
|   | FTE       | FTP       | Enacted         | FTE       | FTP       | Request         | FTE      | FTP      |                |
|   |           |           |                 |           |           |                 |          | \$       |                |
| <b>Salaries &amp; Benefits</b>            | <b>15</b> | <b>16</b> | <b>\$1,932</b>  | <b>15</b> | <b>16</b> | <b>\$1,990</b>  | <b>0</b> | <b>0</b> | <b>\$58</b>    |
| <i>Critical Infrastructure Protection</i> |           |           | \$5,000         |           |           | \$6,131         |          |          | \$1,131        |
| <i>[WCF]</i>                              |           |           | [461]           |           |           | [192]           |          |          |                |
| <i>Training &amp; Education</i>           |           |           | \$5,328         |           |           | \$1,347         |          |          | -\$3,981       |
| <i>[WCF]</i>                              |           |           | [212]           |           |           | [42]            |          |          |                |
| <i>Software Assurance</i>                 |           |           | \$2,140         |           |           | \$2,700         |          |          | \$560          |
| <i>[WCF]</i>                              |           |           | [1,404]         |           |           | [85]            |          |          |                |
| <i>Cyber Exercises</i>                    |           |           | \$4,159         |           |           | \$5,320         |          |          | \$1,161        |
| <i>[WCF]</i>                              |           |           | [(250)]         |           |           | [167]           |          |          |                |
| <i>Standards &amp; Best Practices</i>     |           |           | \$2,869         |           |           | \$3,550         |          |          | \$681          |
| <i>[WCF]</i>                              |           |           | [368]           |           |           | [111]           |          |          |                |
| <i>Control Systems</i>                    |           |           | \$12,000        |           |           | \$18,000        |          |          | \$6,000        |
| <i>[WCF]</i>                              |           |           | [0]             |           |           | [564]           |          |          |                |
| <i>ISS Line of Business</i>               |           |           | \$2,400         |           |           | \$2,600         |          |          | \$200          |
| <i>[WCF]</i>                              |           |           | [9]             |           |           | [81]            |          |          |                |
| <b>Activity Costs</b>                     |           |           | <b>\$33,896</b> |           |           | <b>\$39,648</b> |          |          | <b>\$5,752</b> |
| <b>Total</b>                              | <b>15</b> | <b>16</b> | <b>\$35,828</b> | <b>15</b> | <b>16</b> | <b>\$41,638</b> | <b>0</b> | <b>0</b> | <b>\$5,810</b> |

The NCSD Strategic Initiatives (SI) Branch has primary responsibility for NCSD’s goals to work with the public and private sectors to reduce vulnerabilities and minimize the severity of cyber attacks to the critical infrastructure across the sectors and to the IT Sector. NCSD’s Strategic Initiative activities support Critical Infrastructure Protection-Cyber Security, Training and Education, Software Assurance, Cyber Exercises, Standards and Best Practices, Control Systems Security Program, and ISS Line of Business.

Critical Infrastructure Protection – Cyber Security

The Critical Infrastructure Protection - Cyber Security (CIP-CS) Program strengthens preparedness by partnering with the public and private sectors to improve the security of the Information Technology (IT) Sector and cyber assets across the Nation’s critical infrastructures. CIP-CS facilitates risk management activities that reduce cyber vulnerabilities and minimize the severity of cyber attacks.

The program includes responsibilities for the development and implementation of the National Infrastructure Protection Plan (NIPP) IT Sector Specific Plan (SSP); for cross-sector cyber support to Sector Specific Agencies (SSAs) as they develop their SSPs and reduce cyber risk to their sectors; and for support to the NIPP Program Management Office and the National Critical Infrastructure and Key Resources (CI/KR) Annual Report. The CIP-CS Program also facilitates activities and partnerships to improve the resiliency of the Internet through the Internet Disruption Working Group (IDWG). The IDWG was established by NCSA in partnership with the National Communications System, in response to security concerns surrounding the growing dependency of critical infrastructures and national security and emergency preparedness users on the Internet for communications, operational functions, and essential services.

#### FY 2007 Accomplishments – IT Sector

- Cataloged IT Sector protective measures for nationally critical IT Sector infrastructure to mitigate threats, vulnerabilities, and consequences.
- Developed, in partnership with the IT Sector Coordinating Council (SCC) and IT Government Coordinating Council (GCC), the first joint public-private sector IT SSP.
- Met with the IT SCC regularly to develop the IT SSP and begin implementation of the actions contained therein.
- Developed IT Sector-specific metrics.
- Developed IT Sector risk assessment methodology framework.
- Established IT SSP implementation groups comprised of SCC and GCC representatives.
- Identified critical IT Sector functions.
- Developed IT Sector Annual Report.
- Developed quarterly implementation schedule and work breakdown structure for IT SSP action items.

#### FY 2007 Accomplishments - Cross-Sector Cyber Security

- Provided guidance documents, technical assistance, and feedback to SSAs on the development of cyber security concepts and methodologies in their SSPs.
- Developed and refined cross sector risk guidance and methodologies (e.g., cyber security vulnerability assessment and asset identification methodologies) and provided cyber security content for risk and vulnerability assessment methodologies within the Risk Analysis and Management for Critical Asset Protection (RAMCAP), the Chemical Sector Comprehensive Review, and the Chemical Security Assessment Tool.
- Collaborated with the Intelligence Community (IC) and the Homeland Infrastructure Threat and Risk Analysis Center (HITRAC) to develop the Strategic Homeland Infrastructure Risk Assessment (SHIRA).
- Provided a “Cyber 101” briefing to the SHIRA Interagency Working Group and provided comments and conducted further technical assistance sessions on cyber issues for the respective sectors’ risk assessments.
- Analyzed and commented on cyber components of Sector Annual Reports.
- Identified cross-sector cyber security research and development (R&D) requirements from across the SSPs and provided them for incorporation into the DHS Science and Technology Directorate’s R&D efforts.
- Established the Cross Sector Cyber Security Working Group (CSCSWG) to address cross sector cyber risk assessment and interdependencies. The CSCSWG will serve as a forum for bringing the government and the private sector together to address common cyber security challenges and opportunities across the CI/KR sectors. Convened group and held first meeting.

### FY 2008 Planned Milestones

- Convene threat product working group with HITRAC and sector security partners to ensure the incorporation of cyber security expertise into products and briefings (as appropriate) and facilitate the dissemination of high quality analytical and threat/warning products to IT Sector and other critical infrastructure/key resources (CI/KR) sector cyber stakeholders.
- Provide classified briefings to cleared IT Sector stakeholders on a broad spectrum of threats to the IT infrastructure in collaboration with HITRAC and other intelligence community partners.
- Chair quarterly IT GCC meeting and develop an agenda, meeting materials, and meeting summaries to ensure the coordination of IT GCC activities.
- Meet with IT SCC and GCC representatives regularly to implement the IT SSP and address other CI/KR protection initiatives involving the IT Sector.
- Identify critical IT sector sub-functions and elements of those sub-functions to prepare to identify and assess vulnerabilities and risks to these critical functions.
- Develop a consequence assessment framework for the sector.
- Develop measures and consequence, vulnerability, and threat thresholds.
- Identify threats to the sector and map them against the critical IT Sector functions.
- Complete IT Sector risk assessment methodology.
- Provide IT Sector perspective to DHS pandemic influenza contingency planning efforts by adding content (as appropriate) to DHS documentation.
- Develop baseline IT Sector risk assessment (identify and assess vulnerabilities, threats, and consequences) and overall IT sector risk profile.
- Identify additional protective measures for nationally critical IT sector infrastructure.
- Develop and finalize IT Sector Annual CI/KR Report, as required by the NIPP.
- Develop and convene IT sector R&D workshop.
- Support CSCSWG activities related to systemic risk to the cyber infrastructure of all 17 CI/KR sectors, including completion of the review of cyber content in the 2007 SSP and next steps for the Internet Disruption Working Group.
- Refine cross sector risk guidance and methodologies (e.g., cyber security vulnerability assessment and asset identification methodologies) and provide cyber security content for risk and vulnerability assessment methodologies to at least one additional sector.
- Automate cyber security vulnerability assessment methodology for use across the CI/KR sectors.
- Collaborate with the HITRAC to assist other SSAs in the SHIRA on an annual basis.
- Review, comment and provide guidance, as well as technical assistance, on cyber components of first-year revisions to the SSPs.
- Review, comment and provide guidance on cyber components of Sector Annual Reports. Participate in the writing team for the 2008 National Annual Report.
- Identify and engage appropriate international stakeholders for involvement in the implementation of the IT SSP.
- Encourage and facilitate private IT Sector participation in bilateral and multilateral international activities involving NCSD.

### FY 2009 Planned Milestones

- Review critical IT sector functions to determine if technological and environmental changes have occurred to alter the set of functions or their descriptions.
- Conduct joint discussions with the Communications Sector on risk and protective program effectiveness and requirements for new protective programs.

- Convene full IT Sector Research & Development (R&D) Workshop and share results with R&D public and private sector security partners.
- Support development of the 2009 SHIRA.
- Work with HITRAC to incorporate lessons learned and best practices into development of cyber components of the SHIRA.
- Continue to update the IT SSP, in close collaboration with the IT GCC and the IT SCC to reflect changes in the IT Sector and the state of security.
- Continue to implement with the IT GCC and IT SCC IT SSP long-term actions to manage risk, identify protective programs, enhance information sharing, set the IT Sector research and development agenda, and track progress.
- Collaborate with the IT SCC to facilitate the coordination of policy development, CI/KR protection planning, and SSP implementation activities.
- Chair quarterly IT GCC meeting and develop an agenda, meeting materials, and meeting summaries to ensure the coordination of IT GCC activities.
- Distribute the automated cyber security vulnerability assessment methodology for use across the CI/KR sectors.
- Continue to refine cross sector risk guidance and methodologies (e.g., cyber security vulnerability assessment and asset identification methodologies) and provide cyber security content for risk and vulnerability assessment methodologies to develop and refine cross sector risk guidance and methodologies (e.g., cyber security vulnerability assessment questionnaire and asset identification).
- Continue to identify and engage appropriate international stakeholders for involvement in the implementation of the IT SSP.

#### Training and Education

The Training and Education program provides resources and activities to improve the training, education, and workforce development of Information Technology (IT) security professionals within the Federal government and private industry. NCSA recognizes the overarching goal of ensuring that the IT security workforce is prepared to meet the security challenges that exist today and in the future. By focusing resources on improved cyber security education for IT professionals, increasing the efficiency of existing cyber security training programs, and promoting widely-recognized, vendor-neutral cyber security certifications, NCSA is actively working to improve the Nation's pool of educated information assurance and computer security professionals.

FY 2008 activities include further development, evaluation and implementation of the "Community Cyber Security Maturity Model" (CCSMM) training curriculum, a structured approach to preparing state and local officials for possible cyber attacks, that was developed by the Center for Infrastructure Assurance at the University of Texas at San Antonio. These activities also include delivery of training to at least three states, selected on a competitive basis, to improve their cyber security response capabilities.

#### FY 2007 Accomplishments

- Continued support and collaboration with colleges and universities to enhance and strengthen the Centers of Academic Excellence in Information Assurance Education (CAEIAE) program in an on-going partnership with the National Security Agency (NSA).
- Co-sponsored the Annual CAEIAE representatives meeting.
- Designated additional CAEIAEs, working towards the goal of having at least one CAEIAE in each state.

- Co-sponsored the annual National Collegiate Cyber Defense Competition and encouraged CAEIAE participation.
- Continued collaborating with colleges and universities to provide program administration of the Scholarship for Service (SFS) Program in partnership with the National Science Foundation (NSF).
- Co-sponsored with NSF, the Office of Personnel Management (OPM), and the Federal CIO Council, an annual symposium/job fair to facilitate increased placement of SFS students in Federal jobs and summer internships.
- Conducted agency briefings to provide SFS program overview and placement guidance, marketing the program throughout the Federal government to facilitate improved student placement rates.
- Co-chaired the SFS Interagency Coordinating Committee (ICC) with NSF and collaborated with SFS schools on developing future program improvements.
- Developed the draft Essential Body of Knowledge (EBK), leveraging key resources, including the Committee on National Security Systems (CNSS) training standards, the National Institute for Standards and Technology (NIST) 800 Series documents, and the results of the Department of Defense Information Assurance (IA) Workforce Improvement Program's job task analysis.
- Conducted working groups to review and validate the EBK framework.
- Vetted the draft EBK through role-specific focus/working groups, industry conference presentations and other required activities on skills standards, processes, governance, and goals to validate the IT Security EBK for industry, academia, and government.
- Published the EBK in the Federal Register for public comment.
- Developed and implemented a marketing/messaging campaign to initiate and promote industry-wide acceptance/adoption of the IT Security EBK through workshops and professional conferences.
- Represented DHS/NCSD on the Federal Chief Information Officers (CIO) Council's IT Workforce Committee, including attendance at monthly meetings, and participation in annual special events.
- Functioned as the ISS-LOB Tier 2 Role-Based (Specialized) Training (T2T) Working Group leader for monthly and ad hoc meetings, events, activities.
- Implemented pilot activities with the George Mason University (GMU) School of Management graduate program, including simulations, lectures, and discussions of major business continuity and cyber issues.
- Represented DHS on the CNSS Awareness Working Group to develop informational briefings for the CIO Council, Chief Acquisition Officers Council, acquisition/contracting officials, and others, as appropriate, on supply chain risk and risk management policies and tools.

#### FY 2008 Planned Milestones

- Maintain a partnership with NSA to continue support and collaboration with colleges and universities to enhance and strengthen the CAEIAE program.
- Co-sponsor the Annual CAEIAE representatives meeting.
- Participate in annual review to designate additional CAEIAEs, working towards the goal of having at least one CAEIAE in each state.
- Co-sponsor the annual National Collegiate Cyber Defense Competition, encouraging CAEIAE participation.
- Continue a partnership with NSF, collaborating with colleges and universities to provide program administration of the SFS Program.

- Co-sponsor with NSF, OPM, and the Federal CIO Council, an annual symposium/job fair to facilitate increased placement of SFS students in Federal jobs and summer internships.
- Conduct agency briefings to provide SFS program overview and placement guidance, marketing the program throughout Federal government to facilitate improved student placement rates.
- Continue to co-chair the SFS Interagency Coordinating Committee (ICC) with NSF and collaborate with SFS schools on developing future program improvements.
- Proceed with the development and implementation of a marketing/messaging campaign to initiate and promote industry-wide acceptance/adoption of the IT Security EBK through workshops and professional conferences.
- Continue to refine the content of the EBK and determine ways to leverage it with other IT security industry initiatives.
- Develop a process for maintenance and currency of the IT Security EBK.
- Continue to represent DHS/NCSD on the Federal CIO Council's IT Workforce Committee, including attendance at monthly meetings and participation in annual special events.
- Function as the ISS-LOB Tier 2 Role-Based (Specialized) Training (T2T) Working Group Leader for monthly and ad hoc meetings, events, and activities.
- Continue to represent DHS on the CNSS Awareness Working Group to develop informational briefings for the CIO Council, Chief Acquisition Officers Council, acquisition/contracting officials, and others, as appropriate, on supply chain risk and risk management policies and tools.
- Develop, evaluate and implement the CCSMM training curriculum.
- Deliver CCSMM training to at least three states selected on a competitive basis.

#### FY 2009 Planned Milestones

- Continue co-sponsorship of the CAEIAE program with NSA to enhance and strengthen the program to establish at least one CAEIAE in each state.
- Continue co-sponsoring the Annual CAEIAE representatives meeting.
- Continue designating additional CAEIAEs, working towards the goal of having at least one CAEIAE in each state.
- Co-sponsor the annual National Collegiate Cyber Defense Competition, encouraging CAEIAE participation.
- Continue partnership with NSF, collaborating with colleges and universities to provide program administration of the SFS Program.
- Co-sponsor with NSF, OPM, and the Federal CIO Council, an annual symposium/job fair to facilitate increased placement of SFS students in Federal jobs and summer internships.
- Continue to conduct agency briefings to provide SFS program overview and placement guidance, marketing the program widely throughout Federal government to facilitate improved student placement rates.
- Continue co-chairing the SFS Interagency Coordinating Committee (ICC) with NSF, collaborating with SFS schools on developing future program improvements.
- Promulgate the IT Security EBK and promote its influence on workforce development training products and resources throughout private sector, government and academia.
- Develop an assessment program to evaluate the effective utilization of the IT Security EBK throughout government, industry and academia.
- Continue to represent DHS/NCSD on the Federal CIO Council's IT Workforce Committee, including attendance at monthly meetings, and participation in annual special events.

## Software Assurance

The Software Assurance program serves as a focal point for partnering with private industry, academia, other Federal agencies, and international entities to improve software development and acquisition processes by facilitating forums, hosting working group sessions, and collaborating with partners to publish best practices and methodologies. The Program seeks to reduce software vulnerabilities, minimize exploitation, and address a means to improve capabilities to routinely develop and deploy trustworthy software products – enabling more resilient assets within the critical infrastructure.

### FY 2007 Accomplishments

- Created key components to add increased functionality to the “Build Security In” Portal, which is a web-based repository of best practices and practical guidance for the software development community.
- Revised the Common Body of Knowledge and Developer’s Guide with industry, academia, and government and released a final draft through the Federal Register for public comment.
- Developed a pilot software assurance training/education curriculum consistent with Software Assurance Common Body of Knowledge in conjunction with early adopters.
- Disseminated curriculum guidance, starting with Centers of Academic Excellence in Information Assurance Education and other early adopters.
- Held Working Group sessions with industry, academia, and government addressing topics such as workforce training and development, acquisition, processes and practices, and tools, technology, and product evaluation.
- Conducted two semi-annual Software Assurance Forums for other Federal agencies, private industry, academia and international entities to facilitate the ongoing collaboration to identify methods for improving processes and practices throughout the software development lifecycle.
- Published Software Security Measurement Guide.
- Developed and published an Acquisition Manager’s Desktop Guide to include due-diligence questionnaires, templates for acquisition language, sample statements of work, templates for procurement and outsourcing, and software assurance criteria for evaluating capabilities of software suppliers.
- Developed a Quick Reference Guide to practical measurement activities with the acquisition process.
- Cross-matrixed and incorporated community-accepted Software Assurance Principles into the Common Body of Knowledge.
- Conducted a security measurement validation and update to practical Software & Systems Measurement by hosting a workshop.
- Developed a business case analysis to support lifecycle use of security best practices.
- Provided materials to organizations providing acquisition training and education.
- Offered constructive updates to relevant standards to better address software assurance.
- Developed a pilot course curriculum based on the Acquisition Manager’s Desktop Guide.
- Collaborated with NIST to inventory software assurance tools, measure effectiveness, identify gaps and conflicts, and develop a plan to eliminate those gaps and conflicts.

### FY 2008 Planned Milestones

- Continue to update the "Build Security In" web portal consistent with stakeholder needs in software assurance sound practices for development, acquisition, and sustainment.

- Continue to conduct semi-annual Software Assurance Forum for other federal agencies, private industry, academia and international entities to facilitate the ongoing collaboration to identify methods for improving processes and practices throughout the software development lifecycle.
- Continue to develop a pilot course curriculum based on the Software Assurance (SwA) Acquisition Guide.
- Continue to update the SwA Acquisition Guide to include due-diligence questionnaires, templates for acquisition language, sample statements of work, templates for procurement and outsourcing, and software assurance criteria for evaluating capabilities of software suppliers.
- Continue to update the Software Assurance Common Body of Knowledge, along with awareness materials and FAQs, to inform and educate other federal agencies, private industry, academia and international entities.
- Continue collaboration with NIST; provide final base-line source code security analysis tool specification document, NIST SP 500-268, and test plan document covering capabilities, weaknesses, and false positive rate, NIST SP 500-270.
- Maintain collaboration with NIST; provide SAMATE Reference Dataset (SRD) test suite repository.
- Continue collaboration with NIST; provide Test Case Generator (TCG) using highly formalized descriptions from the Common Weakness Enumeration (CWE), encoded in the standards-based OMG Semantic Business Vocabulary and Rules (SBVR) language, to generate thousands of small test programs embodying the weaknesses described in SBVR.
- Maintain collaboration with NIST; provide Web Application Scanner Tool Functional Spec and Test Suite (NIST SP 500-269).

#### FY 2009 Planned Milestones

- Continue to update the "Build Security In" web portal consistent with stakeholder needs in software assurance sound practices for development, acquisition, and sustainment.
- Continue to conduct semi-annual Software Assurance Forum for other federal agencies, private industry, academia and international entities to facilitate the ongoing collaboration to identify methods for improving processes and practices throughout the software development lifecycle.
- Continue to develop a pilot course curriculum based on the SwA Acquisition Guide.
- Continue to update SwA Acquisition Guide to include due-diligence questionnaires, templates for acquisition language, sample statements of work, templates for procurement and outsourcing, and software assurance criteria for evaluating capabilities of software suppliers.
- Continue to update the Software Assurance Common Body of Knowledge, along with awareness materials and FAQs, to inform and educate other federal agencies, private industry, academia and international entities.
- Continue collaboration with NIST; provide final base-line source code security analysis tool specification document, NIST SP 500-268, and test plan document covering capabilities, weaknesses, and false positive rate, NIST SP 500-270.
- Maintain collaboration with NIST; provide SAMATE Reference Dataset (SRD) test suite repository.
- Continue collaboration with NIST; provide Test Case Generator (TCG) using highly formalized descriptions from the CWE, encoded in the standards-based OMG Semantic Business Vocabulary and Rules (SBVR) language, to generate thousands of small test programs embodying the weaknesses described in SBVR.
- Maintain collaboration with NIST; provide Web Application Scanner Tool Functional Spec and Test Suite (NIST SP 500-269).

## Cyber Exercises

The Cyber Exercises program plans, coordinates, and conducts cyber-focused exercises in order to develop, evaluate, improve, and refine the capabilities of the Department of Homeland Security (DHS) to prevent, protect, respond to and recover from incidents affecting cyber components (information, hardware, software, data, and networks) of the Nation's critical infrastructure. Through participation in and sponsorship of different types of exercises - tabletop, functional, and full-scale - NCSD establishes partnerships and cooperation mechanisms for information sharing with other government entities (local, state, federal, and international), as well as the private sector. CEP provides an opportunity to strengthen the government and private sector partners using exercises, especially through the planning process. NCSD recognizes the importance of fully involving stakeholders who share similar interests in the national cyber security mission and vision as an integral part of the planning process: from the development of the initial stage of formulating higher level exercise objectives, to deciding on exercise design and culminating in actual exercise participation. Through developing and established partnerships, NCSD hopes to further promote cyber security awareness within the U.S. critical infrastructure sectors.

## FY 2007 Accomplishments

- Conducted several tabletop exercises (TTX) to provide the National Cyber Response Coordination Group (NCRCG) and Interagency Advisory Council with a foundation to operationalize interagency coordination and prepare for Cyber Storm.
- Co-sponsored execution of the Multi-State Information Sharing and Analysis Center (MS-ISAC) cyber TTX.
- Planned and coordinated participation by NCSD and the NCRCG in government-wide Exercise Pinnacle (Continuity of Operations exercise).
- Conducted TTX for the Internet Disruption Working Group with representatives from the Federal Government and the private sector to examine communications, information sharing, and roles/responsibilities in the event of a major Internet disruption affecting both the private and public sectors.
- Co-sponsored the National Collegiate Cyber Defense Competition to foster the education and growth of professionals in the cyber field.
- Sponsored a regional exercise (Cyber Tempest) in New York with the New York State Office of Cyber Security and Critical Infrastructure Coordination.
- Assisted the State of Delaware in conducting their annual cyber exercise by providing cyber and exercise subject matter expertise.
- Initiated planning for Cyber Storm II, including conducting the Concept Development Conference and Initial Planning Conference.
- Initiated planning and coordination efforts with the DHS Federal Emergency Management Agency (FEMA) and each of the Top Officials 4 (T4) exercise venues to include cyber in their exercise efforts.
- Sponsored and conducted cyber TTX for the Usual 5 (Australia, New Zealand, Canada, the United Kingdom, and the United States) to finalize their current draft Standard Operating Procedures in continued preparation for Cyber Storm II.
- Sponsored, coordinated, and executed a cyber workshop/TTX in Guam for the T4 Exercise in close collaboration with DHS's Federal Emergency Management Agency (FEMA).
- Initiated planning for regional TTXs in Chicago with ChicagoFIRST by conducting an Initial Planning Conference.

### FY 2008 Planned Milestones

- Plan and execute national and regional cyber exercises including Top Officials 4 (T4) and Cyber Storm II. Coordinate with the DHS Science and Technology Directorate (S&T) on the testing and deployment of the Exercise Modeling Tool.
- Facilitate the Cyber Storm II Final Planning Conference.
- Conduct the National Cyber Exercise, Cyber Storm II.
- Sponsor, plan, and coordinate appropriate cyber security scenario content in the T4 Full-scale exercise (FSE) through the Cyber Working Group in close collaboration with the Office of Grants and Training (G&T).
- Extrapolate lessons learned from the Top Officials venues and integrate these threads into the main scenario of the T4 FSE.
- Apply Top Officials After Action Reports to future exercises to ensure that cyber weaknesses and deficiencies are addressed by public and private partners.
- Support the State of Vermont in the planning and execution of a cyber exercise.
- Support the State of Massachusetts in the planning and execution of a cyber exercise.
- Provide technical cyber exercise guidance in the reviewing and planning stages of the exercise tool with DHS S&T.
- Consult with DHS S&T on the Vermont and Massachusetts beta test sites during the planning stages of the Exercise Scenario Modeling Tool (ESMT).
- Consult with DHS S&T pertaining to ESMT certification and test and deploy the ESMT.
- Continue to develop and execute an exercise plan to facilitate operational interaction with the Usual 5.
- Continue to provide technical exercise assistance to the Usual 5.
- Collaborate with the Department of Energy (DOE) as it relates to the Top Officials exercise and the operational use of the Cyber Exercise Range (during T6).

### FY 2009 Planned Milestones

- Continue to develop regional exercises with our State and local partners and work with the State government exercise programs, including State Fusion Centers, to enhance their preparedness and response capabilities. CEP is engaged with these stakeholders in testing interdependencies among the various stakeholders.
- Begin prototyping the Cyber Exercise Range, which will provide the capability to execute technical level cyber exercises for departments and agencies in future exercises. The Pacific National Laboratory and other government departments and agencies will support this effort.
- Publish and disseminate the Cyber Storm II After Action Report and recommendations for improvement.
- Initiate planning for Cyber Storm III.
- Continue to sponsor, coordinate, and execute future Top Officials exercises.
- Continue to sponsor, coordinate, and execute State, local and regional exercises.
- Continue to develop and execute an exercise plan to facilitate operational interaction with the Usual 5.
- Continue to provide technical exercise assistance to Usual 5 countries.
- Continue to collaborate with public and private sector partners and include them in the development, coordination, and execution of cyber exercises.
- Continue to collaborate with the Department of Energy (DOE) as it relates to the Top Officials exercise and the operational use of the Cyber Exercise Range (during T6).
- Continue developing the Cyber Exercise Range.

## Standards and Best Practices

The Standards and Best Practices (SBP) program promotes and sponsors the development of standards, guidance documents, metrics, and tools that raise awareness and provide technical guidance for the implementation of cyber security controls. In addition, the program identifies, develops, and prioritizes cyber security research and development (R&D) requirements, in coordination with the DHS Science and Technology (S&T) Directorate and the National Communications System (NCS), and the Office of Cybersecurity and Communications (CS&C) Chief Technical Officer (CTO) to encourage cyber technological innovation and R&D investment.

## FY 2007 Accomplishments

- Developed FY 2007 cyber security R&D requirements in coordination with the NCS and S&T by identifying gaps and requirements for cyber R&D innovation.
- Finalized the Common Information Technology and Telecommunications Capability to be included in the Target Capabilities List (TCL); a companion to the National Preparedness Goal.
- Developed the Information Technology and Telecommunications capability component, for the Target Capabilities List.
- Co-sponsored development and maintenance of the National Vulnerability Database (NVD), which integrates all publicly available US Government IT vulnerability resources and is currently being accessed at a rate of 48 million hits per year - an increase in the projected rate (in June 2006) of 24 million hits per year. Additionally, the payment card industry (PCI), which includes Visa and MasterCard, required the use of NVD data to secure payment systems (effective June 30, 2007).
- Promoted the use of common naming conventions for vulnerability identification by sponsoring the Common Vulnerabilities and Exposures (CVE) program and Open Vulnerability and Assessment Language (OVAL). The CVE repository currently contains approximately 25,064 unique identifiers of common information security issues, up from 321, when it began in 1991. The continual adoption of CVE as a naming convention in enterprise security, world wide, is evidenced by its use in public watch lists such as the SANS Top 20 Most Critical Internet Security Vulnerabilities and the Open Web Application Security Project (OWASP) Top 10 Web Application Security Issues.
- Co-chaired meetings of the White House Office of Science and Technology Policy-sponsored Cyber Security and Information Assurance Interagency Working Group (CSIA IWG).
- Participated in the Committee on National Security Systems (CNSS) Working Groups on Certification and Accreditation and IT Globalization by providing technical expertise in the development of the draft consolidated cyber security requirements document. This document combines DOD, NIST and Intelligence organization requirements.
- Developed draft requirements catalog of security standards for control systems.
- Participated in the DHS Standards Council, as the lead for the Cyber Security Standards Working Group.
- Developed performance measures to meet OMB and DHS reporting requirements, which will be used for Program Assessment Rating Tools (PART) reporting.
- Sponsored the Center for Internet Security (CIS) Security Benchmarks and CIS Scoring Tools. CIS benchmarks have been developed by a global consensus of hundreds of security professionals as recommendations for minimum due care and defined best-practice security configurations. SBP's sponsorship provides the entire Federal government with the licenses to use these products.

### FY 2008 Planned Milestones

- Participate on and provide technical input to standards committees and procurement review panels that require NCSA Program expertise.
- Conduct detailed technical documentation reviews and make recommendations that address disconnects or inconsistencies in existing cyber security/best practice guidance (e.g., NIST SP 800 series documents, CNSS cyber security guidance) which contrast with the national IT management approach - as articulated in the National Infrastructure Protection Plan (NIPP).
- Continue to co-sponsor the development and maintenance of the National Vulnerability Database (NVD)
- Promote the use of common naming conventions for vulnerability identification by sponsoring the Common Vulnerabilities and Exposures (CVE) program and Open Vulnerability and Assessment Language (OVAL).
- Continue to co-chair meetings of the White House Office of Science and Technology Policy-sponsored Cyber Security and Information Assurance Interagency Working Group (CSIA IWG).
- Maintain participation in the Committee on National Security Systems (CNSS) Working Groups on Certification and Accreditation and IT Globalization.
- Maintain participation in the DHS Standards Council, as the lead for the Cyber Security Standards Working Group.
- Finalize the draft Catalog of Security Requirements for Control Systems document and facilitate a private-sector review.

### FY 2009 Planned Milestones

- Support the DHS R&D mission by identifying gaps in cyber R&D innovation, and by developing cyber security R&D requirements in coordination with other Government agencies, the private sector, and international entities.
- Participate on and provide technical input to standards committees and procurement review panels that require Cyber Security Program expertise.
- In collaboration with state and local governments and the private sector; assist in state and local government standard development, and coordinate to assess the common Information Technology and Telecommunications (IT&T) capability that is included in the Target Capabilities List (TCL).
- Promote the use of common naming conventions for vulnerability identification by sponsoring the Common Vulnerabilities and Exposures (CVE) program and Open Vulnerability and Assessment Language (OVAL). The continual adoption of CVE as a naming convention in enterprise security, world wide, is evidenced by its use in public watch lists such as the SANS Top 20 Most Critical Internet Security Vulnerabilities and the Open Web Application Security Project (OWASP) Top 10 Web Application Security Issues.
- Continue to co-sponsor the development and maintenance of the National Vulnerability Database (NVD).
- Continue to promote common naming conventions for vulnerabilities by sponsoring, with the MITRE Corp., the Common Vulnerabilities and Exposures (CVE) program and Open Vulnerability and Assessment Language (OVAL) to improve the standardization of information across security advisories, tools, databases, and services.
- Continue to co-chair meetings of the White House Office of Science and Technology Policy-sponsored Cyber Security and Information Assurance Interagency Working Group (CSIA IWG).

- Maintain participation in the Committee on National Security Systems (CNSS) Working Groups on Certification and Accreditation and IT Globalization.
- Maintain participation in the DHS Standards Council, as the lead for the Cyber Security Standards Working Group.

### Control Systems

NCSD established the Control Systems Security Program (CSSP) to increase the resilience of control systems by identifying cyber security vulnerabilities, developing vulnerability mitigation recommendations and strategies, and coordinating government and industry activities for improving the security posture within the Nation's critical infrastructure. The goal of the CSSP is to guide a cohesive effort between government and industry to reduce the risk to critical infrastructure and key resource (CIKR) control systems.

### FY 2007 Accomplishments

- Managed the Process Control Systems Forum (PCSF), the major outreach and awareness mechanism for control systems cyber security. The PCSF was formed to accelerate the design, development and deployment of more secure control and legacy systems. PCSF participants include international stakeholders from government; academia; industry users, owner/operators, and systems integrators; and the vendor community. The PCSF's Annual Meeting was attended by 200 people and convened multiple communities of interest in order to share solutions. PCSF was selected in July as a Standing Committee of the Cross Sector Cyber Security Working Group, established with the Partnership for Critical Infrastructure Security (PCIS) and the Federal Senior Leadership Council under the auspices of the Critical Infrastructure Partnership Advisory Council (CIPAC).
- Contributed to the Cyber Security Procurement Language for Control Systems project, an initiative that CSSP sponsored with the Multi-State Information Sharing and Analysis Center and private industry. The purpose of the project is to summarize security principles that should be considered when designing and procuring control systems products and provide example language to incorporate into procurement specifications. The language has been used by asset owners procuring new control system equipment.
- Worked with the control systems vendor community to create the Control Systems Cyber Security Vendor Forum. The Vendor Forum started in 2006 as DHS-hosted monthly teleconference meetings with control systems vendors to provide a forum for the vendors to share information and common concerns, and to discuss control system security needs for legacy and next generation products. Approximately 30 vendors, representing 90 percent of control system manufacturers and most of the sectors using control systems, are participating in the calls. At the most recent PCSF Annual Meeting, the vendors held their first, face-to-face meeting. In September 2007, the Vendor Forum elected to become an organized Working Group under the PCSF.
- Coordinated with security partners (e.g., Federal departments and agencies and Sector Coordinating Councils) to identify vulnerabilities and develop and initiate mitigation plans for asset owners and operators of CIKR. Conducted outreach to international partners and control systems vendors to raise awareness about vulnerabilities and mitigations.
- Performed cyber vulnerability assessments on vendor control systems and provided solutions to vulnerabilities and recommendations to protect against cyber threats.
- Supported the United States Computer Emergency Readiness Team (US-CERT) by providing a control systems analyst who worked directly with the control systems community to secure control systems, through the production and dissemination of timely, situational awareness

information for control systems security and through the identification, analysis, and reduction of risk to control systems.

- Sponsored training and awareness workshops with industry to increase awareness among control systems owners and operators of potential cyber incident impacts and vulnerabilities. The CSSP conducted a week-long, advanced control systems cyber security workshop, aimed at increasing international cooperation and coordination in control system cyber security. Representatives from the United States, United Kingdom, Canada, Australia, and New Zealand participated in a successful exchange of views, issues, and ideas about securing control systems.
- Continued the development of and pilot-tested the beta version of the Control Systems Cyber Security Self Assessment Tool (CS2SAT) for use by the control systems community to qualitatively measure the cyber security posture of their control systems environment.
- Worked with academia to develop curriculum guidance at the undergraduate and graduate level for incorporation into university information security degree programs, focusing on the cyber security aspects of control systems.
- Reviewed control systems content in Sector-Specific Plans and identified opportunities for collaboration and partnership with the sectors to reduce risk.
- Completed and released an initial draft of the Federal Coordination Strategy for Securing Control Systems, in collaboration with Federal agencies, a document which will serve as a central framework for coordinating pertinent federal activities concerning control systems cyber security. Held a Federal Partners Working Group (FPWG) meeting and worked with stakeholders to coordinate the Government's effort to secure the Nation's control systems.
- Expanded awareness among the control systems community of the Protected Critical Infrastructure Information (PCII) Program during outreach activities.
- Provided guidance to industry on improving cyber security procurement language, including control systems. Published a final version of the Procurement Language for Control Systems Security.
- Participated in the Department of Energy Office of Electricity Delivery and Energy Reliability (OE) annual program review and strategic planning session. CSSP's participation aids in the coordination of control systems security projects and program initiatives across government.
- Developed test scenarios and tested prevalent control systems vendor products for vulnerabilities and worked with vendors to develop mitigations, appropriate to proactively enhance product security and reduce system risks.
- Provided subject-matter expert support to the Department of Defense Technical Support Working Group (TSWG) for the development of a prototype, control systems attack early warning system.
- Continued to engage the international partners identified in the National Infrastructure Protection Plan, such as the United Kingdom, Canada, Mexico, and the North Atlantic Treaty Organization (NATO), to share best practices and enhance ongoing programs and initiatives.
- Worked with the DHS Science & Technology (S&T) Directorate's Integrated Process Team (IPT) to develop research requirements for cyber security products in the control system environment and met with S&T, via the Cyber Security IPT, at least annually.

#### FY 2008 Planned Milestones

- Operate PCSF, positioning it as the clearinghouse for information and resources on control systems security. Hold PCSF Annual Meeting. Synchronize meeting schedule with other key control systems security stakeholders such as Project LOGIIC (Linking the Oil and Gas Industry to Improve Cyber Security) and the Institute for Information Infrastructure Protection

(I3P). Update the CSCSWG on PCSF activities and review CSSP recommended practices and papers in the control systems working group. Host a strategy and planning meeting with Federal stakeholders including representatives from national laboratories, the Department of Energy, the Federal Bureau of Investigation, the TSWG, LOGIIC, and I3P. The meeting's objectives are to coordinate Federal activities using PCSF as a clearinghouse for sharing information about multiple efforts to secure control systems.

- Publish Procurement Language for Control Systems Security Guide. This document provides guidance to industry on improving cyber security procurement language, including control systems.
- Integrate the Control Systems Cyber Security Vendor Forum within the Process Control Systems Forum. The Vendor Forum is an industry information exchange, primarily via a monthly conference call to discuss issues affecting control systems security and to disseminate sensitive vulnerability information.
- Identify vulnerabilities and develop mitigation plans in coordination with security partners for CI/KR asset owners and operators. Outreach will include raising awareness about vulnerabilities and mitigations with international partners and control systems vendors.
- Test and assess vendor control systems for cyber vulnerabilities and recommend solutions to protect against cyber threats.
- Support US-CERT with a control systems security analyst who produces and distributes situational awareness information for control systems security through identification and analysis.
- Engage the Cross Sector Cyber Security Working Group (CSCSWG) and Sector Coordinating Councils (SCCs) on the Federal Coordination Strategy for Securing Control Systems. Obtain feedback from the private sector to identify gaps in the baseline of Federal activities to secure control systems, and define a comprehensive strategy in collaboration with the private sector and participating agencies.
- Release the Control Systems Cyber Security Assessment Tool (CS2SAT) licensed under an agreement with a cross-sector control systems industry organization. Work with other distributors and licensees as needed to provide distribution avenues for all control systems security stakeholders.
- On a quarterly basis, provide control systems security training and awareness to government security partners. Train control systems program managers, control system engineers, IT security professionals, and critical infrastructure protection specialists from asset owning and operating organizations at the 2008 Supervisory Control and Data Acquisition (SCADA) and Control System Security Summit. Instructor-led training will focus on how to increase the cyber security posture of control systems networks. Identify potential partners to transfer select control systems training. Hold advanced control systems and SCADA security training for international partners.
- Release draft Strategy to Secure Control Systems. This document defines roles and responsibilities for public and private asset owners and operators as well as the Federal Government in securing control systems.
- Publish the initial CSSP "situational awareness" resource list and processes. This includes key personnel, organizations, subscribed data sources, and aggregated test and assessment resources for use in support of CSSP and US CERT response planning.
- Using the PCII Program, appropriately safeguard and share sensitive information resulting from coordination with the private sector.

- Develop an Advanced Vulnerability Discovery and scenario development capability that includes a process for coordination and release of vulnerabilities and their respective mitigations.
- Analyze open source threat information for relevance to unique control systems security vulnerabilities.
- Assist international standards organizations in developing cyber security standards for control systems.
- Provide fly-away tools needed to equip an incident response team to support control systems security events.
- Develop test scenarios and test prevalent control systems vendor products for vulnerabilities and work with vendors to develop appropriate mitigations to proactively enhance product security and reduce system risks.
- Continue to engage with international partners to share best practices and enhance ongoing programs and initiatives.
- Collect Research and Development (R&D) requirements through the PCSF, the Federal Partners Working Group (FPWG), the Institute for Information Infrastructure Protection (I3P), the Vendor Forum, user communities, and other CSSP outreach activities.
- Hold FPWG meeting and work with government stakeholders to coordinate the Government's effort to secure the Nation's control system. Release Phase II of the Federal Coordination Strategy for Securing Control Systems. Post the report on the PCSF website as a resource for information sharing. This website will include a feature that enables representatives from Federal agencies to electronically update information.
- Participate in the TSWG annual requirements meeting.
- Increase information sharing with control systems owners, operators, and the vendor community to reduce vulnerabilities and enhance response capabilities and provide the training and fly-away tools needed to equip an incident response team to support control systems-related events.
- Work with international partners to convene international training and develop cyber security control systems best practices. Hold annual international control systems and Supervisory Control and Data Acquisition (SCADA) security training.
- Continue analyzing physical and cyber threat scenarios, including terrorist attacks and all-hazards events affecting cyber and communications infrastructures, using advanced modeling tools. Develop an Advanced Vulnerability Discovery and scenario development capability that includes a process for the coordination and release of vulnerabilities and their respective mitigations.
- Work with the S&T Directorate's Integrated Process Team (IPT) to develop research requirements for cyber security products in the control system environment and meet with S&T, via the Cyber Security IPT, at least annually.

#### FY 2009 Planned Milestones

- Continue to operate PCSF, positioning it as the clearinghouse for information and resources on control systems security. Hold PCSF Annual Meeting. Synchronize meeting schedule with other key control systems security stakeholders such as LOGIIC and I3P. Continue to update the CSCSWG on PCSF activities and review CSSP recommended practices and papers in the control systems working group. Host a strategy and planning meeting with federal stakeholders including representatives from national laboratories, DOE, FBI, TSWG, LOGIIC, and I3P. The meeting's objectives are to coordinate federal activities using PCSF as a clearing house for

sharing information about multiple efforts to secure control systems. Continue to operate the Control Systems Cyber Security Vendor Forum within the Process Control Systems Forum.

- Continue to identify vulnerabilities and develop mitigation plans in coordination with security partners for CI/KR asset owners and operators. Outreach will include raising awareness about vulnerabilities and mitigations with international partners and control systems vendors.
- Continue to test and assess vendor control systems for cyber vulnerabilities and recommend solutions to protect against cyber threats.
- Maintain support to US-CERT with a control systems security analyst who produces and distributes situational awareness information for control systems security through identification and analysis.
- Continue to engage the Cross Sector Cyber Security Working Group (CSCSWG) and Sector Coordinating Councils (SCCs) on the Federal Coordination Strategy for Securing Control Systems. Obtain feedback from the private sector to identify gaps in the baseline of Federal activities to secure control systems, and define a comprehensive strategy in collaboration with the private sector and participating agencies.
- Update the Control Systems Cyber Security Assessment Tool (CS2SAT) licensed under an agreement with a cross-sector control systems industry organization.
- Enhance the awareness among the control systems community of the PCII Program during outreach activities.
- Maintain attendance in the TSWG annual requirements meeting.
- Continue to engage with international partners to share best practices and enhance ongoing programs and initiatives.
- Collect R&D requirements through the PCSF, the FPWG, I3P, the Vendor Forum, user communities, and other CSSP outreach activities.
- Assist international standards organizations in developing their cyber security standards for control systems.
- Work with international partners to convene international training and develop cyber security control systems best practices. Hold annual international control systems and SCADA security training.
- Continue to increase information sharing with control systems owners, operators, and the vendor community to reduce vulnerabilities and enhance response capabilities and provide the training and fly-away tools needed to equip an incident response team to support control systems-related events.

#### Information Systems Security Line of Business

In partnership with the Office of Management and Budget (OMB), the Department of Homeland Security (DHS) National Cyber Security Division (NCSA) established the Information Systems Security Line of Business (ISS LOB) to provide leadership and direction for improving information systems security services across the Federal government. The objective of the ISS LOB is to achieve more consistent security management processes and controls across government. This will be accomplished through the reuse of proven best practices and by promoting savings through reduced duplication and economies of scale for common hardware, software, and shared services.

NCSA created an ISS LOB Program Management Office (PMO) with the goal of ensuring that the government's information technology security programs include comprehensive and consistently implemented risk-based, cost-effective controls. These will enable and support vulnerability reduction through end-to-end shared services, business improvement solutions, and common and repeatable tools

and processes.

#### FY 2007 Accomplishments

- Draft/submit recommendations report to the Federal Systems Security Governance Board (FSSGB) for Tier II (specialized/role-based required under the Federal Information Security Management Act [FISMA]) training and situational awareness and incident response (SAIR)
- Develop Statement of Capability (SCO) templates for Tier II Training and SAIR.
- Submit work group recommendations report to FSSGB for system certification.
- Develop baseline requirements for system certification.
- Submit FY 2009 Joint Business Case.
- Developed and submitted FY 2008 joint business case to Office of Management and Budget (OMB) for the ISS LOB.
- Completed guidelines for implementing the ISS LOB.
- Established the Program Management Office.
- Created an interagency Implementation Work Group.
- Established the Federal Systems Security Governance Board (FSSGB).
- Created interagency review/evaluation teams for the Training and FISMA reporting areas.
- Completed Customer Agency Guidelines.
- Completed review/evaluation of agency capability statements.
- Completed final recommendations report.
- Announced selection of Shared Service Centers (SSC) for Security Awareness Training and FISMA Reporting.
- Provided template for SSC Service Level Agreement.
- Established four interagency work groups.

#### FY 2008 Planned Milestones

- Begin delivery of Tier 1 SSCs for security awareness training programs that meet Federal Information Security Management Act (FISMA) requirements (Tier 1 training is the annual security awareness training required under FISMA).
- Implement SSCs for FISMA Reporting.
- Conduct agency evaluation and recommendations report for SSCs on Tier II training.
- Develop a SCO template for system certification.
- Conduct an agency evaluation and recommendations report for SAIR.
- Complete an agency evaluation and recommendations report for SSCs for systems certification.
- Initiate a joint business case.
- Submit FY 2010 joint business case.

#### FY 2009 Planned Milestones

- Issue a request for SCO for Security Awareness Training (new submissions).
- Conduct a review/analysis of common requirements.
- Submit FY 2011 joint business case.

**Outreach and Awareness:**

*\$ thousands*

| Program/Mission Area..... National Cyber Security Division |          |          |                |          |          |                |          |          |             |
|--|----------|----------|----------------|----------|----------|----------------|----------|----------|-------------|
| Project..... Outreach & Awareness                          |          |          |                |          |          |                |          |          |             |
|  | FY 2008  |          |                | FY 2009  |          |                | Change   |          |             |
|  | FTE      | FTP      | Enacted        | FTE      | FTP      | Request        | FTE      | FTP      | \$          |
| <b>Salaries &amp; Benefits</b>                             | <b>5</b> | <b>5</b> | <b>\$690</b>   | <b>5</b> | <b>5</b> | <b>\$711</b>   | <b>0</b> | <b>0</b> | <b>\$21</b> |
| <i>Stakeholder Outreach, Comm. &amp; Coord.</i>            |          |          | \$3,725        |          |          | \$3,772        |          |          | \$47        |
| <i>[WCF]</i>   |          |          | [229]          |          |          | [118]          |          |          |             |
| <i>International Affairs &amp; Public Policy</i>           |          |          | \$641          |          |          | \$652          |          |          | \$11        |
| <i>[WCF]</i>   |          |          | [42]           |          |          | [20]           |          |          |             |
| <b>Activity Costs</b>                                      |          |          | <b>\$4,366</b> |          |          | <b>\$4,424</b> |          |          | <b>\$58</b> |
| <b>Total</b>   | <b>5</b> | <b>5</b> | <b>\$5,056</b> | <b>5</b> | <b>5</b> | <b>\$5,135</b> | <b>0</b> | <b>0</b> | <b>\$79</b> |

Outreach and Awareness (O&A) builds and sustains partnerships, and information sharing mechanisms among Federal departments and agencies, state, local, and tribal governments, the private sector, academia and international organizations for cyber and communications infrastructure protection across all sectors.

Stakeholder Outreach, Communications and Coordination (SOCC):

The SOCC program is organized into three functional areas:

- Communications and Messaging: focuses on development of both internal (i.e., DHS components) and external communications (e.g., other Federal agencies, private industry, associations, local and State governments, the law enforcement and intelligence communities, educational institutions, home computer users, international entities, and the general public).
- Coordination: works to ensure collaboration on events and activities across the National Cyber Security Division (NCSD) and with DHS colleagues across the Department, including public affairs, legislative affairs, the private sector office, and other entities as appropriate.
- Stakeholder Outreach and Engagement: builds and maintains trusted relationships among and between industry, government, and academia to raise cyber security awareness and effectively secure cyberspace.

FY 2007 Accomplishments

- Continued to refine and expand upon its planned programmatic accomplishments for FY 2007 to coordinate and develop internal and external communications; ensure consistent cyber security messaging; ensure collaboration on internal and external NCSD events; and build and maintain trusted relationships among and between industry, government, and academia to raise cyber security awareness and effectively secure cyberspace.
- Enhanced the awareness program to reach the general public through continued partnerships with awareness groups, including the National Cyber Security Alliance (NCSA) and the Multi-State Sharing and Analysis Centers, and targeted programs to the home user, K-12, small business, and higher education audiences.
- Developed key messages, talking points, speeches, and presentations for the Director of NCSD and other NCSD and DHS leadership as appropriate.
- Developed tailored communication and engagement with stakeholder segments (private sector, government, international, etc.)

- Continued to coordinate and provide appropriate content and strategy for all media requests, interviews, press releases, DHS branding, and other media or public activities and events with the DHS Office of Public Affairs.
- Maintained the developed process for NCSA Speaker's Bureau functions including external events and activities and ensure requisite vetting.
- Coordinated NCSA's input for External Affairs initiatives, including the Communication Plan.
- Provided updated and pertinent information on DHS Cyber Security Initiatives to be posted on available DHS public websites and the DHS intranet to support outreach efforts to stakeholders and target audiences.
- Assisted in building relationships with Federal Government agencies for cyber security efforts.
- Distributed electronic newsletter to Stakeholders and partners providing current information on DHS Cyber Security initiatives and cyber issues.
- Refined and updated strategy for Stakeholder Engagement and Partnership to reflect current activity and future objectives.
- Developed and updated Stakeholder relationship management database tool for managing and leveraging CS&C Stakeholder data.
- Further developed working relationship with Multi-State Information Sharing and Analysis Center (MS-ISAC).
- Worked with the MS-ISAC to maintain and continue outreach to all fifty states and the District of Columbia. Conducted outreach to the five territories to become members.
- Facilitated a process such that the Cyber Security contact in each State establishes a solid working relationship with the MS-ISAC Homeland Security counterparts.
- Developed and refined products, services and partnerships for K-12 audience.
- Coordinated National Cyber Security Awareness Month – October 2006: Satellite Media and Radio Tour, Satellite Distribution, Audio News Releases, Small Business Awareness, K-12 Program, and Higher Education.

#### FY 2008 Planned Milestones

- Implement Situational Awareness/Incident Response and Security Solutions/Life Cycle Shared Service Centers of the Information Systems Security Line of Business.
- Host Chief Information Security Officers (CISO) meetings to facilitate lessons learned, FISMA Score Improvement Strategies, and Cyber Protection strategies.
- Develop key messages, talking points, speeches, and presentations for the Director of NCSA and other NCSA and DHS leadership as appropriate.
- Develop tailored communication and engagement with stakeholder segments (private sector, government, international, etc.).
- Continue to coordinate and provide appropriate content and strategy for all media requests, interviews, press releases, DHS branding, and other media or public activities and events with the DHS Office of Public Affairs.
- Maintain the developed process for NCSA Speaker's Bureau functions including external events and activities and ensure requisite vetting.
- Coordinate NCSA's input for External Affairs initiatives, including the Communication Plan.
- Provide updated and pertinent information on DHS Cyber Security Initiatives to be posted on available DHS public websites and the DHS intranet to support outreach efforts to stakeholders and target audiences.
- Assist in building relationships with Federal Government agencies for cyber security efforts.

- Distribute electronic newsletter to Stakeholders and partners providing current information on DHS Cyber Security initiatives and cyber issues.
- Refine and update strategy for Stakeholder Engagement and Partnership to reflect current activity and future objectives.
- Develop and update Stakeholder relationship management database tool for managing and leveraging CS&T Stakeholder data.
- Further develop working relationship with Multi-State Information Sharing and Analysis Center (MS-ISAC).
- Work with the MS-ISAC to maintain and continue outreach to all fifty states, the District of Columbia. Conduct outreach to the five territories.
- Facilitate a process such that the Cyber Security contact in each state establishes a solid working relationship with the MS-ISAC Homeland Security counterparts.
- Develop and refine products, services and partnerships for K-12 audience.
- Coordinate National Cyber Security Awareness Month – October 2007: Satellite Media and Radio Tour, Satellite Distribution, Audio News Releases, Small Business Awareness, K-12 Program, and Higher Education

#### FY 2009 Planned Milestones

- Develop key messages, talking points, speeches, and presentations for the Director of NCSD and other NCSD and DHS leadership as appropriate.
- Develop tailored communication and engagement with stakeholder segments (private sector, government, international, etc.)
- Continue to coordinate and provide appropriate content and strategy for all media requests, interviews, press releases, DHS branding, and other media or public activities and events with the DHS Office of Public Affairs.
- Maintain the developed process for NCSD Speaker's Bureau functions including external events and activities and ensure requisite vetting.
- Coordinate NCSD's input for External Affairs initiatives, including the Communication Plan.
- Provide updated and pertinent information on DHS Cyber Security Initiatives to be posted on available DHS public websites and the DHS intranet to support outreach efforts to stakeholders and target audiences.
- Assist in building relationships with Federal Government agencies for cyber security efforts.
- Distribute electronic newsletter to Stakeholders and partners providing current information on DHS Cyber Security initiatives and cyber issues.
- Refine and update strategy for Stakeholder Engagement and Partnership to reflect current activity and future objectives.
- Develop and update Stakeholder relationship management database tool for managing and leveraging CS&T Stakeholder data.
- Further develop working relationship with Multi-State Information Sharing and Analysis Center (MS-ISAC).
- Work with the MS-ISAC to maintain and continue outreach to all fifty states and the District of Columbia. Conduct outreach to the five territories.
- Facilitate a process such that the Cyber Security contact in each state establishes a solid working relationship with the MS-ISAC Homeland Security counterparts.
- Develop and refine products, services and partnerships for K-12 audience.

- National Cyber Security Awareness Month – October 2008: Satellite Media and Radio Tour, Satellite Distribution, Audio News Releases, Small Business Awareness, K-12 Program, and Higher Education Program.
- Government Official Outreach: Continue to work with key associations, corporations and government agencies to ensure cyber security, safety and ethics curricula are taught in schools across the country, and revamp and add to the Government’s guide to holding awareness events. Educate home users and small businesses on basic vulnerabilities and threats that exist in cyberspace, as well as methods to minimize these vulnerabilities and threats.
- Change consumer and small business behavior by raising the understanding of computer users.

### International Affairs and Public Policy

The International Affairs program conducts international outreach and facilitates collaboration, cooperation, planning, and policy development on global cyber security issues. International Affairs develops and engages in collaborative efforts with countries to improve watch, warning, and incident response, policy coordination, and law enforcement collaboration; seeks to develop and enhance relationships and international structures to facilitate information sharing that enhances global situational awareness; and exchanges expertise and best practices internationally to promote awareness and assist nations in building and enhancing their own cyber security capabilities. International Affairs also manages engagements in various international forums and coordinates across NCSD to ensure relevant subject matter expertise is applied and experts are engaged. International cooperation in cyber security promotes a global culture of security and improves the Nation’s overall cyber preparedness and response posture. Due to the global nature of cyberspace, building international relationships is imperative for protecting and recovering critical IT Sector functions.

The Public Policy program provides consistent messaging and comprehensive coordination and response with respect to all Congressional and other policy activities focused on cyber security, including collaboration with DHS components and external stakeholders. Public Policy also ensures consistent dissemination of key messages and a strategic focus for all communications to decision makers.

### FY 2007 Accomplishments – International Affairs

- Furthered efforts in the Usual 5 group of countries (Australia, Canada, New Zealand, United Kingdom, and United States):
  - Continued development of the Terms of Reference to outline a framework/structure for the Usual 5;
  - Developed the Usual 5 Standard Operating Procedure for operational information sharing and coordination among the countries;
  - Developed the Memorandum of Understanding to formalize the group and enhance collaboration and information sharing for cyber incident response, watch, and warning;
  - Developed Usual 5 objectives for Cyber Storm II; and
  - Hosted interim Usual 5 meeting to facilitate discussion on current joint activities and prepare for biannual meeting.
- Led efforts to further the International Watch and Warning Network (IWWN), including: implemented IWWN portal enhancements, management, and maintenance activities; generated and promoted concept for IWWN Observer Program in Cyber Storm II for government representatives of IWWN countries; contributed to development of the IWWN Charter to further cooperative relationships and improve information sharing among cyber security policy, operational, and law enforcement government officials; contributed to the development of the

agenda of the May 2007 Conference and developed presentations and talking points supporting U.S. participation.

- In coordination with the U.S. interagency group, developed the International Telecommunication Union's (ITU) Development Sector Report on "Best Practices for a National Approach to Cybersecurity: A Management Framework for Organizing Cybersecurity Efforts." NCSA contributed to the overall effort and drafted the sections on "Creating a National Incident Management Organization" and "Establishing a National Industry-Government Partnership," and contributed to sections on a "Culture of Security" and "National Strategy". NCSA also coordinated IT Sector input to the report.
- Developed proposal in coordination with the Department of State to host a workshop on conducting cyber exercises in the Asia-Pacific Economic Cooperation Telecommunications and Information Working Group (APEC-TEL).
- Participated in the International Task Force of the National Security Telecommunications Advisory Committee (NSTAC) process and contributed to the NSTAC Report.
- Provided support to Department of State for participation in Working Party on Information Security and Privacy of the Organization for Economic Cooperation and Development (OECD), including drafting talking points and input to specific OECD products, such as the paper on Malware. Provided input regarding the scoping of the U.S. position on the security component of the upcoming OECD Ministerial.
- Led coordination and preparation for the U.S.-Japan Bilateral on cyber security, including: development of Bilateral agenda; facilitating interagency and internal coordination; conducting outreach to private sector; planning and coordination of Bilateral logistics; development of Bilateral deliverable in coordination with government of Japan; and development of background briefing materials.
- Participated in the Meridian Program Committee for the Meridian Process and assisted with strategic planning for the Meridian Conference to be hosted by Sweden.
- Continued to implement goals and objectives of the Security and Prosperity Partnership with Canada.

#### FY 2007 Accomplishments – Public Policy

- Collaborated with DHS components in the development of a pilot program for a national emergency technology guard (NET Guard), including: contribution to development of NET Guard Concept plan; outreach to private sector partners regarding engagement in the NET Guard working group; and preparation of materials on the NET Guard initiative for internal use.
- Provided consistent messaging in response to Congressional requests for information, including Congressional letters and questions for the record; preparation for hearings, including written and oral testimony preparation and briefing materials; coordination of responses to Government Accountability Office (GAO) inquiries; and any other related communications about NCSA programs and activities.
- Identified and addressed key public policy issues and coordinated related efforts with other DHS components and stakeholders.
- Developed a tracking system to monitor responses to Congress, GAO, the Office of Inspector General (OIG), and other constituents, and worked with NCSA branches to maintain currency.

#### FY 2008 Planned Milestones – International Affairs

- Coordinate after action activities related to the U.S.-Japan Bilateral on cyber security.

- Advance and contribute to future iterations of the Report on “Best Practices for a National Approach to Cybersecurity: A Management Framework for Organizing Cybersecurity Efforts” in the ITU, and facilitate a workshop on Public-Private Partnerships and Incident Management at the ITU meeting in September 2008.
- Finalize the Usual 5 Terms of Reference.
- Finalize the Usual 5 Standard Operating Procedure.
- Further develop and finalize the Usual 5 Memorandum of Understanding.
- Develop a paper on the value of cyber exercises based on the case studies presented at the APEC Tel 36 workshop on cyber security exercises.
- Engage in planning and preparatory activities for the 2008 Meridian Conference.
- Advance and finalize the IWWN Charter.
- Design and implement the IWWN Cyber Storm II Observer Program.
- Initiate and finalize the IWWN Standard Operating Procedure/Concept of Operations.
- Prepare for and participate in the Organization for Economic Cooperation and Development (OECD) Ministerial.

#### FY 2008 Planned Milestones – Public Policy

- Collaborate with DHS stakeholders and private industry in the development of a pilot program for a national emergency technology guard (NET Guard).
- Provide subject matter expertise to NET Guard pilot program development in coordination with the DHS Office of Policy.
- Provide consistent messaging in response to Congressional requests for information, including Congressional letters; questions for the record; preparation for hearings, including written and oral testimony preparation and briefing materials; coordination and response to General Accountability Office (GAO) inquiries; and any other related communications about NCS D programs and activities.
- Identify and address key public policy issues as they arise, and coordinate related efforts with other DHS components and stakeholders.
- Develop regular engagement with Congressional staff through briefings and meetings.
- Identify opportunities for proactive engagement with Congress in collaboration with CS&C External Affairs and the Office of Legislative Affairs.
- Maintain a tracking system to monitor responses to Congress, GAO, OIG, and other constituents, and work with NCS D branches to maintain currency.

#### FY 2009 Planned Milestones – International Affairs

- Continue to collaborate strategically with key international partners toward managing global cyber risk through enhanced information sharing and situational awareness, improved incident response capabilities, and coordination on strategic policy issues.
- Continue to serve as point of contact for leveraging relevant subject matter expertise, and create and facilitate opportunities for NCS D and CS&C engagement in international activities.
- Continue to foster robust and formalized collaboration with key allies and strategic international partners, including solidifying the Group of Five Nations and International Watch and Warning Network (IWWN) through Terms of Reference, Memorandums of Agreement/Understanding, or other appropriate mechanisms.
- Continue to engage in multilateral organizations and other forums to advance U.S. cyber security objectives, including the Asia Pacific Economic Cooperation (APEC), European Union (EU), Group of 8 (G8), Organization of American States (OAS), Organization of Economic

Cooperation and Development (OECD), International Telecommunication Union (ITU), Meridian Conference, and Security and Prosperity Partnership of North America (SPP).

- Continue to provide leadership in the interagency community dialogue on cyber security to ensure robust and regular coordination from Federal agencies with cyber security equities.
- Continue to facilitate private sector participation in international activities to develop, promote, and nurture strong strategic partnerships within the international community. NCSA will continue to work with the IT Sector Coordinating Council and Cross Sector Cyber Working Group accordingly.

FY 2009 Planned Milestones – Public Policy

- Continue to ensure consistent dissemination of key messages and a strategic focus for all communications to Congress and Departmental decision makers and to build the capability to be an advocate for the equities and interests of CS&C.
- Develop into a fully functional Public Policy Program that represents NCSA in a coordinated and cohesive manner.
- Streamline internal processes to leverage previous efforts and ensure efficient and comprehensive representation of NCSA.
- Continue to address any cyber security policy issues that arise, and facilitate coordination across NCSA and with CS&C.
- Work in conjunction with CS&C to develop a strategy to take an increasingly proactive role in public policy issues of concern for cyber security.

Ensure coordination across relevant DHS components including the DHS Office of Policy, the Office of Legislative Affairs, and others as appropriate.

**Planning and Programs:**

*\$ thousands*

| Program/Mission Area..... National Cyber Security Division |          |          |                 |          |          |                |          |          |                 |
|--|----------|----------|-----------------|----------|----------|----------------|----------|----------|-----------------|
| Project..... Planning & Programs                           |          |          |                 |          |          |                |          |          |                 |
|  | FY 2008  |          |                 | FY 2009  |          |                | Change   |          |                 |
|  | FTE      | FTP      | Enacted         | FTE      | FTP      | Request        | FTE      | FTP      |                 |
| <b>Salaries &amp; Benefits</b>                             | <b>9</b> | <b>9</b> | <b>\$1,103</b>  | <b>9</b> | <b>9</b> | <b>\$1,138</b> | <b>0</b> | <b>0</b> | <b>\$35</b>     |
| <i>Planning &amp; Programs</i>                             |          |          | \$804           |          |          | \$915          |          |          | \$111           |
| <i>[WCF]</i>   |          |          | [0]             |          |          | [29]           |          |          |                 |
| <i>Information Sharing &amp; Collaboration</i>             |          |          | \$8,341         |          |          | \$2,250        |          |          | -\$6,091        |
| <i>[WCF]</i>   |          |          | [0]             |          |          | [71]           |          |          |                 |
| <b>Activity Costs</b>                                      |          |          | <b>\$9,145</b>  |          |          | <b>\$3,165</b> |          |          | <b>-\$5,980</b> |
| <b>Total</b>   | <b>9</b> | <b>9</b> | <b>\$10,248</b> | <b>9</b> | <b>9</b> | <b>\$4,303</b> | <b>0</b> | <b>0</b> | <b>-\$5,945</b> |

The NCSA Planning and Programs (P&P) Branch is responsible for supporting the leadership in setting direction to overall NCSA strategic and tactical planning; and performs organizational assessment. Planning and Programs integrates resource management; helps in policy development and implementation of the broad array of issues addressed by the NCSA Director; advises the development of national cyber security policy; acts as liaison for matters related to the Government Performance and Results Act (GPRA) and the implementation of the President’s Management Agenda (PMA); assists program managers with providing performance measurement and vital information to justify five-year resource requests through the Future Years Homeland Security Program (FYHSP); maintain a consistent strategic planning methodology to apply to its programs and assists programs to prepare

comprehensive strategic plans to address special issues and topics identified; coordinates all reporting and ensures reporting requirements are met in an appropriate manner; performs statistical analysis and performance measurement methodology; and serves as the liaison with audit groups, such as the Office of the Inspector General (OIG) and the Government Accountability Office (GAO), to coordinate responses to audit reports. Provides comprehensive responses to congressional testimony and other inquiries, as well as inform DHS internal and external stakeholders about cyber security issues and activities.

#### FY 2007 Accomplishments

- Developed the Planning, Programming, Budgeting and Execution (PPBE) for the out years.
- Conducted Performance Assessment Rating Tool (PART) Review.
- Formulated FY 2008 Advance Acquisition Plan.
- Provided Annual Exhibit 300s to OMB.
- Reconciled the financial system annual execution report.
- Developed budget documents.
- Began implementation of recommendations from the PART review.
- Synchronized and executed CS&C's Strategic Plan with DHS goals and objectives.
- Completed CS&C programmatic roadmap, and aligned resources in an integrated FY 2009-13 budget.
- Conducted quarterly reviews and evaluated CS&C budget and activities against the actions and performance targets in the CS&C Strategic Plan.

#### FY 2008 Planned Milestones

- Continue to develop the PPBE for the out years.
- Assist program managers with providing performance measurement and information to justify resource requests through the Future Years Homeland Security Program (FYHSP).
- Maintain a consistent strategic planning methodology to apply to its programs and assist programs to prepare comprehensive strategic plans to address special issues and topics identified.
- Coordinate all reporting and ensure reporting requirements are met in an appropriate manner.
- Perform statistical analysis and performance measurement methodology.
- Coordinate NCSD's budget formulation, preparation and planning.
- Prepare the Resource Allocation Plan and updates the Future Years Homeland Security Plan (FYHSP).
- Prepare NCSD's Strategic Plan and budget documentation.
- Support Acquisition Planning, Human Capital Planning, and Facilities Planning.
- Support the NCSD leadership in budget structure allocation and execution plans, and provide support to comply with the government rules and regulations.
- Develop standard business functions such as human capital, planning, budgeting, budget execution and acquisition.
- Utilize the standard DHS PPBE processes.
- Conduct strategic and tactical planning, organizational assessment, performance metrics review, and information sharing and collaboration programs.
- Re-evaluate implementation of Performance Assessment Rating Tool (PART) recommendations.

### FY 2009 Planned Milestones

- Achieve FY 2009-13 PPBE Formulation objectives in accordance with the Future Years Homeland Security Program (FYSHP) and Resources Allocation Plan (RAP) and execute the FY 2007 budget efficiently and effectively in support of NCSD programs.
- Meet timelines and deadlines required for budget submissions and budget information in accordance with the FYSHP and RAP.
- Execute NCSD's budget in accordance with fiduciary regulations.
- Provide guidance and feedback monthly to internal customers for improving the level of communications both oral and written forms.
- Proactively initiate budgetary and acquisition data to internal customers to meet milestones and objectives.
- Ensure that 90 percent of major milestones are met and all major products are delivered with excellent quality.
- Effectively provide process improvement, budgeting and management assistance, information and expertise to external and internal partners.
- Develop and implement process improvements that reduce the time required to develop and process procurement requests.
- Provide guidance in aligning programs, projects and activities requirements throughout the full cycle of budget planning and presentation.
- Develop cutting edge concepts and methodologies for strengthening individual program budget justifications and formulation and presentation processes, and resolving complex budgetary and financial problems.
- Conduct programmatic evaluation of cost, schedule, and performance relative to goals and objectives.

### Information Sharing and Collaboration

This program strengthens homeland security through research, education and outreach programs that focus on technology critical for cyber security and emergency preparedness and response. It also identifies and addresses critical research problems in information infrastructure protection, works to build a community of researchers focused on infrastructure security, serves as a trusted partner for industry and government, fosters collaborative programs that build links between constituencies, and provides a neutral forum for the exchange of ideas and information.

### FY 2007 Accomplishments

- Developed unified cyber and communications Research and Development (R&D) requirements in cooperation with the Office of Science and Technology Policy, the Department of Homeland Security (DHS) Science and Technology Directorate, and other public and private security partners.
- Conducted workshop on insider attack and cyber security.
- Conducted workshop on the economics of securing the Information Infrastructure.
- Assessed RiskMAP as a business decision support tool for making IT security investments.
- Developed Business Education for Security Professionals course (Tuck School of Business).
- Deployed METROSENSE and evaluated security protocols.
- Establish credentialing framework.

### FY 2008 Planned Milestones

- Conduct Process Control Systems security workshop.

- Conduct workshop on Securing the Information Infrastructure – Making Cyber Security Investment Decisions.
- Conduct Critical Infrastructure Protection Conference.
- Conduct Critical Infrastructure Protection Exercise.
- Identify study sectors and participants and conduct interviews.
- Create a collaborative computing decision support tool.
- Develop studies/papers that provide a better understanding of incentives, drivers, and barriers to information security investment in the private sector.
- Conduct a CISO workshop on protecting against economically motivated attacks.
- Develop a case study on cyber related business practices and lessons learned.
- Develop RiskMAP application for businesses using process control systems.
- Develop Secure Information Systems, Mentoring and Training program.
- Establish Educational Initiatives Subcommittee and Undergraduate contact program.
- Establish student travel fellowships.
- Research Scalable Secure Sensor Systems.
- Research information risk in data-oriented enterprises/financial sector.
- Study interoperability and usability for PKI management, and develop PKI library and prototype PKI Resource Query Protocol.
- Develop proof of concept demonstration that addresses gaps in credential management infrastructure.
- Demonstrate assessable credential management.

#### FY 2009 Planned Milestones

- Continue to enhance and expand research fellowship program by increasing learning opportunities for faculty and development of instruction and re-training focused on information infrastructure and solutions for government employees.
- Continue work on human behavior and threat issues multi-disciplinary project and research on SCADA/process control systems.
- Continue to refine and test of models and data model for a business rationale for cyber security.
- Continue to expand current outreach and information sharing activities to a broader constituency through an enhanced and vigorous communications initiative.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: National Communications System (NCS) (formerly NS/EP Telecommunications)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>    |
|------------------------------|---------------------|------------|------------------|
| <b>2007 Actuals</b>          | ...                 | ...        | <b>\$139,016</b> |
| <b>2008 Enacted</b>          | <b>96</b>           | <b>95</b>  | <b>\$136,021</b> |
| 2009 Adjustments-to-Base     | ...                 | 1          | 34,984           |
| <b>2009 Current Services</b> | <b>96</b>           | <b>96</b>  | <b>\$171,005</b> |
| 2009 Program Change          | 14                  | 7          | 65,595           |
| <b>2009 Request</b>          | <b>110</b>          | <b>103</b> | <b>\$236,600</b> |
| Total Change 2008-2009       | 14                  | 8          | \$100,579        |

The National Protection and Programs Directorate requests \$236,600,000 for the National Communications System. This is an increase of \$100,579,000 over the FY 2008 enacted and includes adjustments to base of \$484,000 for pay inflation and \$34,500,000 for the transfer of LORAN as well as program changes of \$65,595,000.

Established in 1963 by President John F. Kennedy, the NCS assists the President, the National Security Council, the Homeland Security Council, the Office of Science and Technology Policy and the Office of Management and Budget, in the coordination of the planning for and provision of national security and emergency preparedness (NS/EP) communications for the Federal Government under all circumstances, including crisis or emergency, attack, recovery and reconstitution.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The National Communications System supports the National Protection and Programs Directorate in: (1) the exercise of homeland security-related telecommunications functions and responsibilities, and (2) the coordination of the planning for and provision of national security and emergency preparedness communications for the Federal Government under all circumstances, including crisis or emergency, attack and recovery, and reconstitution. Specifically, the National Communications System:

- Provides government priority telecommunications services;
- Administers the National Coordinating Center (NCC) for Telecommunications to facilitate the initiation, coordination, restoration and reconstitution of NS/EP telecommunications services or facilities under all circumstances;
- Develops and ensures that plans and programs are implemented that support telecommunications infrastructure hardiness, redundancy, mobility, connectivity and security; and, serves as the focal point for joint industry, government and interagency NS/EP telecommunications strategic planning and partnerships.

NPPD executes the mission of the NCS through the following major projects:

## Priority Telecommunications Service:

\$ thousands

| Program/Mission Area.....        |           | National Communications System              |                 |           |           |                  |          |          |                 |
|----------------------------------|-----------|---|-----------------|-----------|-----------|------------------|----------|----------|-----------------|
| Project.....                     |           | Priority Telecommunications Service (PTS) * |                 |           |           |                  |          |          |                 |
| Activity                         | FY 2008   |   |                 | FY 2009   |           |                  | Change   |          |                 |
|                                  | FTE       | FTP   | Enacted         | FTE       | FTP       | Request          | FTE      | FTP      | \$              |
| <b>Salaries &amp; Benefits</b>   | <b>14</b> | <b>14</b>                                   | <b>\$1,749</b>  | <b>14</b> | <b>14</b> | <b>\$1,803</b>   | <b>0</b> | <b>0</b> | <b>\$54</b>     |
| Wireless Priority Service        |           |   | \$49,127        |           |           | \$30,000         |          |          | -\$19,127       |
| [WCF]                            |           |   | [3,315]         |           |           | [1,098]          |          |          |                 |
| GETS                             |           |   | \$18,946        |           |           | \$19,708         |          |          | \$762           |
| [WCF]                            |           |   | [1,279]         |           |           | [721]            |          |          |                 |
| SRAS                             |           |   | \$2,249         |           |           | \$2,267          |          |          | \$18            |
| [WCF]                            |           |   | [152]           |           |           | [83]             |          |          |                 |
| Next Generation Networks         |           |   | \$21,100        |           |           | \$56,000         |          |          | \$34,900        |
| [WCF]                            |           |   | [1,424]         |           |           | [2,050]          |          |          |                 |
| Priority Telecommunications Ops. |           |   | \$631           |           |           | \$0              |          |          | -\$631          |
| [WCF]                            |           |   | [43]            |           |           | [0]              |          |          |                 |
| <b>Activity Costs</b>            |           |   | <b>\$92,053</b> |           |           | <b>\$107,975</b> |          |          | <b>\$15,922</b> |
| <b>TOTAL</b>                     |           |   | <b>\$93,802</b> |           |           | <b>\$109,778</b> |          |          | <b>\$15,976</b> |

\* FY 2008 Enacted in P.L. 110-161 included Industry-Government and Interagency Processes (IGIP) and National Command and Coordination Capability (NCCC) and listed Next Generation Networks separately from the Priority Telecommunications Service (PTS) subtotal. The above FY 2008 Enacted is restated to exclude IGIP and NCCC and includes NGN for comparison purposes to the FY 2009

NCS Priority Telecommunications Service (PTS) is a White House directed program to provide specially designed telecommunications services to the NS/EP user community during natural or man-made disasters when conventional communications services are ineffective. In addition to enhancing critical infrastructure protection, these telecommunication services are used to coordinate response and recovery efforts and, in severe conditions, to assist with Continuity of Operations (COOP) and Continuity of Government (COG).

Specifically, PTS enhances the ability of NS/EP users to complete calls during crisis or emergency through a degraded PSN using any of the following four components: 1) Government Emergency Telecommunications Service (GETS), a nationwide landline telephone service that provides priority NS/EP telecommunications for the President, Federal, State and local governments, and industry organizations during periods of network stress by utilizing the existing public switched network (PSN) augmented by NS/EP enhancements; 2) Wireless Priority Service (WPS), a nationwide wireless telephone service that complements and interoperates with GETS and provides end-to-end priority NS/EP telecommunications via selected commercial wireless carriers, thereby enhancing the probability of call completion; 3) Special Routing Arrangement Service (SRAS), GETS service for special users that provides for the highest level of non-traceable priority telecommunications service during times of severe PSN congestion or disruption as may result from acts of war; and 4) NS/EP Next Generation Networks (NGN), a technology insertion initiative to maintain and migrate legacy priority voice telecommunications features (GETS and WPS) and to apply priority to data applications as the PSN evolves to NGN.

Presidential Executive Order (EO) 13231, dated 16 October 2001, entitled *Critical Infrastructure Protection in the Information Age*, revalidates the original NS/EP telecommunications requirements and directs the NCS to support the use of telephony, converged information, voice, wireless, and next-generation networks for the NS/EP communications functions assigned to it under EO 12472. In support of this mission, the OMNCS ensures that a national communications architecture is developed which is: (1) responsive to the NS/EP needs of the President and Federal organizations, including communications in support of national security leadership and continuity of government; (2) capable of satisfying priority communication requirements under all circumstances through use of commercial, government, and privately owned communications resources; (3) consistent, to the maximum extent

practicable, with other national communications policies; and which (4) incorporates the necessary combination of hardiness, redundancy, mobility, connectivity, interoperability, restorability, and security to ensure the survivability of NS/EP communications under all circumstances.

In response to the President's Convergence Task Force and EO 13231, the NGN component was added to PTS. NGN is the response to the gradual migration of the public, circuit-switched telephony networks to Internet protocol (IP)-based packet infrastructure. The NCS is leading the effort to develop and implement priority treatment capabilities in the packet-network environment, similar to the priority treatment capabilities currently available in the circuit-switched PSTN. These efforts extend the GETS voice telephony features into the new infrastructure and take advantage of the high bandwidths offered by the next-generation networks to define additional session-based priority telecommunications services using the IP Multimedia Subsystem (IMS) communications architecture. Current priority telecommunications features and services will disappear as circuit-based segments of the networks are phased out, so the NGN NS/EP investment is needed to maintain current priority services and to eventually add priority data services to support NS/EP user requirements.

Through NS/EP enhancements to the Nation's telecommunications infrastructure, the NCS can effectively and economically address the COOP/COG needs while also providing a significant benefit of assured communications during NS/EP incidents to the broader national, state, local, and non-government NS/EP community. The NCS successfully leverages the commercially owned PSN, an extremely robust and survivable network, to provide PTS. The PSN and its commercially owned assets is valued (2004 estimate) at \$443,000,000,000, with an annual \$52,000,000,000 investment required for technology insertion, and an annual operating cost of \$154,000,000,000. The NCS was able to design, acquire, implement, maintain and enhance its PTS program at approximately \$100,000,000 per year by leveraging the PSN. PTS, by leveraging the PSN, helps to ensure the preparedness of the Nation to prevent, respond to, and recover from, threatened and actual domestic terrorist attacks, major disasters, and other emergencies in accordance with the National Response Plan, National Infrastructure Protection Plan, and is supportive of the National Incident Management System. The White House, DHS, and Congress recognized the successful performance of GETS/WPS during Hurricane Katrina response and recovery efforts. NS/EP PTS has, and will, continue to support NS/EP user's telecommunications requirements during disasters and crises.

### **Milestone/Schedules:**

#### FY 2007 Accomplishments

- WPS - Increased total WPS users to 46,500
- GETS - Increased total GETS cards to 155,000
- WPS - Added Sprint Nextel as a WPS Code Division Multiple Access enhancement (CDMA) carrier
- WPS - Completed deployment of next phased WPS CDMA enhancement in Verizon Wireless network
- Provided outreach to qualified NS/EP personnel
- NGN - Completed development of IP Multimedia Subsystem (IMS) Core NS/EP Industry Requirements (IR) necessary to migrate GETS/WPS functionality onto carriers' Next Generation Networks
- SRAS/NGN - Completed development of AT&T GETS/SRAS IP Common Backbone FOC (Segment 3) packet priority features

- NGN - Initiated standardization of IMS Core NS/EP features in the Alliance for Telecommunications Industry Solutions (ATIS), Internet Engineering Task Force (IETF), Third Generation Partnership Project (3GPP), Third Generation Partnership Project 2 (3GPP2), and International Telecommunication Union (ITU)
- NGN - Participated in the Global MSF Interoperability (GMI 2006) multi-national demonstration
- WPS - Initiated development of WPS CDMA Nortel/Motorola Interoperability Specification (IOS)
- GETS/SRAS/WPS - Provided GETS/SRAS/WPS operations, administration, maintenance, and provisioning (OAM&P) support to ensure service readiness, availability, and performance to meet the telecommunications needs of over 155,000 GETS and over 46,000 WPS NS/EP users, including senior leaders supporting Continuity of Operations (COOP) and Continuity of Government (COG), to coordinate response to, and recovery from, natural and man-made disasters
- GETS/SRAS/WPS – Continued outreach campaign through speaking engagements and PTS display booth deployments to increase awareness of NS/EP PTS to critical infrastructure sectors potentially impacted by evolving threats (i.e. health care services and public safety to combat potential avian influenza pandemic)

#### FY 2008 Planned Milestones

- WPS - Increase total WPS users to 55,800
- GETS - Increase total GETS cards to 170,500
- Please note that above totals reflect focused efforts to target specific user groups to sign up for GETS cards to respond to changing threat scenarios. Examples of previous focus efforts are as follows: 1) Health and Public safety sectors to respond to the potential avian influenza pandemic; 2) Critical infrastructure facilities that could be potential terrorist targets i.e., nuclear power plant operations centers and National/regional airport traffic control centers; and 3) Governors and state Emergency Operations Centers (EOCs) to respond to any national and/or regional disaster and/or crisis, 4) and Federal continuity personnel.
- WPS - Complete testing of final phased WPS CDMA enhancements in Verizon Wireless and Sprint Nextel networks
- SRAS/NS/EP NGN/GETS - Test and deploy GETS/SRAS (Segment 3) packet priority enhancements in AT&T's FOC IP Common Backbone network
- GETS/WPS - Provide outreach to qualified NS/EP personnel
- GETS/WPS - Host GETS/WPS Team Forum 2008
- NS/EP NGN - Proof of Concept Priority NS/EP NGN Video Teleconferencing Demonstrations to establish priority point-to-point video and multi-point video to include priority invocation and methods for user authentication and authorization
- NS/EP NGN - Develop GMI test scripts for NS/EP feature interoperability testing in carriers' NGNs
- NS/EP NGN/WPS - Test Universal Mobile Telecommunications System (UMTS) Directed Retry Handover in cellular Global System for Mobile Communications (GSM) WPS carriers
- NS/EP NGN - Complete standardization of IMS Core NS/EP features in the ATIS, IETF, 3GPP, 3GPP2, and ITU
- SRAS/NS/EP NGN - Initiate development of IMS Core NS/EP features for GETS/SRAS (including AT&T GETS/SRAS IP Common Backbone FOC (Segment 4) path priority features as well as IP features for Verizon Business and Sprint GETS/SRAS) and WPS

- NS/EP NGN - Initiate development of IP Multimedia Subsystem (IMS) Access NS/EP Industry Requirements (IR) necessary to migrate GETS/WPS functionality onto carriers' Next Generation Networks
- NS/EP NGN - Begin standardization of IMS Access NS/EP features in the ATIS, IETF, 3GPP, 3GPP2, and ITU
- WPS - Complete development of WPS CDMA Nortel/Motorola Interoperability Specification (IOS)
- NS/EP NGN - Develop Global Multi-Service Forum (MSF) Interoperability test scripts for NS/EP feature interoperability testing in carriers' NGNs
- GETS/SRAS/WPS - Continue to provide OAM&P support
- GETS/SRAS/WPS - Continue outreach

#### FY 2009 Planned Milestones

- GETS - Increase total GETS cards to 185,000
- GETS – Insure that 90% of the Executive Departments and Agencies' have GETS cards at their HQ and alternate operating facilities in support of COOP and COG requirements
- WPS - Increase total WPS users to 60,000
- WPS - Insure that 90% of the Executive Departments and Agencies' have WPS at their HQ and alternate operating facilities in support of COOP and COG requirements
- WPS - Begin deployment of WPS CDMA Nortel/Motorola Interoperability Specification (IOS) in Verizon Wireless and Sprint Nextel (CDMA) networks to eliminate the ~20% network cellular WPS coverage gaps
- NS/EP NGN - Begin standardization of Internet Protocol Multimedia Subsystem (IMS) Wireless Access NS/EP Industry Requirements (IR) necessary to migrate GETS/WPS functionality onto carriers' Next Generation Networks
- NS/EP NGN – Complete deployment of AT&T GETS/SRAS IP Common Backbone FOC (Segment 4) path priority capability
- NS/EP NGN – Begin development of AT&T GETS/SRAS IP Common Backbone FOC (Segment 5) route priority capability
- NS/EP NGN – Continue to prototype IP multimedia services
- NS/EP NGN – Continue to work NS/EP NGN standards
- NS/EP NGN - Complete standardization of IMS Core NS/EP Industry Requirements (IR)
- WPS - Provide 4th WPS Status Report to the FCC
- GETS/SRAS/WPS/NGN - Continue to update, as required, NS/EP PTS Program Plan
- GETS/SRAS/WPS - Continue to provide OAM&P GETS/SRAS/WPS - Continue outreach

## Programs to Study and Enhance Telecommunications (PSET):

\$ thousands

| Program/Mission Area.....            | National Communications System                          |     |          |         |     |          |        |     |        |
|--------------------------------------|---|-----|----------|---------|-----|----------|--------|-----|--------|
|                                      | Programs to Study and Enhance Telecommunications (PSET) |     |          |         |     |          |        |     |        |
|                                      | FY 2008   |     |          | FY 2009 |     |          | Change |     |        |
|                                      | FTE   | FTP | Enacted  | FTE     | FTP | Request  | FTE    | FTP | \$     |
| <b>Salaries &amp; Benefits</b>       | 25  | 25  | \$3,123  | 25      | 25  | \$3,219  | 0      | 0   | \$96   |
| <i>Modeling, Analysis, and Tech.</i> |   |     | \$8,261  |         |     | \$7,622  |        |     | -\$639 |
| [WCF]                                |   |     | [558]    |         |     | [279]    |        |     |        |
| NS/EP Standards                      |   |     | \$2,283  |         |     | \$2,107  |        |     | -\$176 |
| [WCF]                                |   |     | [154]    |         |     | [77]     |        |     |        |
| CNS / Advanced Technology            |   |     | \$2,333  |         |     | \$2,152  |        |     | -\$181 |
| [WCF]                                |   |     | [157]    |         |     | [79]     |        |     |        |
| <b>Activity Costs</b>                |   |     | \$12,877 |         |     | \$11,881 |        |     | -\$996 |
| <b>TOTAL</b>                         |   |     | \$16,000 |         |     | \$15,100 |        |     | -\$900 |

### Modeling, Analysis and Technology Assessment

Modeling, Analysis and Technology Assessment conducts technical studies and analyses of public communications infrastructures to identify approaches to fulfill NS/EP communications objectives and support priority service programs. It provides the capability to model and analyze natural and man-made disruptions to the public switched network, perform vendor independent analyses, identify other critical infrastructures' dependence on telecommunications, and identify network effectiveness solutions. It also conducts technology assessments, such as prototype development to determine the effect of new technologies on priority services within the public networks.

### Milestone/Schedules:

#### FY 2007 Accomplishments

- Maintained and enhanced cyber and communications operational and programmatic modeling and analysis capabilities in support of priority services, cyber programs, operations (e.g., ESF-2, US-CERT), and the NS/EP telecommunications requirements of other NCS customers and member agencies
- Performed cyber and communications modeling and analysis in support of emerging requirements and threats, such as the impact of a Pandemic Influenza on the communications infrastructure
- Developed communications sector risk assessment methodology
- Provided technical assistance to the IT sector in the performance of infrastructure risk assessments

#### FY 2008 Planned Milestones

- Maintain and enhance cyber and communications operational and programmatic modeling and analysis capabilities in support of priority services, cyber programs, operations (e.g., ESF-2, US-CERT), and the NS/EP telecommunications requirements of other NCS customers and member agencies
- Perform cyber and communications modeling and analysis in support of emerging requirements and threats, such as the impact of a Pandemic Influenza on the communications infrastructure
- Operate and maintain accredited facility enabling coordinated operational analyses during crisis periods
- Refine communications sector risk analysis methodology
- Develop prototype capabilities, such as voice, data, and video to determine the impact of newly introduced public network technologies on the priority services mission

- Enhance priority services prototype capability by integrating IMS infrastructure technologies and components into prototype framework
- Participate in industry-related IMS testing activities and prototype demonstrations

#### FY 2009 Planned Milestones

- Maintain and enhance cyber and communications operational and programmatic modeling and analysis capabilities in support of priority services, cyber programs, operations (e.g., ESF-2, US-CERT), and the NS/EP telecommunications requirements of other NCS customers and member agencies
- Perform cyber and communications modeling and analysis in support of emerging requirements and threats
- Operate and maintain accredited facility enabling coordinated operational analyses during crisis periods
- Incorporate DoD analysis tools and datasets within the NCS coordinated modeling and analysis capability

#### NCS Standards Branch

Presidential Executive Order 12472 directs NCS to take into consideration the development of evolving industry consensus national and international standards with respect to NS/EP communications. The Office of Management and Budget's Circular A-119 calls for the Government to adapt the products of commercial/industry consensus standards committees for Government needs, and to participate in their development. The NCS NS/EP Standards Branch personnel work with a number of international communications industry consensus standards organizations to ensure that evolving communications commercial standards address the technical requirements of NS/EP communications.

Traditional NS/EP telecommunications services were designed around the circuit-switched infrastructure of the public switched telephone network (PSTN); however, public networks are now merging with packet-switched infrastructures and evolving into converged next generation networks (NGN). As this evolution continues to mature, priority telecommunications services will be guided by commercial standards stemming from technologies based on packet-switching, such as Internet Protocol (IP) based networks. Recognizing that IP and third generation and beyond wireless public networks have become increasingly vital during NS/EP events, the NCS Standards Branch primarily focuses on these two communications media by working proactively with industry in standards development organizations. The NS/EP standards efforts involve a two-pronged approach. The first is to integrate priority service requirements within the national and international standards bodies. Following from the requirements, the effort then involves work to develop standards-based technical capabilities to support NCS programs and missions.

Ongoing priority service standards development initiatives encompass prime functionalities of: signaling, access, management, transport, interoperability, mobility, and their associated architectures. Priority service standards work in support of NS/EP communications is being done under the term **Emergency Telecommunications Services (ETS)**.

The NS/EP Standards Branch provides direct support to the U.S. Department of State by Chairing the International Telecommunications Advisory Committee Study Group 'B' along with serving as senior Government advisors and leaders (e.g., head of delegations) to a variety of international and national meetings on communications. The NS/EP Standards Branch also takes North Atlantic Treaty

Organization (NATO) communications requirements and introduces them into the international standards process. In addition, branch members actively participate in the work of various commercial/industry consensus standards development organizations including:

- **Alliance for Telecommunications Industry Solutions (ATIS)** is the North American Regional Standards Development Organizations (RSDO) for communications standards.
- **Telecommunications Industry Association (TIA)** international engineering groups develop technical communications standards on voice, data, video, and other increasingly intermingled multimedia services seamlessly over single or multiple infrastructures and platforms and make appropriate recommendations or liaisons on the national and global technical implications and capability solutions for converging NGN communications networks, devices and services.
- **International Telecommunications Union, Telecommunication Sectors (ITU-T)** ensures an efficient and on-time production of high quality standards covering all fields of telecommunications. ITU-T Study Groups and focus groups are responsible for the architecture, evolution and convergence of next generation networks (NGN) including frameworks and functional architectures, signaling requirements for NGN, NGN project management coordination across study groups, and release planning, implementation scenarios and deployment models, network and service capabilities, interoperability, impact of IPv6, NGN mobility, IPCablecom, network convergence and public data network aspects.
- **Internet Engineering Task Force (IETF)** is an international community of network designers, operators, vendors, and researchers concerned with the evolution of the Internet architecture and the smooth operation of the Internet. Technical work is accomplished in over 120 working groups, which are organized by topic into several areas (e.g., routing, transport, security, etc). An IETF standard is the specification of a protocol, system behavior or procedure that is unique, and where the IETF has agreed to its introduction into the operation of the Internet. Modifications of IETF standards and the development of new IETF standards are required to achieve NS/EP priority services in an Internet environment.
- **TeleManagement Forum (TMF)** is an international organization that addresses the issues and challenges brought about by the convergence of communication services and media and broadcasting services. Traditional Telco's are no longer a communication service provider, but rather have evolved to provide "Communication and Entertainment" services. In their place, cable, Internet service providers (ISPs) and other media broadcasting service providers are looking into various ways to provide telecom services. Technologies like IPTV and IMS are driving this convergence at rapid pace.
- **Third Generation Partnership Project (3GPP)** develops specifications that govern all Global Services for Mobility (GSM) technologies (including General Packet Radio Service (GPRS) and high speed wireless data networks (EDGE). Modifications of existing 3GPP specifications and the development of new 3GPP specifications are required to achieve NS/EP priority services in a mobile environment.
- **Third Generation Partnership Project 2 (3GPP2)** was born out of the International Telecommunication Union's International Mobile Telecommunications initiative, covering high speed, broadband, and Internet Protocol (IP)-based mobile systems featuring network-to-network

interconnection, feature/service transparency, global roaming and seamless services independent of location. This is intended to bring high-quality mobile multimedia telecommunications to a worldwide mass market by achieving the goals of increasing the speed and ease of wireless communications, responding to the problems faced by the increased demand to pass data via telecommunications, and providing "anytime, anywhere" services.

- **Multi-Service Switching Form (MSF)** is a global association of service providers, system suppliers and test equipment vendors committed to developing and promoting open-architecture, multiservice NGNs. The MSF's activities include developing Implementation Agreements, promoting worldwide compatibility and interoperability of network elements, and encouraging input to appropriate national and international standards bodies.

An example of other international industry consensus standards development organizations that we monitor and participate on an as needed basis is the Institute of Electrical and Electronic Engineers, Inc., (IEEE). The IEEE provides a standards program that serves the global needs of industry, government, and the public. They are responsible for the protocol development and maintenance of the prominent 802.11® Standards for Local and Metropolitan Area Networks, Wireless and Wired.

The NCS offers a wide range of NS/EP communications services that support qualifying federal, state, and local government, industry, and non-profit organization personnel in performing their NS/EP missions, including the Government Emergency Telecommunications Service (GETS), Wireless Priority Service (WPS), Special Routing Arrangement Service (SRAS), and the Telecommunications Service Priority (TSP). These are all international standards based services implemented in the public infrastructure. As these services migrate to convergence, their functional requirements must be carried into the NGN. Because the priority telecommunications services provided by the NCS rely heavily on the public infrastructure, the NS/EP requirements included in Voluntary Consensus Standards (VCS) play an important role in fulfilling the Department of Homeland Security (DHS) National Protection and Programs Directorate's (NPPD), Cybersecurity and Communications (CS&C) NCS mission.

### **Current Standardization Work Program**

By addressing these topics as aligned with the established functional requirements in our work program we will progress the work in meeting the mission and focus of CS&C NCS and enable several NSTAC recommendations.

### **Milestone/Schedules:**

#### FY 2007 Accomplishments

- Eleven (11) international signaling standards developed by ITU-T Study Group 11 were amended in support of the International Emergency Preference Scheme
- Draft Recommendation E.107 – “Emergency Telecommunications Service (ETS) and interconnection framework for national implementations of ETS” developed by ITU-T Study Group 2 in the approval process
- Recommendations Y.2201 – “NGN Release 1 Requirements” and Y.2701- “Security Requirements for Release 1” developed by ITU-T Study Group 13 announced for approval
- Work with industry (ITU-T Study Group 4) to identify enhancements to and subsequently modify M.3350 – “TMN service management requirements for information interchange across

the TMN X-interface to support provisioning of Emergency Telecommunications Service (ETS)”

- Head delegations to ITU-T Study Group 11 and Study Group 19, Deputy Head of delegation to Study Group 13
- Worked with NATO counterparts to ensure that their Study Group 2 initiative to work on packet network support for the International Emergency Preference Scheme was accepted
- Attend ITU-T Study Group 15 as subject matter expert and as Head of the United States delegation. Working to ensure that the standards/recommendations being developed for access and fiber optic networks and take into account NS/EP requirements and concerns
- Attend ITU-T Study Group 16 as subject matter expert and as Head of the United States delegation. Working to ensure that the planned work on next generation multimedia services continue to support our NS/EP requirements

#### FY 2008 Planned Accomplishments

- ITU Study Group 13 (Lead Study Group for NGN) approve Release 2 - NGN Requirements and progress draft Recommendation NGN-Emergency Telecommunications will be completed in Jan 2008
- ITU Study Group 19 (Mobility) Progress ETS and Partnership Projects IMS access methods in conjunction with core Integrated Multimedia Sub-Systems (IMS) industry and Government requirements in transport mechanisms.
- Coordinate with NCSO on possible NCSO comments on draft ITU-T Study Group 17 Recommendation X.1205 - "Overview of Cybersecurity" is completed
- IETF (internet protocol management) Develop Request for Comments (RFCs) for requirements developed as a result of the IMS IR Process
- TeleManagement Forum: Develop Management Protocol for Emergency Services, Email Priority; and Quality-of-service Specifications (QSPEC) for Emergency Telecommunications Service
- Chair ITAC-T Study Group B meetings based on scheduled international meetings
- ITU-T Study Group 2 (Services), complete and publish E.107 Emergency Telecommunications Service (ETS) and Interconnection Framework for National Implementations of ETS, Progress E. TDR, Telecommunications for Disaster Relief is completed
- ITU-T Study Group 11 (Signaling), complete amendments to the Q. Series Recommendations for the International Emergency Preference Scheme (IEPS) (NATO requirements) is completed
- Study Group 9 (IP-Cablecom), Progress specifications for ETS in IP-Cablecom networks is completed

#### FY 2009 Planned Accomplishments

- ITU-T Study Group 2 (Services), Progress work on E. TDR, Telecommunications for Disaster Relief and stage the document for the approval process
- ITU-T Study Group 4 (Management), Finalize enhancements to M.3350 dealing with service management requirements in support of provisioning an emergency telecommunications service. Continue to influence the definition of management plane security and the associated security management system functional
- ITU-T Study Group 11 (Signaling), Introduce additional draft Recommendations for the International Emergency Preference Scheme (IEPS) in an IP Environment (NATO requirements)

- Chair ITAC-T Study Group B meetings based on scheduled international meetings
- Attend ITU-T Study Group 16 as subject matter expert and as Head of the United States delegation. Working to ensure that the planned work on next generation multimedia services continue to support our NS/EP requirements
- Attend ITU-T Study Group 15 as subject matter expert and as Head of the United States delegation. Working to ensure that the standards/recommendations being developed for access and fiber optic networks and take into account our NS/EP requirements and concerns
- IETF (internet protocol management) Develop Request for Comments (RFCs) for: SIP Resource Priority-based ReSerVation Protocol (RSVP) for Emergency Services, Email Priority; and Quality-of-service Specifications (QSPEC) for Emergency Telecommunications Service
- ATIS PTSC (Security and Signaling); Develop baseline NGN ETS security and signaling national requirements in the ATIS technical reports and standards.
- 3GPP2 (CDMA IMS), Progress ETS IMS requirements in Stage 2 Technical Requirements and Stage 3 Technical Specifications on Wireless Priority Service in CDMA networks
- 3GPP(GSM IMS), Security and Signaling in Stage 2 Technical Requirements and Stage 3 Technical Specifications on Wireless Priority Service in CDMA networks
- TIA TR 45.2 (CDMA Cellular) Ensure ETS requirements are included in wireless CDMA technical reports
- TeleManagement Forum (Management forum that develops input into ITU-T SG 4), Provide editorship for the developments of Service Level Agreements(SLA) based applications for ETS voice and video

#### Advanced Technologies/Converged Networks:

Advanced Technologies/Converged Networks provides an ongoing vulnerability assessment of new technologies to Telecommunication Electromagnetic Disruptive Effects (TEDE) and their impact on the infrastructure. In accordance with the Code of Federal Regulations (CFR) Title 47, Part 215, the NCS is the Federal Government focal point for EMP technical data and studies concerning telecommunications. This work includes: coordination and approval of TEDE tests and studies; communicating timely information to homeland security partners and the American public; developing mitigation techniques to prevent upset of telecommunications equipment from High-Altitude Electromagnetic Pulse (HEMP) attacks.

Additional work includes: identify and assess the vulnerabilities of satellite communications systems; coordinate with commercial vendors in conducting studies on physical vulnerabilities; develop plans to mitigate interference; lead and coordinate efforts across DHS to ensure that satellite capabilities required to prevent, protect, respond to and recover from acts of terrorism, natural disasters and other emergencies are available when needed.

#### Milestone/Schedules:

##### FY 2007 Accomplishments

- Final Report on “***Wireless Handset Vulnerabilities Report,***” which examined and documented current and evolving wireless handset technology vulnerabilities and identified possible impacts to NS/EP telecommunications priority services and included a set of mitigating strategy recommendations for wireless handset devices, was submitted to the NCS Advanced Technology Group (ATG) on 22 December 2006.

- The final report on ***“Survivability, Recovery, and Restoration Studies – US Telecommunications Network Performance in the 2005 Hurricane Season,”*** which analyzed how the telecommunications networks performed during both Hurricanes Katrina and Rita and provided recommendations for improvements, was delivered to the NCS ATG on 11 January 2007.
- The final report on ***“Survivability, Recovery, and Restoration Studies – Sensor Networks,”*** which examined the status of current sensor networks and proposed procedures for installation, maintenance, calibration, and use of sensors to achieve a robust sensor network architecture to support the gathering of Chemical, Biological, Radiological, Nuclear, and Explosive (CBRNE) threat information, was delivered to the NCS ATG on 11 January 2007.
- The final report on ***“Long Term NS/EP Communications Architecture,”*** which investigated emerging technologies and communications techniques how they can be applied to NS/EP communications, was delivered to the NCS ATG on 23 January 2007.
- The final report on ***“Satellite Communications Evolution,”*** which provided the NCS Advanced Technology Group (ATG) an increased understanding of satellite network technologies and services, expected trends and evolution, and their possible relevance to NS/EP services, was delivered to the NCS ATG on 23 January 2007.
- The final report on ***“Integration of Satellite and Terrestrial Wireless,”*** which investigated methods to better integrate satellite and terrestrial wireless networks to support NS/EP voice communications and describe how NS/EP users can establish priority communications across these technologies, was delivered to the NCS ATG on 29 January 2007.
- The final report on ***“Dedicated vs. Priority Satellite Access for NS/EP Communications,”*** which outlined the considerations for employing dedicated or priority satellite access for NS/EP communications, was delivered to the NCS ATG on 31 January 2007.
- A Technical Information Bulletin (TIB), entitled ***“Broadband Over Power Lines,”*** which examined the architecture and considered the possible benefits and concerns of Broadband over Power Lines (BPL) technology with respect to the NCS and the communications requirements for NS/EP, was delivered to the NCS ATG on 28 February 2007.
- A demonstration of an Emergency Communications Balloon, deployed to analyze as a potential alternate communication architecture to be included in a rapid recovery, emergency response system, was conducted on 3 May 2007. Existing communications technologies such as the police and fireman handheld radios, cellular instruments, citizens band radios, civilian ham radios [such as those used in the SHARED RESOURCES (SHARES) High Frequency (HF) network] were analyzed.
- Continue analysis in identifying vulnerabilities of fiber-optic telecommunications links due to secondary effects associated with X-ray illumination. The NCS ATG received from Los Alamos National Laboratory (LANL) a status report, entitled ***“Disruption of Fiber-Optic Telecommunications Links Due To Secondary Effects Associated With X-Ray Illumination,”*** dated 10 May 2007.
- A report initializing the evolution and execution of NS/EP plans, goals, and objectives by providing support for the research, analysis and program planning for the integration of Nuclear/Biological/Chemical (NBC) sensor networks and emergency notification communications technologies was submitted to the NCS ATG in July 2007. This effort will provide program management support through the development of the Red Cell communications concepts and the coordination of experiments and test scenarios with the NCS and DHS organizations as required.

- The final report detailing the results and recommendations of the Emergency Communications Balloon demonstration was submitted to the NCS ATG in July 2007.

#### FY 2008 Planned Milestones

- AFRL will submit to the NCS ATG monthly status reports, a draft and a final report on its findings and recommendations on the identification of vulnerabilities of Voice over Internet Protocol (VoIP) telecommunication systems and Wireless Priority Services (WPS) to Telecommunications Electromagnetic Disruptive Effects (TEDE). The final magazine article will be submitted to the NCS ATG 45 days after the final technical report is submitted.
- A Final report on ***“Disruption of Fiber-Optic Telecommunication Links Due To Secondary Effects Associated With X-Ray Illumination”*** is expected to be submitted by LANL to the NCS ATG by December 2007.
- Final report on ***“Undersea Cable Vulnerability and Risk Analysis,”*** which will examine the current status of undersea cables, identify vulnerabilities, postulate threat scenarios and propose mitigations to reduce risk, is expected to be submitted to the NCS ATG in March 2008.
- Final report on ***“Telecom-Power Dependencis,”*** which will examine the interdependencies of the telecommunications and power infrastructures, is expected to be submitted to the NCS ATG in March 2008.
- Final report on ***“Timing and Synchronization Analysis,”*** which will cover the vulnerabilities and possible risk mitigations of Global Positioning System (GPS) and other synchronization technologies that support wireless networks, is expected to be submitted to the NCS ATG in April 2008.
- Final report on ***“WiMAX,”*** or Worldwide Interoperability for Microwave Access, which will report on key activities and developments, describe the WiMAX technology and network capabilities, evaluate performance projections, identify vulnerabilities, and examine the need for additional priority capabilities, is expected to be submitted to the NCS ATG in April 2008.
- Final report on ***“Airborne Passenger Internet Network”***, which will analyze existing airborne networks, describe the services offered and technologies utilized, assess its security and use for commercial communications and for surveillance monitoring of airplane systems, is expected to be submitted to the NCS ATG in May 2008. Airborne Passenger Internet Network offers high-speed, real-time Internet access for email and web browsing applications via satellite communications utilizing a network of Geosynchronous Earth Orbit (GEO) satellite transponders.
- Transformation Communications Architecture (TCA) Integration and Final Security Review during the months of October and November, 2007. TCA focuses on Department of Defense (DoD), Intelligence Community (IC), Commercial and Civil satellite and terrestrial communications development in a synchronized fashion. The NCS ATG will investigate the potential leveraging of IC and DoD TCA systems should civil systems become interoperable or need to be supplemented during a major crisis. The NCS ATG will analyze current and Civil Space TCA programs, to include those used routinely or during special circumstances (i.e., natural disasters) by National Air and Space Administration (NASA), Department of Homeland Security (DHS), DoD, National Oceanic and Atmospheric Administration (NOAA), other federal, state, and local government organizations, as well as those civil assets used by the IC and DoD as a primary or backup source for communications. TCA Document distribution is expected between 1 December 2007 and 14 December 2007. An update on TCA will highlight new and emerging requirements from the IC and civil service communities. A report documenting the updated TCA will be submitted in the fourth quarter.

- Technical Information Bulletin (TIB) on “*NS/EP Mobility*,” which will identify key mobility issues for access to Internet Protocol (IP)-based Emergency Preparedness information and communications networks, is expected to be submitted to the NCS ATG, as required by the Task Monitor.
- TIB on “*Private Integrated Services Network (PISN)*,” which will examine the International Standards associated with the Private Integrated Services Network, is expected to be submitted to the NCS ATG, as required by the Task Monitor.
- Technical Note on “*SMS, MMS, and EMS Traffic Saturation*,” or “*Short Message Service, Multimedia Messaging Service, and Enhanced Messaging Service Traffic Saturation*,” which will examine the traffic loads due to the increased usage of SMS, MMS, and EMS services, are expected to be submitted to the NCS ATG, as required by the Task Monitor.
- TIB on “*Mobile Wireless Interface Stability*,” which will investigate whether wireless mobile units can be modified to control a cell’s uplink power level independently from base station control, is expected to be submitted to the NCS ATG, as required by the Task Monitor.

#### FY 2009 Planned Milestones

- 2009 TEDE Analysis to Communications Systems; bring the commercial satellite infrastructure into conformance with a standard for mitigating vulnerabilities. Quarterly reports will be submitted to the NCS, addressing mitigation strategies; report on existing airborne networks, describe the services offered and technologies utilized, assess its security and use for commercial communications and for surveillance monitoring of airplane systems; IP network convergence
- Receipt of monthly status reports, a draft, and a final report of the findings and recommendations on the identification of vulnerabilities of the Blackberry wireless handheld device as a result of TEDE.
- Examining potential vulnerabilities in the commercial satellite infrastructure and develop mitigation methods. Reports submitted at the end of the second and fourth quarters to the NCS ATG will highlight analysis of vulnerabilities and provide mitigation strategies.
- Investigate using Very Small Aperture Terminal (VSAT) technology and services as a replacement to the Alerting and Coordination Network (ACN) voice network. These investigations will be communicated in the form of briefings and demonstrations conducted by potential vendors. The NCS ATG will decide by 30 March 2011 which technology configuration and vendor will support this effort.

## Critical Infrastructure Protection Programs:

\$ thousands

| Program/Mission Area.....               | National Communications System                    |           |                 |           |           |                 |          |          |                 |
|---|---|-----------|-----------------|-----------|-----------|-----------------|----------|----------|-----------------|
|   | Critical Infrastructure Protection Programs (CIP) |           |                 |           |           |                 |          |          |                 |
|   | FY 2008   |           |                 | FY 2009   |           |                 | Change   |          |                 |
|   | FTE   | FTP       | Enacted         | FTE       | FTP       | Request         | FTE      | FTP      | \$              |
| <b>Salaries &amp; Benefits</b>          | <b>29</b>   | <b>29</b> | <b>\$3,498</b>  | <b>29</b> | <b>29</b> | <b>\$3,605</b>  | <b>0</b> | <b>0</b> | <b>\$107</b>    |
| <i>NCC Operations</i>                   |   |           | \$3,853         |           |           | \$4,536         |          |          | \$683           |
| [WCF]                                   |   |           | [260]           |           |           | [166]           |          |          |                 |
| <i>CIP Operations, Plans and Policy</i> |   |           | \$968           |           |           | \$1,346         |          |          | \$378           |
| [WCF]                                   |   |           | [65]            |           |           | [49]            |          |          |                 |
| <i>Training and Exercises</i>           |   |           | \$586           |           |           | \$691           |          |          | \$105           |
| [WCF]                                   |   |           | [40]            |           |           | [25]            |          |          |                 |
| NSIE                                    |   |           | \$509           |           |           | \$392           |          |          | -\$117          |
| [WCF]                                   |   |           | [34]            |           |           | [14]            |          |          |                 |
| TSP                                     |   |           | \$586           |           |           | \$690           |          |          | \$104           |
| [WCF]                                   |   |           | [40]            |           |           | [25]            |          |          |                 |
| CapWIN                                  |   |           | \$6,100         |           |           |                 |          |          | -\$6,100        |
| [WCF]                                   |   |           | [0]             |           |           |                 |          |          |                 |
| <b>Activity Costs</b>                   |   |           | <b>\$12,602</b> |           |           | <b>\$7,655</b>  |          |          | <b>-\$4,947</b> |
| <b>TOTAL</b>                            |   |           | <b>\$16,100</b> |           |           | <b>\$11,260</b> |          |          | <b>-\$4,840</b> |

The **Critical Infrastructure Protection (CIP) Programs** are executed by the CIP Division of the NCS. They ensure the continued availability of national security and emergency preparedness (NS/EP) telecommunications services under all circumstances, including crisis or emergency, attack, recovery, and reconstitution. Initiatives include: operations and maintenance of the National Coordinating Center for Telecommunications; near real-time telecommunication analyses; COOP/COG planning and operational support; training and exercise of communications emergency response personnel; production and maintenance of operational procedures, policies and support tools; and management of a structured forum for Government and telecommunication industry collaboration on NS/EP telecommunications policies, procedures and issues.

This Sub-Program includes the following Activities:

- National Coordinating Center Operations
- CIP Operations, Plans, and Policy
- Training and Exercises
- Network Security Information Exchanges
- Telecommunications Service Priority

**National Coordinating Center (NCC) Operations** is a joint industry-government body that provides a mechanism to respond to NS/EP telecommunications incidents. The mission of the NCC is to assist in the initiation, coordination, restoration, and reconstitution of NS/EP telecommunications services or facilities under all conditions, crises, or emergencies. Government membership includes 23 Federal departments and agencies with significant national emergency responsibilities or critical telecommunications requirements. Industry members compose the Communications Information Sharing and Analysis Center (ISAC) and represent the country's wireline and wireless service providers, equipment vendors, internet service providers (ISP), satellite industry, and cable industry. The strength of the NCC lies in the trusted relationship between government and industry. This relationship is critical to the NCC in its role as the primary mechanism within the NCS for executing Emergency Support Function (ESF) #2 – Communications under the National Response Plan during an incident.

The NCC is governed by Executive Order 12472, which establishes a joint industry-government NCC; Homeland Security Presidential Directive (HSPD) 5, which directs the NCC to provide support to the

National Response Plan; and Section 706 of the Communications Act of 1934, which governs NCC engagement in COOP/COG activities.

**This activity consists of the following sub-activities:**

**NCC Watch** – This sub-activity serves as the operational arm of the NCS. The NCC Watch provides 24x7 situational awareness of the health of the telecommunications infrastructure and facilitates the initiation, coordination, restoration and reconstitution of NS/EP telecommunications services or facilities during emergency events. Senior level information assurance analysts located on site in the NCC Operations Center are closely integrated with the Government NCC operations staff and industry representatives from the NCC member companies. It enhances physical and cyber security of the Nation's critical communications infrastructures by facilitating cooperation, information sharing, and system-to-system interaction among the critical infrastructures and between the Government and the private sector. On a daily basis, the NCC Watch provides 24x7:

- Monitoring, through network owners and operators, the status of all essential communications facilities
- Consultation with private industry to exchange status information and develop coordinated action plans
- Assessing threats and vulnerabilities to NS/EP communications needs of the Federal Government.

**NCC Programmatic Support** – This sub-activity covers planning and preparedness activities in support of NS/EP. This includes internally focused activities for designing, developing, and implementing plans and operating procedures and addressing policy development and implementation. External activities focus on relationship building, information sharing, and operational planning and execution under the joint government/industry Communications ISAC and Government partners of NCS.

**The NCS HF Radio Program** – This sub-activity provides technical, administrative, operational, and readiness support to four emergency DHS/NCS HF radio operational activities: SHARed RESources (SHARES) HF Radio Program, NCC HF Radio Program (NCC-HF), the NCS Regional Managers HF Radio Program (NCS RM-HF), and the NCS Auxiliary HF Radio Program (NCS AUX-HF). These programs support a nationwide radio network of approximately 1,300 HF radio stations contributed by 98 Federal, state and industry organizations to form a nationwide emergency message-handling network. SHARES has made a significant contribution to NS/EP support in over 40 emergencies since it was formally established in 1989 and serves as a backup HF communications vehicle linking key Federal entities with the major telecommunications infrastructure service providers. It proved vital for ensuring communications in the early days of the Hurricane Katrina response. The NCS HF Radio Program supports the NCS mission of executing ESF #2 under the National Response Plan and is an essential tool supporting the NCC mission. At present, there is no functional equivalent to the NCS HF Radio Program that coordinates and interfaces with key Federal and industry radio entities.

**CIP Operations, Plans, and Policy** consists of the following sub-activities:

**Continuity of Operations (COOP)** - This sub-activity provides the development, maintenance, exercise and implementation of plans, policies and procedures that ensure the continued operation of essential NCS mission functions at alternate facilities should the primary NCS facility become uninhabitable for an extended period of time.

**National Level Planning** – This sub-activity supports the White House in developing, documenting, exercising, and implementing policies, plans and procedures for ensuring the survival of the Nation’s constitutional form of government and its ability to ensure the continuity of essential Federal functions under all conditions and hazards. This activity supports the President’s Telecommunications Advisor in carrying out their NS/EP telecommunications duties and responsibilities under all conditions.

**Operational Analysis** – This sub-activity supports the development, documentation, implementation and maintenance of policies, procedures, and capabilities to ensure conduct of comprehensive and accurate analytical assessments of the communications infrastructure in a relatively quick timeframe. This activity supports all phases of ESF #2 execution – from planning and preparedness, to full recovery of the telecommunications infrastructure.

To improve the ability to quickly and accurately provide critical telecommunications assessments during emergency response operations, this sub-activity has conducted a series of in-depth regional characterizations of the telecommunications infrastructure in high-risk areas (e.g. Washington D.C., Philadelphia, etc.). These characterizations significantly reduce the preliminary research and data gathering time normally associated with any analysis in the case of an event and assists in preparedness activities. During an incident, operational analysis models provide critical information to bridge the gap from when the incident occurs to when actual data becomes available post-event. When real-time data does begin to arrive, it is fed into the models to provide increasingly detailed situational awareness of impact to the communications infrastructure. The analytical products provided by this sub-activity are critical to both government decision makers and the telecommunications service providers working to restore communications in the disaster area.

**The NCS Training and Exercise Program** ensures that the NCS has a cadre of emergency response personnel who are prepared to respond across the spectrum of crises and emergencies. These personnel are organized in accordance with the ESF #2 Annex of the National Response Plan and are tasked to provide NS/EP communications during an incident or disaster. In response to the recommendations of the Hurricane Katrina After Action Report, the NCS is enhancing its readiness for emergency response operations with an increased tempo of training and exercises for the ESF #2 Emergency Communications Teams (National and Field). This activity includes the development of a computer-based, self-instruction training program that facilitates distance learning opportunities for the nationwide teams. The NCS participates in exercises involving scenarios as varied as continuity of operations, continuity of government, natural disasters, weapons of mass destruction, critical infrastructure protection, and cyber intrusion.

**Network Security Information Exchanges (NSIE)** consists of the following sub-activities:

**NSIE** – The NSIE consists of two bodies: the Government NSIE, which represents Federal agencies that have research, standards, regulatory, law enforcement, or intelligence functions related to the public switch network, or are major telecommunications users; and the President’s National Security Telecommunications Advisory Committee (NSTAC) NSIE, which includes representatives from telecommunications service providers, equipment vendors, systems integrators, and major users. This sub-activity provides technical and administrative support to both the NSTAC and Government NSIEs. The NSIE forum provides a trusted environment in which industry and Government representatives exchange information on threats to and vulnerabilities of the public network. These bodies meet jointly on a bimonthly basis to address major technical and operational issues affecting the security of

the public network, such as unauthorized penetration or manipulation of the public network software, databases, and other infrastructures supporting NS/EP telecommunications services. The NSIEs exchange ideas on technologies and techniques for addressing and mitigating the risks to the public network and its supporting infrastructures.

**ESF #2 Contingency Planning** – The National Response Plan designates the NCS as the Primary Agency for ESF #2. The 2005 Hurricane season demonstrated that traditional ESF resources and procedures were inadequate to address the emergency response needs of a catastrophic event the magnitude of Hurricane Katrina. Consequently, this sub-activity was initiated to revise policies, plans and procedures to address these deficiencies. Operational plans were revised to align more closely with the National Response Plan and clearly outline the coordination requirements and procedures at all levels (e.g., national, regional, local ESF entities, state/local government, private companies). This sub-activity continues to develop, implementation, and maintain ESF #2 plans, policies and procedures in the face of new legislation, changing DHS organizational structure, and lessons learned from ESF #2 activations.

**The Telecommunications Service Priority (TSP) Program**, established by a Federal Communications Commission (FCC) Report and Order 88-341, November 17, 1988, is the regulatory, administrative, and operational system authorizing and providing for priority treatment of NS/EP telecommunications services. The program provides NS/EP users with priority restoration and provisioning of telecommunications services that are vital to maintaining readiness or responding to an incident. As a result of hurricanes, floods, earthquakes, and other natural or man-made incidents, telecommunications service vendors may become overwhelmed with requests for new telecommunications services and requirements to restore existing telecommunications services. The TSP Program provides service vendors with an FCC mandate for prioritizing service requests by identifying those services critical to NS/EP. A telecommunications service with a TSP assignment is assured of receiving full attention by the service vendor before a non-TSP service. The TSP Program has two components: restoration and provisioning. A restoration priority is applied to telecommunications services to ensure restoration before any other services. A provisioning priority is obtained to facilitate priority installation of new telecommunications services.

Currently, over 860 federally sponsored organizations have over 141,000 active TSP assignments in support of NS/EP communications. This service directly increases the organizations' ability to recover from an incident or a disaster. The TSP Program also plays a critical role in emergency response when new telecommunications service must be provisioned to support response operations.

### **Milestone/Schedules:**

#### **FY 2007 Accomplishments**

- Continued to support NCS mission through enhancements to the NCC membership strategy, the conduct of semi-annual meetings including Communications ISAC and NCS government members, weekly NCC conference calls for resident and non-resident members and the maintenance of the 24X7 NCC Watch.
- Performed ESF #2 duties in support of emergency events and ensure readiness through semiannual ESF #2 training exercises.
- Developed, in coordination with the National Cyber Security Division (NCS), plans and procedures to further realize synergies between the highly interdependent communications and information technology sectors. Ensured that there is significant coordination between the

Communications ISAC and the IT ISAC. Develop joint procedures for NCS and NCC operations centers.

- Hosted discussions with representatives from the U.K. and Canada to share ideas and vet appropriate procedures aimed at decreasing vulnerabilities. Coordinate next generation network application ideas and issues with Canadian counterparts.
- Conducted and documented in-depth telecommunications assessments of high profile geographical areas.
- Developed and tested a methodology to conduct risk assessments on “high interest” telecommunications assets.
- Continued the development and orchestration of cross-sector discussions with other ISACs for the purpose of identifying interdependencies and cross-sector vulnerabilities.
- Participated in internal and interagency COOP and COG planning and exercises.
- Developed and disseminated the biannual Continuity of Operations Communications Plan (CCP) for the Federal Executive Branch Department and Agencies. This multifaceted plan provided essential contact and operational information for effective interoperable communications during emergencies that require the Federal Department and Agencies to operate from Emergency Relocation Facilities.
- Conducted and chaired the quarterly Continuity of Operations (COOP) Communications Working Group (CCPG). This working group provides a forum for the discussion and exchange of ideas for development of policies and procedures for effective interoperable communications.
- Continued development and refinement of operational plans and procedures that execute the ESF #2 duties specified in the NRP.
- Provide analytical support during emergency operations.
- Served as the focal point for state and local telecommunications data and analytical requests.
- Continued to pursue enhancements to the NCS Telecommunications analytical capabilities to include greater partnership and information sharing with Telecommunications Industry representatives.
- Conducted a Telecommunications Risk Assessment Pilot to validate a draft risk assessment methodology.
- Coordinated the establishment of an NCS certified Protective Critical Infrastructure Information (PCII) program to accept, maintain and protect PCII Industry submitted data consistent with DHS PCII Program office guidance.
- Participated in the National Cyber Response Coordination Group and the Internet Disruption Working Group.
- Conducted the ESF #2 Spring Training Conference (June 19-28, 2007) to familiarize all Emergency Communication Team personnel with the current ESF #2 operating procedures and apply the knowledge in a scenario-based hurricane exercise.
- Provided personnel to perform ESF #2 operations during national and regional exercises.
- Initiated an assessment of training media that can be used for distance-learning instruction.
- In collaboration with US-CERT and the IT ISAC, supported the integration of Telecommunications issues into the Cyber Storm Exercise series.
- In coordination with Priority Services, ensured the Telecommunications Service Priority Program (TSP) was supported through outreach efforts.
- Provided continued 18X7 on call support to process TSP restoration and provisioning support to NS/EP customers.

- Provided continued support to the Government and NSTAC NSIEs, comprised of Government and NSTAC telecommunications SMEs, to include: co-chair, SME representative, technical, logistical, executive, planning and managerial support for bimonthly joint meetings, ad hoc technical discussions, and coordination.
- Coordinated US NSIEs involvement in a trilateral NSIE meeting with the UK and Canada and co-chair.

#### FY 2008 Planned Milestones

- Continue to support NCS mission through enhancements to the NCC membership strategy, the conduct of semi-annual meetings including Communications ISAC and NCS government members, weekly NCC conference calls for resident and non-resident members and the maintenance of the 18X7 NCC Watch.
- Perform ESF #2 duties in support of emergency events and ensure readiness through planning and participation in training activities.
- Develop, in coordination with the National Cyber Security Division (NCSD), plans and procedures to further realize synergies between the highly interdependent communications and information technology sectors. Ensure that there is significant coordination between the Communications ISAC and the IT ISAC. Develop joint procedures for NCSD and NCC operations centers.
- Host discussions with representatives from the U.K., Canada and Mexico to share ideas and vet appropriate procedures aimed at decreasing vulnerabilities. Coordinate next generation network application ideas and issues with Canadian counterparts.
- Conduct and document in-depth telecommunications assessments of high profile geographical areas.
- Conduct risk assessments on “high interest” telecommunications assets.
- Continue the development and orchestration of cross-sector discussions with other ISACs for the purpose of identifying interdependencies and cross-sector vulnerabilities.
- Participate in internal and interagency COOP and COG planning and exercises.
- Continue development and dissemination of the biannual Continuity of Operations Communications Plan (CCP) for the Federal Executive Branch Department and Agencies. This multifaceted plan provides essential contact and operational information for effective interoperable communications during emergencies that require the Federal Department and Agencies to operate from Emergency Relocation Facilities.
- Continue to conduct and chair the quarterly Continuity of Operations (COOP) Communications Working Group (CCPG). This working group provides a forum for the discussion and exchange of ideas for development of policies and procedures for effective interoperable communications.
- Continue development and refinement of operational plans and procedures that execute the ESF #2 duties specified in the NRP.
- Provide analytical support during emergency operations.
- Serve as the focal point for state and local telecommunication data and analytical requests.
- Continue to pursue enhancements to the NCS Telecommunication analytical capabilities to include greater partnership and information sharing with Telecommunications Industry representatives; enhancement of data sets that provide greater insight into the operational components of the telecommunications infrastructure, and enhancement of analytical tools to provide quicker and more detailed analyses.

- Establish an NCS certified Protective Critical Infrastructure Information (PCII) program to accept, maintain and protect PCII Industry submitted data consistent with DHS PCII Program office guidance.
- Participate in the National Cyber Response Coordination Group and the Internet Disruption Working Group.
- Conduct the 2007 ESF #2 Winter Training Conference and the 2008 ESF #2 Spring Training Conference to familiarize all Emergency Communication Team personnel with the current operating procedures, communications technologies, and their application in a no-notice Incident of National Significance.
- Prepare personnel to perform ESF #2 operations during national and regional exercises.
- Continue development of distance-learning training materials with assistance from Subject Matter Experts and software developers.
- Evaluate, enhance and acquire deployable emergency telecommunications systems and services that meet emergency response requirements.
- Provide 18/7 watch capability to monitor events that could potentially affect the communications infrastructure.
- Continue the development of information sharing protocols with industry partners for sharing intel information.
- Enhance information sharing capabilities with other sector ISACs.
- Incorporate DHS HSIN capabilities into NCC watch functions.
- Target TSP outreach to state and local emergency response organizations – to include 911 community.
- Expand outreach efforts for Emergency Cellular protocol.
- Provide continued support to the Government and NSTAC NSIEs, comprised of Government and NSTAC telecommunications SMEs, to include: co-chair, SME representative, technical, logistical, executive, planning and managerial support for bimonthly joint meetings, ad hoc technical discussions, and coordination.
- Outline a plan to bring TITLE GLOBE, testing for COOP communications, down to the regional level.
- Expand the ESF-2 family of plans to incorporate specific actions for notice and no-notice events.

#### FY 2009 Planned Milestones

- NCC Watch: Provide 24x7x365 operations support to identify, analyze, mitigate and respond to threats and vulnerabilities to the nation's critical communication infrastructure.
- NCC Watch: Ensure operational readiness and validate information flow through participation in exercises such as Cyberstorm, TOPOFF, Pinnacle, Forward Challenge, NRP Exercises, and other COOP/COG readiness events.
- NCC Support: Provide annual review of existing internal NCC plans to support NS/EP activities; development of new internal plans based on identified requirements; and support external organizations in updating plans, such as the National Response Plan and National Incident Management System.
- NCC Support: Expand the NCC and Communications ISAC membership to keep pace with developing technologies and new entrants into communications sector.
- NCC Support: Improve information sharing and coordination between Government and ISAC members, increase ISAC members participation in NS/EP communications activities by

providing opportunities for ISAC members to be involved in various NS/EP training and exercise opportunities such as twice yearly NCC Industry Workshops.

- NCC Support: Foster sharing of threats and intelligence through maintenance of NCS HITRAC position and increasing the number of industry members with Top Secret/SCI clearances.
- SHARES: Ensure operational readiness through weekly net checks; planning and conduction of one annual nationwide SHARES exercise; Support ad-hoc exercises as appropriate.
- SHARES: Expand Radio Over IP network participation with deployment of Radio Over IP to (3) additional SHARES Control Station (SCS) sites.
- Update and maintain the NCS portion of the integrated NCS/NCS D COOP PLAN
- Update COG Communication plans, policies and procedures, as required.
- Provide administrative and technical support for bi-weekly meetings of the COG Communications Working Group.
- Update emergency response plans, policies and procedures to reflect After Action /Lessons Learned reports from previous events.
- Develop/update plans, policies and procedures to support ESF#2 operations with regard to the 15 National Planning Scenarios.
- Conduct Telecommunications vulnerability, impact and risk assessment analyses.
- Develop and implement a quantitative methodology to measure effectiveness of telecomm mitigation strategies.
- Coordinate interagency participation to conduct ESF #2 operations in national exercises (e.g., TOPOFF-5, PINNACLE-09, ARDENT SENTRY-series, etc).
- Coordinate ESF #2 participation in the NEW MADRID SEISMIC ZONE workshops and exercises.
- Continue sponsorship of the semi-annual ESF #2 Training Conferences (Dec 2008 and June 2009).
- Refine the design and use of the ESF #2 Skills and Training Database.
- Develop computer-based training for an ESF #2 program of instruction.
- Conduct six meetings and up to six special interest topic sessions.
- Produce at least 2 technical reports, issue papers, and/or briefings from topics discussed at meetings, (e.g. laptop vulnerability report, spyware issues, NGN security, law enforcement issues, etc).
- Produce a 2009 risk assessment of the threat to and vulnerability of the Public Network
- Fully developed system security program with full time ISSO.

### Industry-Government and Interagency Processes (IGIP):

\$ thousands

| Program/Mission Area.....      |  | National Communications System                        |     |                |         |     |                |        |     |                 |
|--------------------------------|--|---|-----|----------------|---------|-----|----------------|--------|-----|-----------------|
| Project.....                   |  | Industry-Government and Interagency Processes (IGIP)* |     |                |         |     |                |        |     |                 |
|                                |  | FY 2008   |     |                | FY 2009 |     |                | Change |     |                 |
|                                |  | FTE   | FTP | Enacted        | FTE     | FTP | Request        | FTE    | FTP | \$              |
| <b>Salaries &amp; Benefits</b> |  | 24  | 24  | \$2,873        | 24      | 24  | \$2,961        | 0      | 0   | \$88            |
| IGIP Program Costs             |  |   |     | \$3,164        |         |     | \$1,743        |        |     | -\$1,421        |
| [WCF]                          |  |   |     | [214]          |         |     | [64]           |        |     |                 |
| <b>TOTAL</b>                   |  |   |     | <b>\$6,037</b> |         |     | <b>\$4,704</b> |        |     | <b>-\$1,333</b> |

\* FY 2008 Enacted in P.L. 110-161 included Industry-Government and Interagency Processes (IGIP) in the Priority Telecommunications Service (PTS) subtotal. The above FY 2008 Enacted is restated to exclude IGIP from PTS for comparison purposes to the FY 2009 request.

Industry-Government and Interagency Processes (IGIP) sustain joint industry-government NS/EP and CIP communications strategic planning and coordination. Specifically, this activity supports the NCS Committee of Principals chaired by the Under Secretary of Preparedness by direction of EO 12472; the President's National Security Telecommunications Advisory Committee (NSTAC) as directed by EO 12382, and the National Infrastructure Protection Plan and implementation activities as prescribed in HSPD-7.) Additionally this activity seeks and establishes partnerships and alliances with key industry and government entities associated with homeland defense and CIP to maximize NCS support to HLS; manages a strategic outreach and communications program to raise awareness about the NCS and its programs and activities; manages the NCS Issuance System; conducts analyses of the ever-changing technological and corporate environments of the communications industry and monitors governmental, legislative, regulatory, and political climates.

### **Milestone/Schedules:**

#### FY 2007 Accomplishments

- Provided continued support to the NCS Committee of Principals, to include: technical, logistical, executive, planning and managerial support in the identification, development, and analysis of NS/EP communications issues and recommended solutions.
- Maintained strong relations with the telecommunications industry and the NCS COP to facilitate joint planning, operational activities, and coordination of assessments, information sharing, and restoration and recovery of the critical telecommunications infrastructure.
- Provided continued support to the President's National Security Telecommunications Advisory Committee (NSTAC), comprised of up to 30 chief executives, which provides policy-based recommendations to the President regarding NS/EP communications.
- Issued an NCS COP report on the Telecommunications Service Priority program.
- Collaborated with the National Infrastructure Advisory Council (NIAC) and other industry and governmental bodies involved in continuity communications, critical infrastructure protection, and homeland security.
- Provided Secretariat support for the President's National Security Telecommunications Committee (NSTAC), including quarterly NSTAC Principal conference calls, an annual full-committee meeting, monthly Industry Executive Subcommittee meetings, and over 200 task force, working group, and ad hoc meetings.
- Conducted the NSTAC/Industry Executive Subcommittee Off-site to strengthen industry-government relationships.
- Completed task force work and issued NSTAC report and recommendations to the President on Global Infrastructure Resiliency.
- Completed task force study and issue NSTAC report and recommendations to the President on telecommunications and electric power interdependencies.
- Completed short-range and long-range study and issue NSTAC report and recommendations to the President on emergency communications and interoperability.
- Completed study and issue NSTAC report and recommendations to the President on international telecommunications issues.
- Submitted NSTAC membership analysis and recommendations for committee composition to the President.
- Supported NCS COP working groups to address emerging continuity communications matters and minimum essential functions and processes under all circumstances, including crisis or emergency, attack, recovery, and reconstitution.

- Continued to assist industry in analyzing convergence issues in Next Generation Networks with regard to NS/EP functional and user requirements.
- Continued to support industry and Government preparations regarding telecommunications for National Security Special Events (NSSE).
- Assisted in the implementation of the National Response Plan, particularly the Emergency Support Functions relating to Communications and Information Technology.
- Revised or establish NCS Issuances on NS/EP policies, programs, and procedures.
- Contribute to the implementation and management of activities of the National Infrastructure Protection Plan.
- As the Communications SSA, led the implementation of the Communications Sector Specific Plan in close coordination with the CSCC and GSCC
- Led the NCS Strategic Planning activities.

#### FY 2008 Planned Milestones

- Provide continued support to the NCS Committee of Principals, to include: technical, logistical, executive, planning and managerial support in the identification, development, and analysis of NS/EP communications issues and recommended solutions.
- Maintain strong relations with the telecommunications industry and the NCS COP to facilitate joint planning, operational activities, and coordination of assessments, information sharing, and restoration and recovery of the critical telecommunications infrastructure.
- Provide continued support to the President's National Security Telecommunications Advisory Committee (NSTAC), comprised of up to 30 chief executives, which provides policy-based recommendations to the President regarding NS/EP communications.
- Collaborate with the National Infrastructure Advisory Council (NIAC) and other industry and governmental bodies involved in continuity communications, critical infrastructure protection, and homeland security.
- Provide Secretariat Support for the President's National Security Telecommunications Advisory Committee (NSTAC), including quarterly NSTAC Principal conference calls, an annual full-committee meeting, monthly Industry Executive Subcommittee meetings, task force, working group, and ad hoc meetings.
- Conduct NSTAC/IES Research and Development Exchange.
- Coordinate Analysis of Industry Trends and Emerging Technologies.
- Submit NSTAC membership analysis and recommendations for committee composition to the President.
- Hold NSTAC Next Generation Networks (NGN) Subject Matter Experts (SME) Meeting.
- Support NCS COP working groups to address emerging continuity communications matters and minimum essential functions and processes under all circumstances, including crisis or emergency, attack, recovery, and reconstitution.
- Continue to assist industry in analyzing convergence issues in NGN with regard to NS/EP functional and user requirements.
- Continue to support industry and Government preparations regarding telecommunications for National Security Special Events (NSSE).
- Assist in the implementation of the National Response Plan, particularly the Emergency Support Functions relating to Communications and Information Technology.
- Revise or establish NCS Issuances on NS/EP policies, programs, and procedures.
- Contribute to the implementation and management of activities of the National Infrastructure Protection Plan.

- Continue to serve as the Sector Specific Agency for Communications in response to Homeland Security Presidential Directive 7; revise Sector Specific Plan as necessary.
- Lead the strategic planning for the National Communications System.

#### FY 2009 Planned Milestones

- Provide support to the NCS Committee of Principals, to include: technical, logistical, executive, planning and managerial support in the identification, development, and analysis of current NS/EP communications issues and recommended solutions.
- Maintain strong relations with the telecommunications industry and the NCS COP to facilitate joint planning, operational activities, and coordination of assessments, information sharing, and restoration and recovery of the critical telecommunications infrastructure.
- Update to MOAs with each of the 23 Federal members of the National Communications System as directed by NCS Directive 1-1.
- Maintain the NCS Committee of Principals' membership at the assistant secretary or equivalent level.
- Provide support to the President's National Security Telecommunications Advisory Committee (NSTAC), comprised of up to 30 chief executives, which provides policy-based recommendations to the President regarding NS/EP communications.
- Collaborate with the National Infrastructure Advisory Council (NIAC) and other industry and governmental bodies involved in continuity communications, critical infrastructure protection, and homeland security.
- Provide Secretariat Support for the President's National Security Telecommunications Committee (NSTAC), including quarterly NSTAC Principal conference calls, an annual full-committee meeting, monthly Industry Executive Subcommittee meetings, and task force, working group, and ad hoc meetings.
- Conduct annual NSTAC/IES Research and Development Exchange.
- Coordinate Analysis of Industry Trends and Emerging Technologies
- Submit NSTAC membership analysis and recommendations for committee composition to the President.
- Hold NSTAC NGN Subject Matter Experts (SME) Meeting.
- Support NCS COP working groups to address emerging continuity communications matters and minimum essential functions and processes under all circumstances, including crisis or emergency, attack, recovery, and reconstitution.
- Continue to assist industry in analyzing convergence issues in Next Generation Networks with regard to NS/EP functional and user requirements.
- Continue to support industry and Government preparations regarding telecommunications for NSSE.
- Assist in the implementation of the National Response Framework, particularly the Emergency Support Functions relating to Communications and Information Technology.
- Revise NCS Issuances on NS/EP policies, programs, and procedures as described by NCS Directive 1-1 as appropriate.
- Contribute to the implementation and management of activities of the National Infrastructure Protection Plan.
- Continue to serve as the Sector Specific Agency for Communications in response to Homeland Security Presidential Directive 7; revise Sector Specific Plan as necessary.
- Lead the strategic planning for the National Communications System.

## National Command and Coordination Capability:

\$ thousands

| Program/Mission Area..... |       | National Communications System                       |     |                |         |     |                 |        |     |                 |
|---------------------------|-------|--|-----|----------------|---------|-----|-----------------|--------|-----|-----------------|
| Division.....             |       | National Command and Coordination Capability (NCCC)* |     |                |         |     |                 |        |     |                 |
|                           |       | FY 2008  |     |                | FY 2009 |     |                 | Change |     |                 |
|                           |       | FTE  | FTP | Enacted        | FTE     | FTP | Request         | FTE    | FTP | \$              |
| Salaries & Benefits       |       | 1  | 2   | \$200          | 9       | 16  | \$1,509         | 8      | 14  | \$1,309         |
| Activity Costs            |       |  |     | \$3,632        |         |     | \$59,491        |        |     | \$55,859        |
|                           | [WCF] |  |     | [245]          |         |     | [2,177]         |        |     |                 |
| <b>TOTAL</b>              |       |  |     | <b>\$3,832</b> |         |     | <b>\$61,000</b> |        |     | <b>\$57,168</b> |

\* FY 2008 Enacted in P.L. 110-161 included National Command and Coordination Capability (NCCC) in the Priority Telecommunications Service (PTS) subtotal. The above FY 2008 Enacted is restated to exclude NCCC from PTS for comparison purposes to the FY 2009 request.

The National Command and Coordination Capability (NCCC) is the means to provide the President and Vice President with the ability to respond deliberately and appropriately to any crisis. NCCC provides for the concurrent, nationwide, extension and integration of complex federal classified and sensitive but unclassified information and communications subsystems into an integrated national command, control and coordination system providing unique connectivity and situation awareness to federal, state and local authorities. The Secretary of Homeland Security is the Executive Agent of the NCCC and delegated the day-to-day operation of the NCCC to the Manager, National Communications System (NCS).

The NCCC will provide the means to unimpeded and timely flows of information across multiple operational systems across the Federal government. This approach to integration and coordination of these existing and anticipated systems will enable the efficient and reliable execution of national command, control and coordination functions, while maintaining appropriate levels of independence for specific processes and systems that are necessary for security and other reasons.

### FY 2007 Accomplishments

- Appointed a Director of the National Command and Coordination Capability, and finalized a Memorandum of Agreement with the Department of Defense to obtain a detailee to serve as Deputy Director.
- Began the stand-up and staffing of the NCCC Management Coordination Office (MCO) (i.e., acquired office space for the MCO, coordinated MCO Charter and awaiting final signature).
- Acquired secure mobile communication devices for 56 governors and 35 heads of agencies.

### FY 2008 Planned Milestones

- Deploy Initial Operating Capability (IOC) National Command and Coordination Capability (NCCC) services to key leadership, DHS sites and other NCCC locations.
- Conduct gap analysis and risk assessment of the current state NCCC against the desired capabilities.
- Complete final Privacy Impact Assessment, if necessary.
- Initiate DHS Investment Review Process.
- Conduct IOC System Definition Review and Critical Design Review.

### FY 2009 Planned Milestones

- Deploy IOC NCCC services to key leadership, DHS sites and other NCCC locations
- Monitor the progress of concurrent NCS 3-10 directive communication systems deployment at Federal Departments and Agencies, which will provide connectivity capabilities to the NCCC.

- Develop a full operational capability description.
- Begin FOC requirements definition.
- Compile and integrate lessons learned from exercise into NCCC operations.

**Assistant Secretary for Cyber Security and Communications:**

*\$ thousands*

|                           |   |     |         |         |     |         |        |     |     |
|---------------------------|---|-----|---------|---------|-----|---------|--------|-----|-----|
| Program/Mission Area..... | National Communications System                          |     |         |         |     |         |        |     |     |
| Project.....              | Assistant Secretary for Cyber Security & Communications |     |         |         |     |         |        |     |     |
|                           | FY 2008   |     |         | FY 2009 |     |         | Change |     |     |
|                           | FTE   | FTP | Enacted | FTE     | FTP | Request | FTE    | FTP | \$  |
| ASCC Personnel Costs      | 2   | 2   | \$250   | 2       | 2   | \$258   | 0      | 0   | \$8 |
| TOTAL                     |   |     | \$250   |         |     | \$258   |        |     | \$8 |

ASCC Personnel Costs include salaries and benefits for personnel in the front office of the Assistant Secretary.

**e-Long Range Navigation:**

*\$ thousands*

|                           |                                    |     |         |         |     |          |        |     |          |
|---------------------------|------------------------------------|-----|---------|---------|-----|----------|--------|-----|----------|
| Program/Mission Area..... | National Communications System     |     |         |         |     |          |        |     |          |
| Project.....              | e-Longe Range Navigation (e-LORAN) |     |         |         |     |          |        |     |          |
|                           | FY 2008                            |     |         | FY 2009 |     |          | Change |     |          |
|                           | FTE                                | FTP | Enacted | FTE     | FTP | Request  | FTE    | FTP | \$       |
| Salaries & Benefits       |                                    |     |         |         |     | \$0      | 0      | 0   | \$0      |
| Activity Costs            |                                    |     |         |         |     | \$34,500 |        |     | \$34,500 |
| TOTAL                     |                                    |     |         |         |     | \$34,500 |        |     | \$34,500 |

The National Protection and Programs Directorate requests \$34,500,000 for the Long Range Navigation (LORAN) in FY 2009. This is an increase of \$34,500,000 over FY 2008 and includes adjustments to base of \$34,500,000 for the transfer from the United States Coast Guard.

**CURRENT SERVICES DESCRIPTION:**

In FY 2008, the Department of Homeland Security was named Executive Agent for development of a national capability to backup critical systems used in position, navigation and timing. Enhanced LORAN (eLORAN) has been identified as a primary candidate to provide this backup capability. In FY 2009, the administration of the LORAN-C program will migrate to the National Protection and Programs Directorate of the Department of Homeland Security in preparation for termination of LORAN-C operations and subsequent conversion of the system to eLORAN. The Coast Guard is expected to continue operation of the system as appropriate on a reimbursable basis in 2009.

The FY 2009 budget transfers the current budget authority of \$34,500,000 for the LORAN-C system from the Coast Guard to the National Protection and Programs Directorate of the Department of Homeland Security. Reallocation of funds includes the costs of personnel and operations of all 24 Loran stations, the Loran Support Unit, and the Loran related costs at the Navigation Center, Training Center Petaluma, Engineering Logistics Center, and Loran Station Administration Control Commands.

Determination of a back-up capability for GPS is a national priority. The Department of Homeland Security is well positioned to develop this capability. Shift of financial responsibility and budgetary authority associated with the LORAN system from the Coast Guard to the Department will permit the Department to identify and fund the necessary upgrades to the system.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Office of Emergency Communications (OEC)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actuals</b>          | ...                 | ...        | <b>\$11,872</b> |
| <b>2008 Enacted</b>          | <b>37</b>           | <b>19</b>  | \$35,700        |
| 2009 Adjustments-to-Base     | ...                 | 18         | \$2,600         |
| <b>2009 Current Services</b> | <b>37</b>           | <b>37</b>  | <b>\$38,300</b> |
| 2009 Program Change          | 10                  | 5          | ...             |
| <b>2009 Request</b>          | <b>47</b>           | <b>42</b>  | <b>\$38,300</b> |
| Total Change 2008-2009       | 10                  | 23         | \$2,600         |

The National Protection and Programs Directorate requests \$38,300,000 and 42 FTE (47 FTP) for the Office of Emergency Communications in FY 2009. This is an increase of \$2,600,000 and ten positions over FY 2008 and includes adjustments to base of \$132,000 for pay inflation and \$2,468,000 for annualization of new personnel requested in FY 2008. Program dollars will be converted to salaries and benefits for 10 positions / 5 FTE in FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Emergency Communications supports and promotes the ability of emergency response providers and Federal officials to continue to communicate in the event of natural disasters, acts of terrorism, or other man-made disasters, and to ensure, accelerate, and attain interoperable emergency communications nation-wide.

The Office of Emergency Communications executes its mission through four major projects:

**Office of the Director:**

| \$ thousands (FY 2008 is restated in the new FY 2009 Structure for comparison purposes only. Please refer to the crosswalk at the end of this justification.) |  |                                    |          |          |          |                |              |
|---|--|------------------------------------|----------|----------|----------|----------------|--------------|
| Program/Mission Area .....  |  | Office of Emergency Communications |          |          |          |                |              |
| Project .....   |  | Office of the Director             |          |          |          |                |              |
| Activity  |  | FY 2008                            |          | FY 2009  |          | Change         |              |
|   |  | FTE                                | FTP      | FTE      | FTP      | Request        | \$           |
| <b>Salaries &amp; Benefits</b>  |  | <b>3</b>                           | <b>5</b> | <b>5</b> | <b>5</b> | <b>\$988</b>   | <b>\$309</b> |
| Management & Administration   |  |                                    |          |          |          | \$162          | \$0          |
| [WCF]   |  |                                    |          |          |          | [\$46]         |              |
| <b>Activity Costs</b>   |  |                                    |          |          |          | <b>\$162</b>   | <b>\$0</b>   |
| <b>Total</b>  |  | <b>3</b>                           | <b>5</b> | <b>5</b> | <b>5</b> | <b>\$1,150</b> | <b>\$309</b> |

Office of the Director: provides leadership, direction, and oversight of OEC activities conducted to accomplish this mission, and serves as the organization's principle advocate before Congress, the

nation's State, local and tribal governments, other Departments and Agencies, key stakeholders, and the public.

**Policy Planning and Analysis:**

| \$ thousands (FY 2008 is restated in the new FY 2009 Structure for comparison purposes only. Please refer to the crosswalk at the end of this justification.) |          |   |                |          |          |                |              |
|---|----------|---|----------------|----------|----------|----------------|--------------|
| Program/Mission Area .....  |          | <b>Office of Emergency Communications</b> |                |          |          |                |              |
| Project .....   |          | <b>Policy Planning and Analysis</b>       |                |          |          |                |              |
|   |          | FY 2008                                   |                | FY 2009  |          | Change         |              |
| Activity  | FTE      | FTP                                       | Enacted        | FTE      | FTP      | Request        | \$           |
| <b>Salaries &amp; Benefits</b>  | <b>3</b> | <b>7</b>                                  | <b>\$679</b>   | <b>7</b> | <b>7</b> | <b>\$1,112</b> | <b>\$433</b> |
| <i>Management &amp; Administration</i>  |          |   | \$797          |          |          | \$797          | \$0          |
| [WCF]   |          |   | [\$378]        |          |          | [\$271]        |              |
| <i>Interoperable Communications Grant Oversight</i>   |          |   | \$120          |          |          | \$120          | \$0          |
| [WCF]   |          |   | [\$0]          |          |          | [\$0]          |              |
| <i>National Tools &amp; Information Systems</i>   |          |   | \$103          |          |          | \$103          | \$0          |
| [WCF]   |          |   | [\$0]          |          |          | [\$0]          |              |
| <i>Policy, Requirements and Coordination</i>  |          |   | \$1,350        |          |          | \$1,350        | \$0          |
| [WCF]   |          |   | [\$0]          |          |          | [\$0]          |              |
| <i>National Engagement</i>  |          |   | \$1,090        |          |          | \$1,090        | \$0          |
| [WCF]   |          |   | [\$0]          |          |          | [\$0]          |              |
| <i>National Assessments &amp; Planning</i>  |          |   | \$2,210        |          |          | \$2,210        | \$0          |
| [WCF]   |          |   | [\$0]          |          |          | [\$0]          |              |
| <b>Activity Costs</b>   |          |   | <b>\$5,670</b> |          |          | <b>\$5,670</b> | <b>\$0</b>   |
| <b>Total</b>  | <b>3</b> | <b>7</b>                                  | <b>\$6,349</b> | <b>7</b> | <b>7</b> | <b>\$6,782</b> | <b>\$433</b> |

Policy, Planning, and Analysis (PPA): Identifies and characterizes challenges confronting the advancement of interoperable emergency communications capabilities, and targets Federal grants, assistance and capability development efforts to address these challenges. Specific responsibilities include:

- Coordinating with relevant Federal agencies and Departments, State, local and tribal governments, emergency response providers and the private sector to establish national emergency communications policies;
- Coordinating and integrating information collected by the Federal and Multi-Jurisdictional Communications Services programs to provide an integrated national assessment of existing and emerging interoperable emergency communications challenges and vulnerabilities;
- Coordinating and developing a national plan that establishes objectives and methods to address emergency communications challenges and vulnerabilities;
- Periodically assessing and reporting on progress towards achieving national objectives concerning emergency communications and the effectiveness of methods to address these challenges and vulnerabilities;
- Coordinating the development of emergency communications requirements and grant guidelines to ensure Federal grant funding is optimally targeted against national emergency communications goals and objectives; and
- Developing Departmental emergency communications grant program guidance and evaluating progress achieved through these programs to ensure that Federal assistance is optimally targeted at addressing identified existing and emerging interoperable emergency communications challenges.

## Multi-Jurisdictional Communications Services:

*\$ thousands (FY 2008 is restated in the new FY 2009 Structure for comparison purposes only. Please refer to the crosswalk at the end of this justification.)*

| Program/Mission Area.....                     |          | Office of Emergency Communications           |                 |           |           |                 |           |           |                |
|---|----------|--|-----------------|-----------|-----------|-----------------|-----------|-----------|----------------|
| Project.....                                  |          | Multi-Jurisdictional Communications Services |                 |           |           |                 |           |           |                |
| Activity                                      | FY 2008  |  | FY 2009         |           | Change    |                 |           |           |                |
|   | FTE      | FTP  | Enacted         | FTE       | FTP       | Request         | FTE       | FTP       | \$             |
| <b>Salaries &amp; Benefits</b>                | <b>8</b> | <b>16</b>                                    | <b>\$1,811</b>  | <b>21</b> | <b>26</b> | <b>\$3,901</b>  | <b>13</b> | <b>10</b> | <b>\$2,090</b> |
| <i>Management &amp; Administration</i>        |          |  | \$2,404         |           |           | \$2,404         |           |           | \$0            |
| [WCF]   |          |  | [\$969]         |           |           | [\$706]         |           |           |                |
| <i>National Tools and Information Systems</i> |          |  | \$1,465         |           |           | \$1,465         |           |           | \$0            |
| [WCF]   |          |  | [\$0]           |           |           | [\$0]           |           |           |                |
| <i>Stakeholder Engagement</i>                 |          |  | \$500           |           |           | \$500           |           |           | \$0            |
| [WCF]   |          |  | [\$0]           |           |           | [\$0]           |           |           |                |
| <i>Technical Assistance</i>                   |          |  | \$8,574         |           |           | \$7,784         |           |           | -\$790         |
| [WCF]   |          |  | [\$0]           |           |           | [\$0]           |           |           |                |
| <i>Special Projects and Coordination</i>      |          |  | \$1,525         |           |           | \$1,525         |           |           | \$0            |
| [WCF]   |          |  | [\$0]           |           |           | [\$0]           |           |           |                |
| <b>Activity Costs</b>                         |          |  | <b>\$14,468</b> |           |           | <b>\$13,678</b> |           |           | <b>-\$790</b>  |
| <b>Total</b>                                  | <b>8</b> | <b>16</b>                                    | <b>\$16,279</b> | <b>21</b> | <b>26</b> | <b>\$17,579</b> | <b>13</b> | <b>10</b> | <b>\$1,300</b> |

Multi-Jurisdictional Communications Services (MCS): Establishes and administers services delivered to advance State, local, tribal, and multi-jurisdictional interoperable emergency communications capabilities. Specific responsibilities include:

- Conducting outreach and consensus building activities with State, local, and tribal government officials and national practitioner organizations to exchange best-practice information and build consensus for common challenges, solutions, and objectives;
- Developing tools, information, and systems to foster the distribution and exchange of policy, technical, best-practice, and lessons-learned information among key interoperable emergency communications users;
- Coordinating, at a Regional level, the delivery and integration of Federal planning, training, and technical assistance to State, local, and tribal governments;
- Delivering planning, training, and technical assistance to enhance State, local, and tribal government interoperable emergency communications capabilities; and
- Conducting exercises and evaluations to determine the extent to which Federal services and assistance have advanced State, local and tribal government interoperable emergency communications capabilities.

## Federal Communications Services:

*\$ thousands (FY 2008 is restated in the new FY 2009 Structure for comparison purposes only. Please refer to the crosswalk at the end of this justification.)*

| Program/Mission Area.....                                |          | Office of Emergency Communications |                 |          |          |                 |          |          |              |
|--|----------|------------------------------------|-----------------|----------|----------|-----------------|----------|----------|--------------|
| Project.....   |          | Federal Communications Services    |                 |          |          |                 |          |          |              |
| Activity   | FY 2008  |                                    | FY 2009         |          | Change   |                 | \$       |          |              |
|  | FTE      | FTP                                | FTE             | FTP      | Request  | FTE FTP         |          |          |              |
| <b>Salaries &amp; Benefits</b>                           | <b>5</b> | <b>9</b>                           | <b>\$1,132</b>  | <b>9</b> | <b>9</b> | <b>\$1,689</b>  | <b>4</b> | <b>0</b> | <b>\$557</b> |
| <i>Management &amp; Administration</i>                   |          |                                    | \$1,294         |          |          | \$1,294         |          |          | \$0          |
| [WCF]  |          |                                    | [\$728]         |          |          | [\$521]         |          |          |              |
| <i>Administrative Support</i>                            |          |                                    | \$452           |          |          | \$452           |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <i>Participatory Engagement/Conferences</i>              |          |                                    | \$268           |          |          | \$268           |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <i>Emergency Communications Preparedness Center</i>      |          |                                    | \$500           |          |          | \$500           |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <i>Wireless Capabilities Development</i>                 |          |                                    | \$7,565         |          |          | \$7,565         |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <i>Federal Spectrum Management</i>                       |          |                                    | \$170           |          |          | \$170           |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <i>Federal Partners for Interoperable Communications</i> |          |                                    | \$850           |          |          | \$850           |          |          | \$0          |
| [WCF]  |          |                                    | [\$0]           |          |          | [\$0]           |          |          |              |
| <b>Activity Costs</b>                                    |          |                                    | <b>\$11,099</b> |          |          | <b>\$11,099</b> |          |          | <b>\$0</b>   |
| <b>Total</b>   | <b>5</b> | <b>9</b>                           | <b>\$12,231</b> | <b>9</b> | <b>9</b> | <b>\$12,788</b> | <b>4</b> | <b>0</b> | <b>\$557</b> |

Federal Communications Services (FCS): Establishes and administers services delivered to advance Federal interoperable emergency communications capabilities. Specific responsibilities include:

- Providing administrative and policy support to the Emergency Communications Preparedness Center, the interdepartmental organization established by Congress to serve as the focal point and clearinghouse for interagency efforts to advance interoperable emergency communications.
- Facilitating interagency technical collaboration and cooperation to advance the development and adoption of standards and common capability specifications, and to identify opportunities to advance Federal interoperable emergency communications capabilities through joint, interagency projects; and
- Conducting pilot or demonstration projects to evaluate the effectiveness and efficiency obtained through such opportunities, and to promote their adoption.

### FY 2007 Accomplishments

#### Office of Director:

- Appointed a Director of Emergency Communications who, in turn, has begin stand-up and staffing of the OEC while providing insight, guidance, and management for the Sufficiency of Resources Plan (SRP) and National Communications Baseline Assessment activities.
- Facilitated the transition of the following programs and responsibilities - in whole or in part, in accordance with Title XVIII of the Homeland Security Appropriations Act of 2002, as amended, ensuring that services were not disrupted or broken:
  - SAFECOM program—from Directorate for Science and Technology
  - Integrated Wireless Network program—from Under Secretary for Management/Office of the Chief Information Officer
  - Interoperable Communications Technical Assistance Program—from Directorate for Preparedness, Office of Grants and Training

#### Policy, Planning, and Analysis (PPA):

- Completed the SRP which documented the initial findings of the Department of Homeland Security (DHS) on the resources and staff deemed necessary to carry out fully the responsibilities identified in the 2007 Homeland Security Appropriations Act.

#### Multi-Jurisdictional Communications Services (MCS):

- Provided guidance and technical assistance to State, local and tribal governments to advance interoperable emergency communications; with particular emphasis on the development of the required Statewide Interoperable Communications Plans (SCIP) and Public Safety Interoperable Communications (PSIC) Grant Program Investment Justifications (IJs). 42 of 56 States and territories developed and submitted preliminary SCIPs by September 30, 2007.
- Developed guidance and tools to support State/Territory interoperable communication implementation and planning efforts.
- Conducted State/local/tribal outreach to foster the exchange of information relating to challenges to improving the survivability, sustainability, and interoperability of local emergency communications system.

#### Federal Communications Services (FCS):

- Developed the charter for the Emergency Communication Preparedness Center (ECPC) and established the administrative support functions required to facilitate interagency collaboration and the development of the first national strategic assessment.
- Facilitated the technical collaboration and cooperation on P25 standards and security protocols, and conducted interagency projects transferred from the Integrated Wireless Network program in accordance with project plans.

#### FY 2008 Planned Milestones

##### Policy, Planning, and Analysis (PPA):

- Submit and Complete Phase I & II of the National Emergency Communications Baseline Assessment after integrating information obtained from the SCIPs and previously unavailable data.
- Develop the National Emergency Communications Plan (NECP) in cooperation with other Federal agencies, State, local and tribal governments, emergency response providers and the private sector. The Plan will leverage the knowledge accumulated by past governmental and stakeholder efforts to characterize existing capabilities, current requirements, and anticipated technological advancement to establish short and long-term goals for ensuring and enhancing emergency communications nationwide.
- Develop grant guidance in collaboration with Office of Interoperability and Compatibility (OIC) and FEMA, for the Interoperable Emergency Communications Grant Program and other departmental programs for emergency communications, to ensure that grant selection criteria adequately reflects national emergency communications strategic and planning objectives.
- Establish and implement mechanisms to solicit, evaluate, and integrate input and feedback from all levels of government and the private sector into national emergency communications strategy formulation, planning, and measurement processes consistent with OEC's assessment, planning, regional integration and emergency communications grant program responsibilities.

#### Multi-Jurisdictional Communications Services (MCS):

- Deliver technical assistance to regional, Statewide, and urban area grant recipients with regards to interoperable communications.
- Facilitate the integration of available Federal and commercial emergency communications services and solutions into State, local, and tribal emergency plans and exercises.
- Review, evaluate, and provide feedback on preliminary SCIPs submitted in accordance with the Homeland Security Grant Program (HSGP) and the PSIC Grant Program.
- Update and deliver the annual SAFECOM Recommended Federal Interoperable Communications Grant Guidance document to help maximize the efficiency with which public safety communications related grant dollars are allocated and spent.
- Use the Communications Asset Survey and Mapping (CASM) database tool to provide technical assistance support to State and local Homeland Security grant recipients.
- Support the 2008 Golden Phoenix event.
- Support the 2010 Olympics Communications and Interoperable Working Group Committee.

#### Federal Communications Services (FCS):

- Complete ECPC deliberations and draft the first ECPC national strategic assessment.
- Identify and promote cross-governmental resource sharing through the implementation of interoperability and integration demonstration projects.
- Continue to influence technical and operational standards development through collaborative and inter and intra-governmental forums.
- Define user requirements toward the development of the NECP.
- Identify and implement immediate interoperability solutions in applicable high-risk areas.
- Leverage existing infrastructure and resources on the Southwest Border to promote sharing and enhanced interoperability where applicable.
- Establish, in coordination with internal and external stakeholders, a national asset inventory management database that facilitates incident response at the national level.
- Publish first Annual Report on accomplishments.

#### FY 2009 Planned Milestones

##### Policy, Planning, and Analysis (PPA):

- Complete 2nd Biennial National Emergency Communications Progress report on the state of interoperable emergency communications capabilities.
- Conduct an evaluation of IP-based emergency communications systems to better understand the advantages of such systems, and to anticipate and communicate vulnerabilities to ensure that these vulnerabilities can be avoided or appropriately mitigated.

##### Multi-Jurisdictional Communications Services (MCS) :

- Deliver Statewide and tactical technical assistance to State, local and tribal governments and emergency responder organizations.
- Update and deliver the annual SAFECOM Recommended Federal Interoperable Communications Grant Guidance to help maximize the efficiency with which public safety communications related grant dollars are allocated and spent.
- Support the 2010 Olympics Communications and Interoperable Working Group Committee.

##### Federal Communications Services (FCS):

- Complete the Annual Emergency Communications Preparedness Center Strategic Assessment.
- Establish and maintain a clearinghouse and knowledge base of emergency communications information.
- Evaluate feasibility of solutions implemented in interoperability demonstration projects.
- Complete two regional integrated exercises to evaluate interoperable emergency communications capabilities under more realistic circumstances and communicate the findings to participants (and to support preparation of the national progress report).
- Continue to influence technical and operational standards development through collaborative and inter and intra-governmental forums.
- Maintain and conduct one regional exercise utilizing the national asset management database.
- Using lessons learned from interoperability demonstration projects, implement solutions nationally.
- Coordinate with stakeholders to ensure NECP utilization is feasible in real time field operations.

#### Budget Crosswalk of FY 2008 Enacted Structure to the FY 2009 Congressional Justification Structure

In FY 2009, OEC requests a change in budget structure to better align appropriated resources with the Office's proposed operational model. Previously, as represented in the FY 2008 Enacted Budget Structure, OEC resource estimates were structured against proposed functional mission elements identified in Title XVIII. The Title XVIII Steering Committee and Working Group believed aligning resources in this structure would best show the inter-related responsibilities of all Federal organizations addressed in Title XVIII. However, now that OEC has stood itself up and is now in full operation, OEC believes that optimal mission success will be reached through a "stakeholder based" operating model instead of the structure based in Title XVIII. In this "stakeholder based" model, OEC managers are responsible for servicing clients (Federal, State, local, and tribal entities), instead of focusing on functionality. The following exhibit explains how OEC would like to re-distribute resources from the previous budget structure into the proposed structure for FY 2009.

Budget Crosswalk of FY 2008 Enacted to FY 2009 Congressional Justification<sup>1</sup>

| FY 2008 Enacted - FY 2009 PB Request Crosswalk                           |            |           |                      | FY 2009 PB REQUEST   |                      |
|--|------------|-----------|----------------------|----------------------|----------------------|
| FY 2008 Congressional Budget Structure                                   | 09 Project | FTE       | Enacted              | FTE                  | Request              |
| National Policy Planning and Analysis                                    | OD         | 2         | \$ 726,778           |                      |                      |
|  | MCS        | 0         | \$ 998,104           |                      |                      |
|  | PPA        | 3         | \$ 6,348,832         |                      |                      |
|  |            |           | <b>\$ 8,073,714</b>  |                      |                      |
| Regional Coordination and Outreach                                       | MCS        | 0         | \$ 1,531,333         |                      |                      |
|  |            |           |                      | <b>\$ 1,531,333</b>  |                      |
| Emergency Communications Response & Recovery Services                    | OD         | 1         | \$ 114,000           |                      |                      |
|  | MCS        | 7         | \$ 2,023,763         |                      |                      |
|  | FCS        | 5         | \$ 12,231,042        |                      |                      |
|  |            |           | <b>\$ 14,368,805</b> |                      |                      |
| Interoperable Communications Integration & Technical Assistance Services | MCS        | 1         | \$ 11,726,148        |                      |                      |
|  |            |           |                      | <b>\$ 11,726,148</b> |                      |
| <b>Total Requested Budget</b>  |            | <b>19</b> | <b>\$ 35,700,000</b> |                      |                      |
| <b>FY 2009 Congressional Budget Structure</b>                            |            |           |                      |                      |                      |
| Office of the Director (OD)  |            | 3         | \$ 840,778           | 5                    | \$ 1,150,302         |
| Policy Planning and Analysis (PPA)                                       |            | 3         | \$ 6,348,832         | 7                    | \$ 6,782,165         |
| Multi-Jurisdictional Communications Services (MCS)                       |            | 8         | \$ 16,279,348        | 21                   | \$ 17,579,348        |
| Federal Communications Services (FCS)                                    |            | 5         | \$ 12,231,042        | 9                    | \$ 12,788,185        |
| <b>Total Requested Budget</b>  |            | <b>19</b> | <b>\$ 35,700,000</b> | <b>42</b>            | <b>\$ 38,300,000</b> |

<sup>1</sup> FY 2008 is being executed in the FY 2008 Enacted Budget Structure.

#### IV. Program Justification of Changes

**Department of Homeland Security  
National Protection and Programs Directorate (NPPD)  
Infrastructure Protection and Information Security  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1:** Mitigation Programs

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: Infrastructure Protection

Program Increase: Positions 100 FTE 50 Dollars \$12,857

#### Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |            |                  | FY 2009 Request |            |                  |
|------------------------|-----------------|-----|-----------------|-----------------|------------|------------------|-----------------|------------|------------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE        | Dollars (\$000)  | Pos             | FTE        | Dollars (\$000)  |
| Current Services Level |                 |     |                 | 174             | 158        | \$134,253        | 174             | 174        | \$136,973        |
| Program Increase       |                 |     |                 |                 |            |                  | 100             | 50         | 12,857           |
| <b>Total Request</b>   |                 |     |                 | <b>174</b>      | <b>158</b> | <b>\$134,253</b> | <b>274</b>      | <b>224</b> | <b>\$149,830</b> |

#### Description of Item

Mitigation programs utilize measures designed to prevent, deter, and mitigate threat to CIKR, and reduce and enable timely, efficient response and restoration in a post-event situation for all hazards. Mitigation programs are projects and activities, both voluntary and regulatory, which facilitate security partners to identify and mitigate vulnerabilities, implement protective measures, and increase preparedness for facilities, systems, and surrounding communities. They also support public awareness efforts and facilitate the sharing of CIKR protection-related best practices and lessons learned. Additionally, they enable IP planning, readiness and incident management capabilities. Mitigation Programs is divided into eight budget activities: Infrastructure Coordination and Incident Management, Contingency Planning, Readiness, Infrastructure Security Compliance Division, Protective Security Advisors, Cross Sector/Cross Cutting Mitigation Implementation, SSA Management, and Bombing Prevention.

#### Justification

Additional funding of \$10,827,000 and 45 FTE (90 positions) is required to appropriately staff regulatory requirements associated with the chemical sector, as well as to provide tools and systems to collect and analyze vulnerability information, review plans, support and manage inspections activity, issue decisions, address appeals, and support compliance enforcement. Specifically, additional positions will include inspectors, adjudicators, mission support staff, and specialized legal support.

The funds will help establish a permanent adjudications capability responsible for the evaluation and handling of all requests for relief, reconsideration, and appeals under the regulation. The increase also

will assist in the development and execution of an economic model to identify and validate the economic risks, chokepoints and bottlenecks in the chemical sector. During the initial phase, Economically Critical Chemical data will be collected through the screening process, but the capability to analyze and model that data for the purpose of tiering decisions will not yet exist. The requirement to identify chemicals that are of economic significance to the nation (e.g., a material essential to the continued operation of an economically important activity, such as power generation, water treatment, durable goods manufacture, etc.) informs tiering and evaluations of facilities against the risk based performance standards that underlie the program. The increase to this mission area will also assist in the design and implementation of a comprehensive case management system that links data collection tool, Site Security Plans, and Inspection/Audit reports for trends and analysis, periodic/annual reporting, and records management purposes.

An increase of \$1,370,000 will fund 10 new Protective Security Advisor (PSA) positions, as well as the requirements associated with field support and equipment. In 2004, the Department established the PSA Program, deploying a cadre of 68 critical infrastructure security specialists to 60 metropolitan areas across the United States to represent the Department at the Federal, State, territorial, local, and tribal levels. PSAs were deployed to provide a local perspective to the national CIKR risk picture and serve as DHS' on-site critical infrastructure and vulnerability assessment specialists, and as a vital channel of communication for officials and private sector owners and operators of CIKR assets seeking to communicate with DHS.

In addition to these more significant programmatic changes, \$660,000 additional funding is requested shifts of less than a million dollars each occurred within six activities within this mission area to better align resources with the fulfillment of DHS' critical infrastructure protection mission.

#### Impact on Performance

The Infrastructure Security Compliance project will acquire a permanent adjudications capability, responsible for the evaluation and handling of all requests for relief, reconsideration, and appeals under the regulation. Secondly, this program will develop and execute an economic model of the chemical sector to identify and validate the economic risks, chokepoints and bottlenecks in the chemical sector. Thirdly, funding at this level is needed to design and implement a comprehensive case management system that links data collection tools, Site Security Plans, and Inspection and Audit reports for trends and analysis, periodic and annual reporting, and records management purposes.

During contingencies, PSAs are often the first DHS personnel to respond to incidents and, therefore, are uniquely positioned to provide early situational awareness to DHS and IP leadership. Often, PSAs also serve as the Infrastructure Liaison at the JFO in support of the Principal Federal Official (PFO) during an incident. PSAs may also provide support to Area Field Offices within the JFO and State and local Emergency Operation Centers (EOCs) upon request and as needed. With the requested funding, the nation's PSAs will have access to important equipment to assist them in completing their coordination and communication requirements.

**Department of Homeland Security  
National Protection and Programs Directorate (NPPD)  
Infrastructure Protection and Information Security  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 2:** US-CERT

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure/ Fixed Critical Infrastructure and Key Assets

PPA: National Cyber Security Division

Program Increase: Positions 45 FTE 23 Dollars \$79,896

(\$ in thousands)

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                  |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|------------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000)  |
| Current Services Level |                 |     | 42,250          | 53              | 30        | 159,282         | 53              | 53        | \$162,528        |
| Program Increase       |                 |     |                 |                 |           |                 | 45              | 23        | 79,896           |
| <b>Total Request</b>   |                 |     | <b>42,250</b>   | <b>53</b>       | <b>30</b> | <b>159,282</b>  | <b>98</b>       | <b>76</b> | <b>\$242,424</b> |

Description of Item

The United States Computer Emergency Readiness Team (US-CERT) has primary responsibility for the National Cyberspace Security Response System to prevent, detect, and respond to cyber incidents. US-CERT is a partnership between the Department of Homeland Security and the public and private sectors to protect the Nation's critical Internet infrastructure. Its key roles are to: 1) coordinate defense and responses to cyber attacks across the Nation's critical infrastructure; 2) analyze and reduce cyber threats and vulnerabilities; 3) disseminate cyber threat warning information; and 4) coordinate incident response activities. US-CERT supports a national mission to secure cyberspace but lacks the resources to address the emerging and evolving cyber threats facing America today.

US-CERT's FY 2008 Enacted budget included an additional \$115,000,000 submitted as a budget amendment to enhance the base funds of \$44,282,000. This \$115,000,000 increase for US-CERT's Cyber Initiative features a ramped-up intrusion detection capability, supports additional staffing, and upgrades Situational Awareness capability. This will greatly increase the detection of intrusions of .gov networks, complemented by increased resources for Incident Handling and Analysis. The FY 2009 request builds on and enhances programmatic activities established in FY 2008 in the areas of:

- Incident Handling;
- Analysis;
- Strategic Operations;
- Situational Awareness; and
- Production.

The FY 2009 request will enable US-CERT to continue its mission to protect the Nation's infrastructure against cyber attacks and to strengthen its emergency response capability. The

enhancement will permit the continued development, implementation, and operation of an upgraded cyber security program. It will enable US-CERT to expand its cyber security initiatives and maintain optimal performance in the face of an environment that presents new threats.

The requested resources include a program increase of \$79,896,000 that includes: \$3,398,000 for 23 FTE and 45 positions, and \$76,498,000 for program costs. The program costs encompass the following increases:

- Incident Handling - \$6,521,000;
- Analysis - \$11,521,000;
- Strategic Operations - \$10,000,000;
- Situational Analysis - \$48,014,000; and
- Production - \$442,000.

To achieve this vision, the US-CERT will take a series of integrated actions to close gaps and provide the needed capabilities. Key actions include the continuation and enhancement of the following programs:

### **1. Incident Handling:**

The US-CERT maintains a 24x7x365 incident handling capability that receives, identifies, correlates, triages, and responds to incidents impacting the Nation's critical assets. The Incident Handling Program addresses cyber security incidents that may pose a threat at the national level, and provides US-CERT the ability to detect and mitigate targeted attacks against the Federal Government. The Incident Handling Program coordinates the dissemination of cyber threat information via the National Cyber Alert System to warn Federal, state, and local governments and associated critical infrastructure components of viruses, vulnerabilities, attacks, malicious code, impending threats, and weaknesses.

The FY 2009 program increase of \$6,521,000 will provide for additional contractor personnel and the hardware and software necessary to complement the Trusted Internet Connections and Einstein activities discussed below under Situational Awareness.

### **2. Analysis:**

US-CERT's Analysis Program's objective is to correlate cyber threat data and disseminate actionable information. The Analysis Program continually strives to maintain an in-house capability to analyze various types of data to improve overall understanding of current or emerging cyber threats and to secure critical infrastructure and the Internet through timely analysis and production of actionable information to aid incident response efforts. The program consists of four components: Network Analysis, Malware Analysis, Critical Infrastructure, Digital Media Analysis, and Information Sharing and Analysis Center (ISAC) Partnership:

- Network Analysis - correlates network data (e.g., flow data) to identify emerging threats, ongoing trends, and intrusions that have already occurred. Network analysts work in a continuous feedback loop with all US-CERT constituents to identify and respond to cyber incidents.
- Malware Analysis - focuses on analyzing malicious code and other attack tools that seek to exploit vulnerabilities, presenting a real and present danger to the security of U.S. information

systems. Analysts use hardware/software technologies to analyze malicious code and vulnerabilities.

- Digital Media Analysis - works with compromised digital media.
- Critical Infrastructure and ISAC Partnership - reaches out to critical private sector entities to enhance operational relationships between US-CERT and those entities.

The FY 2009 program increase of \$11,521,000 will provide for additional mission support and hardware and software necessary to complement the Trusted Internet Connections and Einstein activities discussed below under Situational Awareness.

### **3. Strategic Operations:**

The Strategic Operations Program's mission is to build critical interagency information sharing and incident response collaboration. It supports the US-CERT's cyber incident response planning and coordination activities. The program's planning and coordination efforts have substantially increased the need for greater outreach and information sharing among public and private cyber security stakeholders. The expanding environment of cyber security requires broader and higher level planning to facilitate interagency information sharing for cyber readiness and response efforts. Enhanced coordination capacity is needed to plan effectively and implement fully integrated US-CERT responses to cyber incidents.

The success or failure of the Strategic Operations program depends significantly on how accurately the US-CERT security analysts judge the severity as security events emerge. The Strategic Operations Program maintains active partnerships with key organizations that can provide the necessary cyber security expertise to assist US-CERT personnel, and is comprised of two sub-programs: the Government Forum for Incident Response and Security Teams (GFIRST) and the Chief Information Security Officers (CISO) Forum.

The FY 2009 program increase of \$10,000,000 will provide \$5,000,000 funding for: cyber education and supply chain risk management.

Cyber Education & Expertise - \$5,000,000: In FY 2008, the project will outline a plan to baseline current cyber educational capabilities for civilian agencies, the Department of Defense and the Intelligence Community, academia, and industry. Requirements from other cyber initiatives will be identified and incorporated, and the desired cyber education end state will be identified. Also, a collective U.S. Government (USG) plan to strengthen and expand cyber educational and training programs will be developed. In FY 2009, the project will complete a cyber education and training program gap analysis; expand and improve Federal Cyber Service Programs; develop public/private training certification standards, accreditation, and performance testing; and identify desired cyber educational curriculum concepts, including K-12.

Supply Chain Risk Management - \$5,000,000: This project will develop a broad approach to address the risks stemming from the globalization of the commercial information and communications technologies (ITC) marketplace. Globalization increases the opportunities to penetrate the U.S. Government supply chain to gain unauthorized access to data; to alter data; or to interrupt communications. Risks stemming from the global ICT supply chain must be managed in a strategic

and comprehensive way over the entire life cycle of ICT products and services. In FY 2009, the project will implement acquisition policy, develop and implement life cycle acquisition processes and guidance, and examine mechanisms for utilizing supply chain risk information within Federal acquisitions.

#### **4. Situational Awareness:**

The objective of the Situational Awareness program is to identify, analyze, and comprehend broad network activity and to support incident handling and analysis of cyber security trends for Federal agencies so that they may increase their own situational awareness and reduce cyber threats and vulnerabilities. The FY 2008 Enacted provided funding for US-CERT's Situational Awareness program. The FY 2008 funding supports Einstein sensors, hardware, software, data storage, and mission support, and enables US-CERT to lead remote access defense across the Federal network enterprise. The FY 2009 request calls for programmatic increases to further expand these critical activities.

Situational Awareness consists of the following elements:

- Mission Operating Environment (MOE) – A collection of hardware and software that provides an operating platform that is sequestered from the Internet and supports US-CERT cyber security operations. The MOE provides US-CERT with the capability to conduct incident handling, analysis, and information sharing safely and securely without infecting computing infrastructure that supports DHS operations.
- Einstein – A collection of hardware and software that supports an automated process to collect, correlate, analyze, and share cyber security information across Federal government networks. Einstein collects data flows in real time from participating Federal agency Internet connections and provides an enhanced view and analysis of the health of critical cyber networks across the U.S. Government. The program provides a knowledge base for improving network security, resulting in increased resiliency of critical electronically delivered government services. Einstein has emerged as a successful program that partners with federal agencies to collect and analyze network flows. The program has expanded to additional agencies each year, but further growth and efficiency requires increased resources. The FY 2009 budget requests a program increase of \$42,914,000 to:
  - Continue deployment of additional and upgraded Einstein equipment to future sites;
  - Enhance data center capacity;
  - Expand a facility to house additional Government and mission support; and
  - Develop a new version of Einstein for the Front End System II.
- Trusted Internet Connections (TIC) – The TIC is an Office of Management and Budget initiative to optimize the U.S. Government's (USG) network services into a common solution. The role of US-CERT in the TIC is to enhance the USG's response capability to address potential problems by comprehensively deploying the Einstein system to all Federal departments and agencies. The TIC initiative will provide oversight and compliance of .gov internet access point aggregation and implementation of sound information security measures. The FY 2008 funding provides for contractor support and in-person and remote audit tools (software). With this increased capability, US-CERT will achieve a baseline of the .gov network configuration, that is, an understanding of key network characteristics and what security measures are in place. The FY

2009 program increase will provide an additional \$5,100,000 to advance this initiative by funding additional mission support, services, and necessary hardware and software.

In FY 2009, US-CERT will expand and enhance its Situational Awareness capabilities, capacity, and outreach to close current gaps and to serve a wider range of public and private sector stakeholders. To achieve this vision, the US-CERT will undertake the following actions:

- Expand the Einstein program to support Administration-wide involvement with an increase in site installations as appropriate.
- Expand Einstein next generation programs.
- Enhance the US-CERT Internet Health Service to give a greater synoptic view of the Nation's information infrastructure. Investment in vendor software licenses and other tools and applications will supplement Einstein threat data with vendor-supplied views of backbone traffic and health.
- Enhance US-CERT outreach efforts through the creation of "account managers" for our key national and international stakeholders. These positions will fill an existing gap in client support and will provide an advanced customer service capability that will allow major cyber stakeholders to gain a comprehensive view and awareness of the global information structure.
- Collaborate on the Federal Desktop Common Configuration Project (FDDP) to set up a secure desktop image for Windows XP/Vista that may be deployed across the Federal Government.
- Hire additional contractors and fund federal FTEs to support Einstein systems engineering, deployment, future tool development, and administrative support.
- Support planning and policy including globalization vulnerability assessment, National Response Framework, cyber reconstitution, international cooperation, and professional development.

## **5. Production:**

US-CERT serves as the Federal government's cornerstone for protecting the nation's Internet infrastructure by coordinating defense against and response to cyber attacks, and is charged with publishing alerts and notices to promote awareness and the network defense. The US-CERT Production Program plays a key role in accomplishing this mission by collaborating with both public and private sectors (Federal agencies, industry, the research community, state, local, and tribal governments, private citizens, etc.) to share and disseminate reasoned and actionable cyber security information. This information spans all levels of users in an effort to protect networks, information, assets, and critical infrastructures. The Production program delivers information through a variety of distribution mechanisms.

The requested \$442,000 program increase will enable the Production program to expand its ongoing activities concurrent with the enhanced Situational Awareness effort.

### Justification

US-CERT serves as the central point for addressing cyber security incidents within the Federal Government. Statistics show that malicious cyber intrusions are increasing dramatically each year. For example, in FY 2005, the total number of incidents and events handled by the US-CERT was 4,094. This increased to 23,986 in FY 2006 and 37,213 in FY 2007. The number of incidents

expected to be handled by US-CERT in FY 2008 and FY 2009 is likely to be much higher as a result of the increased Einstein deployments and the markedly increased Internet coverage. In brief, US-CERT will be positioned to detect many more intrusions that will need to be handled and analyzed.

To ensure that it has the ability to gather threat data and respond to Federal Government computer security incident, US-CERT needs real-time collection of data. In August 2007, the White House tasked US-CERT to develop an Einstein Deployment Plan that would roll out Einstein to all Government Cabinet-level agencies, while concurrently evolving the architecture to Einstein 'Next Generation'. The following outlines the programmatic justifications.

### **1. Incident Handling:**

The FY 2008 Enacted positioned US-CERT to fulfill its leadership role for the Federal community in securing America's cyber space. A major thrust was on the installation of Einstein sensors at additional Federal agencies and the development of Trusted Internet Connections. However, these efforts will succeed only if Incident Handling is provided with the requested resources in order to respond to the expected increased number of cyber incidents and to play a role that fully complements the activities of US-CERT's Situational Awareness Program. The requested FY 2009 funding of \$6,521,000 will provide the needed resources for Federal and mission support and associated hardware and software, and will build on the momentum established in FY 2008.

### **2. Analysis:**

US-CERT's Analysis Program presents the same situation described for Incident Handling. Again, it is imperative that the resources allocated for Analysis fully complement US-CERT's Situational Awareness and Incident Handling activities. The requested funding will provide the needed resources for mission support and associated hardware and software. The additional FY 2009 funding of \$11,521,000 will leverage the investments made in FY 2008 and define the Federal role for extending cybersecurity into critical infrastructure domains.

### **3. Strategic Operations:**

The \$10,000,000 program increase for Strategic Operations includes funding for:

- Cyber Education and Expertise - Presidential councils and committees have reported the need to educate and build a technologically-skilled workforce. Current cyber training and personnel development programs, while good, are limited in focus and lack unity of effort. Educating and building a skilled workforce will require implementing the recommendations of such groups as the National Infrastructure Advisory Council (NIAC), the President's Council of Advisors on Science and Technology (PCAST), and the National Security Telecommunications Advisory Committee (NSTAC).
- Supply Chain Risk Management - The globalization of the commercial information and communications technologies (ICT) marketplace increases the opportunities to penetrate the U.S. Government supply chain for unauthorized purposes. The risks stemming from the global ICT supply chain must be managed in a strategic and comprehensive way over the entire life cycle of ICT products and services. This project will implement acquisition policy, develop and implement life cycle acquisition processes and guidance, and examine mechanisms for utilizing supply chain risk information within Federal acquisitions.

#### **4. Situational Awareness:**

The Situational Awareness Program funding increase totals \$48,014,000. These expenditures will support the activities launched in FY 2008 and will be critical to their long-term success. The funding will provide for:

- Additional Einstein installations for Front End System I, as appropriate;
- An enhanced data center capacity; and
- A new version of the Einstein system for Front End System II.

The requested funding will support the requisite mission support to analyze network flow data and support data center functions, and to implement all aspects of the US-CERT program.

#### **5. Production:**

The Production Program funding increase is \$442,000. The program increase will enable Production to expand its activities, support the enhanced Situational Awareness effort, and continue the progress established in FY 2008.

##### Impact on Performance (Relationship of Increase to Strategic Goals)

For 2008, the Secretary of Homeland Security re-emphasized the Department's five overarching goals, including:

- #3: protect critical infrastructure
- #4: build a nimble, effective emergency response system and a culture of preparedness

The Secretary also declared four major areas of focus including cyber security.

The proposed investment is designed to directly support the Secretary's priorities and DHS goals. The increased resources will significantly enhance the protection of Federal government and private sector computer systems currently vulnerable to attack and failure. The investment will preclude or reduce the impacts of actual attacks, saving considerable costs to Federal, State and local agencies and private sector organizations and firms to restore operations. The investment will also protect the US Government, including DHS, which is seeking to serve as a model and leader for sound cyber security, from the loss of credibility and embarrassment that might result from successful attacks.

The investment will also result in a next generation upgrade and a quantum expansion of the Einstein program far beyond its current deployment, including deployment across the entire Federal government, to implement another OMB directive. US-CERT's Internet Health Service will gain a requisite synoptic view of the internet's backbone and its health. The end result of this new "early warning" capability will be a greatly improved ability to deliver advance warnings across the Federal government and to all other public and private stakeholders.

The investment will also result in major upgrades to the US-CERT Portal and its Secure Portal as information dissemination mechanisms for cyber security. This capacity fosters achievement to build awareness for a well-informed public-at home, the government and private enterprise, and internationally who understand our shared responsibility.

The proposed funding will yield a considerable return on investment in the form of cost savings from prevented cyber attacks and expedited responses to actual attacks. The U.S. public and private sector infrastructures will have enhanced survivability as a result of broad awareness, protection, and incident handling.

The following are performance metrics that are relevant in determining the effectiveness and efficiencies of the US-CERT Programs:

- Total number of cyber security communication and guidance products and services provided to stakeholders. The stakeholders who receive these products and services include Federal agencies; state, local and tribal governments; non-governmental organizations such as industry and academia; international entities; and individual users. NCSA has identified a need to facilitate outreach and engagement opportunities with Federal, public, private, and international entities. The satisfactory result of these actions will improve the security, resiliency and reliability of the Nation's infrastructure by enabling the sharing and development of assets that enable working collaboratively with public, private, and international entities to secure cyberspace and America's cyber assets.
- Another measure directly addresses the National Cyber Security Division (NCSA) mission of working collaboratively with public, private, and international entities to secure cyberspace and America's cyber assets. Specifically, US-CERT is responsible for analyzing and reducing cyber threats and vulnerabilities; disseminating cyber threat warning information; and coordinating incident response activities. US-CERT interacts with Federal agencies, industry, the research community, state and local governments, and others to disseminate reasoned and actionable cyber security information to the public.
- Total number of alerts, bulletins, security tips, and vulnerability notes disseminated to stakeholders for the purpose of communicating cyber warning information in support of coordinating defenses against and responses to cyber attacks.
- Level of beneficiaries' satisfaction with NCSA collaboration events, such as symposiums, cyber exercises and major forums. After collaboration events, voluntary feedback from beneficiaries on the program's performance is collected and evaluated. The overall goal is to continually improve upon the NCSA program's performance to ensure that the products and services delivered at collaboration events are relevant and useful for the program's targeted beneficiaries.
- Total numbers of targeted beneficiaries who receive these services include Federal agencies, state and local governments, non-governmental organizations such as industry and academia, and individual users. As the vast majority of the critical infrastructures of the U.S. are held by private entities, creating partnerships, developing relationships, and engaging users are essential aspects of NCSA's program.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 3:** Strategic Initiatives

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure: Fixed Critical Infrastructure and Key Assets

PPA: National Cyber Security Division

Program Increase: Positions 0 FTE 0 Dollars \$5,751

(\$ in thousands)

|                        | FY 2007 EOY Projected Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-------------------------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos                           | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                               |     | \$21,824        | 15              | 16        | \$35,828        | 15              | 16        | \$35,887        |
| Program Increase       |                               |     |                 |                 |           |                 |                 |           | 5,751           |
| <b>Total Request</b>   |                               |     | <b>\$21,824</b> | <b>15</b>       | <b>16</b> | <b>\$35,828</b> | <b>15</b>       | <b>16</b> | <b>\$41,638</b> |

Description of Item

The NCSO Control Systems Security Program (CSSP) directly supports the DHS priority to reduce America's vulnerability to terrorism and protect critical infrastructure. The NCSO CSSP is focused on a single goal of reducing the cyber risk to our Nation's critical infrastructure control systems. In support of that goal are two interdependent objectives; developing partnerships and providing guidance. The CSSP will accomplish its goal with a focus on coordinating government, industry and international efforts in addition to developing and implementing programs aimed at reducing the likelihood of success and severity of impact of a cyber attack against our Nation's critical infrastructure Supervisory Control and Data Acquisition (SCADA) or Industrial Control Systems (ICS).

The Strategic Operations program increase for FY 2009 includes \$5,751,000 for Control Systems. This increase will fund activities to maintain and update the Control Systems Security Framework that supports the Control System Security Program (CSSP) Self Assessment Tool and other control systems security requirements; sponsor government/industry workshops and the annual Process Control Systems Forum (PCSF) meeting/symposium to increase awareness and promote culture of security; develop control systems security informational products, tools and a baseline of control systems standards to enable promulgation of control systems security best practices; and assess three (3) commonly utilized control systems and provide solutions to vulnerabilities and recommendations to protect against cyber threats.

The increased funding will also support the Control Systems Cyber Security Self Assessment Tool (CS2SAT), which provides an approach to assessing the control systems cyber security posture of facilities and control systems/assets. This assessment assists critical infrastructure and key resources

(CI/KR) sectors and Federal departments and agencies in the development and implementation of their critical cyber and communications infrastructure protection risk management initiatives. The CS2SAT is flexible and applicable at varying levels of analysis while meeting the National Infrastructure Protection Plan (NIPP) requirements for cross-sector consistency.

### Justification

The NCSD CSSP was established in May 2004 and has engaged both public and private entities in a number of significant activities since its inception. Some of the significant activities initiated by NCSD CSSP include:

- Management of the Process Control System Forum (PCSF) as a unique forum to accelerate the design, development, and deployment of more secure control systems.
- Establishment of a Federal Control Systems Working Group and the drafting of a coordinating strategy for the Federal Government.
- Development, pilot testing and deployment of a control system cyber security self-assessment tool (CS2SAT) for critical infrastructure owners and operators.
- Organization and facilitation of monthly conference calls with vendors of predominant SCADA and control systems found throughout the nation which is attended by about 90% of all control systems vendors with a U.S. market share.
- Development and presentation of training videos and classes at workshops, conferences and other venues to educate the control systems community on the risk of control system cyber attacks and mitigation solutions.
- Establishment of a national capability in the US-CERT to receive, manage and respond to incidents and vulnerabilities that affect our nation's control systems.
- The development and validation of scenarios that illustrate little known vulnerabilities to our Nation's critical infrastructure.
- Development of a standardized catalog of control systems procurement specifications that can be used by any agency or business to ensure that security is built into systems before they are purchased
- The development of requirements for the research and development of future control systems.

The total of \$18,000,000 in FY 2009 will enable Control Systems to advance these vital initiatives and expand the much needed scenario identification, vulnerability assessment and mitigation, control systems security information, awareness, training, and tools to critical infrastructure owners and operators. The additional funding would allow for significant improvements in the current CSSP.

Areas where additional funding would improve the CSSP initiatives include:

- Identification and scoping of a new class of vulnerability that can potentially cause physical damage as a result of a cyber attack.
- Rapid ramp-up to identify vulnerabilities and develop mitigation strategies for control systems and critical infrastructure that are susceptible to attacks through the infrastructure itself.
- Solidify the source of funding and a solid foundation for the continued operation of the Process Control Systems Forum (PCSF) as the primary outreach mechanism for the NCSD CSSP.
- Expand coordination with other agencies and organizations involved in the security of control systems such as InfraGard and their initiative called SCADAGard.
- Production of national-level situational awareness information on the cyber status and health of the Nation's critical infrastructure control systems.

- Vulnerability assessments of additional control systems to provide industry owners and operators of the Nation's critical infrastructure with critical information on legacy and commercial off the shelf control systems component security weaknesses. This effort also provides control system vendors with important control systems security information they can use to patch or eliminate security holes within their products, resulting in more secure products and applications.
- Improved national-level control system incident handling and response and vulnerability management capability.
- Improved outreach and awareness efforts to emphasize the important role of protecting the cyber systems that monitor and control the industrial processes within the Nation's critical Infrastructure.
- Expand the content of CSSP web pages, under US-CERT, and promote the site as the one-stop-shop for control systems cyber security information, control system vulnerability reporting and cross-sector control systems information sharing.
- Expand the control systems malware analysis capability in coordination with US-CERT.
- Develop an outreach program to educate the intelligence community of early indicators and warnings for control systems so they can feed that information back through established intelligence channels for analysis.
- Expand the venue and class size for the second (and subsequent) International Advanced SCADA Security Training conference and offer to additional countries besides just the usual five (US, Canada, United Kingdom, Australia, and New Zealand).
- Expand the development, vetting and distribution of control systems cyber security best practices, standards, and guidelines.

Impact on Performance (Relationship of Increase to Strategic Goals):

The National Infrastructure Protection Plan (NIPP) meets the requirement that the President set forth in Homeland Security Presidential Directive 7 (HSPD7), which requires critical infrastructure identification, prioritization and protection. The NIPP addresses risks from a physical, human and cyber perspective. The NCSD CSSP primarily focuses on the cyber aspects of the nation's critical infrastructures. The NCSD CSSP is currently working on several specific tasks involving the identification and prioritization of critical national assets; however, the program is providing the most value in the protection of the nation's critical assets through the identification, analysis, and remediation of cyber vulnerabilities in control systems, which monitor and manage the nation's critical infrastructure physical processes. The NCSD CSSP is working directly with Federal Sector Specific Agencies (SSA) to assist them in ensuring critical control system assets are appropriately secured. A successful cyber attack against the systems that monitor and manage critical processes, such as electricity production, transmission, and distribution; natural gas and petroleum products processing and distribution; transportation monitoring and control; dam management; nuclear plant management; and chemical processing could result in significant physical and economic consequences.

In direct support of the DHS Strategic Goal to protect against and respond to threats and hazards, the NCSD CSSP works with and supports several DHS components to include the US-CERT, S&T, and IP in addition to almost all SSAs identified in the NIPP.

The first international conference on SCADA security was held with over 400 participants including many of the Nation's owners and operators. All have acknowledged that cyber security of control

systems must be addressed immediately from a national level to provide leadership, purpose, scope, and direction. The NCSO CSSP serves as the DHS focal point for this effort.

The CSSP has many integrated tasks with many government, industry, and academia in order to provide the information, training, awareness, and tools necessary to support their efforts in facing the security challenges to our Nation's critical infrastructure. By collaborating with other federal agencies, NCSO CSSP provides critical control systems cyber security input to complement their current initiatives. Should the requested funding amounts not be received and the CSSP have to reduce the level of activity for these ongoing initiatives, the loss of this integrated support would be felt immediately - not only within various components within DHS - but throughout the control systems stakeholder communities and the Federal government.

The increase being requested will allow the NCSO CSSP to fully meet its obligation as a leader to secure the control systems of our Nation's critical infrastructure and key resources. An increase to the program will provide for the expansion of vulnerability identification, testing, mitigation, support for malware analysis and common vulnerability evaluations, implementation of a Federal Control Systems Coordinating Strategy, expansion of control systems metrics to additional sectors, and next generation systems recommendations.

NCSO CSSP is fulfilling a leadership role, and there is a growing expectation by federal agencies, private industry, and internationally that the work will not just continue, but expand, to meet the need within the control systems community.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 4:** Next Generation Networks (NGN) Priority Services Program

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: National Communications System

Program Increase: Positions      FTE      Dollars \$34,900

**Funding Profile**

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|-----------------|-----|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                 |     | \$14,080        | 4               | 4        | \$21,100        | 4               | 4        | \$21,100        |
| Program Increase       |                 |     |                 |                 |          |                 |                 |          | 34,900          |
| <b>Total Request</b>   |                 |     | <b>\$14,080</b> | <b>4</b>        | <b>4</b> | <b>\$21,100</b> | <b>4</b>        | <b>4</b> | <b>\$56,000</b> |

\* FY 2008 Enacted in P.L. 110-161 listed Next Generation Networks (NGN) separately from the Priority Telecommunications Service (PTS) subtotal. The above program change reflects NGN separately from PTS as well.

**Description of Item**

The requested increase to the NGN Priority Services program is a necessary part of sustaining Priority Telecommunications services for the National Security and Emergency Preparedness (NS/EP) community. NGN Priority Services supports National Security Leadership and emergency responders by providing equivalent GETS and WPS voice priority communications as well as priority data and video teleconferencing capabilities during natural or man-made disasters or emergencies that cause congestion or outages in the Public Switched Telephone Network's (PSTN's) IP-based NGN.

Specifically, the \$34,900,000 increase will – 1) Keep pace with industry evolution by migrating legacy priority voice telecommunications features from public circuit-switched telephony networks to NGN IP-based packet infrastructures; and 2) allow for the design and development of priority broadband data services. The requested resources will allow the National Communications System (NCS) to focus on incorporating NS/EP priority telecommunications requirements into industry's emerging IP Multimedia Subsystem (IMS) communications architecture framework. The IMS provides the foundational platform for supporting all NGN telecommunications applications.

**Justification**

The IMS NGN Priority Service investment is spread among multiple carriers (e.g., AT&T, Verizon Business, and Sprint) and their vendors to obtain a survivable, robust, and ubiquitous priority telecommunications service that assures the ability of NS/EP users, including National Leadership, to communicate in an all-hazards environment. Current PSTN circuit-switched priority

telecommunications features and services will disappear as circuit-based segments of the networks transition to IP-based NGNs. The NS/EP NGN Priority Service investment is needed to maintain current priority services and to eventually add priority data services to support NS/EP user broadband requirements.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

With the increased level of funding for NGN Priority Services, NCS will provide GETS and WPS voice priority communications and add NS/EP data priority capabilities as the PSTN carriers migrate their networks to IP-based NGNs. Thus, critical infrastructures and key assets residing in locations served by IP-based NGNs will receive priority treatment when the IP-based NGNs become damaged and/or congested due to natural or man-made events.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 5:** National Command & Coordination Capability

Strategic Goal(s) & Objective(s): 4.1 Build a nimble, effective emergency response system and a culture of preparedness / Response and Recovery

PPA: National Communications System

Program Increase: Positions 14 FTE 7 Dollars \$57,037

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|-----------------|-----|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                 |     |                 | 2               | 1        | \$3,832         | 2               | 2        | \$3,963         |
| Program Increase       |                 |     |                 |                 |          |                 | 14              | 7        | \$57,037        |
| <b>Total Request</b>   |                 |     |                 | <b>2</b>        | <b>1</b> | <b>\$3,832</b>  | <b>16</b>       | <b>9</b> | <b>\$61,000</b> |

Description of Item

**Program Management:** NPPD is standing up the NCCC Management Coordination Office (MCO) in FY 2008 to provide overall oversight and coordination of NCCC development and deployment. NCCC provides for the concurrent, nationwide, extension and integration of complex federal classified and sensitive but unclassified information and communications subsystems into an integrated national command, control and coordination system providing unique connectivity and situation awareness to federal, state and local authorities. As a consequence of the NCCC's scope, scale and criticality, the program employs the available technology and systems from across the Federal Government.

**Infrastructure Deployment:** Funds the acquisition and fielding of integrated NCCC Initial Operational Capabilities (IOC) to nationwide locations. The capabilities include (1) SECRET-level and sensitive-but-unclassified mobile voice and data communications capabilities to state and territorial governors and the heads of key federal departments and agencies and (2) integrated sensitive-but-unclassified and SECRET-level classified voice, video and data communications capabilities to state and territorial governors, Emergency Operations Centers, and selected state fusion centers.

This initiative will be consistent with NCS Directive 3-10, which requires federal departments and agencies to deploy unclassified and classified communications in support of continuity policy. Through the implementation of the NCS 3-10 directive, Federal departments and agencies will deploy capabilities that are interoperable with the NCCC, ensuring that connectivity exists between departments and agencies and state, territorial, and local entities that have NCCC deployed capabilities. NCCC tasks include equipment acquisition (e.g., site equipment and network infrastructure components, customized gateways/multipoint control units, and operating software), site

surveys, security accreditation and certification, system component engineering, network infrastructure and site-specific equipment deployment (i.e. encryption devices, voice, video and data equipment) and installation, and user training.

#### Justification

Recent natural and man-made disasters, as well as acts of terrorism, have demonstrated the need for shared situational awareness and coordinated decision making among Federal, State, tribal, insular, and local Principals, from the President to first responders. The President and other key Principals require an enhanced interoperable ability to effectively plan for and deliberately respond to a crisis.

The NCCC program will leverage existing capabilities and systems. It will identify gaps between current and end-state capabilities, assess how these systems can better connect and interact with each other, and, when necessary, deploy new capabilities accordingly to effectively and efficiently address the identified gaps.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

The impact on performance of the increase will include a significantly enhanced ability to timely process and share situational awareness and information among various levels of government during normal and crisis operations.

**Department of Homeland Security  
National Protection and Programs Directorate (NPPD)  
Infrastructure Protection and Information Security  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Increase 6:** Office of Emergency Communications Personnel

Strategic Goal(s) & Objective(s): 4.1 Build a nimble, effective emergency response system and a Culture of preparedness / Response and Recovery

PPA: Office of Emergency Communications

Program Increase: Positions 10 FTE 5 Dollars \$0

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     |                 | 37              | 19        | \$35,700        | 37              | 37        | \$38,300        |
| Program Increase       |                 |     |                 |                 |           |                 | 10              | 5         | -               |
| <b>Total Request</b>   |                 |     |                 | <b>37</b>       | <b>19</b> | <b>\$35,700</b> | <b>47</b>       | <b>42</b> | <b>\$38,300</b> |

Description of Item

An additional ten Positions, 5 FTE are requested to enhance OEC State and local outreach efforts. No additional funding is requested, as required resources are currently contained within base and will convert non-pay base funds to cover additional personnel costs.

Justification

Title XVIII of the Department of Homeland Security Appropriations Act of 2002, as amended, established the Office of Emergency Communications (OEC) in FY 2007. In FY 2007, funding transferred from the following initiatives, either in part or as a whole:

- a. SAFECOM program—from Directorate for Science and Technology
- b. Integrated Wireless Network program—from Under Secretary for Management/Chief Information Officer
- c. Interoperable Communications Technical Assistance Program--from Directorate for Preparedness, Office of Grants and Training

Of these transferring initiatives, minimal federal personnel or FTP billets were identified. In the FY 2008 President's Budget, OEC identified the need for 37 positions to carryout the responsibilities of the transferring initiatives such as: delivering interoperable communications technical assistance to State, local, and tribal government; updating and coordinating common grant guidance; and, implementing the Integrated Wireless Network, without breaking current services. The additional 10 positions, 5 FTE requested in FY 2009 will facilitate State and local outreach efforts in accordance with OEC mission. No additional funding is requested, as required resources are currently contained within base and will convert non-pay base funds to cover additional personnel costs.

Impact on Performance:

The ten additional positions in FY 2009 will allow OEC to build upon the mission capabilities of the original 37 positions requested in FY 2008.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 1:**                    Identification and Analysis

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA:                                        Infrastructure Protection

Program Decrease:     Positions   0   FTE   0   Dollars (\$552)

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     |                 | 73              | 73        | \$69,522        | 83              | 83        | 77,878          |
| Program Decrease       |                 |     |                 |                 |           |                 |                 |           | (552)           |
| <b>Total Request</b>   |                 |     |                 | <b>73</b>       | <b>73</b> | <b>\$69,522</b> | <b>83</b>       | <b>83</b> | <b>77,326</b>   |

Identification and Analysis consists of IP projects that support the capability to identify the nation’s CIKR, assess CIKR vulnerabilities and consequences, prioritize assets and systems, and analyze and reduce risk. These activities support IP’s capabilities to provide a comprehensive inventory of the Nation’s CIKR assets, and to collect the vulnerability and consequence information required to conduct and produce comprehensive asset and system risk analyses. It also supports CIKR protection strategic and tactical risk analysis, simulation and modeling, and intelligence fusion with information from practical field assessments to enable interdependencies and cascading effects analysis. Identification and Analysis is divided into three projects: Vulnerability Assessments, Infrastructure Sector Analysis and Infrastructure Information Collection and Visualization.

Justification

This programmatic decrease reflects changes within the base funding levels of activities within Identification and Analysis. Because of other mission priorities, there is a reduction of \$4,000,000 for the National Infrastructure Simulation and Analysis Center (NISAC) efforts.

There is a \$1,550,000 increase for IP’s Homeland Infrastructure Threat and Analysis Center (HITRAC), which is an operation jointly staffed by IP and the Office of Intelligence and Analysis. This enhancement will allow IP to expand its coordination with S&T to monitor Research and Development (R&D) projects, identifying those which allow IP and the entire CIKR community to meet its core mission, and to provide the vehicle for acquisition and implementation of those projects. This program change reflects IP’s continued commitment to the partnership with DHS Science and Technology Directorate (S&T) and other DHS components.

In addition to these programmatic changes, \$1,898,000 of base funding shifts of less than a million dollars each occurred within four activities in this mission area to better align scarce resources with the

fulfillment of DHS' critical infrastructure protection mission. This includes a program increase of \$780,000 for Vulnerability Assessments and \$1,118,000 for the Infrastructure Information Collection and Visualization Program.

Impact on Performance (Relationship of decrease to Strategic Goals)

The reduction of \$4,000,000 for NISAC will delay some lower priority modeling, simulation, and analysis products. While important to the overall analysis of interrelated sector priorities and assets, delaying these products will not impact the Department's modeling and analysis capabilities. The products will eventually be used to conduct gap analyses, predict the performance of CIKR under abnormal conditions (natural and man-made incidents), effects of interdependencies, and dynamics of their interconnections. Executing this decrement still leaves adequate funding to perform maintenance necessary to maintain existing modeling tools.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 2:** Coordination and Information Sharing

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: Infrastructure Protection

Program Decrease: Positions \_\_\_ FTE \_\_\_ Dollars \$(15,484)

(\$ in thousands)

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     |                 | 93              | 93        | \$68,821        | 83              | 83        | \$61,128        |
| Program Decrease       |                 |     |                 |                 |           |                 |                 |           | (15,484)        |
| <b>Total Request</b>   |                 |     |                 | <b>93</b>       | <b>93</b> | <b>\$68,821</b> | <b>83</b>       | <b>83</b> | <b>45,644</b>   |

Coordination and information sharing includes IP projects and activities that enhance situational awareness and maximize the ability of government and private sector CIKR security partners at all levels to assess risks, coordinate programs and processes, and execute risk-mitigation programs and activities. In support of security partner coordination, IP leads, integrates, and coordinates the execution of the NIPP, in part by acting as a central clearinghouse for the information sharing and coordination activities of the individual sector governance structures and facilitates the development and ongoing support of these security partner governance and coordination structures or models. Building security partnerships represents the foundation of the coordination and information sharing efforts and is divided into four projects: CIKR Information Sharing, NIPP Management, CIKR Partnerships, and Management, Planning, and Administration.

Justification

A reduction in resources of approximately \$15,484,000 for Coordination and Information Sharing is a result of shifting priorities and movement of resources. These programmatic changes will allow IP to more efficiently employ resources in carrying out its goals and objectives related to building stable and useful partnerships and better constructing and utilizing channels of information.

Within the CIKR Information Sharing budget activity, a reduction of \$1,206,000 is for the Critical Infrastructure Warning and Information Network (CWIN). This program change reflects a reduction in CWIN's helpdesk operations and other incremental changes.

Reductions to the National Infrastructure Protection Plan (NIPP) Management project of approximately \$10,000,000 reflects the shift away from reviewing and updating the NIPP on a triennial cycle. The reduction also reflects a change in concentration from all CIKR sectors to a focus on selected high risk sectors as identified in the National Annual Report. The NIPP Base Plan is

currently in place along with the supporting Sector Specific Plans. Together these plans provide a basis for future efforts to focus on the risk mitigation activities in selected high-risk sectors. This reflects a shift in priorities due to limited resources.

The movement of \$3,700,000 for the NIPP Sector Specific Agency (NIPP SSA) Support reflect a shift of funding out of NIPP Management to provide implementation support to the SSAs for NIPP program implementation and strategic planning for the current year.

The Management, Planning, and Administration reduction of approximately \$3,465,000 represents a programmatic change due to the realization of increased efficiencies in providing oversight to the organization's three mission areas—Identification and Analysis, Coordination and Information, and Mitigation Activities.

Impact on Performance (Relationship of decrease to Strategic Goals)

These programmatic changes will affect operational performance by forcing the helpdesk to operate on a reduced hour schedule. While some customers might be better served with a 24x7 CWIN Helpdesk, there is significant diminishing returns for each hour the Desk is operational during non-business hours.

Similarly, the NIPP Base Plan is currently being adopted throughout the Nation and within the 17 CIKR sectors to build a “web” of partnerships and protective measures to secure the homeland. Accordingly, resources are being directed to other aspects of the NIPP to support implementation.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 3:** NCS D Information Sharing and Collaboration

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: National Cyber Security Division

Program Decrease: Positions 0 FTE 0 Dollars (\$5,920)

**Funding Profile**

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|-----------------|-----|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                 |     | \$17,504        | 9               | 9        | \$10,248        | 9               | 9        | \$10,248        |
| Program Decrease       |                 |     |                 |                 |          |                 |                 |          | (5,920)         |
| <b>Total Request</b>   |                 |     | <b>\$17,504</b> | <b>9</b>        | <b>9</b> | <b>\$10,248</b> | <b>9</b>        | <b>9</b> | <b>\$4,328</b>  |

Description of Item

The purpose of these funds was for a research and development grant to Dartmouth College and its entities the Institute for Information Infrastructure Protection (I3P) and Institute for Security Technology Studies (ISTS) to strengthen homeland security through research, education and outreach programs that focus on technology critical for cyber security and emergency preparedness and response. It also identified and addressed critical research problems in information infrastructure protection, built a community of researchers focused on infrastructure security, serve as a trusted partner for industry and government, fostered collaborative programs that build links between stove-piped constituencies, and provided a neutral forum for the exchange of ideas and information.

Justification

This program spans a three-year period beginning in FY 2006 and running through FY 2008 with appropriations executed in three corresponding grant periods; the final period is concluding in March 2009. The FY 2008 Enacted of \$8,340,000, in addition to available FY 2006 carryover and FY 2007 funds is sufficient to execute the final grant period; consequently, FY 2009 reflects a reduction against FY 2008. The conclusion of this program in FY 2008 brings to fruition a step within the overarching National Cyber Security Division plan. This program's accomplishments of research and development provide equity that progresses other programs. NCS D will provide \$2.25 million to support the I3P and ISTS in FY 2009.

Impact on Performance (Relationship of Decrease to Strategic Goals)

The reprioritization of funding that reduces the request for FY 2009 has been determined as unlikely to jeopardize the development of operational cyber security systems, techniques and procedures.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 4:** Priority Telecommunications Program

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: National Communications System

Program Decrease: Positions 0 FTE 0 Dollars (\$18,978)

Funding Profile:

|                        | FY 2007 Actual |     |                  | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----|------------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE | Dollars (\$000)  | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |     | \$103,996        | 10              | 10        | 72,702          | 10              | 10        | \$72,756        |
| Program Decrease       |                |     |                  |                 |           |                 |                 |           | (\$18,978)      |
| <b>Total Request</b>   |                |     | <b>\$103,996</b> | <b>10</b>       | <b>10</b> | <b>\$72,702</b> | <b>10</b>       | <b>10</b> | <b>\$53,778</b> |

\* FY 2008 Enacted in P.L. 110-161 listed Next Generation Networks (NGN) separately from the Priority Telecommunications Service (PTS) subtotal. The above program change reflects PTS, not including NGN.

Description of Item

The National Communications System (NCS) budget includes a decrease of \$18,978,000. The Priority Telecommunications Program supports national security leadership and emergency responders by providing end-to-end nationwide priority communications capability during natural or man-made disasters or emergencies that cause congestion or outages in the Public Switched Telephone Network (PSTN).

Justification

The \$18,978,000 decrease reflects the maturity of the Wireless Priority Service program, which has completed the bulk of its investments and is now primarily focused on ongoing operations, administration, and maintenance of the Global System for Mobile Communications (GSM) and Code Division Multiple Access (CDMA) WPS programs and the associated 70,000 priority service users. The budget reduces funding for the Universal Mobile Telecommunications System (UMTS) technology platform, but this will not have an immediate impact upon NS/EP users as long as Global System for Mobile Communications (GSM) wireless service providers continue to provide GSM as an overlay on the UMTS networks. Additionally, the budget continues funding deployment of WPS enhancements for the CDMA WPS carriers' Interoperability Specification (IOS) markets, representing approximately 20% of all wireless markets.

Impact on Performance (Relationship of Decrease to Strategic Goals)

This reduction will not have an immediate impact upon WPS services as long as Global System for Mobile Communications (GSM) wireless service providers continue to provide GSM as an overlay on the UMTS networks. WPS will continue to operate within the GSM and CDMA markets.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 5:** Programs to Study and Enhance Telecommunications

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: National Communications System

Program Decrease: Positions      FTE      Dollars (\$996)

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     | \$17,181        | 25              | 25        | \$16,000        | 25              | 25        | \$16,096        |
| Program Decrease       |                 |     |                 |                 |           |                 |                 |           | (996)           |
| <b>Total Request</b>   |                 |     | <b>\$17,181</b> | <b>25</b>       | <b>25</b> | <b>\$16,000</b> | <b>25</b>       | <b>25</b> | <b>\$15,100</b> |

Description of Item

The Programs to Study and Enhance Telecommunications (PSET) is decreasing by \$996,000. PSET is comprised of mandated NS/EP telecommunications programs and activities to support the planning for, and provision of, NS/EP communications for the Federal government under all circumstances, including crisis or emergency, attack, recovery and reconstitution.

Justification

This decrease reflects realignments to higher priority activities. The Modeling, Analysis and Technology Assessment (MATA) will continue to support its highest priority activities including Modeling and Analysis Capability Development, Modeling Studies and Prototype Development, Cable Studies, and Internet Modeling and Analysis Capabilities.

Impact on Performance (Relationship of Decrease to Strategic Goals)

MATA operations should not be severely impacted by the decrease and will be able to maintain current activity levels.

**Department of Homeland Security  
National Protection and Programs Directorate (NPPD)  
Infrastructure Protection and Information Security  
Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 6:**                    Critical Infrastructure Programs

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA:    National Communications System

Program Decrease:     Positions \_\_\_\_\_ FTE \_\_\_\_\_ Dollars (\$4,947)

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     | \$11,764        | 28              | 28        | \$16,100        | 28              | 28        | \$16,207        |
| Program Decrease       |                 |     |                 |                 |           |                 |                 |           | (4,947)         |
| <b>Total Request</b>   |                 |     | <b>\$11,764</b> | <b>28</b>       | <b>28</b> | <b>\$16,100</b> | <b>28</b>       | <b>28</b> | <b>\$11,260</b> |

Description of Item

The decrease of \$4,947,000 includes a reduction for CapWIN, a one-time expenditure of \$6,100,00 in FY 2008, and an increase of \$1,153,000 that will allow the NCS to restore operations of the National Coordinating Center (NCC) Watch from 18x7x365 to 24x7x365 and conduct in-depth regional characterizations of telecommunications infrastructure in four additional high-risk areas.

Justification

The NCC Watch serves as the operational arm of the NCS by providing situational awareness of the health of the telecommunications infrastructure and facilitating the initiation, coordination, restoration and reconstitution of national security and emergency preparedness (NS/EP) telecommunications services or facilities during emergency events. Senior level information assurance analysts located on site in the NCC Watch are closely integrated with the Government NCC operations staff and industry representatives from the NCC member companies. The NCC Watch enhances physical and cyber security of the Nation's critical communications infrastructures by facilitating cooperation, information sharing, and system-to-system interaction among the critical infrastructures and between the Government and the private sector. On a daily basis, the NCC Watch provides:

- Monitoring, through network owners and operators, the status of all essential communications facilities
- Consultation with private industry to exchange status information and develop coordinated action plans
- Assessing threats and vulnerabilities to NS/EP communications needs of the Federal Government.

Regional characterizations of the telecommunications infrastructure in high-risk areas significantly reduce the preliminary research and data gathering time normally associated with any analysis in the case of an event and assist in preparedness activities. During an incident, operational analysis models provide critical information to bridge the gap from when the incident occurs to when actual data becomes available post-event. When real-time data does begin to arrive, it is fed into the models to provide increasingly detailed situational awareness of impact to the communications infrastructure. These are critical to both government decision makers and the telecommunications service providers working to restore communications in the disaster area.

#### Impact on Performance (Relationship of Decrease to Strategic Goals)

The NCC Watch operations and the regional characterizations support DHS Goal #3 – *Protect Critical Infrastructure*.

Funding the NCC Watch will:

- Increase readiness posture to effectively coordinate communications critical infrastructure protection information sharing among Government and industry partners to assist in the response to any incident impacting the communications infrastructure
- Increase proactive and reactive response functionality to avert or mitigate impact on the communications infrastructure by collecting, analyzing, and sharing information on threats, vulnerabilities, intrusions, and anomalies from the communications industry, Government, and other sources

Funding the regional characterizations will decrease the research and data gathering time required during incident response in areas where these characterizations have not been conducted. This will prevent delays in critical information reaching government decision makers and telecommunications service providers restoring communications in the disaster area. Furthermore, the additional funding will provide much-needed training opportunities for the Analysis Response Team (ART) to prepare for disaster support functions.

**Department of Homeland Security**  
**National Protection and Programs Directorate (NPPD)**  
**Infrastructure Protection and Information Security**  
**Justification of Program Changes**  
(Dollars in Thousands)

**Program Decrease 7:** Industry-Government and Interagency Processes

Strategic Goal(s) & Objective(s): 3.1 Protect Critical Infrastructure / Fixed Critical Infrastructure and Key Assets

PPA: National Communications System

Program Decrease: Positions \_\_\_\_ FTE \_\_\_\_ Dollars (\$1,421)

Funding Profile

|                        | FY 2007 Actuals |     |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|-----------------|-----|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos             | FTE | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                 |     | \$6,095         | 23              | 23        | \$6,037         | 23              | 23        | \$6,125         |
| Program Decrease       |                 |     |                 |                 |           |                 |                 |           | (1,421)         |
| <b>Total Request</b>   |                 |     | <b>\$6,095</b>  | <b>23</b>       | <b>23</b> | <b>\$6,037</b>  | <b>23</b>       | <b>23</b> | <b>\$4,704</b>  |

Description of Item

Industry-Government and Interagency Processes (IGIP) sustain joint industry-government NS/EP and CIP communications strategic planning and coordination. Specifically, this activity supports the NCS Committee of Principals chaired by the Under Secretary of NPPD by direction of EO 12472; the President's National Security Telecommunications Advisory Committee (NSTAC) as directed by EO 12382, and the National Infrastructure Protection Plan and implementation activities as prescribed in HSPD-7.)

Justification

This decrease of \$1,421,000 reduces NCS contractor support for Industry-Government and Interagency Processes. Due to a reprioritization of NCS responsibilities, activities in these mission areas will decrease and resources have been directed to other higher priority activities. Funding will provide support to NCS COP interagency information sharing and collaboration through working groups and 3 COP meetings.

Impact on Performance (Relationship of Decrease to Strategic Goals)

The reduced the request for FY 2009 is unlikely to jeopardize the Inter-Government or Interagency Processes operations.

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
National Protection and Programs Directorate  
Justification of Proposed Changes in Infrastructure Protection and Information Security  
Appropriation Language**

For necessary expenses for infrastructure protection and information security programs and activities, as authorized by title II of Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), [\$654,730,000] **\$841,200,000**, of which [\$586,960,000] **\$754,151,000** shall remain available until September 30, [2009] **2010**. (Department of Homeland Security Appropriations Act, 2008.)

**Explanation of Changes:**

None requested.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
National Protection and Programs Directorate  
Infrastructure Protection and Information Security**

**FY 2008 to FY 2009 Budget Change**

(Dollars in Thousands)

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|--|-------------|------------|------------------|
| <b>FY 2007 Actuals<sup>1</sup></b> .....                     | <b>447</b>  | <b>367</b> | <b>\$497,278</b> |
| <b>2008 Enacted</b> .....                                    | <b>556</b>  | <b>497</b> | <b>654,730</b>   |
| <b>Adjustments-to-Base</b>                                   |             |            |                  |
| Increases  |             |            |                  |
| Annualization of prior year part year funding.....           | ---         | 54         | 7,713            |
| Annualization of 2008 pay raise.....                         | ---         | ---        | 605              |
| 2009 pay increase.....                                       | ---         | ---        | 1,509            |
| Transfer from USCG: LORAN                                    | ---         | ---        | 34,500           |
| <b>Total Increases</b> .....                                 | <b>---</b>  | <b>54</b>  | <b>44,327</b>    |
| <b>Total Adjustments-to-Base</b> .....                       | <b>---</b>  | <b>54</b>  | <b>44,327</b>    |
| <b>2009 Current Services</b> .....                           | <b>556</b>  | <b>551</b> | <b>699,057</b>   |
| <b>Program Changes</b>                                       |             |            |                  |
| Program Increases/(Decreases)                                |             |            |                  |
| IP: Identification and Analysis                              | ---         | ---        | (552)            |
| IP: Coordination and Information Sharing                     | ---         | ---        | (15,484)         |
| IP: Mitigation Programs                                      | 100         | 50         | 12,857           |
| National Cyber Security Division: US-CERT                    | 45          | 23         | 79,896           |
| National Cyber Security Division: Strategic Initiatives      | ---         | ---        | 5,751            |
| National Cyber Security Division: Planning and Programs      | ---         | ---        | (5,920)          |
| NCS: Next Generation Networks                                | ---         | ---        | 34,900           |
| NCS: National Command and Coordination Capability (NCCC)     | 14          | 7          | 57,037           |
| NCS: Priority Telecommunications Services (PTS)              | ---         | ---        | (18,978)         |
| NCS: Critical Infrastructure Programs (CIP)                  | ---         | ---        | (4,947)          |
| NCS: Programs to Study and Enhance Telecommunications (PSET) | ---         | ---        | (996)            |
| NCS: Industry-Government and Interagency Processes (IGIP)    | ---         | ---        | (1,421)          |
| Office of Emergency Communications                           | 10          | 5          | ---              |
| <b>Total Program Changes</b> .....                           | <b>169</b>  | <b>85</b>  | <b>142,143</b>   |
| <b>2009 Request</b> .....                                    | <b>725</b>  | <b>636</b> | <b>841,200</b>   |
| <b>2008 to 2009 Total Change</b> .....                       | <b>169</b>  | <b>139</b> | <b>186,470</b>   |

<sup>1</sup> FY 2007 Actuals include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

### C. Summary of Requirements

**National Protection and Programs Directorate  
Infrastructure Protection and Information Security**  
Summary of Requirements  
(Dollars in Thousands)

|                                    | 2009 Request |            |                  |
|------------------------------------|--------------|------------|------------------|
|                                    | Perm. Pos.   | FTE        | Amount           |
| <b>FY 2007 Actuals<sup>1</sup></b> | <b>447</b>   | <b>367</b> | <b>\$497,278</b> |
| <b>2008 Enacted</b>                | <b>556</b>   | <b>497</b> | <b>654,730</b>   |
| Adjustments-to-Base                |              |            |                  |
| Transfers                          | ---          | ---        | ---              |
| Increases                          | ---          | 54         | 44,327           |
| Decreases                          | ---          | ---        | ---              |
| Total Adjustments-to-Base          | ---          | 54         | 44,327           |
| <b>2009 Current Services</b>       | <b>556</b>   | <b>551</b> | <b>699,057</b>   |
| Program Changes                    | 169          | 85         | 142,143          |
| <b>2009 Total Request</b>          | <b>725</b>   | <b>636</b> | <b>841,200</b>   |
| 2008 to 2009 Total Change          | 169          | 139        | 186,470          |

| Estimates by Program/Project Activity         | 2008 Enacted |            |                | 2009 Adjustments-to-Base |           |                 | 2009 Program Change |           |                  | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                  |
|---|--------------|------------|----------------|--------------------------|-----------|-----------------|---------------------|-----------|------------------|--------------|------------|------------------|---------------------------|------------|------------------|
|   | Pos.         | FTE        | Amount         | Pos.                     | FTE       | Amount          | Pos.                | FTE       | Amount           | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount           |
| Infrastructure Protection                     | 340          | 324        | 272,596        | ---                      | 12        | \$3,383         | 100                 | 50        | (3,179)          | 440          | 386        | 272,800          | 100                       | 62         | 204              |
| National Cyber Security Division <sup>2</sup> | 83           | 59         | 210,413        |                          | 23        | \$3,360         | 45                  | 23        | 79,727           | 128          | 105        | 293,500          | 45                        | 46         | 83,087           |
| National Communications System <sup>3</sup>   | 96           | 95         | 136,021        | ---                      | 1         | \$34,984        | 14                  | 7         | 65,595           | 110          | 103        | 236,600          | 14                        | 8          | 100,579          |
| Office of Emergency Communications            | 37           | 19         | 35,700         | ---                      | 18        | \$2,600         | 10                  | 5         | ---              | 47           | 42         | 38,300           | 10                        | 23         | 2,600            |
| <b>Total</b>                                  | <b>556</b>   | <b>497</b> | <b>654,730</b> | <b>---</b>               | <b>54</b> | <b>\$44,327</b> | <b>169</b>          | <b>85</b> | <b>\$142,143</b> | <b>725</b>   | <b>636</b> | <b>\$841,200</b> | <b>169</b>                | <b>139</b> | <b>\$186,470</b> |

<sup>1</sup> FY 2007 Actuals include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

<sup>2</sup> Cyber Security was renamed to National Cyber Security Division in FY 2009.

<sup>3</sup> NS/EP Telecommunications was renamed to National Communications System in FY 2009.

**D. Summary of Reimbursable Resources**

N/A.

## E. Summary of Requirements by Object Class

### Department of Homeland Security National Protection and Programs Directorate Infrastructure Protection and Information Security

Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actuals* | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|---|---------------------|------------------|------------------|------------------------|
| 11.1 Total FTE & personnel compensation               | \$32,463            | \$50,350         | \$63,343         | \$12,993               |
| 11.3 Other than full-time permanent                   | \$1,426             | ---              | ---              | ---                    |
| 11.5 Other Personnel Compensation                     | \$2,817             | \$1,422          | \$1,830          | 407                    |
| 11.8 Special Service Pay                              | \$370               | ---              | ---              | ---                    |
| 12.1 Benefits   | \$8,400             | \$17,130         | \$21,624         | 4,494                  |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$45,476</b>     | <b>\$68,902</b>  | <b>\$86,797</b>  | <b>\$17,895</b>        |
| Other Object Classes:                                 |                     |                  |                  |                        |
| 21.0 Travel   | \$1,057             | \$6,955          | \$7,891          | 937                    |
| 22.0 Transportation of things                         | \$0                 | ---              | \$810            | 810                    |
| 23.1 GSA rent   | \$3,772             | ---              | ---              | ---                    |
| 23.2 Other rent                                       | \$3,722             | \$27,900         | \$5,000          | (22,900)               |
| 23.3 Communications, utilities, & other misc. charges | \$8,255             | \$6,942          | \$9,691          | 2,748                  |
| 24.0 Printing and reproduction                        | \$0                 | \$519            | \$459            | (60)                   |
| 25.1 Advisory and assistance services                 | \$169,230           | \$342,615        | \$455,131        | 112,516                |
| 25.2 Other services                                   | \$5,066             | \$37,869         | \$33,249         | (4,620)                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | \$152               | \$101,099        | \$130,703        | 29,604                 |
| 25.4 Operation & maintenance of facilities            | ---                 | ---              | 2,866            | 2,866                  |
| 25.5 Research and development contracts               | ---                 | 100              | 87               | (13)                   |
| 25.6 Medical care                                     | ---                 | 189              | 2,288            | 2,099                  |
| 25.7 Operation and maintenance of equipment           | \$50,990            | \$3,405          | \$19,860         | 16,455                 |
| 25.8 Subsistence and support of persons               | \$11,730            | ---              | ---              | ---                    |
| 26.0 Supplies and materials                           | \$450               | \$1,853          | \$2,441          | 589                    |
| 31.0 Equipment  | \$154               | \$44,042         | \$81,676         | 37,634                 |
| 41.0 Grants/Subsidies/Contributions                   | \$3,300             | \$12,340         | \$2,250          | (10,090)               |
| <b>Total, Other Object Classes</b>                    | <b>\$257,878</b>    | <b>\$585,828</b> | <b>\$754,403</b> | <b>\$168,575</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$303,354</b>    | <b>\$654,730</b> | <b>\$841,200</b> | <b>\$186,470</b>       |
| Unobligated balance, start of year                    |                     | (86,249)         |                  |                        |
| Unobligated balance, end of year                      | 86,249              |                  |                  |                        |
| Recoveries of prior year obligations                  |                     |                  |                  |                        |
| <b>Total requirements</b>                             | <b>\$389,603</b>    | <b>\$568,481</b> | <b>\$841,200</b> |                        |

\*FY 2007 Actuals include expenditures incurred for Biosurveillance. The program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

**F. Permanent Positions by Grade**

**Department of Homeland Security  
National Protection and Programs Directorate  
Infrastructure Protection and Information Security  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007       | 2008       | 2009       | 2008 to 2009 |
|----------------------------------|------------|------------|------------|--------------|
|                                  | Actuals    | Enacted    | Request    | Change       |
|                                  | Pos.       | Pos.       | Pos.       | Total        |
| Total, SES                       | 16         | 15         | 15         | ---          |
| Total, EX                        | 7          | ---        | ---        | ---          |
| Total, SL                        | ---        | 1          | 1          | ---          |
| GS-15                            | 95         | 136        | 158        | 22           |
| GS-14                            | 64         | 199        | 244        | 45           |
| GS-13                            | 166        | 97         | 110        | 13           |
| GS-12                            | 29         | 61         | 61         | ---          |
| GS-11                            | 42         | 30         | 112        | 82           |
| GS-9                             | 20         | 11         | 11         | ---          |
| GS-8                             | 3          | 2          | 2          | ---          |
| GS-7                             | 5          | 4          | 8          | 4            |
| GS-5                             | ---        | ---        | 3          | 3            |
| <b>Total Permanent Positions</b> | <b>447</b> | <b>556</b> | <b>725</b> | <b>169</b>   |
| Unfilled Positions EOY           | 80         | 59         | 89         | 30           |
| Total Perm. Employment EOY       | 367        | 497        | 636        | 139          |
| <b>FTE</b>                       | <b>367</b> | <b>497</b> | <b>636</b> | <b>139</b>   |
| Headquarters                     | 365        | 467        | 590        | 123          |
| U.S. Field                       | 82         | 89         | 135        | 46           |
| Foreign Field                    | ---        | ---        | ---        | ---          |
| <b>Total Permanent Positions</b> | <b>447</b> | <b>556</b> | <b>725</b> | <b>169</b>   |
| <b>Average ES Salary</b>         | \$ 163,046 | \$ 166,633 | \$ 170,299 | \$ 3,666     |
| <b>Average GS Salary</b>         | \$ 76,352  | \$ 92,209  | \$ 96,883  | \$ 4,674     |
| <b>Average GS Grade</b>          | 13.53      | 14.04      | 13.50      | (0.54)       |

## **G. Capital Investment and Construction Initiative Listing**

N/A

## H. PPA Budget Justifications

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**IPIS Management and Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: IPIS Management and Administration</b>   |  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                           |  |                         |                         |                         |                                |
| 11.1   | Perm Positions                             | \$32,463                | ---                     | ---                     | ---                            |
| 11.3   | Other than perm                            | 1,426                   | ---                     | ---                     | ---                            |
| 11.5   | Other per comp                             | 2,817                   | ---                     | ---                     | ---                            |
| 11.8   | Spec Srvc Pay                              | 370                     | ---                     | ---                     | ---                            |
| 12.1   | Benefits                                   | 8,400                   | ---                     | ---                     | ---                            |
| 21.0   | Travel                                     | 4                       | ---                     | ---                     | ---                            |
| 23.1   | GSA rent                                   | 3,772                   | ---                     | ---                     | ---                            |
| 23.2   | Other rent                                 | 3,722                   | ---                     | ---                     | ---                            |
| 23.3   | Communication, Utilities, and misc charges | 130                     | ---                     | ---                     | ---                            |
| 25.1   | Advisory & Assistance Services             | 14,806                  | ---                     | ---                     | ---                            |
| 25.2   | Other Services                             | 4,912                   | ---                     | ---                     | ---                            |
| 25.3   | Purchase from Govt. Accts.                 | 147                     | ---                     | ---                     | ---                            |
| 25.7   | Operation & maintenance of equipment       | 1                       | ---                     | ---                     | ---                            |
| 26.0   | Supplies & materials                       | 59                      | ---                     | ---                     | ---                            |
| 31.0   | Equipment                                  | 154                     | ---                     | ---                     | ---                            |
| <b>Total, IPIS Management and Administration</b> |  | <b>\$73,183</b>         | <b>\$0</b>              | <b>\$0</b>              | <b>\$0</b>                     |
| Full Time Equivalents                            |  | 367                     | ---                     | ---                     | ---                            |

**PPA Mission Statement**

The M&A budget activity funds the salary and administrative costs for the IPIS programs. This activity is not requested in FY 2008 and FY 2009. Salary and Benefits transferred to the IP, NCSD, and NCS appropriations and the administrative costs transferred to the M&A appropriation.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Critical Infrastructure Outreach and Partnership**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Critical Infrastructure Outreach and Partnership</b>   |  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--|-----------------|----------------|----------------|---------------------|
|  |  | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>   |  |                 |                |                |                     |
| 21.0   | Travel                                     | 804             | ---            | ---            | ---                 |
| 23.3   | Communication, Utilities, and misc charges | 6,580           | ---            | ---            | ---                 |
| 25.1   | Advisory & Assistance Services             | 71,189          | ---            | ---            | ---                 |
| 25.2   | Other Services                             | 3,824           | ---            | ---            | ---                 |
| 25.3   | Purchase from Govt. Accts.                 | 2,365           | ---            | ---            | ---                 |
| 26.0   | Supplies & materials                       | 169             | ---            | ---            | ---                 |
| 31.0   | Equipment                                  | 265             | ---            | ---            | ---                 |
| <b>Total, Critical Infrastructure Outreach and Partnership</b> |  | <b>\$85,196</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |
| Full Time Equivalents  |  | ---             | ---            | ---            | ---                 |

**PPA Mission Statement**

In FY 2008, CIOP was consolidated into a new, single Infrastructure Protection (IP) PPA.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Critical Infrastructure Identification and Evaluation**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Critical Infrastructure Identification and Evaluation</b>   |  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|--|-----------------|----------------|----------------|---------------------|
|   |  | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>  |  |                 |                |                |                     |
| 12.1  | Benefits                                   | 21              | ---            | ---            | ---                 |
| 21.0  | Travel                                     | 1,581           | ---            | ---            | ---                 |
| 22.0  | Transportation of things                   | 19              | ---            | ---            | ---                 |
| 23.3  | Communication, Utilities, and misc charges | 4,819           | ---            | ---            | ---                 |
| 25.1  | Advisory & Assistance Services             | 31,942          | ---            | ---            | ---                 |
| 25.2  | Other Services                             | 20              | ---            | ---            | ---                 |
| 25.7  | Operation & maintenance of equipment       | 8,531           | ---            | ---            | ---                 |
| 26.0  | Supplies & materials                       | 236             | ---            | ---            | ---                 |
| 31.0  | Equipment                                  | 3,312           | ---            | ---            | ---                 |
| <b>Total, Critical Infrastructure Identification and Evaluation</b> |  | <b>\$50,481</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |
| Full Time Equivalent  |  | ---             | ---            | ---            | ---                 |

**PPA Mission Statement**

In FY 2008, CIIE was consolidated into a new, single Infrastructure Protection (IP) PPA.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**National Infrastructure Simulation and Analysis Center**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: National Infrastructure Simulation and Analysis Center</b>   |                                | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|--------------------------------|-----------------|----------------|----------------|---------------------|
| <b>Object Classes:</b>   |                                | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| 21.0   | Travel                         | 1               | ---            | ---            | ---                 |
| 25.1   | Advisory & Assistance Services | 24,998          | ---            | ---            | ---                 |
| <b>Total, National Infrastructure Simulation and Analysis Center</b> |                                | <b>\$24,999</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |
| Full Time Equivalents  |                                | ---             | ---            | ---            | ---                 |

**PPA Mission Statement**

In FY 2008, NISAC was consolidated into a new, single Infrastructure Protection (IP) PPA.

**Department of Homeland Security  
National Protection and Programs Directorate  
Infrastructure Protection and Information Security**

**Biosurveillance\***

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: Biosurveillance*</b>  |  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|--|----------------|----------------|----------------|---------------------|
|                               |  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>        |  |                |                |                |                     |
| 23.3                          | Communication, Utilities, and misc charges | 487            | ---            | ---            | ---                 |
| 25.1                          | Advisory & Assistance Services             | 443            | ---            | ---            | ---                 |
| <b>Total, Biosurveillance</b> |  | <b>\$930</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |
| Full Time Equivalents         |  | ---            | ---            | ---            | ---                 |

Notes:

\*Transfer as proposed by the 872 notification effective March 31, 2007.

**PPA Mission Statement**

In FY 2008, the Biosurveillance PPA was transferred to the Office of Health Affairs.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Protective Actions**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Protective Actions</b>   |  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|----------------------------------|--|-----------------|----------------|----------------|---------------------|
|                                  |  | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Object Classes:</b>           |  |                 |                |                |                     |
| 21.0                             | Travel                                     | 775             | ---            | ---            | ---                 |
| 23.3                             | Communication, Utilities, and misc charges | 312             | ---            | ---            | ---                 |
| 25.1                             | Advisory & Assistance Services             | 26,785          | ---            | ---            | ---                 |
| 25.2                             | Other Services                             | 75              | ---            | ---            | ---                 |
| 25.3                             | Purchase from Govt. Accts.                 | 60              | ---            | ---            | ---                 |
| 25.7                             | Operation & maintenance of equipment       | 4,086           | ---            | ---            | ---                 |
| 26.0                             | Supplies & materials                       | 67              | ---            | ---            | ---                 |
| 31.0                             | Equipment                                  | 158             | ---            | ---            | ---                 |
| <b>Total, Protective Actions</b> |  | <b>\$32,318</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |
| Full Time Equivalents            |  | ---             | ---            | ---            | ---                 |

**PPA Mission Statement**

In FY 2008, Protective Actions was consolidated into a new, single Infrastructure Protection (IP) PPA.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Infrastructure Protection**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Infrastructure Protection</b>   |  | <b>2007</b>    | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|---|--|----------------|------------------|------------------|---------------------|
| <b>Object Classes:</b>                  |  | <b>Actuals</b> | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| 11.1                                    | Perm Positions                             | ---            | 32,882           | 37,324           | 4,442               |
| 11.5                                    | Other per comp                             | ---            | 901              | 1,023            | 122                 |
| 12.1                                    | Benefits                                   | ---            | 11,261           | 12,782           | 1,521               |
| 21.0                                    | Travel                                     | ---            | 5,512            | 5,547            | 34                  |
| 23.3                                    | Communication, Utilities, and misc charges | ---            | 1,965            | 2,220            | 255                 |
| 24.0                                    | Printing                                   | ---            | 309              | 239              | (70)                |
| 25.1                                    | Advisory & Assistance Services             | ---            | 119,570          | 122,118          | 2,548               |
| 25.2                                    | Other Services                             | ---            | 12,516           | 12,833           | 317                 |
| 25.3                                    | Purchase from Govt. Accts.                 | ---            | 84,346           | 74,596           | (9,750)             |
| 25.5                                    | Research & Development                     | ---            | 100              | 87               | (13)                |
| 26.0                                    | Supplies & materials                       | ---            | 1,092            | 1,354            | 262                 |
| 31.0                                    | Equipment                                  | ---            | 2,142            | 2,676            | 534                 |
| <b>Total, Infrastructure Protection</b> |  | <b>\$0</b>     | <b>\$272,596</b> | <b>\$272,800</b> | <b>\$204</b>        |
| Full Time Equivalents                   |  | ---            | 324              | 386              | 62                  |

**PPA Mission Statement**

Infrastructure Protection (IP) reduces the vulnerability of the Nation's Critical Infrastructures and Key Resources (CIKR) to terrorist and natural disasters, enables timely protective response to threats and incidents, and enable rapid recovery in the aftermath of such disasters.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|----------------|---------------------|
|                              | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Salaries and Benefits</b> | \$0            | \$45,044       | \$51,129       | \$6,085             |

The FY 2009 Request includes \$51,129,000 in salaries and benefits for 386 FTE.

|               | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|----------------|----------------|----------------|---------------------|
|               | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | \$0            | \$5,512        | \$5,547        | \$34                |

Travel includes all costs of transportation of persons, subsistence of travellers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request of \$5,547,000 represents a \$34,000 increase over FY 2008 Enacted.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Transportation of Things</b> | \$0            | \$0            | \$0            | \$0                 |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request does not include expenses pertaining to the Transportation of Things.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous charges</b> | \$0            | \$1,965        | \$2,220        | \$255               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request of \$2,220,000 represents a decrease of \$255,000 from FY 2008 Enacted.

|                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|----------------|----------------|----------------|---------------------|
|                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$0            | \$309          | \$239          | (\$70)              |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request of \$239,000 represents a decrease of \$70,000 over FY 2008 Enacted.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$0            | \$119,570      | \$122,118      | \$2,548             |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request of \$122,118,000 represents an increase of \$2,548,000 over FY 2008 Enacted.

|                       | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|----------------|----------------|----------------|---------------------|
|                       | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$0            | \$12,516       | \$12,833       | \$317               |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request of \$12,833,000 represents an increase of \$317,000 over FY 2008 Enacted.

|  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|-----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$0             | \$84,346        | \$74,596        | (\$9,750)              |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request of \$74,596,000 represents a decrease of \$9,750,000 from FY 2008 Enacted.

|                                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Research and Development</b> | \$0             | \$100           | \$87            | (\$13)                 |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request of \$87,000 represents a decrease of \$13,000 from FY 2008 Enacted.

|   | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0             | \$0             | \$0             | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request does not include Operation & Maintenance of Equipment expenses.

|                                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$0             | \$1,092         | \$1,354         | \$262                  |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request of \$1,354,000 represents an increase of \$262,000 over FY 2008 Enacted.

|                  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$0             | \$2,142         | \$2,676         | \$534                  |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request of \$2,676,000 represents an increase of \$534,000 over FY 2008 Enacted.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**National Cyber Security Division<sup>1</sup>**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: National Cyber Security Division</b>   |  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>      | <b>2008 to 2009</b> |
|--|--|-----------------|----------------|------------------|---------------------|
| <b>Object Classes:</b>                         |  | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b>   | <b>Change</b>       |
| 11.1   | Perm Positions                             | ---             | 5,813          | 10,815           | \$5,002             |
| 11.5   | Other per comp                             | ---             | 154            | 263              | 109                 |
| 12.1   | Benefits                                   | ---             | 1,898          | 3,545            | 1,647               |
| 21.0   | Travel                                     | 388             | 630            | 1,224            | 594                 |
| 23.2   | Other rent                                 | ---             | 27,900         | 5,000            | (22,900)            |
| 23.3   | Communication, Utilities, and misc charges | 2,755           | 175            | 180              | 5                   |
| 24.0   | Printing                                   | ---             | 210            | 220              | 10                  |
| 25.1   | Advisory & Assistance Services             | 9,916           | 88,216         | 137,043          | 48,827              |
| 25.2   | Other Services                             | 30              | 25,060         | 20,065           | (4,995)             |
| 25.3   | Purchase from Govt. Accts.                 | 5               | 6,356          | 26,910           | 20,554              |
| 25.7   | Operation & maintenance of equipment       | 50,989          | 3,000          | 10,000           | 7,000               |
| 25.8   | Subsistence & Support of persons           | 11,730          | ---            | ---              | ---                 |
| 26.0   | Supplies & materials                       | 170             | 361            | 585              | 224                 |
| 31.0   | Equipment                                  | ---             | 38,300         | 75,400           | 37,100              |
| 41.0   | Grants/Subsidies/Contributions             | 3,300           | 12,340         | 2,250            | (10,090)            |
| <b>Total, National Cyber Security Division</b> |  | <b>\$79,283</b> | <b>210,413</b> | <b>\$293,500</b> | <b>\$83,087</b>     |
| Full Time Equivalents                          |  | ---             | 59             | 105              | 46                  |

<sup>1</sup> Cyber Security was renamed to National Cyber Security Division in FY 2009.

**PPA Mission Statement**

As the primary DHS organization responsible for national cyber security initiatives, National Cyber Security Division focuses on exercises to develop, evaluate, improve, and refine the capabilities of DHS to prevent, protect, respond and recover from incidents affecting cyber components (information, hardware, software, data, and networks) of the Nation's critical infrastructure.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                     | \$7,865                 | \$14,623                | \$6,758                        |

The FY 2009 request for National Cyber Security Division includes \$14,623,000 in salaries and benefits for 105 FTE.

|               | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$388                   | \$630                   | \$1,224                 | \$594                          |

Travel includes all costs of transportation of persons, subsistence of travellers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request of \$1,224,000 represents a \$594,000 increase over FY 2008 Enacted.

|                   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Rent</b> | \$0                     | \$27,900                | \$5,000                 | (\$22,900)                     |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request of \$5,000 represents a decrease of \$22,900,000 from FY 2008 Enacted.

|  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charges</b> | \$2,755                 | \$175                   | \$180                   | \$5                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request of \$180,000 represents an increase of \$5,000 over FY 2008 Enacted.

|                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                     | \$210                   | \$220                   | \$10                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request of \$220,000 represents an increase of \$10,000 over FY 2008 Enacted.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$9,916                 | \$88,216                | \$137,043               | \$48,827                       |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 Request of \$137,043,000 represents an increase of \$48,827,000 over FY 2008 Enacted.

|                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$30                    | \$25,060                | \$20,065                | (\$4,995)                      |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request of \$20,065,000 represents a decrease of \$4,995,000 from FY 2008 Enacted.

|  | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$5                     | \$6,356                 | \$26,910                | \$20,554                       |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request of \$26,910,000 represents an increase of \$20,554,000 over FY 2008 Enacted.

|   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|---|-----------------|----------------|-----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$50,989</b> | <b>\$3,000</b> | <b>\$10,000</b> | <b>\$7,000</b>      |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request of \$10,000,000 represents an increase of \$7,000,000 over FY 2008 Enacted.

|   | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|-----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Subsistence &amp; Support of Persons</b> | <b>\$11,730</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Subsistence & Support of Persons includes costs for contractual services with the public or another Federal government account for the board, lodging, and care of persons, including prisoners. The FY 2009 request does not include expenses pertaining to Subsistence & Support of Persons.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$170</b>   | <b>\$361</b>   | <b>\$585</b>   | <b>\$224</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request of \$585,000 represents an increase of \$224,000 over FY 2008 Enacted.

|                  | <b>2007</b>    | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|----------------|-----------------|-----------------|---------------------|
|                  | <b>Actuals</b> | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>     | <b>\$38,300</b> | <b>\$75,400</b> | <b>\$37,100</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request of \$75,400,000 represents an increase of \$37,100,000 over FY 2008 Enacted.

|                                       | <b>2007</b>    | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------------|----------------|-----------------|----------------|---------------------|
|                                       | <b>Actuals</b> | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Grants/Subsidies/Contributions</b> | <b>\$3,300</b> | <b>\$12,340</b> | <b>\$2,250</b> | <b>(\$10,090)</b>   |

Grants/Subsidies/Contributions includes cash payments to States, other political subdivisions, corporations, associations, individuals, and contributions to foreign countries, international societies, commissions, proceedings, or projects. The FY 2009 request of \$2,250,000 represents a \$10,090,000 decrease from FY 2008 Enacted.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**National Communications System<sup>1</sup>**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: National Communications System</b>   |  | <b>2007</b>      | <b>2008</b>      | <b>2009</b>      | <b>2008 to 2009</b> |
|--|--|------------------|------------------|------------------|---------------------|
|  |  | <b>Actuals</b>   | <b>Enacted</b>   | <b>Request</b>   | <b>Change</b>       |
| <b>Object Classes:</b>                       |  |                  |                  |                  |                     |
| 11.1   | Perm Positions                             | ---              | \$8,726          | \$9,967          | \$1,240             |
| 11.5   | Other per comp                             | ---              | 174              | 199              | 25                  |
| 12.1   | Benefits                                   | ---              | 2,792            | 3,189            | 397                 |
| 21.0   | Travel                                     | 665              | 594              | 902              | 308                 |
| 22.0   | Transportation of things                   | ---              | ---              | 810              | 810                 |
| 23.3   | Communication, Utilities, and misc charges | 5,370            | 4,802            | 7,290            | 2,488               |
| 25.1   | Advisory & Assistance Services             | 132,636          | 118,622          | 180,553          | 61,931              |
| 25.2   | Other Services                             | 124              | 111              | 169              | 58                  |
| 25.3   | Purchase from Govt. Accts.                 | ---              | ---              | 18,800           | 18,800              |
| 25.4   | Operation & maintenance of facilities      | ---              | ---              | 2,866            | 2,866               |
| 25.6   | Medical care                               | ---              | ---              | 2,099            | 2,099               |
| 25.7   | Operation & maintenance of equipment       | ---              | ---              | 9,455            | 9,455               |
| 26.0   | Supplies & materials                       | 221              | 198              | 300              | 102                 |
| <b>Total, National Communications System</b> |  | <b>\$139,016</b> | <b>\$136,021</b> | <b>\$236,600</b> | <b>\$100,579</b>    |
| Full Time Equivalents                        |  | ---              | 95               | 103              | 8                   |

<sup>1</sup> NS/EP Telecommunications was renamed to National Communications System in FY 2009.

**PPA Mission Statement**

National Communications System supports the Preparedness Directorate in: (1) the exercise of their homeland security-related telecommunications functions and responsibilities, and (2) the coordination of the planning for and provision of national security and emergency preparedness communications for the federal government under all circumstances, including crisis or emergency, attack & recovery and reconstitution.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                     | \$11,693                | \$13,355                | \$1,662                        |

Prior to FY 2008, National Communications System salaries and benefits were paid out of IPIS M&A, therefore no money was requested for personnel expenses in FY 2007. The FY 2009 request includes \$13,355,000 in salaries and benefits for 103 FTE and represents a \$1,662,000 increase over FY 2008 Enacted.

|               | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$665                   | \$594                   | \$902                   | \$308                          |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request of \$902,000 represents a \$308,000 increase over FY 2008 Enacted.

|                                 | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Transportation of Things</b> | \$0                     | \$0                     | \$810                   | \$810                          |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes \$810,000.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous charge</b> | \$5,370                 | \$4,802                 | \$7,290                 | \$2,488                        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request of \$7,290,000 represents a \$2,488,000 increase over FY 2008 Enacted.

|   | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$132,636               | \$118,622               | \$180,553               | \$61,931                       |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request of \$180,553,000 represents a \$61,931,000 increase over the FY 2008 Enacted.

|                       | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$124                   | \$111                   | \$169                   | \$58                           |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request of \$169,000 represents an increase of \$58,000 over FY 2008 Enacted.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|--|----------------|----------------|-----------------|---------------------|
|  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$18,800</b> | <b>\$18,800</b>     |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes \$18,800,000.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; maintenance of facilities</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$2,866</b> | <b>\$2,866</b>      |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes \$2,866,000.

|                     | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------|----------------|----------------|----------------|---------------------|
|                     | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Medical Care</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$2,099</b> | <b>\$2,099</b>      |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes \$2,099,000.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$9,455</b> | <b>\$9,455</b>      |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 2009 request includes \$9,455,000.

|                                 | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|----------------|----------------|----------------|---------------------|
|                                 | <b>Actuals</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$221</b>   | <b>\$198</b>   | <b>\$300</b>   | <b>\$102</b>        |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request of \$300,000 represents an increase of \$102,000 over FY 2008 Enacted.

**Department of Homeland Security**  
**National Protection and Programs Directorate**  
**Infrastructure Protection and Information Security**  
**Office of Emergency Communications**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Office of Emergency Communications</b>   |                                      | <b>2007<br/>Actuals</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------------|-------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                           |                                      |                         |                         |                         |                                |
| 11.1   | Perm Positions                       | ---                     | \$2,928                 | \$5,237                 | \$2,309                        |
| 11.5   | Other per comp                       | ---                     | 193                     | 345                     | 152                            |
| 12.1   | Benefits                             | ---                     | 1,179                   | 2,108                   | 929                            |
| 21.0   | Travel                               | ---                     | 218                     | 218                     | ---                            |
| 25.1   | Advisory & Assistance Services       | 11,872                  | 16,207                  | 15,417                  | (790)                          |
| 25.2   | Other Services                       | ---                     | 182                     | 182                     | ---                            |
| 25.3   | Purchase from Govt. Accts.           | ---                     | 10,397                  | 10,397                  | ---                            |
| 25.6   | Medical care                         | ---                     | 189                     | 189                     | ---                            |
| 25.7   | Operation & maintenance of equipment | ---                     | 405                     | 405                     | ---                            |
| 26.0   | Supplies & materials                 | ---                     | 202                     | 202                     | ---                            |
| 31.0   | Equipment                            | ---                     | 3,600                   | 3,600                   | ---                            |
| <b>Total, Office of Emergency Communications</b> |                                      | <b>\$11,872</b>         | <b>\$35,700</b>         | <b>\$38,300</b>         | <b>\$2,600</b>                 |
| Full Time Equivalents                            |                                      | ---                     | 19                      | 42                      | 23                             |

**PPA Mission Statement**

The Office of Emergency Communications supports and promotes the ability of emergency response providers and federal officials to continue to communicate in the event of natural disasters, acts of terrorism, or other man-made disasters, and to ensure interoperable emergency communications nation-wide.

**Summary Justification and Explanation of Changes**

|                              | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$0             | \$4,300         | \$7,690         | \$3,390                |

The FY 2009 request includes \$7,690,000 in salaries and benefits for 42 FTE. OEC received \$2,600,000 in additional salary consisting of \$132,000 for pay inflation and \$2,648,000 for annualization of new personnel requested in FY 2009. OEC will also transfer \$790,000 of mission funding to salaries and benefits to compensate for the five additional FTE OEC is requesting.

|               | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|-----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$0             | \$218           | \$218           | \$0                    |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. There is no change in the request from FY 2008 to FY 2009.

|   | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$11,872        | \$16,207        | \$15,417        | (\$790)                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request is \$790,000 below FY 2008; these mission dollars are being used to fund the 5 additional FTE requested in FY 2009.

|                       | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$0             | \$182           | \$182           | \$0                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. There is no change in the request from FY 2008 to FY 2009.

|  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|-----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$0             | \$10,397        | \$10,397        | \$0                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. There is no change in the request from FY 2008 to FY 2009.

|                     | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Medical Care</b> | \$0             | \$189           | \$189           | \$0                    |

There is no change in the request from FY 2008 to FY 2009.

|   | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|-----------------|-----------------|-----------------|------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0             | \$405           | \$405           | \$0                    |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. There is no change in the request from FY 2008 to FY 2009.

|                                 | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Supplies &amp; materials</b> | \$0             | \$202           | \$202           | \$0                    |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. There is no change in the request from FY 2008 to FY 2009.

|                  | 2007<br>Actuals | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------|-----------------|-----------------|-----------------|------------------------|
| <b>Equipment</b> | \$0             | \$3,600         | \$3,600         | \$0                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. There is no change in the request from FY 2008 to FY 2009.

## I. Changes in Full-Time Equivalents

**Department of Homeland Security  
National Protection and Programs Directorate  
Infrastructure Protection and Information Security  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 261     | 367     | 497     |
| INCREASES  |         |         |         |
| Increase #1:   |         |         |         |
| Description: Filled vacant positions                     | 106     | 80      |         |
| Increase #2:   |         |         |         |
| Description: ISS/LOB                                     |         | 1       |         |
| Increase #3:   |         |         |         |
| Description: Infrastructure Security Compliance          |         | 17      | 45      |
| Increase #4:   |         |         |         |
| Description: US-CERT                                     |         | 12      | 23      |
| Increase #5:   |         |         |         |
| Description: NCCC  |         | 1       | 7       |
| Increase #6:   |         |         |         |
| Description: Office of Emergency Communications          |         | 19      | 5       |
| Increase #7:   |         |         |         |
| Annualization of prior-year FTE                          |         |         | 54      |
| Increase #8:   |         |         |         |
| Description: PSA   |         |         | 5       |
|  |         |         |         |
| Year-end Actual/Estimated FTEs                           | 367     | 497     | 636     |
| Net Change from prior year base to Budget Year Estimate: | 106     | 130     | 139     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
National Protection and Programs Directorate  
Infrastructure Protection and Information Security**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity           | FY 2007<br>Actuals | FY 2008<br>Enacted | FY 2009<br>Request | Increase / Decrease<br>for FY 2009 |
|------------------------------------|--------------------|--------------------|--------------------|------------------------------------|
|                                    | AMOUNT             | AMOUNT             | AMOUNT             | AMOUNT                             |
| Management and Administration      | \$2,043            | \$0                | ---                | \$0                                |
| Infrastructure Protection          | 25,387             | 19,731             | 14,503             | (5,228)                            |
| NS/EP Telecommunications           | 10,479             | 7,979              | 6,908              | (1,071)                            |
| Cyber Security                     | 5,190              | 5,106              | 8,739              | 3,633                              |
| Office of Emergency Communications | ---                | 2,109              | 1,544              | (565)                              |
| <b>Total Working Capital Fund</b>  | <b>\$43,099</b>    | <b>\$34,925</b>    | <b>\$31,694</b>    | <b>(\$3,231)</b>                   |

# Department of Homeland Security

*National Protection and Programs Directorate*

*United States Visitor and Immigrant Status Indicator Technology*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **National Protection and Programs Directorate**

### **United States Visitor and Immigrant Status Indicator Technology**

#### **I. Appropriation Overview**

##### **A. Mission Statement for Appropriation Name:**

The mission of the Department of Homeland Security (DHS) United States Visitor and Immigrant Status Indicator Technology (US-VISIT) is to collect, maintain, and share information, including biometric identifiers, on foreign visitors to assist in determining whether an individual (1) should be prohibited from entering the United States; (2) can receive, extend, change, or adjust immigration status; (3) has overstayed or otherwise violated the terms of admission; (4) should be apprehended or detained for law enforcement action; or (5) needs special protection or attention (e.g., refugees).

US-VISIT has established four goals to accomplish its mission: (1) enhance the security of our citizens and visitors; (2) facilitate legitimate travel and trade; (3) ensure the integrity of our immigration system; and (4) protect the privacy of our visitors. US-VISIT is a key component of a multi-layered, multi-agency defense that is integral to domestic security.

US-VISIT satisfies legislative and departmental mandates. It contributes to DHS immigration and border management goals and provides American citizens and visitors with a more safe and facilitative border security and immigration process.

##### **B. Budget Activities:**

In FY 2008, US-VISIT requested resources for ongoing operations, including the implementation of initiatives and deployment of previously planned capabilities. With this budget justification, US-VISIT is enhancing descriptions of the budget activities to improve visibility into capabilities and results. The US-VISIT FY 2009 budget activities consist of: (1) Identity Management and Screening Services; (2) Unique Identity; (3) Comprehensive Exit; (4) Operations and Maintenance; and (5) Enhance Program Management.

Identity Management and Screening Services (US-VISIT Program Services – Data Integrity and Biometric Support in the FY 2007 Expenditure Plan) - As the DHS central point for providing identity management and screening services, US-VISIT handles a large workload, offering diverse services and providing timely responses to DHS for immigration and border management and international, Federal, State and local stakeholders. The US-VISIT biometric and biographic matching functions improve the capabilities to manage and screen against watch list records that include known or suspected terrorists (KSTs), persons of interest and immigration violators. These capabilities strengthen national security, Federal, State, local and tribal government collaboration and meet user needs. US-VISIT focuses on positively confirming biometric identity through the operation of the Automated Biometric Identification System (IDENT) supplemented with fingerprint analyses conducted by examiners in the Biometric Screening Center (BSC); utilization of the Arrival Departure Information System (ADIS) to enhance overstay identification through analysis conducted by the Data Integrity Group (DIG); and

coordination of law enforcement and intelligence operational activities to improve the accuracy and usefulness of US-VISIT data systems. Collectively, these services uniquely identify individuals and provide reliable information to US-VISIT operational customers.

Unique Identity - The Unique Identity initiative includes integrated work streams for developing 10 fingerprint capture (10-Print initiative) and achieving interoperability between IDENT and the Federal Bureau of Investigation's (FBI) Integrated Automated Identification System (IAFIS). The use of 10 prints facilitates travel by reducing the number of travelers sent to secondary processing, since the use of 10 prints provides more matchable data, thus reduces the likelihood of misidentifying a traveler as being on a US-VISIT watch list. Additionally, the opportunities to identify persons of interest increase as 10 prints are more likely to be matched to latent fingerprints collected from crime scenes or terrorist locations and maintained in criminal and intelligence biometric data stores. Interoperability enlarges the biometric database used by border management, intelligence and law enforcement agencies. In conjunction with the 10-Print initiative, enhanced data sharing through interoperability increases the probability of identifying persons of interest and enhances law enforcement actions.

Comprehensive Biometric Exit - The Comprehensive Biometric Exit initiative includes the initiation, development and implementation of a comprehensive solution to capture biometric information from in-scope travelers as they exit the United States. This initiative supports the Intelligence Reform Act of 2004, and enhances the integrity of the immigration system. US-VISIT previously deployed capabilities to capture traveler biometric information (inkless fingerscans and digital photographs) during entry. Deployment of a comprehensive biometric exit solution enables the matching of exit records to entry records using biometric data to determine which travelers have left the country based on their biometric data. This capability provides several benefits. First, the use of biometrics confirms the identity of the person leaving the country, indicating the traveler's compliance with immigration laws and addressing the use of multiple identities, which is more probable when only biographic information is used. Second, it maximizes investigative resources by preventing searching for travelers who have already left the country. Furthermore, at a policy level, this capability provides the ability to identify overstays by country and visa category to inform decision makers on overall compliance with and effectiveness of immigration laws. Identification of overstays assists DHS in the determination of the extension or denial of Visa Waiver Program (VWP) privileges to countries.

US-VISIT has proposed an incremental deployment of biometric exit capabilities into the three port of entry (POE) environments – air, sea, and land – with an initial focus on commercial air and sea departures, since this represents the largest volume of travelers from countries of interest. This solution will leverage lessons learned from the earlier Air and Sea Exit pilot that highlighted the need to integrate the capture of biometrics into the traveler departure processes in order to maximize compliance. The earlier Air and Sea Exit pilot demonstrated improved matching of entry and exit records through the use of biometrics. The deployment of a comprehensive biometric exit solution will extend these benefits to all locations.

Operations and Maintenance (O&M) - US-VISIT provides the information technology (IT) support that enables identity verification and screening services and supports the enhancement and development of new capabilities. O&M includes systems operations and maintenance, development of IT architecture and platforms for user and program interfaces, data center operations support and services, integration and support for network and data communications, and technical IT support services.

US-VISIT O&M includes major IDENT IT components that include more than 500 services supporting 300 operating elements. Additionally, IDENT has more than 91 highly specialized fingerprint matchers and 31 terabytes of storage with a growth rate of two terabytes per month. IT support for US-VISIT spans four sites with dozens of servers, network components and related applications and services.

Enhance Program Management - US-VISIT provides mission support functions to ensure that the appropriate planning activities, human capital, budget and financial resources, technical support, acquisition policies and procedures and facilities and logistics support are in place to effectively execute its mission. These critical functions directly support overall program direction and control. In addition, the Program Management function provides staffing to all US-VISIT activities. Staffing constitutes a major expenditure, comprising all Federal staff and contractor work. These staff resources are directly involved in mission accomplishment including capability development, identity services, and operations and maintenance, as well as program management staffing.

**Legislative and Administrative Mandates** - In addition to providing numerous benefits to DHS, Department of State (DOS), and Department of Justice (DOJ), US-VISIT's budget request also provides resources to ensure DHS can meet the following legislative mandates:

*The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA)*, Pub. L. 104-208, requires the development of an automated entry and exit control system to collect records of departure and to match them with records of arrival.

*The Immigration and Naturalization Service Data Management Improvement Act of 2000 (DMIA)*, Pub. L. 106-215, amends IIRIRA to require that the entry and exit data system integrate all "authorized or required" alien arrival and departure data; use available data to match an alien's arrival and departure; assist the Attorney General (now the Secretary of Homeland Security) and the Secretary of State to identify lawfully admitted non-immigrants who have overstayed their period of admission; use available data to produce a report of arriving and departing aliens by nationality, classification as an immigrant or non-immigrant, dates of arrival in, and departure from the United States; and be implemented at all air and sea ports of entry by December 31, 2003; at all air and sea ports and the 50 land border ports serving the highest numbers of aliens by December 31, 2004; and at all POEs by December 31, 2005.

*The Visa Waiver Permanent Program Act of 2000 (VWPPA)*, Pub. L. 106-396, requires that the entry and exit data system contain records of arrival and departure of every alien admitted under VWP who arrives and departs by air or sea; contain sufficient data to permit the Attorney General (now the Secretary of Homeland Security), for each fiscal year, to calculate the percentage of each VWP country's nationals who are admitted under the VWP and for whom no departure record exists; use available data to produce a detailed annual report to Congress by December 31 of each year containing numbers of departing aliens with their nationalities, successful arrival/departure matches, classifications by immigrant or non-immigrant; VWP and other immigrants for whom no departure data is available at the end of the alien's authorized period of stay, among other specific information; and record arrivals and departures of every VWP alien transiting through air and sea ports by October 1, 2001.

*The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act*, Pub. L. 107-56, requires that the entry and exit data system be implemented with all deliberate speed and as expeditiously as practicable, particularly focus on using biometrics and tamper-resistant documents, and be able to interface with law enforcement databases for use by Federal law enforcement to identify and detain individuals who are threats to national security.

*The Enhanced Border Security and Visa Entry Reform Act of 2002 (EBSVERA)*, Pub. L. 107-173, requires that the entry and exit data system use technology and biometric standards to be developed by the National Institute of Standards and Technology (NIST), in consultation with other agencies, for alien identification and other purposes; be accessible at ports of entry and overseas consular posts; consist of equipment and software to allow biometric comparison and authentication of all U.S. visas, other travel and entry documents issued to aliens, and the machine-readable, biometric passports required to be issued to nationals of VWP countries at all ports of entry by October 26, 2004 (later extended to October 26, 2005); have database(s) containing alien arrival and departure data from machine-readable visas, passports, and other travel and entry documents; use technologies that facilitate lawful and efficient cross-border movement of commerce and persons without compromising the safety and security of the United States; and be integrated into the new and broader Immigration and Naturalization Data System that fully integrates all the former Immigration and Naturalization Service (INS) databases and data systems that process or contain alien information.

*The Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA)*, Pub. L. 108-458, Section 7208, specifically addresses biometric entry and exit and calls for the Secretary of Homeland Security to accelerate the full implementation of US-VISIT.

| <b>Initial Capability</b>                | <b>What Has Been Done?</b>   | <b>Where Are The Statutory Obligations These Capabilities Respond to?</b> |
|--|--|---|
| <i>Record Entry and Exit Information</i> | <ul style="list-style-type: none"> <li>• Implemented requirement for air and sea carriers to provide advanced passenger manifest data for all travelers.</li> <li>• Deployed system for collecting existing entry and exit information and new biometric information. (December 31, 2003)</li> <li>• Deployed system for collection of biometrics on entry at 115 air and 14 sea ports of entry. (January 5, 2004)</li> <li>• Deployed system to 50 busiest land ports for collecting existing entry and exit information and new biometric information. (December 31, 2004)</li> <li>• Expanded biometric collection population to include VWP travelers at all locations where biometric collection deployed.</li> <li>• Deployed system to remaining 104 POEs for collecting existing entry and exit information. (December 31, 2005)</li> <li>• Expanded populations from which biometrics are collected including Lawful Permanent Residents.</li> <li>• Implementing requirement for air and sea carriers to provide departure information.</li> </ul> | DMIA, EBSVERA, USA PATRIOT Act, VWPPA, and IRTPA                          |
| <i>Validate Identity</i>                 | <ul style="list-style-type: none"> <li>• Used biometric standard (facial image and fingerprints) developed by DHS and DOS (in consultation with NIST) to establish alien identity at consular offices and POEs.</li> </ul>   | EBSVERA and USA PATRIOT Act   |

| <b>Initial Capability</b>              | <b>What Has Been Done?</b>   | <b>Where Are The Statutory Obligations These Capabilities Respond to?</b> |
|--|--|---|
|  | <ul style="list-style-type: none"> <li>DHS and DOS jointly established biometric standards (from among those recognized by domestic and international standards organizations) for U.S. government-issued travel and entry documents.</li> </ul>   |   |
| <i>Authenticate Documents</i>          | <ul style="list-style-type: none"> <li>U.S. Government issues only machine-readable, tamper-resistant visas and other travel and entry documents. (October 26, 2004)</li> <li>Conducted extensive testing and development to support the deployment of equipment and software to authenticate biometric passports from VWP countries.</li> <li>Deployed equipment and software to biometrically compare and authenticate all U.S. government-issued visas and other travel and entry documents issued to aliens by DHS and DOS. (October 25, 2006)</li> <li>Deployed equipment and software to biometrically compare and authenticate e-Passports issued by VWP countries. (October 2006)</li> </ul> | EBSVERA, USA PATRIOT Act, and IRTPA                                       |
| <i>Screen Individuals</i>              | <ul style="list-style-type: none"> <li>Use biometrics to screen individuals for criminal and terrorist information at consular offices and ports of entry.</li> </ul>  | EBSVERA and USA PATRIOT Act   |
| <i>Link Systems</i>                    | <ul style="list-style-type: none"> <li>Linked information from across multiple systems containing entry, exit, and status information (ADIS, IDENT, IBIS, SEVIS, CLAIMS 3, and CCD).</li> <li>Linked systems collecting alien entry and exit information from machine-readable visas, passports, and other travel and entry documents.</li> <li>Initiated access to certain criminal and terrorist information relevant to admissibility decisions.</li> <li>Established plan for interoperability between DHS' IDENT and FBI's IAFIS. Achieved first phase of interoperability (iDSM). (September 2006)</li> </ul>  | DMIA, EBSVERA, USA PATRIOT Act, and IRTPA                                 |
| <i>Match Exit to Entry Information</i> | <ul style="list-style-type: none"> <li>Matches available data on alien's entry and exit.</li> <li>Assists in identifying nonimmigrant aliens who have overstayed their period of admission.</li> <li>Allows for calculation of VWP departure</li> </ul>  | DMIA, IIRIRA, VWPPA, and IRTPA  |

| Initial Capability | What Has Been Done?  | Where Are The Statutory Obligations These Capabilities Respond to? |
|--------------------|--|--|
|                    | compliance rates. <ul style="list-style-type: none"> <li>• Produces report on entry and exit of aliens.</li> </ul> |  |

**C. Budget Request Summary:**

Excluding emergency funding provided in Pub. L. 110-161, US-VISIT requests 150 full-time positions (FTPs), 119 full-time equivalents (FTEs), and \$390,300,000 for FY 2009 including an increase in FTPs and FTEs. Excluding emergency funding provided in Pub. L. 110-161, the total adjustments-to-base are zero FTEs and \$47,509,000. The net program change is an \$84,700,000 decrease.

**Adjustments-to-Base:**

- *Annualization of 2008 Pay Raise* – (0 positions, 0 FTEs, and \$145,000 increase). Salaries and benefits for FY 2008 include 102 FTEs.
- *2009 Pay Increase* – (0 FTPs increase, 0 FTEs increase, and \$364,000 increase). Salaries and benefits for FY 2009 include 102 FTEs.

**Program Changes:**

- *Comprehensive Biometric Exit* – (\$42,553,000 increase). The requested program change will fund necessary infrastructure upgrades and increased storage capacity to meet workload demands resulting from implementation of comprehensive biometric exit solution at air and sea POEs.

US-VISIT will build upon the initial planning activities in FY 2008 for the land portion of the biometric exit solution. In FY 2008, US-VISIT will conduct analyses to evaluate potential technologies, process changes, and data sharing in conjunction with other border management initiatives to assess their feasibility for providing an exit solution for the land POEs. US-VISIT will perform time and motion studies, surveys, and other modeling techniques to identify potential impacts to existing facilities and infrastructure, business operations and staffing. The result of this analysis will be a decision document in December 2008 that outlines the land strategy for a biometric exit. After the approval is received, US-VISIT will begin executing according to the Enterprise Life Cycle methodology to develop a concept of operations with business requirements, conduct an analysis of alternatives, develop a cost and benefit analysis, and conduct formal environmental and privacy impact assessments. These life cycle activities will serve as part of the basis for transition to the next activities of initial design. Additionally, US-VISIT will perform detailed assessment regarding technical infrastructure of associated border management systems and initiatives, including the level of expansion required to support the biometric exit processing at the POEs.

- *Identity Management and Screening Services* – (\$4,200,000 increase). The requested program change will support efforts to continue meeting service level commitments to stakeholders in the face of expanding workloads. US-VISIT will be challenged to maintain current response time agreements with user agencies (e.g. watch list searches completed in less than 10 seconds; enforcement transactions completed in less than two minutes; BioVisa initial searches completed in less than 15 minutes; Border Crossing Card (BCC) searches completed in less than 24 hours; and maintaining IDENT system up time at 99.7 percent or greater) in the face of

exponential growth in IDENT and ADIS transaction volume and fingerprint gallery size in response to the 10-Print initiative, IDENT/IAFIS Interoperability, and rising user demands. As US-VISIT seeks to obtain new sources of biometric data from additional stakeholders (such as local law enforcement through Interoperability, the 10-Print initiative, critical infrastructure, the intelligence community, and foreign partner nations), additional resources will be needed to provide analysis on confirmed biometric match. US-VISIT will establish one source of operational information and reporting, analytical support, and real-time responses to emergent queries from stakeholders.

By expanding the availability of and access to real-time biometric information and analysis, US-VISIT will expand the number of users who can identify individuals overstaying their authorized periods of admission, criminals, national security threats, and other biometric watch list candidates for subsequent action. Additionally, US-VISIT will comply with HSPD-6, whereby all information pertaining to KSTs must be shared with the National Counter Terrorism Center (NCTC) for international terrorists and the FBI for domestic terrorists.

- *Operations and Maintenance* - (\$25,327,000 increase). This program change reflects a net increase due to realignment of the working capital fund to Enhance Program Value. This change will also provide funding to commence migration of data center operations to the designated DHS facility in compliance with the DHS-mandated migration to a consolidated data center from non-DHS data centers.
- *Enhanced Program Management* - (Additional 35 FTPs, 17 FTEs in FY 2009 and remaining in FY 2010, and \$4,343,000 increase). This program change increase is a result from the transfer of the working capital fund into this area. The increase of 35 positions will support expanding program and service demands.
- *Unique Identity (10-Print and IDENT/IAFIS Interoperability)* – (\$161,632,000 decrease). The funding received in FY 2008 funded the 10-Print deployment and the IDENT/IAFIS Initial Operating Capability. These two initiatives provided the capabilities to biometrically screen foreign visitors requesting entry to the United States through the collection of 10 prints at enrollment in US-VISIT and verifications of identity using fewer than 10 prints upon subsequent encounters. The FY 2009 Unique Identity funds will allow US-VISIT to begin the design, build and test of 10-Print full operating capability. Additionally, FY 2009 funds support the “Rap Back” capability across IDENT and IAFIS allows for the searching of the fingerprint galleries using a one-time identifier as a search criteria. During this capability phase, a new service will be integrated into IAFIS that will allow authorized agencies to receive notification of criminal activities for individuals in a position of trust; complete the full 10 print matching capability within IDENT to increase accuracy and the number of fingerprint searches; and initiate the development of the Immigration Data Response capability that allows selected FBI Criminal Justice Information Systems (CJIS) stakeholders to access immigration violation information.

## II-A. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

### Department of Homeland Security National Protection and Programs Directorate

#### United States Visitor and Immigrant Status Indicator Technology

#### Summary of FY 2009 Budget Estimates by Program/Project Activity (Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted<br>Excluding Emergency Funds |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|---|-------------------|------------------|---|------------------|--------------------|------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|   | FTE               | AMOUNT           | FTE   | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|   |                   |                  |   |                  |                    |                  | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| United States Visitor and Immigrant Status Indicator Technology | 83                | \$343,223        | 102   | \$200,000        | 119                | \$390,300        | 17                                       | 190,300          | 17              | 142,791          | ---                 | 47,509          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>    | <b>83</b>         | <b>\$343,223</b> | <b>102</b>                                      | <b>\$200,000</b> | <b>119</b>         | <b>\$390,300</b> | <b>17</b>                                | <b>\$190,300</b> | <b>17</b>       | <b>\$142,791</b> | <b>---</b>          | <b>\$47,509</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>             | ---               | ---              | ---   | ---              | ---                | ---              | ---                                      | ---              | ---             | ---              | ---                 | ---             |
| <b>Net, Enacted Appropriations and Budget Estimates</b>         | <b>83</b>         | <b>\$343,223</b> | <b>102</b>                                      | <b>\$200,000</b> | <b>119</b>         | <b>\$390,300</b> | <b>17</b>                                | <b>\$190,300</b> | <b>17</b>       | <b>\$142,791</b> | <b>---</b>          | <b>\$47,509</b> |

## II-B. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

### Department of Homeland Security National Protection and Programs Directorate

#### United States Visitor and Immigrant Status Indicator Technology

Summary of FY 2009 Budget Estimates by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted<br>Including Emergency Funds |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                   |                     |              |
|---|-------------------|------------------|---|------------------|--------------------|------------------|--|-------------------|-----------------|-------------------|---------------------|--------------|
|   |                   |                  |   |                  |                    |                  | Total Changes                            |                   | Program Changes |                   | Adjustments-to-Base |              |
|   | FTE               | AMOUNT           | FTE   | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT            | FTE             | AMOUNT            | FTE                 | AMOUNT       |
| United States Visitor and Immigrant Status Indicator Technology | 83                | \$343,223        | 102   | \$475,000        | 119                | \$390,300        | 17                                       | (\$84,700)        | 17              | (\$85,209)        | ---                 | 509          |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>    | <b>83</b>         | <b>\$343,223</b> | <b>102</b>                                      | <b>\$475,000</b> | <b>119</b>         | <b>\$390,300</b> | <b>17</b>                                | <b>(\$84,700)</b> | <b>17</b>       | <b>(\$85,209)</b> | <b>---</b>          | <b>\$509</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>             | ---               | ---              | ---   | ---              | ---                | ---              | ---                                      | ---               | ---             | ---               | ---                 | ---          |
| <b>Net, Enacted Appropriations and Budget Estimates</b>         | <b>83</b>         | <b>\$343,223</b> | <b>102</b>                                      | <b>\$475,000</b> | <b>119</b>         | <b>\$390,300</b> | <b>17</b>                                | <b>(\$84,700)</b> | <b>17</b>       | <b>(\$85,209)</b> | <b>---</b>          | <b>\$509</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

**Program Performance Justification**

(Dollars in thousands)

|             |                                    | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>     |
|-------------|------------------------------------|---------------------|------------|-------------------|
| <b>2007</b> | <b>EOY Proj. Actual</b>            | <b>115</b>          | <b>83</b>  | <b>\$ 343,223</b> |
| <b>2008</b> | <b>Revised Enacted<sup>1</sup></b> | <b>115</b>          | <b>102</b> | <b>\$ 475,000</b> |
| 2009        | Adjustments-to-base                | 0                   | 0          | 509               |
| <b>2009</b> | <b>Current Services</b>            | <b>115</b>          | <b>102</b> | <b>\$ 475,509</b> |
| 2009        | Program Change                     | 35                  | 17         | (85,209)          |
| <b>2009</b> | <b>Request</b>                     | <b>150</b>          | <b>119</b> | <b>\$390,300</b>  |
|             | <b>Total Change 2008-2009</b>      | <b>35</b>           | <b>17</b>  | <b>(\$84,700)</b> |

US-VISIT requests \$390,300,000 in FY 2009 for ongoing operations, including the implementation of initiatives and deployment of capabilities, a decrease of \$84,700,000 from FY 2008. In FY 2008, US-VISIT will complete the initial operating capability and deployment of the 10 print readers.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

**Identity Management and Screening Services** (US-VISIT Program Services – Biometric and Data Integrity in the FY 2007 Expenditure Plan). As the DHS central point for providing identity management and screening services, US-VISIT handles a large workload, offering diverse services and providing timely responses to its DHS, immigration and border management, international, Federal, State and local stakeholders. At the same time, US-VISIT improves capabilities to manage and screen against watch list records that include terrorists, person of interest and immigration violators, thus strengthening national security, government collaboration, and meeting user needs. US-VISIT meets this mission through efforts in four areas: (1) positively confirm biometric identity through operation of the IDENT, supplemented with fingerprint analyses conducted by examiners in the Biometric Support Center (BSC); (2) enhance biometric identification through biographic, overstay, data integrity analysis through operation of ADIS and the analysts of the Data Integrity Group (DIG); (3) coordinate law enforcement and intelligence operational activities to improve the accuracy and usefulness of US-VISIT data systems; and (4) maximize the operational value of US-VISIT data assets by managing the data governance program.

Collectively, these services uniquely identify individuals, providing person-centric, actionable information to US-VISIT operational customers.

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<sup>1</sup> The above table includes emergency funding of \$275 million provided in P.L. 110-161 for this activity. The FY 2009 Budget Request is \$390.3 million. Excluding emergency funds provided, the increase over FY 2008 is \$47.509 million for pay and non-pay inflation as well as a total increase for comprehensive biometric exit, identity management and screening services, unique identity, operations and maintenance, enhanced program management.

|   | <b>FY 2008 Enacted</b> | <b>FY 2009 Request</b> |
|---|------------------------|------------------------|
| <b>Identity Management and Screening Services</b> | <b>\$ 15,800,000</b>   | <b>\$20,000,000</b>    |

US-VISIT will use the requested funds in the following areas:

- *Project Integration and Analysis (Project Management in the FY 2007 Expenditure Plan)* – Provides for technical guidance, coordination and integration support for the Identity Management and Screening Services activities including the development and validation of business capabilities to manage and screen against watch list records. These activities further the capability to confirm biometric identity through IDENT and are supplemented with fingerprint analyses conducted by examiners. In addition, these activities improve the accuracy and usefulness of the US-VISIT data systems for enforcement and intelligence operations, immigration and border management, and international, Federal, State, and local stakeholders by enhancing overstay identification analysis.
- *Biometric Support* – Supports real-time biometric verification services, providing fingerprint identification services for all look out hits, US-VISIT verifications and latent fingerprint processing.
- *Data Integrity* – Vets and analyzes records of interest that have been generated by ADIS. These reviews provide tactical information in the form of validated overstay records that represent the most complete, accurate and current information available. This information is provided to DHS operational units (e.g., U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE)), which utilize US-VISIT entry, exit and status data. Additionally, data integrity services identity data quality issues for subsequent correction.

### **FY 2007 Accomplishments**

Based on stakeholders' operational requirements to facilitate traveler processing and ensure officer safety, IDENT provided critical services allowing the timely processing of over 120,000 transactions daily. IDENT negotiated and subsequently provided services at the following agreed upon levels on a 24/7 basis:

- Watch list searches were completed in less than 10 seconds.
- Enforcement transactions were completed in less than 2 minutes
- BioVisa initial searches were completed in less than 15 minutes.
- Border Crossing Card (BCC) searches were completed in less than 24 hours.
- IDENT system up time was 99.7 percent or greater.<sup>2</sup>

Manual fingerprint matching is also subject to service level targets. During FY 2007, more than 1.6 million manual fingerprint verifications have been completed by expert fingerprint examiners at the BSC. Some urgent verification must be completed within 10 minutes or less to ensure legitimate travel is not impeded and officer safety is maintained. The average time for the 303,980 urgent verifications completed in FY 2007 was less than four minutes, well below this 10 minute requirement. This ensures field officers and other stakeholders receive identity information quickly, along with any potential derogatory data.

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<sup>2</sup> Actions taken to meet these negotiated rates are discussed further in the Infrastructure section.

US-VISIT merged several IDENT databases and provided users with a comprehensive view of all biometric encounters, eliminating the need to perform multiple biometric queries to gather available data. In addition, a watch list demotion capability (i.e., removing individual names from the watch list when they are no longer valid candidates) was deployed to improve watch list information. During FY 2007, more than 5,300 demotions were completed providing decision makers with more actionable and credible data.

The IDENT False Accept Rate was reduced through implementation of improved fingerprint matching algorithms. This rate is the measure of when the automated system erroneously matches a subject to a candidate fingerprint in the database. Prior to the implementation of this algorithm implementation in October 2006, the false acceptance rate was 0.093 percent of the number of individuals encountered for the first time at POEs. Post-implementation, this rate was 0.008 percent. US-VISIT estimates that this improvement provided operational benefits by reducing the number of individuals sent to secondary processing due to erroneous identifications by an estimated 700,000 travelers. In addition, the new algorithm reduced the number of gray hits (human interventions) required by the BSC fingerprint examiners by 80 percent.

Also, new requirements for an enhanced Candidate Verification Tool were developed and refined. This tool, required by expert fingerprint examiners, is used to compare fingerprints, verify matches, and provide visualization and imaging capabilities to view fingerprint images. The existing verification tool is being improved to support of the transition from 2 print to 10 print capture and will provide state of the art visualization and fingerprint image enhancement tools. The end result will be a significant improvement in fingerprint examination processes during 10-Print migration.

In addition, the BSC has met all data entry, scanning, and enrollment targets for the fiscal year to-date, completing enrollments for terrorism, fugitive, National Security Entry/Exit Registration System (NSEERS), and IDENT queries within their respective service levels. These enrollments serve to keep the data repositories current and accurate, thereby helping to maintain the integrity of the immigration system. During FY 2007, the BSC has entered 28,078 IDENT enrollments and 3,470 NSEERS enrollments into the system.

*Enhance biometric identification through biographic, overstay, and data integrity analysis.* The DIG more than tripled the FY 2006 validated in-country overstay records forwarded to the ICE Compliance Enforcement Unit (CEU) and increased more than 16 fold the FY 2006 validated out-of-country overstay look outs. During the same period, more than 724 enforcement actions (273 ICE arrests and 451 DOS/CBP actions) were taken based on overstay records validated by the DIG, more than quadruple the number of enforcement actions taken in FY 2006.

The data integrity validation of overstay records has increased quarter-by-quarter. The number of in-country overstay records validated increased from approximately 2,198 in the fourth quarter of FY 2006 to 3,294 in the same quarter of FY 2007, a 49-percent increase. While out-of-country overstay validation procedures were not fully implemented until the first quarter FY 2007, similar quarter-over-quarter increases have been realized, culminating in more than 7,355 records validated in the third quarter of FY 2007.

In the current data integrity business model, contractor analysts validate system-identified overstay records by vetting the record against up to a dozen systems containing immigration-related data. As data integrity and process improvements have been implemented, contract labor costs per validated overstay record have decreased. The average contractor labor costs per validated in-country overstay record decreased from approximately \$85 in the third quarter of FY 2006, to approximately \$37 in the same quarter of FY 2007. Although the out-of-country overstay validation process is relatively new,

the average contractor labor cost per validated record has decreased from approximately \$143 in the first quarter of FY 2007, to approximately \$58 by the third quarter of FY 2007.

US-VISIT performed an analysis by incorporating data modeling of DIG workflow data. This analysis was conducted in order to better identify achievable production metrics and optimize internal data integrity workflow. This information will be used to formulate updated contract specifications and requirements.

In FY 2007, several ADIS system changes were implemented. First, departure I-94 data was integrated into ADIS. This integrated data provided more complete information, contributed to improved departure-to-arrival matching, and more credible system identification of overstays. Second, release 2.6 provided data integrity, system performance, and user interface changes. The release improved information displayed to users, improved departure-to-arrival matching, and provided more credible system identification of overstays. Third, deployment of release 3.0 provided additional data integrity, system performance, and user interface improvements. In addition to contributing to the improvement of departure to arrival matching and more credible system identification of overstays, this release provided a foundation for account reconciliation for proactive identity management. This enabled US-VISIT to ensure transactions and accounts are associated properly, further improving the accuracy of this system.

Through the operation and maintenance of ADIS, US-VISIT incorporates continuous data integrity improvements to maximize the operational utility of the data. One outcome of the data integrity work can be seen as continually improving departure to arrival match rate, which increased from 88.1 percent in FY 2006 to 89.9 percent in FY 2007.

Another measure of improving data integrity is the percentage of validated overstay records identified through ADIS. The percentage of system-identified overstay records validated by the DIG increased nearly 15 percent in FY 2007. The rise in credible leads contributed to the increase in resulting arrests by ICE from 139 in FY 2006 to 273 in FY 2007.

The critical ADIS core capability is the biographic matching of non-U.S. citizen arrival, departure and immigration status update records. This matching provides accurate, near real-time immigration status accounting and includes information on whether non-immigrants have maintained lawful status or have remained beyond their terms of admission. This record matching is performed through system logic and algorithms. Validation of the algorithm matching in ADIS is being performed by the Department of Energy's Lawrence Livermore National Laboratory (LLNL). Although match rates are improving, the highest level of record matching accuracy possible is required to meet mission requirements, especially as these relate to identification of overstays.

In the third quarter of FY 2007, US-VISIT established an Interagency Agreement with the Department of Energy to obtain the services of LLNL. The LLNL is to independently assess, in a scientifically defensible manner, the current accuracy of record matching within ADIS. In addition, the LLNL is to establish a test bed and the associated procedures to accurately project the effect of changes made to current record matching algorithms. Finally, LLNL will compare current record matching performance to the performance of other types of record matching algorithms.

*Coordinate law enforcement and intelligence operational activities.* US-VISIT participated in the NCTC's biometric sub-working group. This interagency effort was to integrate the biometric and biographic KST watch listing process by developing standard operating policies, procedures, and mechanisms. Also, this allows the sharing of biometric information across Government agencies and allows the consistent application of the KST definition to individuals of interest.

US-VISIT devised a near real-time process to promote a U.S. Government's KST biographically-encountered person at the POE to the biometric watch list. Previously, a significant amount of time elapsed from the time a KST was encountered at a POE until that fingerprint was passed to IDENT from IAFIS. In FY 2007, more than 245 records with corresponding Terrorist Screening Center biographic lookouts were promoted to the biometric watch list due to the POE encounters.

US-VISIT ensures the watch list is accurate and actionable so that stakeholder action can be taken with the highest degree of confidence and efficiency. The US-VISIT biometric watch list is used for multiple purposes including border management, immigration services, enforcement, credentialing, and global screening. On average, US-VISIT reviews approximately 450 biometric watch list encounters per week. Removing unnecessary records from the watch list keeps the watch list accurate and actionable allowing valuable stakeholder resources to concentrate on those individuals requiring additional scrutiny.

A June 2007 analysis of the BioVisa and Border Crossing Card (BCC) issuance process against why travelers who were identified on entry to be on the watch list and their subsequent disposition at the POE, revealed that a large number of the watch list hits at entry had been given waivers of admissibility by CBP and subsequently issued visas by DOS. The majority of these travelers were later admitted at the POE. When US-VISIT reviewed the encounter after entry, they were demoted from the watch list.

In light of these findings, US-VISIT changed its review process of BioVisa and BCC encounters by concentrating only on those persons to whom CBP grants a waiver of inadmissibility and to whom DOS subsequently issues a valid visa. This much more effective and focused process has increased the ratio of records reviewed to records demoted and decreased unnecessary referrals to secondary inspection at the POE. These demotions take unnecessary travelers off the watch list, free up valuable secondary inspection resources, and minimize traveler inconvenience. For FY 2007, US-VISIT reviewed 10,000 POE hits that resulted in 922 adverse actions as well as 5,343 demotions resulting in CBP officers being more focused on more actionable referrals to secondary inspection.

US-VISIT promotes individuals to the biometric watch list when derogatory information is corroborated in coordination with stakeholders. During FY 2007, US-VISIT promoted 7,967 records in this manner. The significance of these promotions is that these individuals' identities have been captured and frozen in the system should they try to apply for a visa, enter the United States, apply for a benefit, or encounter law enforcement under any other biographical identities. Of these promotions, 872 have subsequently been encountered.

US-VISIT completed an audit from December 2003 to January 2007. This audit identified 315 individuals who were allowed to withdraw or were refused entry at the POE under Section 212 of the Immigration and Nationality Act for national security reasons. US-VISIT promoted these subjects to the watch list. Since this audit, CBP has revised their process so that all adverse actions are automatically promoted to the biometric watch list.

US-VISIT has undertaken a number of initiatives to share biometric data with other agencies and governments. The more identities frozen in IDENT, the more information, aliases, and other bio facts can be provided to stakeholders. One such effort was greater cooperation with the U.S. Citizenship and Immigration Service (USCIS) on refugee and asylum applicants. In FY 2007, US-VISIT began to receive feedback from USCIS which has allowed US-VISIT to promote persons to the biometric watch list due to USCIS determinations that the applicant had committed fraud during the application process, thereby freezing the identity of the person for future encounters so that the person cannot

fraudulently obtain a benefit, a visa, or entry into the United States. Similar progress is being made with USCIS offices such as Refugees Affairs, Fraud Detection, and the National Security offices.

US-VISIT worked closely with the National Ground Intelligence Center to obtain the Department of Defense (DOD) biometric watch list of 5,000 persons of interest from Iraq and Afghanistan. US-VISIT is working to expand the exchange and incorporation of other DOD biometrics into the US-VISIT biometric watch list. The data exchange not only provides US-VISIT stakeholders with additional identities of threats, but also can provide DOD with valuable intelligence on aliases, travel histories, and other information that can help further identify, track, and report on these persons to the rest of the Federal Government.

US-VISIT has actively supported the Four Country Conference (4CC) of the United States, United Kingdom (UK), Canada, and Australia to encourage biometric data sharing globally. To date over 10,000 records have been exchanged. Over 700 matches were discovered within IDENT, resulting in a number of individuals being promoted to the US-VISIT biometric watch list as a result of feedback from the foreign country information. Benefits to our foreign partners include the identification of specific individuals ineligible for the benefits they seek and, more importantly, identifying vulnerabilities in current systems and processes.

### **FY 2008 Planned Accomplishments**

The BSC will continue to provide fingerprint verification decisions for urgent requests in ten minutes or less and provide enrollment and verification of terrorism related prints in two hours or less. Additionally, the BSC will also work to significantly expand capability to provide latent verifications for terrorism and criminal related cases.

*Enhance biometric identification through biographic, overstay, and data integrity analysis.* IDENT will continue to support existing stakeholders at the same service levels as FY 2007, while accommodating growth in volumes of transaction processing and gallery sizes. Key drivers of growth will be expansion of Unique Identity (10-Print capture and IDENT/IAFIS Interoperability); expanded sharing of KST biometrics across the entire Federal government; expanded international biometric data sharing efforts; and support of emerging DHS credentialing initiatives like Homeland Security Presidential Directive 12 (HSPD-12) such as the Hazardous Materials Transportation and the Transportation Worker Identification Credential.

US-VISIT will maintain system availability and increase output in the face of increased demand.

- ADIS will maintain 97 percent availability, meeting system availability requirements.
- Accommodate anticipated growth in service demand. The 15 percent increase in users seen in FY 2007 is expected to continue through FY 2008.
- The DIG will review approximately 45,000 in-country overstay records for ICE CEU (16.6 percent increase over FY 2007) and approximately 37,000 out-of-country overstay records (66 percent increase over FY 2007).
- Additional categories in-country overstay records will be added by ICE to the current prioritization list, requiring the DIG to remain current on a larger population of records. Additional categories of overstay lookouts will also be created; including lookouts for in-country overstay records for which ICE agents have exhausted all leads without locating the individuals. This could add up to 3,000 records over the FY 2007 workload.

US-VISIT will maintain system and data integrity to meet stakeholder needs by:

- Integration of arrival I-94 and NSEERS data into ADIS, providing more complete information that will contribute to improved departure to arrival matching and more credible system identification of overstays.
- Providing the functionality to reconcile accounts for proactive identity management, enabling the US-VISIT program to ensure the proper transactions are associated with the proper account, improving the accuracy of this person-centric system.
- Increasing ADIS departure to arrival match rate to approximately 97 percent, driven by improved record matching algorithms, additional information (I-94, NSEERS, etc.), and improved carrier compliance with the electronic manifest regulations. The other measure of the improving level of data integrity in ADIS referenced above, the percentage of overstay records identified in ADIS that are validated through subsequent record checks performed by the DIG, will also continue to improve.
- An independent assessment, by LLNL, will enable US-VISIT to articulate the current baseline ADIS record matching accuracy and recommend additional record matching enhancements to optimize accuracy.

*Coordinate law enforcement and intelligence operational activities.* US-VISIT will:

- Continue to review all entry biometric watch list encounters occurring at POEs and to demote persons from the watch list who have overcome an inadmissibility charge or who have been granted a waiver of inadmissibility to facilitate processing at the POEs.
- Exchange biometric information and formalize process with DOD to include identities on the biometric watch list of high threat subjects encountered by the U.S. military primarily in Iraq and Afghanistan. These records could prevent subjects who have been detained, attacked U.S. troops or civilian targets, or are connected to insurgent activities in theatre from gaining entry to the United States. Additionally, US-VISIT may be able to supply identity information to DOD on previously unknown subjects of interest. Success will be measured by the number and frequency of data exchanges with DOD.
- Further support the 4CC initiative by vetting persons who are in the U.S. but who are applying for a visa to the UK, expanding a global biometric view of identities to deter fraud committed across borders and to better share identities on persons of interest who commit crimes against humanity globally.
- Progress will be made in associating every biometric record available to a corresponding KST on the watch list so that these subjects can be identified biographically and biometrically through documented standard operating procedures, tracking the number of records shared over the next year, and by continuing participation on the various U.S. government biometrics standardization and information sharing working groups.
- Formalize a process with USCIS to put all denied applicants for fraud on the biometric watch list so the subjects cannot apply for admission to the United States or for another immigration benefit under another identity. Success will be measured by the number of fraud records added to the watch list based on the USCIS process.

## FY 2009 Projected Accomplishments

FY 2009 planned accomplishments will support the combination of a growing biometric gallery size coupled with an expansion of stakeholders beyond the traditional border management context which will drive the need for:

- Advanced analysis and related tools that will support, monitor and provide actionable and verifiable enforcement leads, data monitoring, error correction, and related statistics and performance based service metrics. Additionally, enhancements will be made to the validation process of all in-country overstays identified in ADIS including verified overstay information for investigative review by ICE. With initial deployment of Unique Identity's full operating capability's enhanced exit tracking capabilities and the expansion of biometric credentialing screening for critical infrastructure, the complexity of information available will increase; optimal use of the data contained within US-VISIT's databases will require an integrated and coordinated, near real-time response to all stakeholders. To respond, US-VISIT will establish a 24/7 biometric stakeholder operational support capability that is not currently provided by any DHS organization. This capability will coordinate new or changing information with other relevant Federal, State, local and international government organizations and to provide enhanced analytic services that leverage US-VISIT's biometric and biographic capabilities.
- By expanding real-time biometric information and analysis available to State and local law enforcement, critical infrastructure and intelligence community users, US-VISIT can expand the number of users who may identify overstays' criminals, national security threats and biometric watch list candidates for subsequent action. Moreover, identity services will comply with Homeland Security Presidential Directive (HSPD-6), whereby all information pertaining to known and suspected terrorists must be shared with the National Counterterrorism Center (NCTC) for international terrorists and with the FBI for domestic terrorists. As more actionable leads are forwarded to ICE for investigation, the number of arrests based on US-VISIT data is expected to increase by 25 percent, and the number of look out records created will double the number of FY 2007 port refusals and consulate adverse actions.

**Unique Identity** - The Unique Identity initiative includes integrated work streams for national deployment of 10 print capture and achieving interoperability between IDENT and IAFIS. The use of 10 prints facilitates travel by reducing the number of travelers sent to secondary inspection since the use of 10 prints provides more data on which to match, thus reducing false positives. Further, there are greater opportunities to identify persons of interest since 10 prints are more likely to be able to be matched to latent fingerprints in criminal and intelligence biometric data stores from fingerprints collected from crime scenes or terrorist locations. Interoperability enlarges the biometric database used by both border management and law enforcement agencies. When used in conjunction with the 10-Print initiative, enhanced data sharing, increases the probability of identifying persons of interest and taking appropriate law enforcement actions.

|                        | FY 2008 Enacted       | FY 2009 Request     |
|------------------------|-----------------------|---------------------|
| <b>Unique Identity</b> | <b>\$ 228,000,000</b> | <b>\$66,368,000</b> |

US-VISIT will use the requested funds in the following areas:

- *Project Integration and Analysis (Project Management in the FY 2007 Expenditure Plan)* – Provides the technical guidance, coordination and integration support for development and validation of business requirements for Unique Identity. Also, these funds will provide for the

project-related planning resources (including configuration, acquisition and risk activities) as well as the analysis of project performance metrics and related reporting on cost, schedule, and quality management.

- *Outreach* – Conduct communications to pilot entry POEs, stakeholders, 10 print scanner industry and related industry groups and the development of a Stakeholder Readiness Plan.
- *Privacy and Systems of Records Notice* – Assess the need for a Privacy Impact Assessment, System of Records Notice and Federal Register requirements for 10-Print and the Interoperability of IDENT/IAFIS. Initiate the assessment and notices of analysis and implementation.
- *Acquisition and Procurement* – Purchase and deployment of 10 print capture devices, upgrades in network capacities (specifically regarding band-width) as well as technology refreshes at 119 airports, 9 seaports and 155 land ports.
- *Training* – Develop the training products that will be used, such as web-based training, train the trainer and provide operational training during the “go-live” launch.
- *Update DHS Border and Process Technology* – Device to client biometric interfaces and further 10-Print prototype testing and evaluation.
- *Process 10-Print Data* – Enable the long term storage and processing of 10 prints captured at POEs, other DHS components, and DOS Consulates by completing the design and development of a data model and system architecture that supports processing of 10-Print volumes. The focus will be to finalize the design, build, test, and deployment production environments. This will include the acquisition of matchers for deployment to support 10-Print volumes and operations at 119 airports, 15 seaports, and 154 land border ports.

## **FY 2007 Accomplishments**

### *10-Print Transition*

*Acquisition led to improvement of scanner technical capabilities.* US-VISIT successfully acquired 50 scanners for initial testing. This acquisition benefited from industry development of new and improved technologies that met the technical, physical and operational requirements for DHS.

*Pilot locations selected and modeling conducted to prepare for pilots.* 10-Print test locations were selected in collaboration with the law enforcement and intelligence communities to ensure that the locations provided a representative population of the visa waiver travelers. Site surveys were conducted to determine physical and technical modifications required and helped identify the optimal location for placing scanners within the CBP processing booth. This was a collaborative effort with CBP with the goal of minimizing processing delays and diverse impact on the traveler arrival/departure process.

US-VISIT conducted modeling studies to baseline existing operations and processes, as well as evaluated network capacity at the pilot locations to reduce the risk of inadequate infrastructure capacity. These activities allowed US-VISIT to evaluate pilot performance, and operational impacts prior to full deployment in support of Government Accountability Office (GAO) recommendations.

The USCIS pilot demonstrated initial benefits for 10-print. US-VISIT completed and piloted capabilities to support the USCIS Adoption pilot that provided the ability to verify applicant identities throughout the adoption process. As a result, capabilities exist to create a unique identifier established at the time of a person's biometric enrollment that links all biometric records associated with that individual.

### Interoperability

*Early results identified subjects for removal and demonstrated viability to proceed to Initial Operating Capability.* Deployment of the Interim Data Sharing Model (iDSM) capabilities allowed US-VISIT and the FBI to share limited biometric immigration information relating to expedited removals and State's BioVisa refusals. The iDSM test sites were Houston and Dallas, Texas, Boston, Massachusetts, and the Office of Personnel Management. In FY 2007, using the improved information made available by the iDSM pilots, decision makers identified more than 254 individuals subject to removal and refusal. These individuals would not have been identified without the information from the initial iDSM test. An evaluation was completed and demonstrated the viability for proceeding with an Initial Operating Capability (IOC).

*Departments of Homeland Security and Justice achieved agreement on the overarching architecture for the Composite Model with Separate Image Repository.* An agreement was reached by DHS and DOJ on requirements for sharing information on a fully supportive infrastructure to enable the exchange of data. As part of this effort, both departments reached agreement on the Composite Model with Separate Image Repository, which will serve as the overarching infrastructure for IOC. This architecture was included in the Cost Benefit Analysis (CBA) refresh completed in October 2007.

The program continued to design, build, and develop a deployment plan for IOC for Interoperability. IOC Interoperability will be implemented by late FY 2008 and will provide DHS with the capability to access criminal data in IAFIS; FBI with access to the immigration data in IDENT; and expand the population of biometrics data shared to provide immediate identification of high risk individuals resulting in improve decision making regarding both immigration and law enforcement actions.

## **FY 2008 Planned Accomplishments**

### 10-Print Transition

*Complete pilots and begin national deployment of 3,000 scanners at 292 POEs.* In FY 2008, US-VISIT will complete the 10-Print pilot and evaluate the results. These results will provide insights and lessons learned that will guide the national deployment of 10 print capability due to be completed early FY 2009. National deployment will consist of approximately 3,000 devices to the 292 POEs where 2 print scanners are currently deployed at air, sea and land environments. Through these efforts, US-VISIT will improve accuracy in matching fingerprints, enabling the immediate identification of high risk individuals, and facilitating the interaction for low-risk individuals.

### Interoperability

*Implement IOC.* US-VISIT will implement IOC to improve the DHS ability to match enrollees against latent prints; mitigate concerns about false negatives when matching against poor quality prints; ensure fast processing time to resolve false positives; and provide the ability to perform a full search of the FBI/CJIS criminal master file. In addition, interoperability will enhance identity verification capabilities by sharing biometric and biographic information collected by each department. IDENT/IAFIS Interoperability will provide more coordinated and well-informed decision making capabilities. FY 2008 investments will provide more comprehensive biographic and case data

screening, scale for transaction throughput and gallery size and provide the ability to access the FBI/CJIS criminal files.

### **FY 2009 Project Accomplishments**

In FY 2009, US-VISIT will begin to design, build and test IDENT/IAFIS Interoperability full operating capability (FOC); initiate the “Rap Back” capabilities across IDENT and IAFIS to search the fingerprint databases using a one-time identifier as search criteria within the IAFIS galleries. During the FOC phase, a new service will be integrated into IAFIS that will allow authorized agencies to receive notification of criminal activity for individuals in a position of trust; complete the full 10 print matching capability within IDENT to increase the accuracy and number of fingerprint searches; and begin development of the Immigration Data Response capability that allows selected CJIS stakeholders to access immigration violation information.

**Comprehensive Biometric Exit** - The Comprehensive Biometric Exit initiative includes the initiation, development and implementation of a comprehensive solution to capture biometric information from in-scope travelers as they exit the United States in the air, sea and land environments. This initiative supports the Intelligence Reform Act of 2004, and enhances the integrity of the immigration system.

This capability provides several benefits. The use of biometrics verifies the identity of the person leaving the country confirming the traveler’s compliance with immigration laws and eliminates the use of multiple identities if only biographic data is utilized. It also maximizes investigative resources to prevent searching for people who have already left the country. Furthermore, at a policy level, this capability provides the ability to identify overstays by country and visa category to inform decision makers on overall compliance with and effectiveness of immigration laws. Identification of overstays assists DHS in the determination of the extension or denial of Visa Waiver privileges to countries.

US-VISIT has proposed an incremental deployment of biometric exit capabilities into the three POE environments – air, sea and land – with an initial focus on commercial air and sea departures since this represents the largest volume of travelers from countries of interest. This solution will leverage lessons learned from the Air and Sea Exit pilot that highlighted the need to integrate the capture of biometrics into the traveler departure processes in order to maximize compliance. Previous Air and Sea Exit pilot demonstrated the improved matching of entry and exit records through the use of biometrics. The deployment of a comprehensive solution will extend these benefits to all locations.

|                                     | <b>FY 2008 Enacted</b> | <b>FY 2009 Request</b> |
|-------------------------------------|------------------------|------------------------|
| <b>Comprehensive Biometric Exit</b> | <b>\$13,000,000</b>    | <b>\$55,533,000</b>    |

US-VISIT will use the requested fund for the following:

- *Project Integration and Analysis (Project Management in the FY 2007 Expenditure Plan)* – Provides the technical guidance, coordination and integration support for development and validation of business requirements of Comprehensive Biometric Exit. Also, these funds will provide for the project related planning resources (including configuration, acquisition and risk activities) as well as the analysis of project performance metrics and related reporting on cost, schedule, and quality management.
- *Planning and Design* – Complete the Enterprise Life Cycle Plan and Analyze phases which will give US-VISIT the information necessary to make an informed decision regarding the development and implementation of a land border exit system. The plan will look to address all modalities of border crossing, such as ferries, rail, bus, truck, and pedestrian traffic. In FY 09 US-VISIT will develop and implement solution(s) that will address one or more of these modalities that an in-scope alien may employ to exit the United States.

- *Infrastructure Upgrades* – Deploy necessary infrastructure upgrades, along with increased storage capacity to meet workload demands resulting from implementation of air and sea biometric exit

### **FY 2007 Accomplishments**

*US-VISIT decommissioned pilots and refocused resources.* US-VISIT decommissioned operations of the existing Air and Sea pilot at the 12 airports and two seaports. Since its inception, more than six million travelers had been processed resulting in 1,061 biometrics hits, leading to nine adverse actions. Given the limited number of locations operating the pilot, this represents a potential for significantly increasing confidence in security and immigration compliance.

This early pilot identified low compliance on the part of travelers which emphasized the need to integrate biometric collection into the existing departure check-in process. This pilot closure has permitted the reallocation of resources to focus on developing and implementing the comprehensive strategy.

US-VISIT also concluded the operation of the Radio Frequency Identification Proof of Concept that was assessing the use of technology to facilitate entry and exit operations for vehicle and pedestrian traffic at selected land POEs. This effort provided valuable lessons learned on the use and effectiveness of remote sensing technology that will be used in the development of the Comprehensive Exit strategy.

### **FY 2008 Planned Accomplishments**

*Develop and complete implementation of an air and sea biometric exit system.* US-VISIT plans to finalize a biometric exit strategy and complete implementation of a biometric air and sea exit system by the end of calendar year 2008.

*Initiate the land exit phase of the Comprehensive Biometric Exit Solution.* In FY 2008, US-VISIT will conduct an evaluation of potential technologies, operational changes, and data sharing in conjunction with other DHS border management initiatives. These evaluations will require time and motion studies, surveys, and other specific modeling techniques in order to identify potential impacts to exiting facilities and infrastructure, business operations and staffing. The conclusion of these studies will be published in a decision based document that outlines the land biometric exit strategy in December 2008.

### **FY 2009 Projected Accomplishments**

US-VISIT will deploy necessary infrastructure upgrades, along with increased storage capacity to support implementation of air and sea exit.

US-VISIT will also build upon the initial land border plan and analyze activities in FY 2008. Given the challenges of a land border exit system, US-VISIT believes the development process is best started by gathering information that will assist in making informed decisions. During FY 2008, US-VISIT will accomplish this through collection of information from technological solutions that have been employed at the border by other DHS entities and researching the potential for integration or further development into those solutions. In addition, new and emerging technologies will be evaluated, continued discussion with the border countries for potential data-sharing capabilities and collection of stakeholder concepts.

US-VISIT expects to take an incremental approach to the land border. Re-using some of the technology and procedures already developed along with the information gathered in FY 08, US-VISIT will deploy in FY 09 a system to one or more specific transportation modalities. For example, an in-scope alien pedestrian walking across the border and/or in-scope aliens traveling on a ferry, bus, or a train may be required to provide exit data prior to departure. Building upon the lessons learned in

each increment and as technology develops, US-VISIT will continue to work towards a completed Comprehensive Exit solution.

**Operations and Maintenance** - US-VISIT provides IT support that enables the identity verification service and supports the enhancement and development of new capabilities. O&M includes systems operations and maintenance, development of IT architecture and platforms for user and program interfaces, data center operations support and services, integration and support for network communications, and technical IT support services.

The following a perspective of the scope of the US-VISIT O&M:

- The major IDENT IT components include approximately 500 servers in use at any given time that support over 300 operating elements using IDENT services. IDENT also has 91 matchers and 31 terabytes of storage that is growing at the rate of two terabytes per month.
- The IT support for US-VISIT spans four sites with dozens of servers, network components and applications.
- More than 950 help desk tickets are resolved during the year for access requests and account management.

The US-VISIT program office, IDENT system services and the prime contractor are supported by numerous Wide Area Network (WAN) circuits. These circuits provide data connectivity for program administration, IDENT system transactional and contractor development, prototyping, and operational communications. These WAN environments and their associated circuits are critical to the mission of US-VISIT. Support of these large capacity circuits and their requisite enterprise level network equipment (routers, firewalls, Channel Service Unit /Digital Service Unit, Intrusion Detection System, accelerators and compressors) require 24/7/365, multi-tiered support services. This support ensures on-going viability of the IDENT and ADIS systems and the administrative functionality of US-VISIT. Overall network support is comprised of high-level engineering expertise responsible for design, implementation, testing and troubleshooting of current and future initiatives. It is also comprised of base-level Help Desk functions and mid-level performance monitoring and reporting functions. Combined, these US-VISIT network services comprise the necessary support structure to serve the critical biometric vetting, storage and programmatic support needs of DHS.

|                                   | <b>FY 2008 Enacted</b> | <b>FY 2009 Request</b> |
|-----------------------------------|------------------------|------------------------|
| <b>Operations and Maintenance</b> | <b>\$103,000,000</b>   | <b>\$128,327,000</b>   |

US-VISIT will use the requested funds in the following areas:

- *Applications Operation and Maintenance* – Software for program support, break-fix resolution and remedies, software/application release management including configuration management; IT architecture and platforms for user and program interfaces. Additional IDENT matchers to improve and maintain 10 second Service Level Agreement (SLA) with CBP on primary inspection lanes.
- *Data Center Operations* – Data center software, software, platform support and services, physical data storage, hardware supporting structures, routine backup and recovery, and disaster recovery operations.

- *Network/Data Communications* – Resources for shared enterprise Help Desk support to the POEs and the US-VISIT Program Office in database administration and management services, local area network services and related services.
- *IT Services* - Help Desk support for US-VISIT capabilities and systems, which includes the US-VISIT Program Office for database administration and management, Local Area Network services and support, and technical independent verification and validation.

## **FY 2007 Accomplishments**

*Maintaining service level commitments to user agencies.* In the face of transaction and gallery growth presented above, US-VISIT continued to meet or beat its SLAs with key user agencies. For example:

- *Primary Processing* - The average time required to complete a search on the Look Out/Watch List system was 9.47 seconds which is within the 10 second response time specified in the SLA. IDENT operations delivered a sub-10 second response with 99.5 percent reliability. This performance enabled front-line CBP officers to make critical decisions in real-time.
- *BioVisa Processing* – The SLA watch list response time requirement is 15 minutes or less. The actual average was 2 minutes, 21 seconds. This performance delivered results to Department of State officials in near real time and enabled them to either approve/deny BioVisa in a single visit. Applicants no longer have to plan on making two separate visits to the consular office to get a decision on their applications.
- *ENFORCE Processing* – The SLA requirement for enforcement searches is two minutes or less. Average performance to date was 1 minute, 22 seconds. ENFORCE is the DHS enforcement case tracking system supporting alien processing, enforcement case management, and statistical reporting functions.
- *System Availability* – The SLA requirement for overall IDENT system availability is 99.7 percent of the time or better. In FY 2007, IDENT has been available 99.9 percent of the time, thus providing critical biometric information to support decisions by user agencies affecting the security of the United States.

*New technical solutions in support of business requirements for end users.* US-VISIT successfully challenged the private sector to develop new fingerprint scanner technologies. The results are making it possible to meet the growing volume with improved quality. US-VISIT technical experts led efforts to acquire more compact scanner technologies required for the 10-Print Pilot Deployment Project.

US-VISIT also created an enterprise Service Oriented Architecture platform, including the development of the IDENT Extensible Markup (IXM) language based on the Extensible Markup Language (XML) data communication standard and the new DHS–DOJ National Information Exchange Model (NIEM) standard. IXM provides a standardized format for applications from Federal agencies and potentially allied foreign governments to communicate directly with US-VISIT irrespective of the programming languages between the applications. The use of IXM across DHS, DOS, DOJ, and CBP provided efficiencies by eliminating the need for development of customized interfaces between applications. Communication with IDENT can now be achieved through the common NIEM standard. In FY 2007, iDSM piloted this new standard with DOJ.

US-VISIT maintained the new interoperability capability developed between the IDENT and IAFIS systems and a pilot program with the DOS. The new IDENT/IAFIS interoperability system, now under O&M, provides a more secure and reliable data transfer between the two agencies. In addition, the

pilot program with DOS provides US-VISIT with 10 print slap fingerprints images and is serving as a prototype for the new 10 print capability within DHS.

Also during FY 2007, US-VISIT developed and refined a consistent patch management process and a comprehensive incident response process to apply to all US-VISIT inventory systems. These processes will improve the security of operational components and protect data with privacy implications.

*US-VISIT pursues management improvements and efficiencies.* As a key biometric service provider, US-VISIT has assumed a leadership role in contributing to the design of the DHS Biometric Enterprise Architecture. The close collaboration between US-VISIT and the DHS Chief Information Officer (CIO) on Enterprise Architecture (EA) efforts lead to the designation of US-VISIT as the lead for the biometric services component of the DHS EA. In FY 2007, US-VISIT helped DHS develop a biometric EA and helped administer this EA component through efforts led by the DHS CIO.

These efforts and the successful development of an enterprise Service Oriented Architecture culminated in recognition by DHS on May 25, 2007. DHS formally designated US-VISIT as the DHS center of excellence for biometrics. The memorandum from the DHS CIO and the Director of the Screening Coordination Office established US-VISIT as the central coordination point for biometric conformity to the DHS EA. In this new role, US-VISIT will strive to reduce the total cost of biometric services by ensuring that development standards are followed by all stakeholders.

In FY 2007, US-VISIT transitioned database and systems administration contractual support from ICE thereby streamlining US-VISIT governance and management structures to replace those inherited from the legacy components of DHS.

US-VISIT also sought to achieve management efficiencies through a number of efforts in FY 2007. For example, US-VISIT reduced O&M costs for mission critical applications and key IT infrastructure components. Data storage costs under the DOJ supported infrastructure were reduced from approximately \$35 per gigabyte per month to \$2.50 per gigabyte per month. For a large-scale system such as ADIS that operates with six terabytes of data storage per month, the savings is approximately \$2.3 million per year. These savings were realized with a new efficient data storage mechanism managed by US-VISIT and consolidated with a single integrator.

During FY 2007, US-VISIT also established a single repository for all hardware and software licenses and maintenance agreements. By centralizing the administration, US-VISIT identified redundancies, eliminated unnecessary licenses, and identified future opportunities for further consolidations that will reduce costs.

US-VISIT also realized cost savings by reusing retired IT equipment. When the Air and Sea Exit pilots were decommissioned in late FY 2007, equipment that had not reached the end of its effective service life was re-deployed. Much of this equipment was placed in service on the 10-Print initiative. Principle equipment re-deployed included servers and network components for an estimated cost savings of approximately \$35,000. Further savings were realized when the Land Exit pilot (previously referred to as Increment 2C) was decommissioned. Equipment was re-deployed to establish the IT infrastructure for Public Key Directory Validation Services, saving an additional \$230,000.

### **FY 2008 Planned Accomplishments**

*Maintain service level commitments to user agencies.* US-VISIT will continue to be challenged to support expected growth from existing users at land, air and sea ports, consular offices and immigration benefits offices in addition to maintaining and supporting new capabilities deployed in FY 2007 and 2008. These capabilities include database changes designed to provide more streamlined searching of biometric repositories (“Unified IDENT”), the addition of new credentialing populations, continuation of the Mona Pass pilot program with the U.S. Coast Guard (USCG), and the new 10-Print

pilot transition to a initial operating capability at air and sea ports. With the projected growth in operations, US-VISIT will deliver the same level of service negotiated in various SLAs with our customers.

IT support will expand existing O&M capabilities to provide operations support for additional components such as ADIS, 10-Print pilot, iDSM, and Enumeration. Many of these components will require 24/7/365 support to collect and process biometric and biographic data in support of national security.

*Develop new technical solutions in support of business requirements for end users.* There will be new technologies coming online for 10-print, enumeration, and interoperability. Each new system will experience significant increases in transaction and query processing. The transition to 10-print will increase digital transmissions by 500 percent. This corresponds to a five-fold increase in transaction processing across national networks. The challenge will be to absorb these increases without impacting response times and SLAs.

*US-VISIT pursues management improvements and efficiencies.* Demand for biometric services and the DHS endorsement have brought new stakeholders to US-VISIT with requests for new functionality and requirements. New architectures and innovative solutions are required to ensure that IDENT can be scaled to meet the new demands.

**FY 2009 Projected Accomplishments**

US-VISIT will be challenged to maintain current response time agreements with user agencies (e.g. watch list searches completed in less than 10 seconds; enforcement transactions completed in less than 2 minutes; BioVisa initial searches completed in less than 15 minutes; BCC searches completed in less than 24 hours; and maintaining IDENT system up time at 99.7 percent or greater) in the face of exponential growth in IDENT and ADIS transaction volume and fingerprint gallery size in response to 10-Print pilot, Interoperability, and rising user demand. Interoperability sites will expand from 12 sites in FY 2008 to 50 sites in FY 2009. Further, US-VISIT will establish an initial 24/7 support and analytical capability that is not currently provided by any DHS organization. A program office hardware refresh of PCs and peripherals is also planned.

**Enhance Program Management** - (Program Management in the FY 2007 Expenditure Plan). US-VISIT provides mission support functions to ensure that the program has the appropriate planning activities, human capital, budget and financial resources, technical support, acquisition policies and procedures and facilities and logistics support to execute its mission. These are critical functions that directly support overall program direction and control. In addition, organization staffing provides support to all US-VISIT activities. Staffing constitutes a major expenditure area, comprising all Federal staff and contractor support. These program and project resources are applied across the full spectrum of the program. These staff resources are directly involved in mission accomplishments; including capability development, identity services, and operations and maintenance, as well as mission support staffing.

|                                   | <b>FY 2008 Enacted</b> | <b>FY 2009 Request</b> |
|-----------------------------------|------------------------|------------------------|
| <b>Enhance Program Management</b> | <b>\$115,200,000</b>   | <b>\$120,052,000</b>   |

US-VISIT will use the requested funds for:

- *Program Staffing (Program Management in the FY 2007 Expenditure Plan)* – Provides the resources for program strategic direction and control functions. This area constitutes a major

expenditure, comprised of all Federal staff (e.g., salaries, benefits and staff development), federally funded research and development services, and contractor program management support. Contractor services provide essential experience required to support US-VISIT, as well as needed staffing resources to supplement the Federal staff, enabling program and project development and deployment and delivery of US-VISIT capabilities. These resources (government and contractor) are applied across the full spectrum of the program. These resources are directly involved in mission accomplishment, including capability development, identity management and screening services and infrastructure support. Additionally, these resources provide for program activities such as strategic planning and policy, budget and financial management and program control.

- *Program Operations* - Provides for the physical facilities to maintain the program office for government personnel and on-site contractors. Expenditures cover unallocated program administration and logistics such as rent, building management services, equipment maintenance, communications support, and physical security and DHS central administrative services through the DHS working capital fund.

### **FY 2007 Accomplishments**

During FY 2007, US-VISIT developed a strategic framework document providing the basis for revising the US-VISIT strategic plan. The document, in conjunction with revised DHS investment review documents, enabled US-VISIT to comply with the DHS investment review process. Additionally, US-VISIT implemented improved requirements for new reimbursable agreements enhancing the probability of successful performance and reduced risk. The use of these refined approaches within US-VISIT was institutionalized through inclusion in the Program's Contract Administration Master Plan. Further, US-VISIT continued the implementation of contract level oversight plans for new task order and contract awards, a best practice recommended by GAO.

In compliance with OMB policy, US-VISIT extended Earned Value Management System (EVMS) reporting to its mission support contractors. Further, in conformance with the FY 2007 Expenditure Plan commitment, US-VISIT commissioned an external review of the prime integrator's EVMS by the Defense Contract Management Agency (DCMA), a recognized domain expert. The initial five day on-site engagement was completed in June 2007. The prime integrator is developing a plan of action and schedule to address significant findings from the DCMA audit. US-VISIT continues to monitor the corrective actions of the prime integrator based on DCMA's documented findings from their Preliminary Assessment Visit. DCMA is scheduled to complete their EVMS validation review of the primer integrator in the spring of 2008.

In FY 2007, US-VISIT completed major acquisitions, including: (1) the acquisition of fingerprint scanners required for enabling 10 print capture; (2) new fingerprint matchers to support the increasing identification workload; and (3) termination of the contract for O&M for the earlier Air and Sea Exit pilots.

Improvements in Budgeting and Accountability processes included:

- The use of templates in developing the FY 2008 Expenditure Plan to focus development of a plan that reported results against FY 2007 plans, reported project performance against schedule and cost estimates and explained divergences, aligned project capabilities, benefits, and indicators of results, and provided a clearer explanation of infrastructure (specifically O&M) and mission support costs as well as describing results.

- US-VISIT improved cost estimating methodologies and practices. A program-level cost estimating and analysis process was developed and implemented to adopt cost estimating best practices in the areas of program and project cost estimation, life-cycle cost model development and independent government cost estimations. These improvements yielded increased rigor and quality of cost estimations, better support during the annual budget formulation process, improved program and project cost management, and program financial accountability.
- The implementation of a GAO recommendation resolution process establishing clear roles and responsibilities for actions, establishment of mitigation plans with milestones, and a twice monthly follow up process.
- Program-wide quarterly Program Management Reviews (PMRs) are now conducted as comprehensive evaluations where project managers and functional areas present standardized reports showing progress against plans, risks and issues, accomplishments and challenges. These evaluations ensure a common understanding of approaches, issues, risks and challenges across the Program, and contribute to consistent, well-informed management decisions.
- US-VISIT increased its mission support maturity by developing the Planning, Programming, Budgeting and Execution (PPBE) process, supporting the program in systematically securing, managing and monitoring funds and resources. The PPBE process document clearly defines each phase and process of the budget cycle as well as depicts the interaction of the process with investment management, performance management, and various other US-VISIT financial management processes and activities.
- Scheduled Integrated Baseline Reviews were conducted on appropriate new US-VISIT contracts.
- Monthly Contract Performance Reporting – earned value management is considered as a requirement for new US-VISIT contracts, and is incorporated into contracts as appropriate in accordance with external guidance.
- Project teams hold regular Integrated Project Team meetings where progress is reviewed, team member’s issues and risks discussed and future plans reviewed. Roles and responsibilities for project monitoring and control activities are now more clearly defined in project plans. Both program and project level monitoring and control activities over artifacts in project repositories have been improving, ensuring program wide visibility of current status, approaches, and issues.

The FY 2004 Human Capital Plan was re-examined in light of the challenges of a maturing organization with an evolving mission. The resulting Human Capital Strategic Plan drafted in FY 2007, will provide the structure, framework, and recommendations needed to implement workforce planning and staff development in FY 2008.

US-VISIT published five Privacy Impact Assessments and three Systems of Records Notices to maintain compliance with privacy legislation and regulations. Thus, the US-VISIT goal of protecting an individual’s privacy rights is achieved.

US-VISIT led DHS efforts regarding biometric standards, coordination and research through organizing and hosting the International Biometrics and Ethics Conference; representing DHS interests and requirements for biometric standards by participating in the International Committee for Information Technology Standards; and developing, through joint effort with the National Science Technology Council's Subcommittee on Biometrics and Identity Management and the NCTC, the interagency policy guidance document for development and use of biometric standards, which furthers

interoperability of biometric systems and helps DHS meet information its sharing goals with other Federal agencies.

### **FY 2008 Planned Accomplishments**

In FY 2008, US-VISIT plans to further the progress by:

- Develop a revised strategic plan recognizing the congressional and departmental mandates on US-VISIT within the National Protection and Programs Directorate (NPPD).
- Complete at least one externally led Capability Maturity Model Integrated (CMMI) appraisal, currently scheduled for January 2008. If US-VISIT decides to adopt the new CMMI Acquisition (CMMI-ACQ) model, which is expected to become the de facto community approach for acquisition based programs, there could be some impact on future operations.
- Achieve recognition by GAO that the program has completed, or is making substantial progress toward, addressing audit recommendations
- Advance the Enterprise Life Cycle Methodology (ELCM) by developing program-specific templates across program branches and processes to ensure that the artifacts are standardized across the program. This will assist US-VISIT in meeting its strategic goals by ensuring key issues are addressed early and efficiently. The program will deploy ELCM incremental releases to expand upon the current methodology assuring appropriate artifact templates support individual phases of the lifecycle. Additionally, US-VISIT will institutionalize adherence to DHS privacy mandates by ensuring that all artifact templates will adhere to privacy requirements, further safeguarding the privacy of our citizens and visitors.
- Improve internal governance by refining the investment decision process. Establish an unfunded requirements list to align with budget execution. Augment the investment initiation process and internal governance procedures of the decision boards with criteria and reviews relative to supporting Program Assessment Rating Tool (PART), Life Cycle Cost Estimation, and software capitalization processes. Improve the capture of performance measurement, cost estimation, and capitalization information for decision-making. Continue to simplify and align US-VISIT program investment, budgeting, acquisition, and project management reporting within the internal governance structure, to include refining the investment review operations to encompass portfolio management capabilities. Integrate and align the US-VISIT Internal Governance structure with the approved external governance structure, thresholds, and program review operations within NPPD. Move toward portfolio management prioritization, tracking and assessment, including tailoring management reviews and artifacts based on risk level and reporting-level factors to provide for better categorization of projects for periodic progress reviews.
- Further reduce the prime integrator enterprise costs. Efforts will address remaining weaknesses identified in the 2007 appraisals, improved use of measures to report progress of activities, incorporating well planned out monitoring and control activities that can be tracked in project team meetings and corrective action taken when necessary.
- Work with the prime integrator to achieve full certification of its EVMS system, to include addressing the DCMA audit findings and plan of action submitted to the DCMA in September 2007.
- Improve contractor performance to stay within 10 percent range of cost and schedule variance.

- Demonstrate tangible progress to GAO in addressing open recommendations through active management of responsive mitigation plans.
- Completion of an Exit Cost Benefit Analysis (CBA).
- Complete acquisition actions in search of productivity improvements, such as re-competition of the fingerprint examiner contract for the BSC and reconsideration of the contract for DIG analytical support.
- Completion of a work force analysis to determine proper alignment of US-VISIT program staffing to tasks. Develop a plan for implementing recommendations.
- Improved vacancy-to-onboard-employee ratio measured from FY 2007 to FY 2008.
- Address privacy and policy issues to facilitate data sharing with the domestic and international immigration and border management community.
- Continue as the DHS lead in the development of biometric standards (both national and international) to facilitate technology interoperability and biometric data sharing. Monitor progress, evaluate, and prepare technical contributions to projects of interest to US-VISIT and other programs within DHS.

### **FY 2009 Projected Accomplishments**

Using the requested FY 2009 funds, US-VISIT will continue to augment and build on earlier achievements by:

- Completing acquisition actions, including development and execution of a strategy regarding the prime integrator, and contractor mission support.
- Responding to the new CMMI-ACQ model which is expected to become the accepted model for process improvement in FY 2008.
- Implementing modifications to the government guidelines on acquisition strategy as required enabling the prime integrator to achieve certification.
- Continue as the DHS lead in the development of biometric standards, with primary focus on adoption of the international standards to support current and future DHS capabilities.
- Maintaining contractor performance within the 10 percent range of Cost and Schedule variance.
- Demonstrating tangible progress to GAO in addressing open recommendations through active management of responsive mitigation plans.
- Implementing the workforce plan resulting from the FY 2008 independent analysis of US-VISIT program staffing. Improve the ratio of Federal personnel to contractor support by filling authorized government positions.
- Further refining the US-VISIT PPBE process, drawing upon the revised strategic plan and improvements in the program Life Cycle Cost Estimates.
- Incorporating the GAO Cost Assessment Guide into program cost estimating practices.
- Maintaining program management bench strength at US-VISIT at 25 program management certifications.

- Conducting an annual review of all individual performance plans in the context of the Human Capital Strategic Plan to ensure employee goals support US-VISIT requirements.
- Completing training governance for Federal partners in support of 10 fingerprint capture technology. Governance will ensure the Federal partners' compliance with training best practices, thereby supporting the operational objectives of 10 print technology.
- Completing and implementing a Continuity of Operations Plan and a Pandemic Influenza Plan.
- Completing American Indian Government-to-Government Relations Policy in the third quarter. The Policy will formalize US-VISIT's commitment to working with the American Indian Tribes in all US-VISIT environmental projects that may affect Tribal interests.
- Sending the Supplementary National Environment Protection Act (NEPA) procedures to DHS Chief of Administrative Services by the second fiscal quarter for approval accompanying a request for signatory authority for NEPA analyses and documentation. Supplementary NEPA procedures and signatory authority will allow US-VISIT to act as sole authority for its environmental analyses and documentation.

#### IV. Program Justification of Changes

**Program Increase 1:** **Comprehensive Biometric Exit**

DHS Goal(s) & Objective(s): 1.3

PPA: US-VISIT

Program Increase: Positions 0 FTE 0 Dollars \$42,553,000

Funding profile (\$ in thousands)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level | 0              | 0        | \$34,700        | 0               | 0        | \$7,300         | 0               | 0        | \$13,000        |
| Program Increase       | 0              | 0        | (27,400)        | 0               | 0        | 5,700           | 0               | 0        | \$42,553        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$7,300</b>  | <b>0</b>        | <b>0</b> | <b>\$13,000</b> | <b>0</b>        | <b>0</b> | <b>\$55,533</b> |

Description of Item:

DHS is committed to establishing a comprehensive biometric-based entry and exit border system that provides real benefits. US-VISIT will develop a comprehensive exit solution to be delivered through two work streams – the air/sea environment and the land environment – with the initial focus on the commercial aviation departures and vessel carriers industry.

To achieve this objective, DHS will work with Federal partners and stakeholders, the transportation industry, airport, and seaport authorities to define and develop the operational, policy and technology investment decisions for the air and sea environment. Additionally, as part of the Comprehensive Biometric Exit Solution, US-VISIT will work with partners to leverage a long-term land exit strategy.

Justification:

US-VISIT will use the requested funds to address problems proposed by the limitations of matching biographic exit records to the associated entry records. Development and delivery of a comprehensive exit solution will increase exit compliance and enable an improved matching of exit records to entry records using biometric data, as compared to the existing biographic system. This exit solution will provide a system to determine which travelers have left the country and which travelers have not.

To support development of an air and sea biometric solution, US-VISIT will use requested funds to procure necessary infrastructure, data storage, or other support services to ensure the exit system is efficient, effective, and operates with minimal impact on the international travel process.

In FY 2009, US-VISIT will begin the planning and analysis phase for the land environment portion of the Comprehensive Biometric Exit Solution. This will encompass an alternatives analysis to evaluate technologies, process changes, and data sharing in conjunction with other border management initiatives. There will also be an analysis of impacts to physical facilities as well as operations and staffing assessments at land POEs. This process will require time and motion studies, surveys, and modeling techniques for an accurate assessment of the impacts to facilities and operations. As part of the planning and analysis process, a concept of operations and business requirements will be generated

for moving into initial design activities. US-VISIT will also assess technical infrastructure of border management systems and at POEs to determine expansion required to support exit processing.

Impact on Performance (Relationship of Increase to Strategic Goals):

The Comprehensive Biometric Exit Solution supports the DHS Goal 1.3 by addressing the limitations of matching biographic exit records with entry records. This solution delivers considerable benefits for immigration and border management as well as law enforcement and intelligence communities by providing the capability to accurately document the exit of travelers including the ability to conduct trend analysis on arrivals and departures in all three environments. Accurately identifying travelers who have remained in the United States beyond their authorized Period of Admission (commonly referred to as “overstays”) will allow DHS to focus limited resources to address known (“confirmed”) overstays and thereby permitting DHS and DOS to place a greater emphasis on properly adjudicating applications for admission along with travel and immigration benefits. This initiative also supports the Intelligence Reform Act 2004, improving the integrity of the immigration system.

Quantitative measures of performance for exit include the monitoring of increases in the rate of matching exit records to entry records. This ability to match records will also increase the coverage of the traveler population as exit capabilities are expanded within the three environments.

**Program Increase 2:**

**Identity Management and Screening Services**

(US-VISIT Program Services – Biometric and Data Integrity in the FY 2007 Expenditure Plan)

DHS Goal(s) & Objective(s): 1.3

PPA: US-VISIT

Program Increase: Positions 0 FTE 0 Dollars \$4,200,000

Funding Profile (\$ in thousands)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level | 0              | 0        | \$13,300        | 0               | 0        | \$15,400        | 0               | 0        | \$15,800        |
| Program Increase       | 0              | 0        | 2,100           | 0               | 0        | 400             | 0               | 0        | 4,200           |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$15,400</b> | <b>0</b>        | <b>0</b> | <b>\$15,800</b> | <b>0</b>        | <b>0</b> | <b>\$20,000</b> |

Description of Item:

DHS has created a requirement for an enhanced analytical and tactical environment. This requirement focused on providing biometric identity screening services to law enforcement, intelligence and civil stakeholders with timely, accurate, and actionable information. US-VISIT is uniquely positioned to meet this requirement as the world’s largest repository of biometric data. US-VISIT can provide an identity service to stakeholders based on a verified starting point, a “biometric,” which can be linked with all associated biographic indicators to provide full identity (actual and alias).

Justification:

*Interoperability Support.* The additional funds are needed as DHS works to complete the biometric interoperability between the US-VISIT IDENT system and the FBI IAFIS system. IDENT will return a biometrically confirmed set of information comprised of limited biographic information and a biometric record identifier to an expanded set of CJIS law enforcement users. The returned information will not include the full immigration or encounter information on each subject, resulting in a need from the expanded set of interoperability users to follow-up on the information provided by US-VISIT.

ICE operates the Law Enforcement Support Center (LESC), which responds to State and local law enforcement inquiries to determine an individual’s immigration status. As many of these interoperability-related referrals do not require a determination of immigration status, it may be more appropriate to establish response capabilities within US-VISIT, which can triage incoming referrals and reduce the impact to the LESL, allowing them to maintain their immigration investigative focus.

As a data steward, US-VISIT will have insight into biometrically verified information that results in referrals to the LESL for further action. Failure to respond in a timely manner to all users of the interoperable enterprise could have negative mission impacts including misidentifications or release of violators.

*Intelligence Community Support.* US-VISIT can provide a biometric identity service on persons of interest to the intelligence community, marrying the biometric and biographic identifiers. In order to be compliant with HSPD-6, where all information pertaining to known and suspected terrorists must be shared with the NCTC for international terrorists and the FBI for purely domestic terrorists, US-VISIT must be able to verify and validate its information in a timely manner and provide any applicable US-

VISIT information on known and suspected terrorists to both law enforcement and the intelligence community.

DHS needs to have the ability to research identities of subjects of interests derived from or linking to a biometric record and to provide a robust dossier to both law enforcement and intelligence analysts to better support investigation, missions, and threat analysis. Failure to link subjects of interest in the intelligence community to biometrics or promote them to the US-VISIT biometric watch list represents potential national security vulnerabilities.

*Overstay Analysis.* Currently, the US-VISIT ADIS identifies more than 17,000 records per week as in-country overstays based on air and sea arrivals only. The US-VISIT DIG performs additional system checks on these records to validate the status and forwards only validated, probable in-country overstay records for ICE for follow on investigative action. The DIG reviews more than 10,000 ADIS system identified in-country overstays per week (9,000 through batch processing and 1,000 through manual vetting); 7,000 records per week are not reviewed. This program change will allow for up to 25 percent of these records to be reviewed and analyzed. If a traveler overstays his/her authorized Period of Admission, and is correctly identified as an overstay in ADIS, but the record is not reviewed and validated, then that person could remain in the United States without being referred to ICE as an overstay. DIG review and validation is critical to identification of overstays.

Impact on Performance (Relationship of Increase to Strategic Goals):

The leveraging and analysis of actionable biometric hits supports DHS Objective 1.3 by expanding available biometric information to state and local law enforcement, critical infrastructure and intelligence community users. US-VISIT further supports this Objective by expanding the number of users who may identify overstays, criminals, national security threats and biometric watch list candidates for subsequent action. Additionally, US-VISIT identity services provides analysis on actionable biometric hits to refine the biometric watch list information for immigration and border management, intelligence, and biometric credentialing and access screening.



demands and transfer of the US-VISIT operations to only one DOJ site, while other US-VISIT services and applications are at the DHS consolidated data center.

In FY 2009, US-VISIT will continue the acquisitions for the required infrastructure components (networking, data communications, servers, data storage devices, along with required software licenses) to complete the first data center migration phase and subsequent disaster recovery phase at a second DHS data center (geographically redundant). The US-VISIT systems and application components that remain at the DOJ data center sites will be relocated to the second DHS data center.

As the demands (data volumes, data storage and users) for biometric and identity based services continues to increase and expand, the US-VISIT operational infrastructure must be in place and ready in the new data centers. In order for US-VISIT to continue supporting enterprise shared services and projects such as the U.S. Coast Guard Mona Pass and the Transportation Worker Credentialing, additional data storage, hardware, and data center services will be acquired for these additional users, transaction volumes, data storage in order to meet the SLAs for services.

Impact on Performance (Relationship of Increase to Strategic Goals):

This program change continues US-VISIT's support of DHS Objectives 1.3, Continuing to Protect our Nation from Dangerous People.

**Program Increase 4:****Enhance Program Management**

(Program Management in the FY 2007 Expenditure Plan)

DHS Goal(s) & Objective(s): 1.3PPA: US-VISITProgram Increase: Positions 35 FTE 17 Dollars \$4,343,000**Funding Profile** (\$ in thousands)

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |            |                  | FY 2009 Request |            |                  |
|------------------------|----------------|-----------|-----------------|-----------------|------------|------------------|-----------------|------------|------------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE        | Dollars (\$000)  | Pos             | FTE        | Dollars (\$000)  |
| Current Services Level | 115            | 98        | \$104,900       | 115             | 76         | 96,200           | 115             | 102        | \$115,709        |
| Program Increase       | 0              | (22)      | (8,700)         | 0               | 26         | 19,000           | 35              | 17         | 4,343            |
| <b>Total Request</b>   | <b>115</b>     | <b>76</b> | <b>\$96,200</b> | <b>115</b>      | <b>102</b> | <b>\$115,200</b> | <b>150</b>      | <b>119</b> | <b>\$120,052</b> |

**Description of Item:**

Mission support provides comprehensive management services to ensure that the program has the appropriate human capital, financial resources, technical and project management processes, policies, and physical plant to execute its services.

**Justification:**

The 35 FTPs requested will be spread across the US-VISIT organization to support the continued increase in program services and mission support functions. These requested FTPs will consist of one Senior Executive Service position, one General Schedule Grade 15 (GS-15) position, four General Schedule Grade 14 (GS-14) positions, and 29 General Schedule Grade 13 (GS-13) positions. These requested FTEs will enhance current mission support functions that are critical to overall program direction and control. These broad functions within mission support include:

- *Strategic planning, policy, and privacy* – US-VISIT is revising its strategic plan to recognize evolving mandates resulting from its move to NPPD and its designation as the center for biometric expertise within DHS. In this regard, US-VISIT represents DHS in numerous forums in efforts to advance standards of biometric identity and to coordinate biometric standards across DHS. Ensuring the privacy of foreign travelers is a fundamental US-VISIT goal, and it ensures compliance with all DHS privacy mandates.
- *Program monitoring and control* - US-VISIT is working across the program to improve its processes and practices for maintaining program control and accountability. Activities in this area include improvements in ELCM and internal governance, progressing toward a CMMI external assessment, acquisition management, and improvements in budget and accountability processes.
- *Public Education* - The US-VISIT public education program supports the achievement of the US-VISIT mission by executing a global education program that informs and engages stakeholders, including international travelers; helps ensure smooth execution of US-VISIT milestones; achieves widespread compliance of US-VISIT requirements; and maintains partnerships and promotes collaboration with public and private entities, and international, Federal, State and local governments.

- *Human Capital Management and Stakeholder Training* – Effective human capital management strategies are fundamental to program success and to support of DHS mission accomplishment. Stakeholder training is essential for effective deployment of new functionality, such as 10-Print and Interoperability.
- *Program Office Logistics* - Provides the physical facilities necessary to maintain program office operations for 115 government personnel and 100 on-site contractors. Expenditures cover unallocated program administration and logistic activities such as rent, building management services, equipment maintenance, communications support, physical security, and DHS central administrative services. Also included are the US-VISIT contributions to the DHS working capital fund and the mission support reserve to cover unforeseen risk-related project cost increases.

Impact on Performance (Relationship of Increase to Strategic Goals):

This program change continues US-VISIT's support of DHS Strategic Objectives 1.3 through effective strategic planning is essential to instituting results-oriented management and effectively participating in the DHS Planning, Programming, Budgeting and Execution process. US-VISIT is revising its strategic plan to recognize changing expectations, revising its documentation for the DHS investment review process to align with its evolving mission, and improving the program justification materials reported in budget documents, and expenditure plans.

As the center of DHS expertise on biometrics, US-VISIT has responsibilities for furthering biometric standards and ensuring that biometric capabilities across DHS components are compatible and developed and implemented efficiently. Further support of the DHS Secretary's Priorities relating to biometric policy and planning will be to: (1) further develop standards for biometric technologies for DHS that are compatible with international protocols, privacy concerns and legal restrictions; (2) work with strategic partners to develop biometrically-based identity management systems in support of their immigration and border control missions; and (3) assist strategic partners in development of biometric identity management systems through the development of biometric expertise through the participation in international, national, and agency level forums on the development of biometric standards. Through the biometric capture of identity information, US-VISIT will further enhance DHS' capability to conduct fact-based, risk-based, and predictive assessments, thus reducing the potential for individuals who pose a threat or who are intent on violating our laws from entering the United States.

Ensuring DHS privacy requirements are met is critical to ensuring continued foreign traveler acceptance of US-VISIT processing.

Improving program monitoring and control processes is fundamental to reducing program risk including regular appraisals of US-VISIT planning, implementation and management capability in vital areas of program lifecycles using reference models (e.g. CMMI) that have proven effective; working to make measured improvements in US- VISIT management practices to address identified weaknesses from appraisals; repeating improvement cycles to implement higher levels of capabilities in more advanced process areas; and resolving GAO recommendations concerning cost estimation, process improvement, program context, and privacy.

**Program Decrease 1: Unique Identity (10-Print/IDENT/IAFIS)**

DHS Goal(s) & Objective(s): 1.3

PPA: US-VISIT

Program Decrease: Positions 0 FTE 0 Dollars (\$161,632,000)

Funding Profile (\$ in thousands)

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                  | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|------------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000) |
| Current Services Level | 0              | 0        | \$56,300        | 0               | 0        | \$93,900         | 0               | 0        | \$228,000       |
| Program Decrease       | 0              | 0        | 37,600          | 0               | 0        | 134,100          | 0               | 0        | (161,632)       |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$93,900</b> | <b>0</b>        | <b>0</b> | <b>\$228,000</b> | <b>0</b>        | <b>0</b> | <b>\$66,368</b> |

Description of Item:

The funding received in FY 2008 provided for the 10-Print deployment and the IDENT/IAFIS Initial Operating Capability. These two initiatives delivered the capabilities to biometrically screen foreign visitors requesting entry to the United States through the collection of 10 prints at enrollment in US-VISIT and less than 10 print identity verifications upon subsequent encounters. Enhanced interoperability with IDENT and IAFIS provided quicker searches and improved data sharing between the two biometric systems.

Justification:

The 10-Print implementation and IDENT/IAFIS Interoperability initiatives provided the capability to biometrically screen foreign visitors requesting entry to the United States through the collection of 10 prints at enrollment and verification of identity using less than 10 print upon subsequent encounters. This fingerprint standard improved the ability to match enrollees' fingerprints against latent prints, mitigate concerns about false positives when matching enrollees against poor quality prints, ensured faster processing time in order to resolve false positives.

IDENT/IAFIS Interoperability provided the interoperability between two biometric systems. This initiative built upon the interim data sharing capability (iDSM), achieved in FY 2006. FY 2008 provided funding for a more comprehensive biometric and case screening, scaled for transaction throughput and gallery size and provided enhancements to access the FBI/CJIS criminal files.

In FY 2009, US-VISIT will begin to design, build and test full operating capability. Additionally, these funds initiate the "Rap Back" capabilities across IDENT and IAFIS to search the fingerprint galleries using a one-time identifier as a search criteria. During this phase, a new service will be integrated into IAFIS that will allow authorized agencies to receive notification of criminal activity for individuals in a position of trust; complete the full 10 print matching capability within IDENT to increase accuracy and the number of fingerprints searched; and initiate the development of the Immigration Data Response capability that allows selected FBI/CJIS stakeholders to access immigration violation information.

Impact on Performance (Relationship of Increase to Strategic Goals):

The Unique Identity initiative continues to support the DHS Objective 1.3. Unique Identity integrates work streams for further development of 10-print capture and achievements in interoperability between IDENT and IAFIS. The use of a 10 fingerprint standard facilitates travel by reducing the number of travelers referred to secondary inspection, since the 10-prints provide more matchable data, thus reducing false positives. Also, there are greater opportunities to identify persons of interest since 10-prints are more likely to be matched with latent fingerprints maintained in criminal and intelligence biometric databases. Criminal and intelligence biometric databases are based on fingerprints collected from crime scenes or terrorist locations.

Interoperability increases the volume of biometric data available for use by border management, intelligence and law enforcement agencies. When used in conjunction with matching of 10 prints, the enhanced data sharing increases the probability of identifying persons of interest and taking appropriate law enforcement actions.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

**Justification of Proposed Changes in US-VISIT  
Appropriation Language**

For necessary expenses for the development of the United States Visitor and Immigrant Status Indicator Technology project, as authorized by section 110 of the Illegal Immigration Reform and Immigration Responsibility Act of 1996 (8 U.S.C. 1365a), [\$475,000,000] \$390,300,000 to remain available until expended.

**Explanation of Changes:**

No substantive changes proposed.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

FY 2008 to FY2009 Budget Change  
(Dollars in Thousands)

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>     |
|--|-------------|------------|-------------------|
| <b>FY 2007 Actuals</b> .....                                       | <b>115</b>  | <b>83</b>  | <b>\$343,223</b>  |
| <b>2008 Enacted</b> .....  | <b>115</b>  | <b>102</b> | <b>\$475,000</b>  |
| <b>Adjustments-to-Base</b>   |             |            |                   |
| Increases  |             |            |                   |
| Annualization of 2008 pay raise.....                               | ---         | ---        | 145               |
| 2009 pay increase.....   | ---         | ---        | 364               |
| GSA Rent.....  | ---         | ---        | 115               |
| Non-pay inflation excluding GSA Rent.....                          | ---         | ---        | 8,595             |
| Total Increases.....   | ---         | ---        | 9,219             |
| Decreases  |             |            |                   |
| Management Efficiency.....   | ---         | ---        | (8,710)           |
| Total Decreases.....   | ---         | ---        | (8,710)           |
| <b>Total Adjustments-to-Base</b> .....                             | <b>---</b>  | <b>---</b> | <b>\$509</b>      |
| <b>2009 Current Services</b> .....                                 | <b>115</b>  | <b>102</b> | <b>\$475,509</b>  |
| <b>Program Changes</b>   |             |            |                   |
| Program Increases/(Decreases)                                      |             |            |                   |
| Comprehensive Biometric Exit .....                                 | ---         | ---        | 42,553            |
| Identity Management and Screening Services (Program Services)..... | ---         | ---        | 4,200             |
| Operations & Maintenance.....                                      | ---         | ---        | 25,327            |
| Enhance Program Management (Business Operations).....              | 35          | 17         | 4,343             |
| Unique Identity (10-Print/IDENT/IAFIS).....                        | ---         | ---        | (161,632)         |
| <b>Total Program Changes</b> .....                                 | <b>35</b>   | <b>17</b>  | <b>(\$85,209)</b> |
| <b>2009 Request</b> .....  | <b>150</b>  | <b>119</b> | <b>\$390,300</b>  |
| <b>2008 to 2009 Total Change</b> .....                             | <b>35</b>   | <b>17</b>  | <b>(\$84,700)</b> |

Note:

<sup>(1)</sup> The FY 2008 Enacted level includes \$275 million in emergency funding provided in Pub. L. 110-161.

**C. Summary of Requirements**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

Summary of Requirements  
(Dollars in Thousands)

|  | 2009 Request |     |           |
|--|--------------|-----|-----------|
|  | Perm. Pos.   | FTE | Amount    |
| <b>FY 2007 Actual</b>  | 115          | 83  | \$343,223 |
| <b>2008 Enacted</b>  | 115          | 102 | 475,000   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |           |
| Transfers  | ---          | --- | ---       |
| Increases  | ---          | --- | 9,219     |
| Decreases  | ---          | --- | (8,710)   |
| Total Adjustments-to-Base  | ---          | --- | 509       |
| <b>2009 Current Services</b>   | 115          | 102 | 475,509   |
| Program Changes (See "FY 2007 to FY 2008 Budget Change" for details)     | 35           | 17  | (85,209)  |
| <b>2009 Total Request</b>  | 150          | 119 | 390,300   |
| 2008 to 2009 Total Change  | 35           | 17  | (84,700)  |

| Estimates by Program/Project Activity | 2008 Enacted |     |           | 2009 Adjustments-to-Base |     |        | 2009 Program Change |     |            | 2009 Request |     |         | 2008 to 2009 Total Change |     |          |
|---------------------------------------|--------------|-----|-----------|--------------------------|-----|--------|---------------------|-----|------------|--------------|-----|---------|---------------------------|-----|----------|
|                                       | Pos.         | FTE | Amount    | Pos.                     | FTE | Amount | Pos.                | FTE | Amount     | Pos.         | FTE | Amount  | Pos.                      | FTE | Amount   |
| 1 US-VISIT                            | 115          | 102 | \$475,000 | ---                      | --- | \$509  | 35                  | 17  | (\$85,209) | 150          | 119 | 390,300 | 35                        | 17  | (84,700) |
| <b>Total</b>                          | 115          | 102 | \$475,000 | ---                      | --- | \$0    | 35                  | 17  | \$0        | 150          | 119 | \$0     | 35                        | 17  | \$0      |

**D. Summary of Reimbursable Resources**

Not applicable.

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

**Summary of Requirements by Object Class  
(Dollars in Thousands)**

| <b>Object Classes</b>                                 | <b>FY 2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|---------------------------|-------------------------|-------------------------|--------------------------------|
| 11.1 Total FTE & personnel compensation               | \$10,627                  | \$12,755                | \$14,139                | \$1,384                        |
| 11.3 Other than full-time permanent                   | \$520                     | \$283                   | \$291                   | 8                              |
| 11.5 Other Personnel Compensation                     | \$345                     | \$303                   | \$313                   | 10                             |
| 12.1 Benefits   | \$2,634                   | \$3,250                 | \$3,349                 | 99                             |
| 13.0 Benefits - former                                | 2                         | ---                     | ---                     | ---                            |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$14,128</b>           | <b>\$16,591</b>         | <b>\$18,092</b>         | <b>\$1,501</b>                 |
| Other Object Classes:                                 |                           |                         |                         |                                |
| 21.0 Travel   | 360                       | 1,040                   | 400                     | (640)                          |
| 22.0 Transportation of things                         | 18                        | 203                     | 22                      | (181)                          |
| 23.1 GSA rent   | 4,906                     | 6,066                   | 4,260                   | (1,806)                        |
| 23.2 Other rent                                       | 555                       | ---                     | 1,577                   | 1,577                          |
| 23.3 Communications, utilities, & other misc. charges | 507                       | 60                      | 500                     | 440                            |
| 25.1 Advisory and assistance services                 | 60,353                    | 30,979                  | 58,959                  | 27,980                         |
| 25.2 Other services                                   | 109,283                   | 353,764                 | 120,599                 | (233,165)                      |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 20,639                    | 9,700                   | 20,928                  | 11,228                         |
| 25.4 Operation & maintenance of facilities            | 5,485                     | 4,260                   | 5,500                   | 1,240                          |
| 25.7 Operation and maintenance of equipment           | 83,221                    | 17,822                  | 105,668                 | 87,846                         |
| 26.0 Supplies and materials                           | 155                       | 988                     | 325                     | (663)                          |
| 31.0 Equipment  | 43,106                    | 33,527                  | 53,470                  | 19,943                         |
| 32.0 Land & structures                                | 507                       | ---                     | ---                     | ---                            |
| <b>Total, Other Object Classes</b>                    | <b>\$329,095</b>          | <b>\$458,409</b>        | <b>\$372,208</b>        | <b>(\$86,201)</b>              |
| <b>Total, Direct Obligations</b>                      | <b>\$343,223</b>          | <b>\$475,000</b>        | <b>\$390,300</b>        | <b>(\$84,700)</b>              |
| Unobligated balance, start of year                    | 198,403                   | 244,940                 | 72,000                  |                                |
| Unobligated balance, end of year                      | (244,940)                 | (72,000)                | (72,000)                |                                |
| Recoveries of prior year obligations                  | 23,783                    | ---                     | ---                     |                                |
| <b>Total requirements</b>                             | <b>\$320,469</b>          | <b>\$647,940</b>        | <b>\$390,300</b>        |                                |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

Permanent Position by Grade

| Grades and Salary Ranges         | 2007       | 2008       | 2009       | 2008 to 2009 |
|----------------------------------|------------|------------|------------|--------------|
|                                  | Actual     | Enacted    | Request    | Change       |
|                                  | Pos.       | Pos.       | Pos.       | Total        |
| Total, SES                       | 4          | 4          | 5          | 1            |
| GS-15                            | 62         | 62         | 63         | 1            |
| GS-14                            | 39         | 39         | 43         | 4            |
| GS-13                            | 4          | 4          | 32         | 28           |
| GS-12                            | 6          | 6          | 6          | ---          |
| GS-9                             | ---        | ---        | 1          | 1            |
| Other Graded Positions           | ---        | ---        | ---        | ---          |
| Ungraded Positions               | ---        | ---        | ---        | ---          |
| <b>Total Permanent Positions</b> | <b>115</b> | <b>115</b> | <b>150</b> | <b>35</b>    |
| Unfilled Positions EOY           | 32         | 13         | 31         | 18           |
| Total Perm. Employment EOY       | 83         | 102        | 119        | 17           |
| <b>FTE</b>                       | <b>102</b> | <b>102</b> | <b>119</b> | <b>17</b>    |
| Headquarters                     | 115        | 115        | 150        | 35           |
| <b>Total Permanent Positions</b> | <b>115</b> | <b>115</b> | <b>150</b> | <b>35</b>    |
| <b>Average ES Salary</b>         | \$ 154,600 | \$ 158,500 | \$ 163,097 | \$ 4,597     |
| <b>Average GS Salary</b>         | \$ 125,078 | \$ 129,440 | \$ 133,194 | \$ 3,754     |
| <b>Average GS Grade</b>          | 15.00      | 15.00      | 15.00      | ---          |

**G. Capital Investment and Construction Initiative Listing**

Not applicable.

## H. PPA Budget Justifications

### Department of Homeland Security National Protection and Programs Directorate

#### United States Visitor and Immigrant Status Indicator Technology

#### PPA Funds Schedule (Dollars in Thousands)

| PPA: PPA Name            |  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 to 2009<br>Change |
|--------------------------|--|------------------|------------------|------------------|------------------------|
| <b>Object Classes:</b>   |  |                  |                  |                  |                        |
| 11.1                     | Perm Positions                             | 10,627           | \$12,755         | \$14,139         | \$1,384                |
| 11.3                     | Other than perm                            | 520              | 283              | 291              | 8                      |
| 11.5                     | Other per comp                             | 345              | 303              | 313              | 10                     |
| 12.1                     | Benefits                                   | 2,634            | 3,250            | 3,349            | 99                     |
| 13.0                     | Benefits-former                            | 2                | ---              | ---              | ---                    |
| 21.0                     | Travel                                     | 360              | 1,040            | 400              | (640)                  |
| 22.0                     | Transportation of things                   | 18               | 203              | 22               | (181)                  |
| 23.1                     | GSA rent                                   | 4,906            | 6,066            | 4,260            | (1,806)                |
| 23.2                     | Other rent                                 | 555              | ---              | 1,577            | 1,577                  |
| 23.3                     | Communication, Utilities, and misc charges | 507              | 60               | 500              | 440                    |
| 25.1                     | Advisory & Assistance Services             | 60,353           | 30,979           | 58,959           | 27,980                 |
| 25.2                     | Other Services                             | 109,283          | 353,764          | 120,599          | (233,165)              |
| 25.3                     | Purchase from Govt. Accts.                 | 20,639           | 9,700            | 20,928           | 11,228                 |
| 25.4                     | Operation & maintenance of facilities      | 5,485            | 4,260            | 5,500            | 1,240                  |
| 25.7                     | Operation & maintenance of equipment       | 83,221           | 17,822           | 105,668          | 87,846                 |
| 26.0                     | Supplies & materials                       | 155              | 988              | 325              | (663)                  |
| 31.0                     | Equipment                                  | 43,106           | 33,527           | 53,470           | 19,943                 |
| 32.0                     | Land & Structures                          | 507              | ---              | ---              | ---                    |
| <b>Total, Operations</b> |  | <b>\$343,223</b> | <b>\$475,000</b> | <b>\$390,300</b> | <b>(\$84,700)</b>      |
| Full Time Equivalents    |  | 83               | 102              | 119              | 17                     |

## PPA Mission Statement

The United States Visitor and Immigrant Status Indicator Technology project provides immigration and travel information on the activities of foreign nationals before they enter, when they enter, and when they exit the United States. The Program has established four goals to accomplish its mission: (1) enhance the security of our citizens and visitors, (2) facilitate legitimate travel and trade, (3) ensure the integrity of our immigration system, and (4) protect the privacy of our visitors. For FY 2009, US-VISIT made changes to the object classification of activities which should provide more visibility and better comparability in the future. The object classification narratives provide explanations where re-classification resulted in 2008 to 2009 deltas.

### Summary of Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$14,128       | \$16,591        | \$18,092        | \$1,501                |

The request includes funding for 102 FTEs, proposed cost of living allowance, medical benefits, and other mandatory personnel entitlements including the annualization of the 2008 cost of living increase of \$145,000 and the 2009 cost of living increase of \$361,000 using the pay inflation factor of three percent.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$360          | \$1,040         | \$400           | (\$640)                |

The request includes a decrease of \$640,000 for transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel Regulations. These funds will be used for implementation of IDENT/IAFIS Interoperability – full operating capability, working with strategic foreign stakeholders in an information sharing and technical assistance capacity, and communications with Canada and Mexico data sharing regarding the comprehensive biometric exit.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$18           | \$203           | \$22            | (\$181)                |

The request includes a decrease of \$181,000 for the transportation of US-VISIT equipment (workstations, cameras, readers, etc.).

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$4,906        | \$6,066         | \$4,260         | (\$1,806)              |

The request includes a decrease of \$1,806,000 for all payments to the General Services Administration for rental of office space and rent related services.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$555          | \$0             | \$1,577         | \$1,577                |

The request includes an increase of \$1,577,000 for all payments for rental or leases (information technology equipment and services for the US-VISIT Program, and other rental related services). These expenses are correctly classified in FY 2009.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and Miscellaneous Charges</b> | \$507          | \$60            | \$500           | \$440                  |

The request includes an increase of \$44,000 for information technology services of data and voice from other Federal agency providers, postal and courier services, utilities such as heat, electricity, and other program office facility type services. The majority of the FY 2009 increase is due to changes in expense classification.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and Assistance Services</b> | \$60,353       | \$30,979        | \$58,959        | \$27,980               |

The request includes an increase of \$27,980,000 for management and professional support services (program, studies, analyses, and evaluations that are of a engineering and technical nature, the design, development and deployment of the Comprehensive Biometric Exit capability, IDENT/IAFIS Interoperability – full operating capability, improved organization mission support, logistics, project monitoring and reporting, data collection, budgeting, accounting, performance auditing, and administrative and technical support). The majority of the object class increase is classification changes.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Services</b> | \$109,283      | \$353,764       | \$120,599       | (\$233,165)            |

The request include a decrease of \$233,165,000 for contractual services with non-Federal sources for program office support, interagency agreements for services (equipment staging, data center application hosting and data communications including additional services for development of software applications and operations and maintenance of delivered capability in earlier fiscal years). The majority of the decrease is due re-classification of expenses.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Purchase from Government Accounts</b> | \$20,639       | \$9,700         | \$20,928        | \$11,228               |

The request includes an increase of \$11,228,000 interagency agreements for contractual services (data center, applications support, network operations and integrated testing of software applications).

|  | 2007           | 2008           | 2009           | 2008 to 2009   |
|--|----------------|----------------|----------------|----------------|
|  | Actual         | Enacted        | Request        | Change         |
| <b>Operation &amp; Maintenance of Facilities</b> | <b>\$5,485</b> | <b>\$4,260</b> | <b>\$5,500</b> | <b>\$1,240</b> |

The request includes an increase of \$1,240,000 for services provide by contract (security of the building, climate control, and general service and routine repair of the facilities). The majority of the increase within this object class is due re-classification of expenses.

|   | 2007            | 2008            | 2009             | 2008 to 2009    |
|---|-----------------|-----------------|------------------|-----------------|
|   | Actual          | Enacted         | Request          | Change          |
| <b>Operation &amp; Maintenance of Equipment</b> | <b>\$83,221</b> | <b>\$17,822</b> | <b>\$105,668</b> | <b>\$87,846</b> |

The request includes an increase of \$87,846 for storage and care of information technology systems (contract based equipment maintenance and data center operations). The majority of the increase within this object class is due re-classification of expenses.

|                                 | 2007         | 2008         | 2009         | 2008 to 2009   |
|---------------------------------|--------------|--------------|--------------|----------------|
|                                 | Actual       | Enacted      | Request      | Change         |
| <b>Supplies &amp; materials</b> | <b>\$155</b> | <b>\$988</b> | <b>\$325</b> | <b>(\$663)</b> |

The request includes a decrease of \$663,000 for consumable supplies and materials.

|                  | 2007            | 2008            | 2009            | 2008 to 2009    |
|------------------|-----------------|-----------------|-----------------|-----------------|
|                  | Actual          | Enacted         | Request         | Change          |
| <b>Equipment</b> | <b>\$43,106</b> | <b>\$33,527</b> | <b>\$53,470</b> | <b>\$19,943</b> |

The request includes an increase of \$19,943,000 additional matchers for the 10-Print initiate and IDENT/IAFIS interoperability - full operating capability expansion to support anticipated users and volumes.

## I. Changes in FTE

### Department of Homeland Security National Protection and Programs Directorate

#### United States Visitor and Immigrant Status Indicator Technology

##### Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 98      | 83      | 109     |
| INCREASES  |         |         |         |
| Increase #1:   | 12      | 26      | ---     |
| Description: Filling unfilled positions                  |         |         |         |
| Increase #2: Requested Additional FTEs                   | ---     | ---     | 17      |
| Description:   |         |         |         |
| DECREASES  |         |         |         |
| Decrease #1:   | 27      | ---     | ---     |
| Description: Attrition                                   |         |         |         |
| Year-end Actual/Estimated FTEs                           | 83      | 109     | 126     |
| Net Change from prior year base to Budget Year Estimate: | (15)    | 26      | 17      |

**J. FY 2008 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
National Protection and Programs Directorate**

**United States Visitor and Immigrant Status Indicator Technology**

FY 2008 Schedule of Working Capital Fund by Program/Project Activity

| Program/Project Activity                  | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|---|-------------------|------------------------|------------------------|---------------------------------------|
|   | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| Fee for Service Activity                  | \$10,381          | \$10,528               | \$10,739               | \$211                                 |
| Tri-Bureau Service Activity               | 5,830             | 7,280                  | 7,426                  | 146                                   |
| Government-wide Mandated Service Activity | 43                | 46                     | 46                     | ---                                   |
| DHS Crosscutting Activity                 | 42                | 45                     | 46                     | 1                                     |
| Working Capital Fund Management Activity  | 23                | 23                     | 23                     | ---                                   |
| <b>Total Working Capital Fund</b>         | <b>\$16,319</b>   | <b>\$17,922</b>        | <b>\$18,280</b>        | <b>\$358</b>                          |

# Department of Homeland Security

*National Protection and Programs Directorate*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**NATIONAL PROTECTION AND PROGRAMS DIRECTORATE (NPPD)**

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## **A. Mission and Description**

The National Protection and Programs Directorate (NPPD) is a diverse organization with a vital, cross-cutting, and unifying mission of risk reduction. The Directorate works to reduce risks to the Nation through five mission areas: protect the Nation's citizens and visitors against dangerous people; protect the Nation's physical infrastructure; protect the Nation's cyber and communications infrastructure; strengthen the Department's risk management platform; strengthen partnerships and foster collaboration and interoperability.

**Protecting the Nation's Citizens and Visitors against Dangerous People.** NPPD works with its Federal, State, local, and private sector partners to guard against threats posed by terrorists and other criminals intending to do harm to the United States. NPPD works with domestic and international organizations to monitor the status of known individuals or groups that pose a threat to physical and/or cyber infrastructure. NPPD provides critical biometric-based information to border officers, law enforcement and other decision-makers about persons of interest. Additionally, the Directorate helps prevent document and identity fraud that threatens the integrity of the immigration process and the safety of foreign visitors.

**Protecting the Nation's Physical Infrastructure.** NPPD leads the coordinated effort to reduce risk to the Nation's critical infrastructure and key resources (CIKR) from acts of terrorism, natural disasters, and other devastating emergencies by integrating and disseminating CIKR threat, consequence, and vulnerability information; developing risk mitigation strategies; and overseeing the national plan for protecting the Nation's infrastructure (National Infrastructure Protection Plan). These efforts help ensure that essential government missions, public services, and economic functions are maintained, and that CIKR elements are not exploited for use as weapons of mass destruction against people or institutions in the event of an act of terrorism, natural disaster, or catastrophic incident.

**Protecting the Nation's Cyber and Communications Infrastructure.** NPPD leads the Federal Government's collaboration with public, private, and international partners to ensure the security and continuity of the Nation's cyber and communications infrastructures in the event of acts of terrorism, national disasters, and other catastrophic incidents. Additionally, NPPD protects and strengthens the reliability, survivability and interoperability of the Nation's communications capabilities, including those utilized during emergencies, at the Federal, State, local, and tribal levels.

**Strengthening the Department of Homeland Security's Risk Management Platform.** NPPD leads the Department's effort to establish a common framework to address the overall management and analysis of homeland security risk with a focus on standardizing and integrating risk management approaches used across the Department. NPPD will ensure that all individual risk programs utilize common risk approaches and methodologies, lexicon, training standards, and data collection structures.

**Strengthening Partnerships and Fostering Collaboration and Interoperability.** NPPD coordinates Department-wide activities and plans with those of State, local and tribal government partners, and serves as a liaison with the Department for those partners. NPPD engages with public and private sector partners to ensure effective information exchange, collaboration, and contributes to the development of synchronized doctrines at the national and regional levels.

## **B. Major Activities and Key Strategic Goals**

The major activities for NPPD in FY 2009 are presented in the structure of the performance based budget as reflected in the DHS Future Years Homeland Security Program (FYHSP). FY 2008 activities include: *Infrastructure Protection, Cyber Security and Communications, the United States Visitor and Immigrant Status Indicator Technology (US-VISIT) Program, and Management and Administration.*

**Infrastructure Protection.** Infrastructure Protection (IP) leads the coordinated national effort to reduce the risk to critical infrastructures and key resources (CIKR) and increases the Nation's preparedness and ability to quickly respond and recover in the event of an attack, natural disaster, or other emergency. IP enhances protection, response, mitigation, and restoration activities by sharing information on threats, vulnerabilities, incidents, protective measures, and best practices with national and international security partners. Additionally, IP provides operational support to government and private entities through the National Infrastructure Protection Plan (NIPP) and mechanisms under the National Response Plan. The NIPP identifies seventeen key CIKR sectors, including agriculture and food; defense industrial base; energy; public health and health care; national monuments and icons; banking and finance; drinking water and water treatment facilities; chemical; commercial facilities; dams; emergency services; nuclear reactors, materials and waste; information technology; communications; postal and shipping; transportation systems; and government facilities. The program works directly to protect the Nation's CIKR assets by serving as the designated Sector Specific Agency (SSA) for five of the seventeen sectors – Dams, Emergency Services, Nuclear, Chemical, and Commercial Facilities. IP ensures that a governance and information-sharing framework is maintained for all seventeen sectors, as well as communicating standards to infrastructure owners, operators and key stakeholders. In 2007, IP was designated to establish and enforce a regulatory security framework for the Nation's high risk chemical facilities. IP works across all sectors to identify and prioritize CIKR based on risk and support government, private sector, and international entities in coordinating CIKR protection. As part of this responsibility, the program facilitates and conducts a variety of CIKR vulnerability assessments.

In FY 2009, NPPD requests \$272,800,000 to perform and enhance IP activities, an increase of \$204,000 over the FY 2008 enacted of \$272,596,000.

### FY 2007 Accomplishments

- Completed and released 17 Sector Specific Plans (SSPs) for infrastructure protection, which identify requirements and processes that guide the 17 CIKR sectors' protection efforts across the Nation as they look at their own unique risk landscapes.
- Established a coordinating council for State, local, tribal, and territorial governments and formed 17 critical infrastructure government and sector coordinating councils to increase collaboration and coordination among stakeholders.
- Developed national standards for chemical facility security, a comprehensive set of regulations to improve security at high-risk chemical facilities nationwide. Interim Final Regulations were published on April 9, 2007, implementing Section 550 of P.L. 195-295. Established an initial core inspection capability with Federal Protective Service employees and began initial site assistance visits of expected Tier 1 chemical facilities.

- In cooperation with the Department's Office of Health Affairs, completed a study of the impacts of pandemic influenza on the Nation's critical infrastructure, economy, and population, providing policy recommendations and risk mitigation strategies.
- Deployed eight new critical infrastructure security specialists to metropolitan areas designated as Protective Security Advisor (PSA) districts across the United States and territories. A total of 78 Protective Security Advisors conducted over 5,655 liaison visits to local jurisdictions and facilities.
- Based on the lessons learned from the 2005 Hurricane Season, IP built additional incident coordination capability and integrated its operations more closely with those of the Department to enhance protection of CIKR through close collaboration with State and local partners.
- Completed Comprehensive Reviews of 28 nuclear power plants and 5 high-risk chemical regions. Completed 200 Buffer Zone Plans that guided the award of \$50 million in Buffer Zone Protection Project grant funds to increase local law enforcement capabilities.
- Conducted 41 on-site Improvised Explosive Device awareness-level education workshops to State and municipal leadership. Assisted over 100 State and local jurisdictions in developing Underwater Terrorism Prevention Plans for 16 high risk ports.

#### FY 2008 Planned Accomplishments

- Sustain implementation of the NIPP and fully initiate implementation of all SSPs. Collaborate with the 17 Sector Specific Agencies (SSAs) to expand the CIKR measurement and analysis process and address gaps in CIKR protection programs that may be revealed as SSPs mature and National and Sector CIKR Protection Annual Reports are assessed.
- Initiate Phase 2 of the Chemical Security Assessment Tool (CSAT) program, which includes conducting inspections of Tier 1 and 2 facilities and receiving/reviewing vulnerability assessment and security plan submission packages. CSAT will provide an interactive risk management tool, allowing users to conduct "What if" evaluations of potential options and security measures for high-risk facilities. The CSAT tool serves as a system for comprehensive analysis and review of key data and documents received from chemical facilities.
- Identify resource requirements and develop pilots in coordination with other government partners that address the highest priority common risks and interdependencies. Common technology requirements will be assessed in partnership with the Department's Science & Technology Directorate and in coordination with National Infrastructure Simulation and Analysis Center (NISAC) and other national lab programs.
- Integrate ten National Guard teams into the Vulnerability Assessment Project and conduct approximately 300 vulnerability assessments on Tier 1 and 2 CIKR.
- Conduct the high-risk cluster assessment pilot on 72 assets in the Lower Manhattan Security Initiative and 24 assets in the District of Columbia Metroplex Initiative. These assessments will allow Infrastructure Protection to evaluate and enhance the methodology to conduct full scale High-Risk Infrastructure Cluster assessments in following years.
- Complete capabilities analyses of fifty percent of public safety bomb squads and ten percent of dive teams, and begin analyses of explosive detection canine teams to develop a baseline assessment of current national IED security capabilities through the National Capabilities Analysis Database (NCAD).

- Establish the initial capability for an Infrastructure Information Collection Program (IICP) system to integrate information management, assessment, and geospatial capabilities and tools.

#### FY 2009 Projected Accomplishments

- Implement CSAT version 2.0, providing chemical facilities with the ability to conduct “what if” analyses based on their risk assessments and a personnel surety capability. Transition from a detailee inspector cadre to a fully trained and equipped IP inspector cadre of over 229 inspectors located in at least 10 primary field offices around the Nation. Continue Tier 1 and 2 facility inspections as periodically required and begin devoting resources toward lower tier inspections.
- Develop a protective measures tool that will track and electronically visualize risk reduction based on empirical data gathered from protective measures and mitigation strategies implemented at Tier 1 and 2 CIKR.
- Conduct approximately 315 vulnerability assessments on Tier 1 and 2 CIKR, utilizing the National Guard in coordination and collaboration with Federal, State, local, and private sector partners. Conduct between 3-5 High-Risk Infrastructure Cluster assessments in Urban Area Security Initiative (UASI) jurisdictions to identify vulnerabilities and security gaps. A portion of the UASI grant will be used to mitigate vulnerabilities and fill security gaps through protective measures as identified in the High-Risk Infrastructure Cluster assessment.
- Assess and report progress on risk mitigation pilots common to multiple sectors and those addressing high-risk interdependencies. Perform an annual review of the Sector CIKR Protection Annual Reports to identify additional gaps within and across the 17 CIKR sectors, and incorporate identified gaps into the prioritization process for investment and mitigation—including needs for research and development and modeling and analysis.
- Deploy ten additional PSAs to States that currently do not have a PSA located within their boundaries.
- Develop a comprehensive Continuity of Operations-Pandemic Influenza training and exercise program

**Cyber Security and Communications.** Cyber Security and Communications (CS&C) improves the security, resiliency, and reliability of the Nation’s cyber and communications infrastructure in collaboration with public, private sector, and international partners. CS&C focuses on preparing for and responding to catastrophic incidents that could degrade or overwhelm the networks, systems, and assets that operate the Nation’s information technology (IT) and communications infrastructure. Additionally, CS&C supports and accelerates the ability of emergency responders and government officials at all levels of government to attain interoperable emergency communications, and functions as the Federal coordinator for cyber security, communications, and Nation-wide interoperability planning.

***National Cyber Security Division.*** The National Cyber Security Division (NCSA) executes a variety of programs intended to: (1) partner with the private sector, government, military, and intelligence stakeholders in risk assessment, and threat and vulnerability reduction to critical IT assets and activities that affect the operation of the critical infrastructures of the U.S.; and (2) provide cyber threat and vulnerability analysis, early warning, and incident response assistance for public and private sector constituents.

In FY 2009, NCSD requests \$293,500,000 to perform and enhance cyber security activities, an increase of \$83,087,000 over the FY 2008 enacted of \$210,413,000.

#### FY 2007 Accomplishments

- Increased cyber security situational awareness by deploying the Einstein Program at an additional three Federal agencies, increasing overall deployment to twelve Federal agencies. Einstein is a collection of hardware and software that supports an automated process to collect, correlate, analyze, and share cyber security information in defense of Federal Government networks.
- Responded to 37,213 cyber security incidents, an increase of more than 50 percent over the previous year. The increase is due not only to more attacks on public and private networks but also to increased situational awareness levels and reporting rates.
- Worked with Federal agency partners and industry technical experts to assess a significant control systems vulnerability and developed sector-specific mitigation plans. The jointly-developed mitigation guidance allowed owners and operators within the affected sectors to take deliberate and decisive actions to reduce significantly the risk associated with this vulnerability.
- Developed, in partnership with the IT Sector Coordinating Council (SCC) and IT Government Coordinating Council (GCC), the first joint public-private sector IT Sector Specific Plan (SSP). The IT SSP will improve the cyber security posture of the IT industrial base by identifying and managing risk, improving situational awareness and information sharing, and enhancing capabilities to protect, prevent, respond to, and recover from events.
- Collaborated with the intelligence community and the Homeland Infrastructure Threat and Risk Analysis Center (HITRAC) to develop the Strategic Homeland Infrastructure Risk Assessment (SHIRA). The SHIRA program develops a methodology for comparing and prioritizing risk across all 17 CIKR sectors, and the analysis derived from this methodology serves as the National CIKR Risk Profile in the National CIKR Protection Annual Report.
- Established the Cross-Sector Cyber Security Working Group (CSCSWG) to address cross sector cyber risk assessment and interdependencies. The CSCSWG will serve as a forum for bringing the government and the private sector together to address common cyber security challenges and opportunities across the CIKR sectors.

#### FY 2008 Planned Accomplishments

- Deploy the Einstein Program to the remaining Cabinet-level Departments. Design, initiate and test Einstein's 'Next Generation' architecture, including initiating a pilot with a participating Einstein partner agency to test the success of the architecture. Create reports and new information products as the Program expands to new agencies.
- Increase manpower to support a 24/7 United States Computer Emergency Readiness Team (US-CERT) Operation Center which will provide in-depth incident tracking, detection, and mitigation support to all US-CERT constituents.
- Complete the IT Sector risk assessment methodology. Develop a baseline IT Sector risk assessment and overall IT Sector risk profile by identifying and assessing vulnerabilities, threats, and consequences.
- Convene a threat product working group with HITRAC and IT Sector security partners to ensure the incorporation of cyber security expertise into products and briefings and

facilitate the dissemination of high quality analytical and threat/warning products to IT Sector and other CIKR Sector cyber stakeholders.

- Release the Control Systems Cyber Security Assessment Tool (CS2SAT) licensed under an agreement with a cross-sector control systems industry organization. Work with other distributors and licensees as needed to provide distribution avenues for all control systems security stakeholders.
- Plan and execute national and regional cyber exercises including Top Officials 4 (T4) and Cyber Storm II, as well as exercises with the states of Vermont and Massachusetts.

#### FY 2009 Projected Accomplishments

- Initiate migration of existing Einstein customer base to Einstein 'Next Generation' architecture and technology.
- Collaborate with the IT Sector Coordinating Council to facilitate the coordination of policy development, CIKR protection planning, and IT Sector Specific Plan implementation activities. Distribute the automated cyber security vulnerability assessment methodology across the CIKR sectors.
- Conduct joint discussions with the Communications Sector on risk and protective program effectiveness and requirements for new protective programs.
- Begin prototyping Cyber Exercise Range, which will provide the capability to execute technical level cyber exercises for departments and agencies in future exercises.
- Establish cyber incident response capabilities within the US-CERT/NCC Operations Center that routinely incorporate international information sharing and collaboration.

***National Communications System.*** The National Communications System (NCS) uses its appropriation to provide mission-critical communications for Federal, State and local governments, and private industry through the following activities: (1) The exercise of homeland security-related telecommunications functions and responsibilities, and (2) The coordination of the planning for and provision of national security and emergency preparedness communications for the Federal government under all circumstances, including crisis or emergency, attack & recovery and reconstitution.

In FY 2009, the program requests \$236,600,000 to perform and enhance NCS activities, an increase of \$100,579,000 over FY 2008 enacted of \$136,021,000. In FY 2009, the administration of the LORAN-C program will migrate to the NPPD from the United States Coast Guard (USCG) in preparation for conversion of LORAN-C operations to Enhanced Long Range Navigation (eLORAN). The FY 2009 budget transfers the budget authority of \$34,500,000 for the LORAN-C system from the USCG to the NCS.

#### FY 2007 Accomplishments

- Performed detailed analysis of telecommunications infrastructure in support of emergency response operations, national and regional exercises, and preparedness and contingency planning. Assessments supported preparations and response operations for 21 natural and man-made incidents, two national security and special events, and four major national and

regional exercises. Completed in-depth regional characterizations of telecommunications infrastructure for seven high priority metropolitan areas.

- Achieved greater than 98% call completion rate for the priority telecommunications service during periods of network congestion.
- Completed development of core National Security/Emergency Preparedness (NS/EP) industry requirements needed to migrate priority telecommunications functionality onto carriers' Next Generation Networks (NGN). The NGN is the technical response to the gradual migration of the public, circuit-switched telephony networks to Internet protocol (IP) based packet infrastructure.
- Issued National Security Telecommunications Advisory Committee (NSTAC) reports and recommendations to the President on Global Infrastructure Resiliency, telecommunications and electric power interdependencies, emergency communications and interoperability, and international telecommunications issues.
- Acquired secure mobile communication devices for 56 governors and 35 heads of agencies in support of the National Command and Coordination Capability (NCCC).

#### FY 2008 Planned Accomplishments

- Conduct Proof of Concept Demonstrations for Priority NS/EP Next Generation Networks Video Teleconferencing capability which will enable priority point-to-point video and multi-point video teleconferencing.
- Conduct the Emergency Support Function #2 (ESF #2) Winter Training Conference to familiarize all Emergency Communication Team personnel with the current operating procedures, communications technologies, and their application in a no-notice Incident of National Significance. Developing instructional materials and teaching job-specific skills to communications team members who may be deployed for emergency response..
- Conduct risk assessments of high interest telecommunications assets.
- Complete initial operating capability (IOC) System Definition Review (SDR) and Critical Design Review (CDR) that will define the requirements baseline, system design, and business process update needed to ensure a successful IOC for the NCCC.

#### FY 2009 Projected Accomplishments

- Ensure that 90% of the Executive Departments and Agencies have Government Emergency Telecommunications (GETS) cards and Wireless Priority Service (WPS) access at their headquarters facilities and alternate operating facilities in support of Continuity of Operations and Continuity of Government requirements.
- Conduct the 2009 Telecommunications Electromagnetic Disruptive Effects (TEDE) Analysis to Communications Systems. Examine potential vulnerabilities in the commercial satellite infrastructure and develop mitigation methods to bring commercial satellite infrastructure into conformance with a standard for mitigating vulnerabilities.
- Provide 24/7/365 operations support through the National Coordination Center (NCC) Watch program to identify, analyze, mitigate and respond to threats and vulnerabilities to the Nation's critical communications infrastructure.
- Conduct telecommunications vulnerability, impact and risk assessment analyses and implement a quantitative methodology to measure effectiveness of telecommunications

mitigation strategies. Produce a 2009 risk assessment of the threat to and vulnerability of the Public Network.

- Develop and update plans, policies and procedures to support ESF #2 operations relating to the 15 National Planning Scenarios. Coordinate interagency participation on ESF #2 operations in national and regional exercises.
- Deploy the National Command and Coordination Capability (NCCC) Initial Operating Capability (IOC) to select sites and define Final Operating Capability (FOC) requirements.

***Office of Emergency Communications.*** The Office of Emergency Communications (OEC) supports and promotes the adoption of capabilities that enhance interoperability or the ability of emergency response providers and Federal officials to continue to communicate in the event of natural disasters, acts of terrorism, or other man-made disasters. The mission is executed through four major subprograms: (1) National Policy, Planning, and Analysis; (2) Regional Coordination and Outreach; (3) Interoperable Communications Integration and Technical Services; (4) Emergency Communications Response and Recovery Services.

In FY 2009, OEC requests \$38,300,000 to perform and enhance OEC activities, an increase of \$3,400,000 over the FY 2008 enacted of \$35,700,000.

#### FY 2007 Accomplishments

- Developed and exercised Emergency Communications Teams that deploy to the incident and coordinate with the communications industry, Federal, State, and local partners to restore national security and emergency preparedness communications, first responder communications, and the communications infrastructure. Interagency Emergency Communications Team members and industry stakeholders convene twice annually to exercise their capabilities and train personnel on the latest technologies and procedures
- Provided guidance and technical assistance to State, local and tribal governments to advance interoperable emergency communications, with particular emphasis on the development of the required Statewide Interoperable Communications Plans (SCIP) and Public Safety Interoperable Communications (PSIC) Grant Program Investment Justifications (IJs). 42 of 56 States and territories developed and submitted preliminary SCIPs by September 30, 2007.
- Developed the charter for the Emergency Communication Preparedness Center (ECPC) and established the administrative support functions required to facilitate interagency collaboration and the development of the first national strategic assessment.

#### FY 2008 Planned Accomplishments

- Develop the National Emergency Communications Plan (NECP) in cooperation with other Federal agencies, State, local and tribal governments, emergency response providers and the private sector. The Plan will leverage the knowledge accumulated by past governmental and stakeholder efforts to characterize existing capabilities, current requirements, and anticipated technological advancement to establish short and long-term goals for ensuring and enhancing emergency communications nationwide.
- Develop grant guidance in collaboration with Office of Interoperability and Compatibility (OIC) and Federal Emergency Management Agency (FEMA), for the Interoperable Emergency Communications Grant Program and other departmental programs for

emergency communications, to ensure that grant selection criteria adequately reflects national emergency communications strategic and planning objectives.

- Support the 2010 Olympics Communications and Interoperable Working Group Committee.

#### FY 2009 Projected Accomplishments

- Complete 2nd Biennial National Emergency Communications Progress report on the state of interoperable emergency communications capabilities.
- Complete 2 regional integrated exercises to evaluate interoperable emergency communications capabilities under more realistic circumstances and communicate the findings to participants. These exercises also support preparation of the National Emergency Communications Progress report

**US-VISIT Program.** The US-VISIT program collects, maintains, and shares information, including biometric identifiers, on foreign visitors to assist in determining whether an individual should be prohibited from entering the United States; can receive, extend, change, or adjust immigration status; has overstayed or otherwise violated the terms of admission; should be apprehended or detained for law enforcement action; or needs special protection or attention (e.g., refugees).

In FY 2009, US-VISIT requests \$390,300,000 for ongoing operations, including the implementation of initiatives and deployment of previously planned capabilities, a decrease of \$84,700,000 over the FY 2008 enacted of \$475,000,000.

#### FY 2007 Accomplishments

- Identified suspected individuals through biometric matching capabilities and supported crime solving through latent print identification. During FY 2007, more than 160,000 individuals were biometrically matched against the US-VISIT watch list. Latent print identification capability identified 129 previously unidentified individuals.
- Increased overstay identification. US-VISIT more than doubled its production of validated in-country overstay records. The figures increased from approximately 4,000 in FY 2006 to more than 11,600 in FY 2007. At the same time, US-VISIT increased its production of validated out-of-country lookouts from approximately 450 in FY 2006 to almost 7,355 in FY 2007. Over 720 enforcement actions were taken in FY 2007 based on overstay validation work.
- Ensured the US-VISIT biometric watch list is accurate and actionable. US-VISIT reviewed approximately 450 biometric watch list encounters each week. Additionally, US-VISIT made more than 5,300 watch list demotions in FY 2007 that enabled the Department, DOS, intelligence, and law enforcement officers to focus on more records that are actionable, and promoted approximately 4,100 records, which resulted in 153 encounters. Based on its watch list reviews, US-VISIT decreased the number of unnecessary referrals to secondary inspection and minimized traveler inconvenience.
- Transitioned to 10-Print for enrollment and began Automated Biometric Identification System/Integrated Automated Fingerprint Identification System (IDENT/IAFIS) Interoperability. US-VISIT and the FBI also began to share limited biometric immigration information relating to expedited removals and Department of State's BioVisa refusals using the Interim Data Sharing Model (iDSM) capabilities.

- Developed unique identifier for database records. The U.S. Citizenship and Immigration Service (USCIS) Adoption Pilot demonstrated capabilities to create a unique identifier (“enumerator”). The unique identifier links all biometric records associated with an individual and is established when a person’s biometrics are enrolled in IDENT.
- Enhanced remote biometric identity verification. Working with the U.S. Coast Guard, US-VISIT enhanced security by effectively extending biometric identity verification to remote locations where no traditional fixed information technology infrastructure existed or was cost-effective to establish.

#### FY 2008 Planned Accomplishments

- Enhance the Arrival and Departure Information System (ADIS) system to include integration of arrival I-94 and National Security Entry/Exit Registration System (NSEERS) data into ADIS; incorporate continuous data integrity improvements to ADIS to maximize the operational utility so that the arrival match rate will increase to approximately 97 percent. These upgrades to system and data integrity will help meet growing stakeholder needs.
- Increase biometric data sharing with other agencies and governments. US-VISIT will enhance biometric information and formalize processes with the Department of Defense (DOD) to include identities on the biometric watch lists of high-threat subjects encountered by the US military primarily in Iraq and Afghanistan. US-VISIT will also expand the 4CC initiative to include vetting persons who are in the United States but who are applying for a visa in the United Kingdom. The 4CC is the 4 Country Conference composed of the United States, United Kingdom, Canada, and Australia established to encourage biometric data sharing globally.
- Deliver the Public Key Directory Validation Service (PKD VS). This service will be delivered in the first quarter and builds on the e-Passport reader solution by offering technology that verifies and authenticates the original of the e-Passport chip. This validation service will add a valuable, additional layer of security to the e-Passport.
- Complete 10-Print Pilot at ten locations. In partnership with Customs and Border Protection (CBP), US-VISIT will complete the 10-Print Pilot and conduct an evaluation of the results. US-VISIT will leverage the information gathered in the 10-Print Pilot and use the results to deploy 10-Print readers to all Ports of Entry (POE).

#### FY 2009 Projected Accomplishments

- Begin to design, build and test full operating capability (FOC) for interoperability; initiate the “Rap Back” capabilities across IDENT and IAFIS to search the fingerprint databases using a one-time identifier as search criteria within the IAFIS galleries. During the FOC phase, a new service will be integrated into IAFIS that will allow authorized agencies to receive notification of criminal activity for individuals in a position of trust; complete the full 10-print matching capability within IDENT to increase the accuracy and number of fingerprint searches; and begin development of the Immigration Data Response capability that allows selected CJIS stakeholders to access immigration violation information.
- Deploy necessary infrastructure upgrades, along with increased storage capacity to meet workload demands resulting from implementation of Air/Sea exit. This will ensure the traveler departure process is unencumbered with increased wait times that could result from slower system response times.
- Proceed with planning and analysis for the land portion of the Comprehensive Exit Solution. This will encompass an alternatives analysis to evaluate technologies, process changes, and

data sharing in conjunction with other border management initiatives. As part of the plan and analyze process, a concept of operations and business requirements will be generated and serve as part of the basis for moving into initial design activities. US-VISIT will also assess technical infrastructure of border management systems and at POEs to determine expansion required to support exit processing.

- Establish an initial 24/7 support and analytical capability consisting of analysts who will research biometrically verified hits against IDENT data stores. Responses to these queries submitted by contributing agencies, departmental entities, critical infrastructure facilities and others, will leverage the full capability of US-VISIT's biometric and biographic systems and data stores. This new 24/7 capability will also communicate new and changing information with other relevant Federal, State, local and tribal governments and provide enhanced analytic services leveraging US-VISIT's biometric and biographic systems.

**Management and Administration.** Management and Administration (M&A) directs and assists the programs within the Directorate to reduce the risk of attack against the nation by protecting critical physical and cyber infrastructure, guarding against threats posed by foreign travelers to the country, and by standardizing the Department's approach to the analysis and management of potential risks to the Nation. This requires concerted leadership, coordination, outreach and partnerships among multiple Homeland Security agencies, the national preparedness and response community of federal agencies, State and local governments, tribal organizations, the private sector, and the American public

*Directorate Administration.* Administration directs and assists the Directorate's programs to enhance the protection of America's critical infrastructure and key resources. This appropriation supports activities associated with the Office of the Under Secretary, NPPD Administration, Information Technology, and Information Management and Business Culture. Together these activities provide Directorate leadership, budgeting, financial execution, human capital, security, program review and evaluation, executive secretariat functions, information technology support, facilities build out, rent and security services.

In FY 2009, NPPD requests \$43,100,000 to perform these functions, an increase of \$5,066,000 over the FY 2008 level. In FY 2008, NPPD received \$37,934,000 for Administration activities.

*Intergovernmental Programs.* Intergovernmental Programs (IGP) coordinates Department-wide activities and plans with those of State, local and tribal government partners, and serves as a liaison with the Department for those partners. IGP engages with public and private sector partners to ensure effective information exchange, collaboration, and supervises the development of synchronized doctrines at the national and regional levels. In FY 2009, NPPD requests \$2,000,000 for IGP

#### FY 2007 Accomplishments

- Participated in local field conferences in an effort to discuss and address State and local issues and concerns with the Southwest Border Fence.
- Guided the establishment of the Domestic Nuclear Detection Office's External Programs Office, which has become a model of how to work with State, local, tribal and territorial governments.
- Worked with the Department of Commerce to rollout the \$1 billion Public Safety Interoperability Communication Grant Program (PSIC).

- Worked in partnership with the Department of Health and Human Services (HHS) when the President directed Pandemic Influenza summits be hosted in all states and territories to ensure the Nation is prepared for an influenza pandemic.
- Chaired a comprehensive briefing for the Mayors of Denver, Minneapolis and St. Paul regarding the role DHS plays in National Special Security Events (NSSEs).

***Risk Management and Analysis.*** Risk Management and Analysis (RMA) leads the Department's efforts to establish a common framework to address the overall management and analysis of homeland security risk. RMA supports development of a consistent, standardized, coordinated and collaborative approach to risk management, and allows RMA to direct and integrate risk expertise across Department components as well as external stakeholders.

In FY 2009, NPPD requests \$9,500,000 for RMA, and increase of \$88,000 over FY 2008 enacted of \$9,412,000.

#### FY 2007 Accomplishments

- Established a Department Risk Steering Committee (RSC) to assist in the framing of processes and procedures for the Department risk management architecture. The committee membership includes component principals, sub-component principals, and action officers. The RSC process will be the framework for enabling collaboration and Department-wide integration and agreement on risk management efforts.
- Established the process for development of a Department-wide risk comparison tool to help inform the Departmental resource allocation process – currently, this ongoing effort is known as Risk Assessment Process for Informed Decision-making (RAPID). The RAPID effort has resulted in a broader understanding of the complexities of assessing risk across multiple, unrelated, and interrelated areas spanning the breadth of the Department's mission space.
- Refined and improved the risk methodology for analyzing non-National Special Security Events (NSSE). The risk methodology informs the process for building the Special Events Awareness Report (SEAR), a comprehensive awareness tool utilized by the Department, FBI and other inter-agency partners.
- Collaborated with the Office of National Capital Region, and the State and local members of that region to assist in the development of a regional risk assessment tool.

#### FY 2008 Planned Accomplishments

- Establish Department risk management framework which threads the National strategies and policies, statutory requirements, Secretary's goals and priorities, and National plans with the components' risk methodologies.
- Develop an integrative Risk Reduction Program by identifying public and private best practices; develop risk reduction measurement techniques - to include assisting Department components; develop consequence, threat, and vulnerability analysis modules – as they pertain to risk reduction; develop a departmental inventory of cost/benefit analysis methods; analyze differences of existing methodologies.
- Prototype RAPID to inform the Future Year Homeland Security Program development process.

- Develop self-assessment tools for conducting risk management performance assessments and develop a Departmental scorecard.

#### FY 2009 Projected Accomplishments

- Prototype a regional risk assessment capability. RMA, in coordination with the Office of National Capital Region (NCR) and Washington Council of Governments, framed a process for the development of a regional risk assessment program that would identify and prioritize hazards to the regional community.
- Develop and prototype an integrative incident-driven risk analysis process to best inform the operational decision making process. Risk analysis is the process by which risks are identified and evaluated. Risk analysis during an incident is essential for addressing the variable descriptions and proxies that are used to derive threat, vulnerability, and consequence
- Further development of a “Risk Performance Report”- This will be an annual report on the progress that the Department is making towards maturing the risk management programs within DHS. The report will be an important tool for implementing and monitoring the progress of a national risk management program.

#### **Strategic Issues Facing the National Protection and Programs Directorate**

1. Expanding and strengthening relationships, both within and beyond the Directorate, to continue developing an integrated, national approach to assessing risks to and ensuring security of the homeland.
2. Reducing risks to the Nation’s critical infrastructure and key resources, both physical and virtual
  - a. Coordinating defense and responses to cyber attacks across the Nation; analyzing and reducing cyber threats and vulnerabilities; disseminating cyber threat warning information; and coordinating incident response activities to emerging and evolving cyber threats.
  - b. Implementing the Chemical Facility Anti-Terrorism Standards regulatory program.
  - c. Successfully implementing the National Infrastructure Protection Plan and 17 Sector Specific Plans to effectively manage the risks to the Nation’s CIKR.
  - d. Expanding capacity to respond to multiple simultaneous events and build additional capabilities to do vulnerability analysis, remediation, and public disclosure on severe incidents.
3. Ensuring emergency response providers and Federal officials have the ability to communicate in the event of natural disasters, acts of terrorism, or other man-made disasters.
  - a. Promote the ability of emergency response providers and Federal officials to continue to communicate in the event of natural disasters, acts of terrorism, or other man-made disasters, and to ensure, accelerate, and attain interoperable emergency communications nation-wide.
  - b. Enhance the communications infrastructure to accommodate next generation technologies and enable NS/EP users to communicate when the next generation networks are damaged and congested

- c. Providing improved crisis management capabilities that are vital for the next crisis. This will include robust situational awareness to leadership at all levels and improved collaboration capabilities for all hazards and all scenarios.
4. Executing a continuum of visitor identification and identity document security measures to enhance the security of the United States while facilitating legitimate travel and trade and protecting visitors' privacy.
  - a. Develop and implement a plan for the land portion of the Comprehensive Biometric Exit Solution.
  - b. Expand available biometric information to State and local law enforcement and intelligence community users to improve the identification of overstay, criminals, national security threats and biometric watch list candidates for subsequent action.

### **C. Resources Requested and Performance Impact**

In FY 2009, NPPD requests \$1,286M (849 FTE), an increase of \$109M and 189 FTE over FY 2008 appropriated amount of \$1,177M (664 FTE).

#### ***Major Changes within the Base Level***

- 2009 pay increase and 2008 pay inflation: 3.0% for the last quarter of calendar year 2008, and 2.9% inflation for the first three quarters of 2009.
- Annualization of 107 FY 2008 new positions: 54 FTE and \$7,713,000 (12 IP/Infrastructure Security Compliance, 23 NCS/US-CERT, 18 OEC, 1 NCCC).
- Transfer of the e-Long Range Aids to Navigation (e-LORAN) program from the United States Coast Guard to the National Communications Service (\$34.5M and 0 FTE).

#### ***Major Program Increases***

##### **Infrastructure Protection**

###### **Chemical Security Program \$10.8M (45 FTE)**

This enhancement permits continued implementation and execution of this congressionally mandated program. This funding will provide for a properly sized and trained DHS inspection cadre and ongoing operation and maintenance of the Chemical Security Assessment Tool (CSAT) system. This enhancement will provide 26 additional inspection personnel to drive compliance efforts at high-risk facilities.

###### **Protective Security Advisors \$1.4M (5 FTE)**

This enhancement will place Protective Security Advisors (PSAs) in the 10 states that currently do not have PSAs. Additional PSAs will coordinate service and resource requests from State, local, and private owners and operators in the States to include training, scheduling of Site Assistance Visits (SAVs), Buffer Zone Protection Plans (BZPs), Comprehensive Reviews (CRs), and verification and technical assistance visits.

##### **Cyber Security & Communications**

###### **United States Computer Emergency Readiness Team \$79.9M (23 FTE)**

This enhancement will enable United States Computer Emergency Readiness Team (US-CERT) to continue its mission to protect our Nation's internet infrastructure by coordinating defense against and response to cyber attacks, enhancing US-CERT's ability to analyze and

reduce cyber threats and vulnerabilities, to disseminate cyber threat warning information, and to coordinate incident response activities. Additionally, these funds will allow US-CERT to maintain optimal performance, and to expand its cyber security activities so that it keeps pace with an increasingly threatening environment.

**Control Systems Security Program** **\$6.0M (0 FTE)**

This enhancement will permit the Control Systems Security Program (CSSP) to fully meet the Department's goal of protecting critical infrastructure and key resources by securing control systems. The increase supports implementing the national strategy for securing control systems, collaborating with international stakeholders, raising awareness of control systems issues, providing training, and reducing risk by widely distributing the cross-sector, self-assessment tool. Additionally, the program will use the funds for discovering and identifying control systems specific vulnerabilities and developing corresponding mitigation plans, analyzing malicious software, developing incident response capabilities, and providing security recommendations for next generation systems.

**Next Generation Networks** **\$34.9M (0 FTE)**

This enhancement will continue the development and deployment of Next Generation Network (NGN) to support Government Emergency Telecommunications Service (GETS), Wireless Priority Service (WPS), and Special Routing and Arrangement Service (SRAS). This funding will support the vendor design, development, and testing of NGN NS/EP priority capabilities across multiple vendors and acquire service within the core Internet Protocol (IP) networks. Funding will also support vendor development and testing of NGN NS/EP wireless priority broadband services across multiple wireless vendors and wireless service providers accessing the core IP networks.

**National Command and Control Capability (NCCC)** **\$57.0M (7 FTE)**

This enhancement will permit the development, implementation, and operation of the National Command and Control Capability (NCCC). The NCCC will deploy multi-security level connectivity for voice, video and data to priority state and DHS sites for improved collaboration and coordination capability. In addition, the NCCC will field a suite of secure/non secure mobile communication services equipment to key leadership.

## US-VISIT

**US-VISIT Comprehensive Biometric Exit** **\$42.6M (0 FTE)**

The requested funds will address problems proposed by the limitations of matching biographic exit records to the associated entry records. This includes development and delivery of a comprehensive exit solution that will increase exit compliance and enable an improved matching of exit records to entry records using biometric data, as compared to the existing biographic system. This exit solution will provide a system to determine which travelers have left the country and which travelers have not. US-VISIT will begin the planning and analysis phase for the land environment portion of the Comprehensive Biometric Exit Solution. This will encompass an alternatives analysis to evaluate technologies, process changes, and data sharing in conjunction with other border management initiatives.

**US-VISIT Operations and Maintenance** **\$25.3M (0 FTE)**

The requested funds will support acquisitions for the required infrastructure components (networking, data communications, servers, data storage devices, along with required software licenses) to complete the first data center migration phase and subsequent disaster recovery phase at a second Department-mandated data center. Additionally, in order for US-VISIT to continue

supporting enterprise shared services and customers, including the U.S. Coast Guard Mona Pass and TSA TWIC programs, additional data storage, hardware, and data center services will be acquired for these additional users, transaction volumes, and data storage in order to meet the Service Level Agreements.

## **Management and Administration**

### **NPPD Directorate Administration**

**\$5.0M (12 FTE)**

The requested positions will allow NPPD and the Directorate Administration to build institutional knowledge and expertise. In many critical business operations, information technology, and information management areas, the staff consists of one Federal government employee supported by contractors. Additional Federal staff will provide a knowledgeable Federal workforce that will support the growth of the Department, ensure accurate and coordinated responses to key stakeholders, oversight agencies and Congress, and provide continuity of services, skills, and accountability.

### **Intergovernmental Programs**

**\$2.0M (17FTE)**

Intergovernmental Programs acts as an advocate for State, local, tribal, and territorial officials within the DHS, and operates as the primary liaison between those officials and DHS leadership. The office facilitates an integrated national approach to homeland security by coordinating and advancing federal interaction with State, local, tribal, and territorial governments. Intergovernmental Programs is not a new start in FY 2009.

### D. Program Performance Highlights, Resources, and Alignment to Strategic Goals

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars and FTE, and main performance measure/s are shown below. For many of the programs, more performance information may be found on the OMB web site Expectmore.gov (program names may differ slightly from those used in this document).

| <b>Program: Infrastructure Protection</b>  |         |           |           |           |           |           |
|--|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Performance Goal:</b> Improve the protection of the Nation's high risk and most valued critical infrastructure and key resources (CIKR) by characterizing and prioritizing assets, modeling and planning protective actions, and building partnerships. |         |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b><br>Objective 3.1 - 100%  |         |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | None    | \$311,806 | \$311,381 | \$299,460 | \$284,020 | \$284,895 |
| <b>FTE</b>   | None    | 201       | 201       | 252       | 340       | 411       |

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of inspected high-risk chemical facilities in compliance with risk based performance standards.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The program conducts onsite inspections to provide regulatory oversight of the Nation's high-risk chemical facilities and verify compliance with the Chemical Facility Anti-terrorism Standards (CFATS). Inspections are conducted in intervals commensurate with the defined risk tiering of each facility. Compliance means that chemical facilities have been inspected to validate the facility's Site Security Plan (SSP) and that the SSP is in accordance with the Risk-Based Performance Standards set forth by DHS, or that the facility is seeking/will seek remedies to identified security gaps. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | None    | 75%     | 85%     |
| <b>Actual:</b>  | None    | None    | None    | None    | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of Critical Infrastructure and Key Resource (CIKR) sector specific planning protection implementation actions on track.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> The National Infrastructure Protection Plan (NIPP) defines a set of 23 core metrics applied across the 17 CIKR sectors, for a total of 391 total metrics. These metrics track the success of actions taken to further protection and partnership building activities are being conducted within each sector. Specifically the metrics track the implementation of planned sector accomplishments in Sector Partnerships, Information Sharing, Security Goals, Asset Identification, Risk Assessments, Prioritization, Implement Protective Programs, and Effectiveness. Subject matter experts score each sectors' responses to the 23 metrics; the program then employs an algorithm to determine overall scores and success for each metric. An action is initiated upon the allocation of resources toward that action or through an agreement, e.g. and MOU, MOA, etc. This measure evaluates annually the percent of the 391 total protection action metrics that were scored as being on track. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 90%     | 90%     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of high priority CIKR where a vulnerability assessment has been conducted and enhancement(s) have been implemented.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure tracks the number of the Nation's high priority CIKR sites at which at least one vulnerability assessments (VA) has been conducted and a protective enhancement has been implemented. High-priority CIKR include assets categorized in Tier 1 (assets deemed to be at highest risk) and other CIKR assets IP plans to assess in the fiscal year. Vulnerability assessments are conducted to identify physical, cyber, and human-related vulnerabilities at an asset and dependencies/interdependencies on other assets and sectors. During vulnerability assessments the program's assessors identify suitable protective measures and enhancements needed to reduce or mitigate vulnerability of the asset and identify what enhancements have been implemented at the site (such as bollards, razor wire, closed-circuit television cameras, etc.). The assessments are also used to assist federal stakeholders and private sector owners in making optimal resource allocation decisions for future enhancements. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | N/A     | 95%     | 95%     |
| <b>Actual:</b>  | None    | None    | None    | None    | N/A     | N/A     |

|   |         |           |           |           |           |           |
|---|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Cyber Security and Communications</b>   |         |           |           |           |           |           |
| <b>Performance Goal:</b> Improve the security and interoperability of America's cyber and emergency preparedness communications assets by working collaboratively with public, private, and international entities. |         |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b><br>Objective 3.1 - 89%<br>Objective 4.1 - 11%   |         |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | None    | \$234,074 | \$261,317 | \$298,339 | \$398,149 | \$593,601 |
| <b>FTE</b>  | None    | 46        | 106       | 141       | 195       | 293       |

### Performance Plan Measures

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of targeted stakeholders who have implemented the Control Systems Security Self Assessment Tool (CS2SAT) to conduct vulnerability assessments   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure evaluates the use of the CS2SAT tool to help asset owner and operators conduct assessments to identify and mitigate vulnerabilities in their control systems. This measure will require the program to track the distribution of the CS2SAT tool to the owner/operator level. Information regarding the implementation of this tool will be collected across control system owners/operators at the annual Process Control Systems Forum and the International Instrumentation Symposium. This measure will be computed as follows: number of targeted stakeholders that have implemented the CS2SAT divided by the total number of targeted stakeholders |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | N/A     | 25%     | 50%     |
| <b>Actual:</b>  | None    | None    | None    | None    | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of planned Einstein sensors deployed on-time annually throughout the Federal Government.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure assesses the number of Einstein sensors installed across the Federal government. With the full implementation of these sensors, visibility into the potentially malicious cyber activity and throughout the Federal cyberspace will dramatically increase. The sensors will provide more comprehensive situational awareness information to better understand the current environment and identify vulnerabilities, risks, and mitigation actions. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 100%    | 100%    |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Priority services call completion rate during emergency communications periods.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> NS/EP call completion rate is the probability an NS/EP user will be able to use the public telephone network, landline or wireless, to communicate with the intended user/location/system/etc. Call completion is the measure through which end-to-end communication is measured. Priority Services currently consists of Government Emergency Telecommunications Service (GETS) and Wireless Priority Service (WPS) components, and will eventually include a Next Generation Networks (NGN) component. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | N/A     | 90%     | 90%     |
| <b>Actual:</b>  | None    | None    | None    | None    | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of States and Urban Areas whose current interoperable communications abilities have been fully assessed.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This performance measure is based on the percentage of States and Urban Areas (131 total) that have been fully assessed and approve of the national baseline capability "gaps" and/or the future emergency communications requirements. The National Communications Baseline Assessment capability assessment framework presents the broad range of capabilities needed by emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other man - made disasters |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | None    | 65%     | 80%     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

|   |         |           |           |           |           |           |
|---|---------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: US - VISIT</b>  |         |           |           |           |           |           |
| <b>Performance Goal:</b> Improve the identity and document verification capabilities available to Immigration and Border Management stakeholders to enable them to make timely and accurate risk and eligibility decisions. |         |           |           |           |           |           |
| <b>DHS strategic objectives supported and % allocation of activities:</b><br>Objective 1.3 - 100%   |         |           |           |           |           |           |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>   | None    | \$340,000 | \$236,622 | \$368,656 | \$494,907 | \$407,604 |
| <b>FTE</b>  | None    | 84        | 102       | 101       | 129       | 149       |

**Performance Plan Measures**

**Measure:** Percent of biometrically screened individuals inaccurately identified as being on a US-VISIT watch list.

**Description of Measure:** US-VISIT provides biometric identity services to other DHS entities through the Automated Biometric Identification System (IDENT) system to screen foreign visitors to determine whether those individuals are on a watch list. Accuracy of US-VISIT information is a key indicator of the quality of the information furnished to its customers. This measure attempts to assess the accuracy of data provided by the IDENT system by tracking the rate at which individuals screened against the watch list returns a false positive identification (false acceptance). In other words, the rate at which individuals that are not on the watch list are misidentified as being on a watch list.

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Target:</b>      | None    | None    | None    | None    | .013%   | .013%   |
| <b>Actual:</b>      | None    | None    | None    | None    | N/A     | N/A     |

**Measure:** Percent of in-country overstay leads deemed credible and forwarded to Immigration and Customs Enforcement for further investigation

**Description of Measure:** An in - country overstay is defined as non - immigrant foreign traveler whose authorized period of admission granted at arrival in the United States has expired without an apparent subsequent departure, arrival, or status update recorded in the Arrival Departure Information System (ADIS) database. The program uses ADIS to identify priority in-country overstay records for possible law enforcement action by Immigration and Customs Enforcement (ICE) and then manually validates these records. The result of this process is vetted ADIS records that are likely to represent the travelers who are overstaying their authorized period of admission and are thus subject to adverse actions. These vetted records are then sent to ICE for further investigation. An upward trend indicates that US-VISIT is increasing the number of credible law enforcement leads identified for manual review, and thus assisting ICE investigations of illegal overstays.

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007  | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|----------|---------|---------|
| <b>Target:</b>      | None    | None    | None    | Baseline | 23%     | 25%     |
| <b>Actual:</b>      | None    | None    | None    | 21.6%    | N/A     | N/A     |

**Measure:** Average biometric watch list search times for Department of State BioVisa queries

**Description of Measure:** This measure is used to determine the average amount of time required to complete an automated search processed through the US-VISIT Automated Biometric Identification System (IDENT) system in response to queries from Consular Offices worldwide where fingerprints are captured as part of the BioVISA process. The service level agreement with Department of State is less than 15 minutes to provide critical identity and watch list information in a timely manner to not impede traveler processing. In light of past performance, US-VISIT has set an internal target of processing BioVisa searches within 5 minutes.

| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007   | FY 2008 | FY 2009 |
|---------------------|---------|---------|---------|-----------|---------|---------|
| <b>Target:</b>      | None    | None    | None    | 15 min.   | 5 min.  | 5 min.  |
| <b>Actual:</b>      | None    | None    | None    | 2.21 min. | N/A     | N/A     |

|   |         |           |                      |                      |                      |                      |
|---|---------|-----------|----------------------|----------------------|----------------------|----------------------|
| <b>Measure:</b> Average biometric watch list search times for queries from U.S. ports of entry  |         |           |                      |                      |                      |                      |
| <b>Description of Measure:</b> The average response time of biometric watch list queries processed through the Automated Biometric Identification System (IDENT) system in response to queries from ports of entry (POE) where fingerprints are captured. The service level agreement with Customs and Border Protection is less than 10 seconds to provide identity and watch list information to inspectors timely to facilitate traveler processing. |         |           |                      |                      |                      |                      |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005   | FY 2006              | FY 2007              | FY 2008              | FY 2009              |
| <b>Target:</b>  | None    | None      | Less than<br>10 sec. | Less than<br>10 sec. | Less than<br>10 sec. | Less than<br>10 sec. |
| <b>Actual:</b>  | None    | 7.85 sec. | 7.14 sec.            | 9.47 sec.            | N/A                  | N/A                  |

## E. Digest Tables by Future Year Homeland Security Program (FYHSP) Program

**U.S. Department of Homeland Security  
National Protection and Programs Directorate**  
DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM  
(dollars in thousands)

| Budget Activity   | FY 2007<br>Actuals <sup>1,2</sup> |                   | FY 2008<br>Enacted |                     | FY 2009<br>Request |                     | Increase (+) or Decrease (-) For FY 2009 |                    |                 |                    |               |                   |
|---|-----------------------------------|-------------------|--------------------|---------------------|--------------------|---------------------|--|--------------------|-----------------|--------------------|---------------|-------------------|
|   | FTE                               | AMOUNT            | FTE                | AMOUNT              | FTE                | AMOUNT              | Total Changes                            |                    | Program Changes |                    | Other Changes |                   |
|   |                                   |                   |                    |                     |                    |                     | FTE                                      | AMOUNT             | FTE             | AMOUNT             | FTE           | AMOUNT            |
| <b>Infrastructure Protection</b>                                  | <b>252</b>                        | <b>\$ 244,935</b> | <b>340</b>         | <b>\$ 284,020</b>   | <b>407</b>         | <b>\$ 284,895</b>   | <b>67</b>                                | <b>\$ 875</b>      | <b>56</b>       | <b>\$ (1,813)</b>  | <b>11</b>     | <b>\$ 2,688</b>   |
| OUS Management & Administration Shared                            | 13                                | \$ 4,282          | 16                 | \$ 11,424           | 21                 | \$ 12,095           | 5  | \$ 671             | 6               | \$ 1,366           | -1            | \$ (695)          |
| CIIE  |                                   | \$ 50,481         |                    | \$ -                |                    | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| NISAC   |                                   | \$ 24,999         |                    | \$ -                |                    | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| CIOP  |                                   | \$ 85,196         |                    | \$ -                |                    | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| PA  |                                   | \$ 32,318         |                    | \$ -                |                    | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| IP  |                                   | \$ -              | 324                | \$ 272,596          | 386                | \$ 272,800          | 62                                       | \$ 204             | 50              | \$ (3,179)         | 12            | \$ 3,383          |
| IPIS M&A  | 239                               | \$ 47,659         |                    | \$ -                |                    | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| <b>Cyber Security &amp; Communications</b>                        | <b>141</b>                        | <b>\$ 259,387</b> | <b>195</b>         | <b>\$ 398,149</b>   | <b>293</b>         | <b>\$ 593,601</b>   | <b>98</b>                                | <b>\$ 195,452</b>  | <b>48</b>       | <b>\$ 148,168</b>  | <b>50</b>     | <b>\$ 47,283</b>  |
| OUS Management & Administration Shared                            | 13                                | \$ 3,691          | 22                 | \$ 16,015           | 43                 | \$ 25,201           | 21                                       | \$ 9,186           | 13              | \$ 2,846           | 8             | \$ 6,339          |
| NCSD  |                                   | \$ 79,283         | 59                 | \$ 210,413          | 105                | \$ 293,500          | 46                                       | \$ 83,087          | 23              | \$ 79,727          | 23            | \$ 3,360          |
| NCS   |                                   | \$ 139,016        | 95                 | \$ 136,021          | 103                | \$ 236,600          | 8  | \$ 100,579         | 7               | \$ 65,595          | 1             | \$ 34,984         |
| IPIS M&A  | 128                               | \$ 25,524         |                    | \$ -                | 0                  | \$ -                | 0  | \$ -               | 0               | \$ -               | 0             | \$ -              |
| OEC   |                                   | \$ 11,872         | 19                 | \$ 35,700           | 42                 | \$ 38,300           | 23                                       | \$ 2,600           | 5               | \$ -               | 18            | \$ 2,600          |
| <b>US-Visitor &amp; Immigrant Status Indicator<br/>Technology</b> | <b>101</b>                        | <b>\$ 348,723</b> | <b>129</b>         | <b>\$ 494,907</b>   | <b>149</b>         | <b>\$ 407,604</b>   | <b>19</b>                                | <b>\$ (87,302)</b> | <b>26</b>       | <b>\$ (83,254)</b> | <b>-7</b>     | <b>\$ (4,048)</b> |
| OUS Management & Administration Shared                            | 18                                | \$ 5,500          | 27                 | \$ 19,907           | 30                 | \$ 17,304           | 2  | \$ (2,602)         | 9               | \$ 1,955           | -7            | \$ (4,557)        |
| US-VISIT  | 83                                | \$ 343,223        | 102                | \$ 475,000          | 119                | \$ 390,300          | 17                                       | \$ (84,700)        | 17              | \$ (85,209)        | 0             | \$ 509            |
| <b>Funds executed for entities transferred<br/>under 872</b>      | <b>0</b>                          | <b>\$ 2,530</b>   | <b>0</b>           | <b>\$ -</b>         | <b>0</b>           | <b>\$ -</b>         | <b>0</b>                                 | <b>\$ -</b>        | <b>0</b>        | <b>\$ -</b>        | <b>0</b>      | <b>\$ -</b>       |
| <b>Subtotal, Budget Authority (All Sources)</b>                   | <b>494</b>                        | <b>\$ 855,575</b> | <b>664</b>         | <b>\$ 1,177,076</b> | <b>849</b>         | <b>\$ 1,286,100</b> | <b>185</b>                               | <b>\$ 109,024</b>  | <b>131</b>      | <b>\$ 63,101</b>   | <b>54</b>     | <b>\$ 45,923</b>  |
| <b>Less Adjustments for Other Funding<br/>Sources:</b>            | <b>0</b>                          | <b>\$ -</b>       | <b>0</b>           | <b>\$ -</b>         | <b>0</b>           | <b>\$ -</b>         | <b>0</b>                                 | <b>\$ -</b>        | <b>0</b>        | <b>\$ -</b>        | <b>0</b>      | <b>\$ -</b>       |
| <b>Total enacted appropriations and budget<br/>estimates</b>      | <b>494</b>                        | <b>\$ 855,575</b> | <b>664</b>         | <b>\$ 1,177,076</b> | <b>849</b>         | <b>\$ 1,286,100</b> | <b>185</b>                               | <b>\$ 109,024</b>  | <b>131</b>      | <b>\$ 63,101</b>   | <b>54</b>     | <b>\$ 45,923</b>  |

<sup>1</sup> FY 2007 Actuals reflects expenditures incurred for CMO, NCRC, Faith-based, SLGC, NPIP, and Ready Campaign that transferred per the 872 reorganization effective April 1, 2007. Expenditures are through March 31, 2007.

<sup>2</sup> FY 2007 Actuals include expenditures incurred for Biosurveillance, the program transferred to the Office of Health Affairs effective April 1, 2007. The Office of Emergency Communications, formed as a result of Title VI of the DHS 2007 Appropriation reflects only six months of expenditures.

# Department of Homeland Security

## Office of Health Affairs

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## Office of Health Affairs Office of the Chief Medical Officer

### I. Appropriation Overview

#### A. Mission Statement for Office of Health Affairs:

The Office of Health Affairs serves as the principal medical advisor for the Secretary and FEMA Administrator by providing timely incident-specific management guidance for the medical consequences of disasters. Additionally, the OHA leads the Department's biodefense activities in coordination with other Departments and agencies across the Federal government; leads and sustains a comprehensive, integrated and collaborative framework that protects the health security of the Nation; and leads the Department's efforts in employee health and safety and provides medical oversight for health delivery throughout DHS.

In order to implement this mission, OHA has four goals:

- 1) Serve as the principal medical and health advisor to the Secretary and other Department leaders, and ensure that the Department's leaders have relevant intelligence and science-based health and medical information to guide policy decisions;
- 2) Lead the Department's biodefense activities, to include policy, strategy, requirements, metrics, and biological and chemical detection programs; and
- 3) Develop a coordinated and unified national architecture for medical preparedness, WMD planning and catastrophic consequence management in accordance with overall national incident management activities; and
- 4) Lead the development of a Department-wide plan for occupational health and worker safety protections, ensuring that all DHS employees have access to sound and scientifically-based health and medical safety information.

The OHA is led by the Chief Medical Officer, who has the title of Assistant Secretary for Health Affairs and Chief Medical Officer. The Office of Health Affairs has three main divisions: Weapons of Mass Destruction (WMD) and Biodefense; Medical Readiness; and Component Services, as well as the division of International Affairs and Global Health Security. The WMD and Biodefense division leads the Department's biological and chemical defense activities, including the Bioshield and BioWatch programs, the Rapidly Deployable Chemical Detection System (RDCDS) and the NBIC. The Medical Readiness division oversees contingency planning and policy, readiness of medical first responders, WMD incident management support, medical preparedness grant coordination and the National BioDefense Architecture strategy and planning responsibilities. The Component Services division developments and provides policy, standards, requirements and metrics for the

Department's occupational health and safety programs and provides protective and operational medical services within the Department.

OHA leads the development of a coordinated national architecture for bio-monitoring among executive branch departments that includes biosurveillance, aerosol detection, clinical syndrome detection, mail room observation, and suspicious substance management. OHA's core requirements are derived from the President's *Biodefense Strategy for the 21<sup>st</sup> Century* Homeland Security Presidential Directive (HSPD-10), which provides a comprehensive framework for our Nation's biodefense, and *Defense of the U.S. Agriculture and Food* (HSPD-9), which establishes a national policy to defend the Nation's agriculture and food systems against terrorist attacks, major disasters, and other emergencies. Accordingly, OHA leads the Department's efforts to implement relevant National Security Council (NSC) and Homeland Security Council (HSC) implementation plan items under HSPD-9 and HPSD-10.

**B. Budget Activities:**

The Office of Health Affairs budget is structured into five (5) Programs, Projects, Activities (PPAs). These PPAs contain activities under the various offices within OHA and are explained in the following:

BioWatch:. BioWatch is an early warning system that can rapidly detect trace amounts of pathogen-specific nucleic acid in the air whether intentionally released into or naturally present in the environment. This program is deployed in over thirty of the country's major metropolitan areas. This system provides public health experts with a warning of a biological agent release before exposed citizens become clinically symptomatic ("ill"). This "detect-to-treat" system provides public health officials an opportunity to respond aggressively to eliminate or substantially mitigate the potentially catastrophic impact on the population of a biological agent release. In conjunction with BioWatch, the program also operates the Biological Warning and Incident Characterization (BWIC) system, which interprets warning signals from BioWatch and public health surveillance data using incident characterization tools (e.g., plume and epidemiological models) to quickly determine the potential impacts a release may have on the population. Together these two systems provide emergency personnel with the essential information and tools they need to respond effectively and initiate life-saving medical countermeasures.

National Biosurveillance Integration Center (NBIC): The NBIC was initiated by the DHS Chief Medical officer in Spring 2007 as a logical evolution of the NBIS (National Biosurveillance Integration System) and was codified in Public Law (PL-110-53) on August 3, 2007. As clearly defined in the law, NBIC provides early detection, characterization, and situational awareness of biological events of potential national significance by establishing a biological common operating picture (BCOP) to depict a global biosurveillance environment and decision-making tools. NBIC operates by acquiring, integrating, analyzing, and disseminating biosurveillance information from human, animal, plant and environmental data harvested from

federal agency partners, including the Departments of Health and Human Services (HHS), Agriculture (USDA), Defense (DOD), Interior (DOI), State (DOS) Transportation (DOT), and various elements within the DHS. Additional partners include subordinate agencies to those federal agencies such as the Center for Disease Control (CDC), Food & Drug Administration (FDA), National Institute of Health (NIH), the U.S. Geological Survey (USGS) and the Animal Plant Health Inspection Service (APHIS). Potential partners include the Environmental Protection Agency (EPA), the U.S Postal Service, the Department of Justice Department of Commerce and the Veterans Administration. NBIC has also established close working relationships with the U.S. Intelligence Community through both DHS Intelligence and Analysis and organizations such as the DOD Armed Forces Medical Intelligence Center (AFMIC). The NBIC produces information around-the-clock to provide decision support during biological events. NBIC will ensure that near real-time biosurveillance threat awareness is provided to NBIS Member Agencies and their leadership, the Department's senior leaders, the DHS Incident Management Group (IMG) and the DHS National Operations Centers (NOC) via the Biologic Common Operating Picture (BCOP) and other substantive reports to include finished analyses, scientific and technical medical/health data exchange and analyst-to-analyst exchanges.. The resulting improved information sharing and enhanced situational awareness facilitates national decision-making to enable timely response.

Rapidly Deployable Chemical Defense System (RDCDS): RDCDS maintains and deploys an air and ground base chemical detection capability for the defense of high security interest special events such as large assemblies in sports arenas or at outdoor celebrations. The detection element consists of a network of chemical, ground-based point detectors (CGPD) and a chemical airborne surveillance platform for 24/7 stand-off-detection capability.

Planning and Coordination: This PPA fulfills the Department's role in: animal disease and agro-defense; maintains the veterinary expertise to provide the Secretary advice on zoonotic, food or agriculture related catastrophic events; participates in the Department's responsibilities for biological threat and consequence evaluation and determination for future and emerging threats; leads the Department's end to end contingency planning, policy, and consequence management for chemical, biological, radiological and nuclear hazards, including a potential outbreak of pandemic influenza, in concert with its component partners; works with interagency partners and state and local governments to establish preparedness and response requirements for the nation's emergency medical first responders; and works with federal, state and local, and private sector entities to enhance medical readiness through regional planning, exercises, and other response capabilities. This PPA will also fund the National BioDefense Architecture Project which will develop a framework for biodefense, building on existing and emerging efforts at all levels of government and the private sector.

Salaries and Expenses: This subprogram will fund the salaries and expenses of OHA as well as the activities for Component Services and International and Global Health

Security. It includes the salary of the Assistant Secretary for Health Affairs/Chief Medical Officer who serves as the principle medical advisor to DHS Leadership. The Component Services division supports development of a common set of standards, policies, and training opportunities for occupational health programs across the department. Expanding on the traditional view of workplace health and safety, these programs will integrate efforts towards workforce health protection, including wellness and prevention programs, to help ensure that workforces are physically able to support the Department's missions while minimizing health-threats and work related disability. In addition, funding will enable continued development programs to ensure world-class medical support to tactical operations.

**C. Budget Request Summary:**

The Office of Health Affairs requests 84 positions, (80 FTE), and \$161.3 million. The total adjustments-to-base is 27 FTE and \$4.2 million. The program increases include eight positions to conduct the following initiatives:

- Testing and fielding of BioWatch Next Generation Technology (Generation 3) (\$34.5 million increase);
- Design and implement the foundation for a National Biodefense Architecture to create a seamless integrated system for coordination at all levels of government and the private sector. (National BioDefense Architecture project \$2.0 million increase)
- Increase medical readiness and response systems throughout the nation by designing and promoting effective all-hazards medical response and contingency planning and policy, training, and exercise tools for medical first responders and regional preparedness. (Medical Readiness \$3.4)
- Provide Salaries and Expense funding (\$0.7 million increase) for:
  - Salaries and Expenses (8 FTP / 4 FTE increase)
  - Working Capital services for rent, procurement & IT support
  - Increase Program Management and Administrative Personnel (8 FTP / 4 FTE increase, reflected in the total S&E increase above) to strengthen the operations of OHA.

## II. Summary of FY 2009 Budget Estimates by Program / Project Activity (PPA)

### i. Summary of FY 2009 Budget Estimates by Appropriation

**Department of Homeland Security**  
**Office of Health Affairs**  
 Summary of FY 2009 Budget Estimates by Program / Project / Activity  
 Total Appropriations  
 (Dollars in Thousands)

| Program / Project / Activity                         | FY 2007 Actual |                 | FY 2008 Request |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |               |                 |               |                     |                |
|--|----------------|-----------------|-----------------|------------------|-----------------|------------------|--|---------------|-----------------|---------------|---------------------|----------------|
|  |                |                 |                 |                  |                 |                  | Total Changes                            |               | Program Changes |               | Adjustments-to-Base |                |
|  | FTE            | AMOUNT          | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE                                      | AMOUNT        | FTE             | AMOUNT        | FTE                 | AMOUNT         |
| BioWatch   |                |                 |                 | 77,108           |                 | 111,606          |  | 34,498        |                 | 34,498        |                     |                |
| National Biosurveillance Integration Center          |                | 7,288           |                 | 8,000            |                 | 8,000            |  | ---           |                 | ---           |                     |                |
| Rapidly Deployable Chemical Detection System         |                |                 |                 | 2,600            |                 | 2,600            |  | ---           |                 | ---           |                     |                |
| Planning and Coordination                            |                |                 |                 | 4,475            |                 | 9,923            |  | 5,448         |                 | 5,448         |                     |                |
| Salaries and Expenses                                | 22             | 8,588           | 49              | 24,317           | 80              | 29,210           | 31                                       | 4,893         | 4               | 644           | 27                  | 4,249          |
| <b>Less: Adjustments for Other Funding Sources:</b>  |                |                 |                 |                  |                 |                  |  |               |                 |               |                     |                |
| <b>Net, Enacted Appropriations and Budget Estima</b> | <b>22</b>      | <b>\$15,876</b> | <b>49</b>       | <b>\$116,500</b> | <b>80</b>       | <b>\$161,339</b> | <b>31</b>                                | <b>44,839</b> | <b>4</b>        | <b>40,590</b> | <b>27</b>           | <b>\$4,249</b> |

\* BioWatch and Rapidly Deployable Chemical Detection System PPAs funding did not transfer to OHA and are reported in S&T budget estimates for FY07.  
 National Biosurveillance Integration Center and Salaries and Expenses include the FY07 appropriation post OHA establishment of 4/1/07.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Health Affairs**  
**Program Performance Justification**  
**BioWatch**  
 (Dollars in Thousands)

**PPA: BioWatch**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount<br/>(\$ 000)</b> |
|------------------------------|---------------------|------------|----------------------------|
| <b>2007 Actual</b>           | ---                 | ---        | ---                        |
| <b>2008 Enacted</b>          | ---                 | ---        | 77,108                     |
| 2009 Adjustments-to-Base     | ---                 | ---        | ---                        |
| <b>2009 Current Services</b> | ---                 | ---        | 77,108                     |
| 2009 Program Change          | ---                 | ---        | 34,498                     |
| <b>2009 Request</b>          | ---                 | ---        | 111,606                    |
| Total Change 2008-2009       | ---                 | ---        | 34,498                     |

OHA requests \$111.6 million for BioWatch. This is a program increase of \$34.5 million to procure and initiate fielding of an automated detection capability into the BioWatch System.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

BioWatch contains two areas of activity; *BioWatch Operations* which funds the base generation I/II technology systems operating in multiple jurisdictions and the *Next Generation BioWatch Monitoring* project that contains activities to develop and deploy an autonomous detection capability into the BioWatch System. The two areas are discussed below in detail.

*BioWatch Operations*

This program area is responsible for operating the BioWatch monitoring system and the Biological Warning and Incident Characterization (BWIC) system. BioWatch is a bio-aerosol monitoring system designed to provide cities with the earliest possible detection of a biological attack. BioWatch is currently piloting the BWIC system, which is a suite of computer tools (e.g., plume and epidemiological models) that assist public health officials in interpreting signals from BioWatch and public health syndromic surveillance. These tools help: a) develop a common situational awareness; b) characterize the incident; c) determine the potential impact a release may have; and d) inform response and recovery activities. Together, the BioWatch and BWIC programs provide emergency personnel with the information they need to respond rapidly and effectively to implement life-saving medical countermeasures. BioWatch works closely with local communities to integrate response activities into ongoing public health and emergency management activities. Additionally, DHS uses BioWatch to provide biological monitoring and

surveillance support for National Special Security Events (NSSEs) and other national and local special events.

- DHS, in partnership with the Environmental Protection Agency (EPA), Centers for Disease Control and Prevention (CDC), and the Federal Bureau of Investigation (FBI) operates BioWatch. BioWatch has operated in more than 30 cities since early 2003, performing over 3 million tests to date without a false positive. In FY 2007, the program incorporated second generation enhancements (increased indoor and outdoor monitoring in the top threat cities as well as a high-throughput laboratory analysis capability) to the 30-city system; and piloted BWIC. In FY 2008, the program plans to continue operating the BioWatch system, including the three BWIC pilot cities, and better integrate BWIC into the other OHA programs such as NBIS and medical readiness.

In FY 2007 BioWatch:

- Successfully operated the BioWatch system in more than 30 of the nation's highest-risk jurisdictions without a false alarm;
- Tested and piloted new technologies –Airborne Sample Analysis Platform (ASAP) with time resolution capability;
- Initiated pilot with the DoD Guardian Program to field two ASAPs on an National Capital Region (NCR) installation;
- Assumed responsibility for bio-monitoring and analysis of the DHS mail utilizing BioWatch notification protocols and CONOPS;
- Developed an indoor monitoring program for key transportation facilities;
- Developed an improved outdoor operational guidance document;
- Drafted an inaugural indoor operational guidance document; and
- Completed the integration of BWIC into a third pilot city for continued operational evaluation

In FY 2008 BioWatch Operations plans to conduct the following:

- Increase coverage of the population in each of the current BioWatch jurisdictions population with biological collectors;
- Maintain current capability for detection of biological releases;
- Finalize the indoor and outdoor guidance documents and National BioWatch CONOPS;
- 
- Participate in a DTRA / DHS wide-area restoration pilot to include placing BioWatch collectors on a military installation;
- Develop strategy to integrate/optimize all Federal outdoor bio-monitoring capabilities within the NCR;
- Field an enhanced laboratory capability to allow quicker analysis and reduced cost; and
- Continue ongoing BWIC pilots

In FY 2009, OHA plans to maintain the integration of BWIC and BioWatch and continue BioWatch operations at the FY 2008 performance level while beginning activities for next generation technology insertion into the system.

### *Next Generation BioWatch Monitoring*

The next generation BioWatch monitoring system, Gen 3, is being developed to incorporate automated sample analysis at collection sites and remotely transmit results to a Laboratory Response Network (LRN) member laboratory for interpretation by public health professionals using approved BioWatch guidance documents. Currently, BioWatch relies on the manual retrieval of filters from air collectors and transport to LRN laboratories for subsequent analysis.

In FY 2007, OHA initiated activities to begin to understand the operational impacts and difficulties of automated technology on the BioWatch system. To achieve this objective, OHA instituted a life cycle study to determine long term cost impacts of maintenance and operation of an automated system. In addition to this study, OHA completed a pilot with six units of the Automated Pathogen Detection System (APDS) in New York City. APDS is an automated technology currently in development. This pilot has proven to be useful in CONOPS development, understanding fielding and maintenance issues, and determining how environmental conditions affect autonomous system operation.

Significant accomplishments in FY 2007 include:

- Instituted a life-cycle study to determine long term cost impacts of maintenance and operation of an automated biomonitoring system;
- Piloted Automated Pathogen Detection System (APDS) in NYC and received; official NYC acceptance to begin autonomous detection operations in Manhattan beginning in FY 2008; and
- Developed an acquisition and fielding strategy of Gen-3 for FY 2009 – FY 2013.

In FY 2008, given the maturity and high potential for near-term deployment of APDS units, OHA will begin an even more extensive performance evaluation of APDS units. Most, if not all APDS units will be equipped with Public Health Actionable (PHA) assays which allow the sensors to be quickly integrated and operational with most public health entities state and local levels.

In FY 2008, S&T, working with OHA, will continue to work on Bio-Agent Autonomous Networked Detectors (BAND). BAND is another automated technology that has been under development, and is scheduled to continue through FY 2009.

FY 2008 planned accomplishments include:

- Begin full operational capability of the APDS in NYC – the first operational BioWatch autonomous detection capability;
- Conduct more extensive field testing and evaluation of APDS BioWatch sensors;
- Work with S&T to continue to develop BAND BioWatch sensors; and
- Initiate activities to review next generation BioWatch and BWIC capabilities to improve the operational and response of the integrated system.

In FY 2009, OHA plans a six-month, multi-city Operational Test and Evaluation (OT&E) of advanced automated technologies. BAND technologies will compete in a head-to-head competition during the third and fourth quarters of FY 2009 with technology down

select in late FY 2009. This will allow OHA to advance to a Full Rate Production procurement decision for advanced technology deployment in FY 2010.

APDS advanced technology detectors will also be deployed along side the competing BAND technologies for comparison during OT&E. In addition, 150 units of APDS advanced technology detectors will be procured and deployed in high-risk jurisdictions to increase the Nation's capability to rapidly and reliably detect the presence of dangerous biological agents. Incorporating this autonomous detection capability within the National BioWatch Network will reduce the time between agent release and detection, potentially saving thousands of lives by expediting the deployment of countermeasures.

**III. Current Services Program Description by PPA**

**Department of Homeland Security**  
**Office of Health Affairs**  
**Program Performance Justification**  
**National Biosurveillance Integration Center (NBIC)**  
(Dollars in Thousands)

**PPA: National Biosurveillance Integration Center**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount<br/>(\$ 000)</b> |
|------------------------------|---------------------|------------|----------------------------|
| <b>2007 Actual</b>           | ---                 | ---        | ---                        |
| <b>2008 Enacted</b>          | ---                 | ---        | 8,000                      |
| 2009 Adjustments-to-Base     | ---                 | ---        | ---                        |
| <b>2009 Current Services</b> | ---                 | ---        | 8,000                      |
| 2009 Program Change          | ---                 | ---        | 0                          |
| <b>2009 Request</b>          | ---                 | ---        | 8,000                      |
| Total Change 2008-2009       | ---                 | ---        | 0                          |

OHA requests \$8 million for NBIC. This maintains the resource base established in FY07 and continued into FY08.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The National Biosurveillance Integration Center (NBIC) is a unique capability in the nation’s biodefense arsenal. This program arose directly from a Presidential desire for this resource. It provides 24/7/365 biological attack detection and characterization intelligence to the DHS National Operations Center's (NOC) Common Operating Picture to provide situational awareness of our nation’s bioterror threats. NBIC integrates detection and characterization of information and analysis with national indications and bio-threat warnings developed across federal agencies, including DHS, HHS, USDA, DoD, State, DOI and DOT. NBIC collects, monitors and evaluates clinical and non-clinical biological threat information and reporting data streams. These data streams include surveillance of foreign and domestic sources of information and intelligence gathered in coordination with the DHS Office of Intelligence and Analysis, pest, disease outbreaks, syndromic health information, human, plant, animal, food, water, and environmental information to identify and characterize biological attacks or naturally occurring disease outbreaks that threaten National Security. Staff regularly collaborates with select federal partners and their subordinate agencies, state, local and tribal governments via established federal department protocols, the private sector in areas of critical infrastructure relevant to biosurveillance, key foreign allies and select non-governmental international organizations such as the World Health Organization, International Red Cross, Global Vetlink and the Wildlife Conservation Society.

Significant accomplishments in FY 2007 include:

- Developed the National Operation Center's National Biosurveillance Group (NBSG) from one of limited operational capability to one of a proactive, focused operational watch with Interagency/cross-domain focus, operating 24/7;
- Signed Memorandum of Understanding (MOUs) with six key federal agencies (DoD, State Department, Department of the Interior, USDA, HHS and DOT) and established necessary Interagency Agreements to meet HSPD-mandated national approach to capturing, understanding and displaying the potential threat to the nation's security posed by key health risks and diseases;
- Led the development of the Food Contamination Event National Interagency Situation Report to include leading the formation of the Interagency Analysis Group (IAG) for characterization of HHS Fusion Cell inputs;
- Improved intra-DHS cross-flow for intelligence overlay of threat and intelligence information across the biosurveillance spectrum;
- Professionalized the OHA/NBIS Watch Desk by employing U.S. Public Health Officers with professional degrees, backgrounds and field experience as watch officers and subject matter experts; and
- Coupled the OHA/NBIS Watch Desk at the Department's National Operations Center to the NBIC at the Nebraska Avenue Complex as well as NBSG participants able to receive the NBIS 2.0 information feeds and displays.

Planned significant accomplishments in FY 2008 include:

- Establish full NBIC operational capability by September 2008 as directed by PL-110-53;
- Field the operational NBIS 2.0 IT system at the SBU (Sensitive But Unclassified) level (two systems: SBU Operational and SBU COOP) providing the backbone IT system for the NBIC;
- Deploy the Biologic Common Operating Picture (BCOP) to all NBIS members via NBIS 2.0;
- Refine information sharing and analytic collaboration with the Department's Office of Intelligence and Analysis (I&A) at multiple levels of security classification;
- Establish and integrate key private sector partnerships in biosurveillance/health industries in concert with the Office of Infrastructure Protection;
- Formulate uniform policies and approaches for new technologies and integrating current biosurveillance and detection systems with the Department's Science and Technology Directorate;
- Refine the architecture for security of select agents and access to pathogens that may pose a risk of bioterrorism;
- Enhance and implement a decision management framework for environmental decontamination after a biological attack;
- Finalize the NBIC space plan to include 24x7 watch operations in the DHS National Operations Center (NOC) and the housing of scientific and biosurveillance subject matter analysts in a consolidated, multi-level security location; and
- Within resource constraints, sustained a three-part NBIC outreach and governance structure which consists of:

- A national biosurveillance integration oversight council composed of senior members of participating federal agencies and organizations, expected to convene twice annually or more often if exigencies arise.
  - An intra-departmental coordinating group within DHS composed of representatives from various organizations engaged in health monitoring and biosurveillance including OHA, Policy, Science & Technology, National Protection & Programs, General Counsel, Operations Coordination, Intelligence & Analysis, Privacy, and the operating components.
  - A customer focus group that validated NBIC requirements for research, information exchange, analysis, collaboration and production;
- Expand the number of formal federal agency partners in NBIS to include Department of Commerce, Department of Justice, the Environmental Protection Agency and the U.S. Postal System;
  - Finalize all remaining Inter Agency Agreements with all NBIS federal partners detailing particulars for data provision and exchange, analytic co-production and select emergency response actions particularly focused on those that inform and guide cabinet level decision making.

In FY2009, planned accomplishments include:

The goal is for NBIC to apply state-of-the-art IT capabilities to enhance biosurveillance and situational awareness. NBIC also plans to:

- Within affordability constraints, make modest but key improvements to the NBIS 2.0 information technology system at the Sensitive But Unclassified (SBU) level;
- Mature the requirements for and refine the use of classified data made available by the U.S. Intelligence Community to enhance biosurveillance awareness and increase the speed and depth of NBIC reporting;
- Continue to develop, train and mentor a professional workforce using a mix of FTE, federal detailees, IPAs and commercial contractors. Expand professional training of onboard personnel with tailored education and training in NBIS analysis and methodology;
- Complete implementation of the BCOP and provide greater in-depth background information and improved collaboration capabilities to all NBIS 2.0 subscribers;
- Refine information sharing and analytic collaboration with the Department's Office of Intelligence and Analysis (I&A), including co-production of products;
- Further integrate critical private sector partnerships in biosurveillance/health industries in concert with the Office of Infrastructure Protection;
- Continue to formulate uniform policies and approaches for new technologies in biosurveillance and detection systems with the Department's Science and Technology Directorate;
- Refine the existing decision management framework as needed to manage evolving changes in the biodefense community;

- Sustain key outreach and partnership governance structures and procedures to enhance interagency coordination and identify joint requirements among the NBIC stakeholders;
- The integration and analysis of All-Source biosurveillance information streams has never been attempted before NBIC. New analytical methodologies will be required, most especially to meet the mandate for Early Warning of naturally occurring and intentional bio-events. Within resource constraints, NBIC must examine and employ the modern analytical methods and data visualization techniques, pioneer and develop new methodologies in statistical analyses, embed artificial intelligence process and practice and employ analytic methods from across numerous academic disciplines. As current analysis and production continues, simultaneous development of analytic techniques to fully use increasing volumes and complexities of data will be required. To achieve any reasonable measure of success, NBIC must access an assembly of NBIC analysts and detailees from participating organizations, network them together with a common information technology set of analytic and collaborative tools, and provide a combined analytic environment to produce biosurveillance products around the clock.
- NBIC will team with biosurveillance member agencies operating from their own home stations, the Intelligence Community, and various DHS components to include the DHS National Operations Center and the Office of Infrastructure Protection and attempt to virtually network them together into an organized whole. As such, NBIC will
  - Review analytic methods to cross-analyze various medical disease domains (human, animal, plant and environmental), searching for signs for early warning, and applying threat and biosurveillance information to critical infrastructures to produce an actionable Biosurveillance Common Operating Picture and other biosurveillance analytic products.
  - Maintain open information technology architecture embodied in the NBIS 2.0 IT project hubbed in the NBIC.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Health Affairs**  
**Program Performance Justification**  
**Rapidly Deployable Chemical Detection System**  
(Dollars in Thousands)

#### PPA: Rapidly Deployable Chemical Detection System

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount<br/>(\$ 000)</b> |
|------------------------------|---------------------|------------|----------------------------|
| <b>2007 Actual</b>           | ---                 | ---        | ---                        |
| <b>2008 Enacted</b>          | ---                 | ---        | 2,600                      |
| 2009 Adjustments-to-Base     | ---                 | ---        | ---                        |
| <b>2009 Current Services</b> | ---                 | ---        | 2,600                      |
| 2009 Program Change          | ---                 | ---        | 0                          |
| <b>2009 Request</b>          | ---                 | ---        | 2,600                      |
| Total Change 2008-2009       | ---                 | ---        | 0                          |

The Rapidly Deployable Chemical Detection System (RDCDS) is the only non-military asset available in the country for detection of potential chemical release against our citizens. OHA requests \$2.6million for the Rapidly Deployable Chemical Detection System (RDCDS) to maintain operational capability and to enhance the network of ground-based chemical detectors to support National Special Security Events (NSSEs) and SEAR Level I and II Events. DHS currently has the capability to cover a single event due to the limitation of one airborne platform and one set of ground-based chemical detectors

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

This program has developed architecture and planning protocols to support NSSEs and DHS Special Event Assessment Rating Level I and II Events such as large assemblies in sports arenas or at outdoor celebrations. Key elements of the RDCDS are detection analysis, communications, meteorology, plume mapping, and hazard prediction. RDCDS can identify specific chemical compounds and swiftly image the impact of a downwind chemical hazard. The detection element consists of a network of chemical, ground-based point detectors (CGPD) and a chemical airborne surveillance platform for 24/7 stand-off-detection capability. RDCDS will support two National Special Security Events in 2008 and two DHS SEAR Level 1 Events, as currently planned.

Significant accomplishments in FY 2007 include:

- Reviewed and validated intelligence for additional compounds of terrorists interest for aerial surveillance;
- Enhanced the airborne communication system with a digital satellite link;

- Conducted field testing to evaluate the effectiveness and efficiency of the RDCDS system;
- Obtained U.S. Secret Service certification of RDCDS as a National Special Security Events asset;
- Supported DHS SEAR Level I and II Events;
- Continue collaborative efforts with the EPA to provide aerial surveillance and support during natural or manmade disasters.

FY 2008 planned accomplishments include:

- RDCDS program will continue to review and validate intelligence for additional compounds of terrorists interested in gaining airborne surveillance and ground detectors by conducting two primary field experiments.
- Upgrade surveillance capabilities for National Security Special Events (NSSE) and DHS SEAR Level I and II Events.
- Conduct a market survey and evaluate chlorine gas detection equipment. As seen in Iraq, chlorine gas is a potential WMD and demonstrated terrorist interest.
- Enhance detection capability through procurement and deployment of an additional four chemical ground-based detectors to bring the existing set from 8 to 12.
- Continue collaborative efforts with the EPA to provide aerial surveillance and support during natural or manmade disasters.

In FY 2009 RDCDS plans to:

- Continue to review and validate intelligence for additional compounds of terrorists interested in gaining airborne surveillance and ground detectors by conducting two primary field experiments.
- Further enhance surveillance systems to support NSSE and DHS SEAR level I and II Events.
- Continue collaborative efforts with the EPA to provide aerial surveillance and support during natural or manmade disasters.
- Continue procurement, installation, and validation of equipment for aerial surveillance and detection of chlorine gas.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Health Affairs**  
**Program Performance Justification**  
**Planning and Coordination**  
 (Dollars in Thousands)

#### PPA: Planning and Coordination

|                              | Perm<br>Pos | FTE | Amount<br>(\$ 000) |
|------------------------------|-------------|-----|--------------------|
| <b>2007 Actual</b>           | ---         | --- | ---                |
| <b>2008 Enacted</b>          | ---         | --- | 4,475              |
| 2009 Adjustments-to-Base     | ---         | --- | ---                |
| <b>2009 Current Services</b> | ---         | --- | 4,475              |
| 2009 Program Change          | ---         | --- | 5,448              |
| <b>2009 Request</b>          | ---         | --- | 9,923              |
| Total Change 2008-2009       | ---         | --- | 5,448              |

OHA requests \$9.9 million for this activity. This is an increase of \$5.4 million over FY 2008 that includes increases for Medical Readiness (\$3.4 million), and National Biodefense Architecture (\$2.0 million).

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Program includes two projects: Veterinary and Agro Defense and Food Security and Medical Readiness. The Biodefense Architecture initiative is an activity within Medical Readiness. These projects will be discussed separately below.

##### *Veterinary and Agro Defense and Food Security*

The OHA Food, Agriculture and Veterinary (FAV) Defense Office is the entity within DHS vested with responsibility for leading and coordinating the various food, agricultural and veterinary DHS programs. These programs are based on specific Secretarial delegation of authorities and as assigned by Homeland Security Presidential Directive (HSPD)-9, *Defense of U.S. Agriculture and Food*. Through DHS, the Office has 17 distinct action items & 12 leads for HSPD-9. It enables the CMO to serve as principal medical advisor for all food, agricultural and veterinary defense responsibilities of the Department. This includes coordination of DHS agrodefense activities, to ensure internal/external coordination of DHS' veterinary, preparedness and response activities, and to serve as primary DHS point of contact for Federal, state, local, and tribal governments and the private sector on all food safety, agriculture, and veterinary defense issues. The Office has led in the Department's incident management during the recent contaminated pet food incident and the Foot-and-Mouth Disease (FMD) event when diseased swine were imported into Minnesota from Canadian sources.

There are four reasons DHS, Office of Health Affairs (OHA) Food, Agriculture and Veterinary Defense is needed to fulfill the DHS missions as follows:

1. Food and agriculture is a \$1.3 trillion Critical Infrastructure, one-fifth of the Nation's economic activity. Direct and cascading consequences to a food, agricultural or veterinary incident are not well understood. An event of significance to this critical infrastructure could cost upwards of \$100 billion and potentially result in tens of thousands of lives lost.
2. Critical Infrastructure, once devastated, may be primarily rebuilt OCONUS, thereby increasing U.S. vulnerability.
3. The impact upon National Security as demonstrated by exercises such as "Silent Prairie," demonstrates significant impact on military strength and the ability to operate in infected zones. Multi-state, significant mortality food events would compromise the government at all levels.
4. History demonstrates the collapse of governments and destruction of political officials following compromise to the food supply because of the resulting compromise of public trust in government.

Recent domestic and foreign incidences such as spinach and melamine contamination and the threat of foot-and-mouth disease demonstrate the essential role. DHS OHA FAV Defense is developing and managing DHS equities in a coordinated multi-agency environment with DHS components and includes other National, state and private sector stakeholders.

Significant accomplishments in FY 2007 include:

- Provided the Secretary with advice on zoonotic, food, and agriculture related catastrophic awareness, preparedness and responses. A recent example of critical response/timely advice occurred when diseased swine were imported from Canada into Minnesota;
- Improved coordination between relevant agencies as evidenced in recent testimonies regarding the melamine incident in which the adulteration of pet food had national implications upon food safety;
- Establish DHS internal structures to increase coordination and information sharing among DHS components involved in food, agriculture and veterinary defense;
- Led the DHS intra-departmental working group comprised of eleven components to develop policies for the President's Import Safety Working Group;
- Initiated external integration for federal/state/local/private food, agricultural and veterinary defense programs;
- Initiated efforts to develop and set requirements for DHS research and grants, for preparedness and response veterinary programs, and to mitigate future and emerging threats to animal health and the food supply;
- Began developing internal metrics for leading and monitoring DHS responsibilities for HSPD-9 to address DHS' 12 primary responsibilities and 5 secondary responsibilities under HSPD-9;
- Coordinated execution of DHS HSPD-9 tasks and provided HSPD-9 activity status report to Congress to begin improvement of the U.S. Food Defense System;

- Began development of a five-year strategic plan and ten-year strategic vision for Food, Agriculture and Veterinary Defense for the Nation; and
- Provided assistance as applicable to DHS/USG components for specific projects, including:
  - Development of formal process for internal coordination of the Department's programs and roles with U.S. Department of Agriculture, Department of Health and Human Services, Department of Defense, the Environmental Protection Agency, and other agencies for internal coordination, engaging public and private food sector partners
  - Providing Avian Influenza response planning input
  - Providing input and leadership in applicable sections of the NRP rewrite
  - Starting coordination of curriculum development regarding courses pertaining to the veterinary and agriculture and food defense issues
  - Participating in Plum Island Director search and managing his selection by creating a trusted solution through engagement with all stakeholders

FY 2008 planned accomplishments include:

- Continue evaluation of and improvement to plans, programs and personnel in OHA that focuses the appropriate veterinary expertise to provide the Secretary advice on zoonotic, food, or agriculture related catastrophic awareness, preparedness and responses;
- Further develop internal and external coordination with emphasis on state, local and industry sectors;
- Evaluate requirements for research and grants, for veterinary preparedness and response, and for mitigation for future and emerging threats to animal health and the food supply, and align by continuing to forge partnerships as applicable with other DHS agencies/programs;
- Finalize HSPD-9 metrics to include external and internal responsibilities.
- Formulate a more comprehensive approach to FAV Defense and continue to bridge the gaps between HSPD-9 requirements and existing DHS activities;
- Continue to develop intelligence and import safety connectivity as initiated during the Executive Order on Import Safety response;
- Finalize development of a five-year strategic plan and ten year strategic vision for Food, Agriculture and Veterinary Defense for the Nation;
- Begin drafting ten and twenty year strategic plans;
- Advance analysis of agrothreats - based upon recent IG Report – enhance a coordinated/communicated threat analysis;
- Draft recommendations for regulation and policies regarding the importation of exotic animals and pets in coordination with CDC to decrease the homeland security risk;
- Provide data recommendations for the G8 Summit 2008 Food Defense Exercise which relates to the protection of our domestic food supply and DHS influence on an international scale; and
- Continue to provide assistance as applicable to DHS/USG components for specific projects. These will include:
  - Conducting annual Avian Influenza workshops and briefs
  - Development of the National Foot Mouth Disease plan

- Beginning development of a Homeland Security state requirement program for food, agriculture and veterinary (FAV) defense requirements at the state level
- Addressing coordination issues with CBP regarding border protection and imports
- Coordination with FEMA grants and training support

FY 2009 planned accomplishments include:

Continue evaluation of and improvement to plans, programs and personnel in OHA that focuses the appropriate veterinary expertise to provide the Secretary advice on zoonotic, food, or agriculture related catastrophic awareness, preparedness and responses;

- Develop subject matter expertise for International, Education, Plant, and Wildlife arenas to integrate and provide a comprehensive program and gap analysis specific to those arenas across internal, external and state/local/private entities. Further develop internal and external coordination with emphasis on state, local and industry sectors;
- Promote and initiate HSPD-9 metrics. Execute a more comprehensive approach to FAV Defense that bridges the gaps between existing DHS activities and HSPD-9 requirements;
- Complete the integration and alignment of Food, Agriculture and Veterinary Defense Education curricula across Universities, Centers of Excellence, Federal, state, local, and private programs;
- Fund a liaison program to other agencies (DOD, CDC, FDA, USDA, State, and Private Industry) to ensure coordination and collaboration across food, agriculture and veterinary programs;
- Establish mechanisms for a state program to establish and fulfill Homeland Security state requirements, as well as fulfill GAO state food, agriculture and veterinary (FAV) defense requirements;
- Finalize development of a ten and twenty year strategic plan for Food, Agriculture and Veterinary Defense for the Nation; and
- Increase coordination with the intelligence community to assure that the threat posture remains current and that mitigating strategies are optimized;

### *Medical Readiness*

The Office of Medical Readiness is critical to the coordination of health and medical issues both within DHS and within the interagency as it relates to multidisciplinary, multi-jurisdictional planning, and coordination activities. DHS is the only agency at the federal level with the responsibility for this coordination. While focusing on the issues unique to health and medical coordination, OHA does this with close interaction with FEMA and other appropriate DHS and interagency partners. The Office is composed of five divisions: Incident Planning, Emergency Management and Medical Readiness Integration, Grants Coordination, Incident Coordination, and Medical First Responder Coordination. These divisions are responsible for several major activities that support the mission of the Office of Health Affairs. These activities include:

- serving as advisor to the Assistant Secretary through the Associate Chief Medical Officer

- developing programs and policies to support medical readiness
- integrating internal and interagency all-hazards consequence planning, exercises, medical training, and response
- promoting integration of local and regional medical response and emergency management capabilities
- aligning disaster preparedness grants programs within DHS and the interagency
- supporting the medical first responder community
- providing the Department's medical incident management during catastrophic events and
- providing guidance and direction for medical and biological consequence management of emerging threats including pandemic influenza.

Specific Division descriptions:

- *Emergency Management and Medical Response Integration (EMMRI) Division* provides a regional capability for national medical readiness, response and recovery efforts by Federal, State, local, and private sector entities. A framework for emergency management collaboration and integration will be developed. In order to bring together public and private sector stakeholders to leverage response capability and enhance community resiliency capacity, a framework for partnership building and mutual support/aid will be established. Collaborative engagement will include: identifying gaps and barriers; identifying potential solutions and viable courses of action; completing risk/cost benefit-based analysis of proposed solutions; and developing cooperative agreements with local jurisdictional authorities.

The EMMRI division provides timely, relevant subject matter expertise for decision support to senior leaders and key stakeholders and supports Departmental and interagency planning efforts. EMMRI will develop a Technical Assistance program that provides nationally recognized subject matter experts to provide support to collaborative enterprises, local jurisdictions, Federal, state and local governments in: planning; training and exercises; decision support and business intelligence tools; and analytic capacity for analysis and assessment. The EMMRI division provides the mechanism for DHS to achieve, maintain, and measure its efforts for pandemic influenza preparedness.

The EMMRI division provides a framework to unite disparate activities into a cohesive system in order to leverage efforts and actions, reduce duplication of effort, and align pandemic influenza activities to support all-hazards preparedness. EMMRI is responsible for (1) establishing and maintaining relationships with key stakeholders (e.g., FEMA, HHS Regional Health Administrators, professional associations/organizations); (2) facilitating collaborative partnerships among State/local governments and private sector entities to promote a regional structure for disaster response and capability clustering; (3) developing recommendations for grants based on State and local perspectives; and (4) serving as the OHA representative to regional and field level operations centers to maintain situational awareness, support response efforts, and coordinate biodefense elements.

- Grants Coordination Division*

The Grants Coordination program ensures the foundational and support architecture for the planning, operations, response and recovery activities of OHA and DHS, focusing on the medical and health components. There is no other entity within DHS whose responsibility specifically includes the health and medical aspects of grant activities. The goal of this program is to build a comprehensive grants coordination program that will identify foundational requirements for building capabilities through efficient incremental investment of resources in risk-informed outcomes. The program specifically addresses numerous gaps and deficiencies in the coordination of grants related to medical and health preparedness across DHS and with partner departments. The Assistant Secretary, as the principal medical advisor to FEMA as outlined in H.R. 5441, Department of Homeland Security Appropriations Act, 2007, has charged the Grants Coordination program with the identification, alignment, support and oversight of all homeland security grants as they are related to health and medical preparedness, response and recovery activities. To ensure effective guidance and align grants with gaps, the Grant Coordination Division will work in coordination with other DHS components to identify, refine and catalog DHS-relevant health and medical standards and resource types to inform performance objectives for public health and health care capability enhancement. The Grants Coordination Division supports FEMA by leading the further refinement of the health and medical target capabilities via development of performance metrics that are informed by threat, vulnerability and consequences. The Grants Coordination Division will continually integrate and utilize the work obtained from the standards and resource typing, risk assessments, capability enhancements efforts to coordinate and enhance training and exercise resources to meet the health /medical needs of DHS.
- Incident Coordination Division (ICD)*

This program is critical to the mission of OHA and DHS. This program serves as the primary link between DHS and HHS to ensure optimal coordination between the two departments before, during, and after an incident of national significance. In carrying out this mission, the Incident Coordination Division services as the representative for DHS health and medical issues throughout the federal interagency planning process and through DHS representation in the planning for all disasters, incidents of national significance, national security events (NSE), and national special security events (NSSE).

The primary mission of the ICD is the coordination of DHS goals and mandates in planning for and responding to the medical consequences of disasters, incidents of national significance, national security events, and national security special events. The effective coordination of health and medical response into the other elements of emergency management will result in improved outcomes from disasters of all scales. This coordination is accomplished by: (1) forming linkages to the Department of Health and Human Services (HHS) in their role as the lead agency for National Response Plan/Emergency Support Function (ESF)-8—Public Health and Medical; (2) ensuring accurate and appropriate inclusion of

medical issues in federal exercise planning; and (3) providing subject matter expertise to the DHS National Operations Center (NOC).

Internally, ICD works closely with all DHS planning and operations components, including those responsible for exercise and evaluation such as the Homeland Security Exercise and Evaluation Program (HSEEP), to ensure easy access to critical medical subject matter expertise. Within OHA, the Assistant Secretary for Health Affairs is the designated lead medical authority to the Secretary of Homeland Security and Administrator of FEMA; concurrently the ICD serves as lead medical advisor to DHS operational components.

- *Contingency Planning and Policy*  
The mission of the Division of Contingency Planning and Policy is to develop and maintain mechanisms for the development of strategic capabilities-based-end-to-end planning activities to identify health and medical impacts and develop courses of action to mitigate those impacts. Its primary functions include (1) developing strategic capabilities-based plans across the prevent, protect, respond, and recover taxonomy against the national planning scenarios and other identified current threats and future threats; (2) developing innovative planning systems that will accelerate and improve the process of planning by allowing the immediate incorporation of new elements based on changes in capabilities and needs.; and (3) developing a standardized approach for integration, synchronization, and coordination of strategic planning activities within the interagency to provide a coherent framework for strategic capabilities-based integrated planning for medical consequences of natural and man-made disasters and response action impacts. This program provides guidance to the Assistant Secretary, the Department, and the interagency to accomplish tasks and missions based on current federal capabilities.
- *Medical First Responder Coordination (MFRC) Division*  
The Medical First Responder Coordination Division serves as OHA's and DHS's principal representative to the medical first responder community and as the representative of first responder and EMS issues within DHS and within the interagency community. Medical first responders play a vital role in crisis management but have been underrepresented in planning and preparedness issues in comparison to law enforcement, fire services, and other similar entities. In coordination with internal DHS components, other Federal agencies and external stakeholders, this program will identify best practices and provide guidance and support for the implementation of these practices in the first responder community. This program will identify gaps in first responder disaster planning, resources and education to ensure a seamless integration of this community into disaster overall readiness and response.

Once gaps and capabilities are identified, the Medical First Responder Coordination Division will work to fill these gaps which may include ensuring seamless end-to-end medical first responder disaster planning, ensuring the augmentation of resources to the first responder and EMS communities and providing medical subject matter expertise for first responder education programs

relating to health and medical issues. The products of the Division will include guidance, protocols and evaluation methods to these communities. As a representative to the first responder and EMS communities, the Division will provide assessments of these communities' needs to further inform disaster planning.

The Office of Medical Readiness is a new division office established in 2007. The primary focus to date has been coordinating Pandemic Influenza planning and implementation for DHS. Specific accomplishments include: 1) hired division directors to lead each division, 2) developed process and system for fulfillment of Pandemic Influenza action items, 3) completion of the DHS Pandemic Influenza plan and draft Federal Strategic Plan and Border Management Plan for Pandemic, 4) operationalized the requirement for provision of medical and public health advice to the Secretary and Administrator of FEMA and exercised this operation during TOPOFF 4, 5) established a process for alignment of grants for health and medical response capability, 6) established a 24 hour a day and 7 day a week communications system to support DHS and OHA operations.

The Office of Medical Readiness plans to accomplish the following in FY 2008:

- Develop program for integrated strategic capabilities based planning, modeling and simulation for identification of capabilities required and responsible entities for management medical consequences of incidents and response to incidents;
- Develop programs to provide incident coordination including providing science based advice and consultation to senior decision-makers related to consequence management;
- Develop a program to provide science based guidance and direction for medical and biological consequence management of emerging threats including pandemic influenza;
- Develop programs including strategic planning, policy, concept, guidance, and methodology for the development and coordination of a National Biodefense Architecture;
- Develop programs for medical first responder coordination to represent DHS to the first responder community; and
- Develop program to align / coordinate existing Homeland Security Grant Programs and HHS grant programs with current and future threat analysis relating to medical and health issues.

Office of Medical Readiness plans to accomplish the following in FY 2009 with additional and base funding:

- Implement program for integrated strategic capabilities based planning, modeling and simulation for identification of capabilities required and responsible entities for management of medical and health consequences of incidents and response to incidents;
- Implement programs to provide incident coordination including providing science based advice and consultation to senior decision-makers related health care and public consequence management;

- Implement a program to provide science based guidance and direction for health care and public consequence management of emerging threats including pandemic influenza;
- Implement programs including strategic planning, policy, concept, guidance, and methodology for the development and coordination of a National Biodefense Architecture;
- Implement of Medical First Responder Coordination programs to represent DHS to the health care and public first responder community; and
- Implement a comprehensive program review and evaluation of the program to identify, define, refine and align existing (and proposed) homeland security grant programs with HHS grant programs to address current and future medical and public health threats;

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Health Affairs**  
**Program Performance Justification**  
**Salaries and Expenses**  
(Dollars in Thousands)

#### PPA: Salaries & Expenses

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount<br/>(\$ 000)</b> |
|------------------------------|---------------------|------------|----------------------------|
| <b>2007 Actual</b>           | ---                 | ---        | ---                        |
| <b>2008 Enacted</b>          | 76                  | 49         | 24,317                     |
| 2009 Adjustments-to-Base     | ---                 | 27         | 4,249                      |
| <b>2009 Current Services</b> | 76                  | 76         | 28,566                     |
| 2009 Program Change          | 8                   | 4          | 644                        |
| <b>2009 Request</b>          | 84                  | 80         | 29,210                     |
| Total Change 2008-2009       | 8                   | 31         | 4,893                      |

This program includes the Office of the Assistant Secretary, including the Office of International and Global Health Security, and program funding for the Office of Component Services, which is responsible for policy, standards, requirements, and metrics relating to occupational/environmental safety and health programs throughout DHS and for medical oversight of health services provided by or on behalf of the Department. Lastly, this program encompasses the administrative operations of the agency, funds the Federal positions of the component offices, and is responsible for the Working Capital Fund payments to the Department.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

*Salaries and Expenses*-Salaries and Expenses (S&E) requests \$29.2 million. This includes adjustments to base of \$4.2 million and 27 FTE; and a program increase for Salaries and Expenses (S&E) of \$.7 million. The M&A increase will support four (4) additional FTE (eight (8) positions) to strengthen the administrative and financial reporting capability of OHA. The \$29.2 million will provide for:

- \$23.3M for base resources for Salaries and Expenses
- \$250K for the Office of International and Global Health Security
- \$750 for the Component Services Office
- \$4.2M for the annualization of positions authorized in fiscal year 2008
- \$700K for 4 additional FTE in FY 2009

During fiscal year 2007, OHA was established with funding transferred from the Chief Medical Officer and the National BioSurveillance Integration System funding from the Preparedness Directorate. In addition OHA received functional responsibility for the

BioWatch, and RDCDS accounts. Within its hiring capacity, the agency has prioritized the hiring of its core mission positions in its initial months of operation. The fundamental administrative functions of OHA are minimally staffed at the current time but are addressed in future planning. In FY 2007 and FY 2008 OHA relies on cross-servicing agreements with other elements of DHS for the provision of financial services, acquisitions and contracting and human capital services. Contractor personnel predominately staff the budget, financial and human capital functions.

In fiscal year 2008 OHA received an additional 27 full-time equivalent positions (54 positions). The majority of these positions will again be utilized to address mission-related responsibilities. These positions are essential to continue progress in meeting the mandates of the program mission as well as the requirements established by the HSPD's. OHA will continue to rely on cross-servicing agreements and contractor personnel for its core administrative functions through fiscal year 2008.

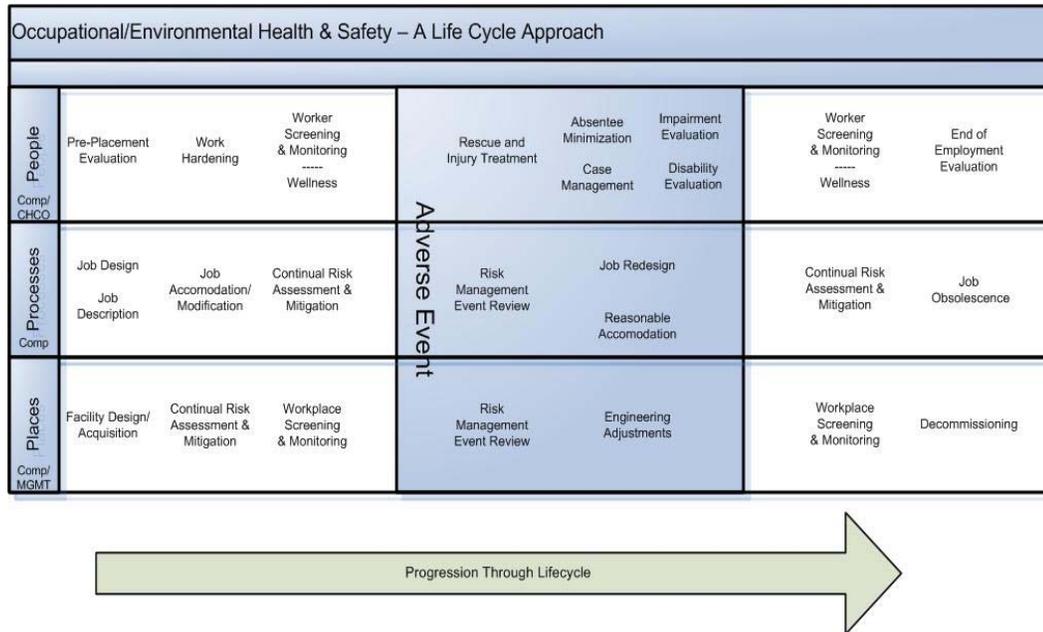
In fiscal year 2009, OHA is requesting funding for an additional four full-time equivalent positions (eight Full-Time Positions) for support personnel. Funding is also requested for the annualization of 27 positions authorized in fiscal year 2008. The requested levels will allow OHA to:

- Strengthen OHA financial and reporting activities
- Enhance Program Management expertise to assist OHA technical experts with metrics, strategic planning and program management control. This Office will strengthen the performance and reporting ability of OHA programs and will allow OHA to better track and understand progress of DHS medical programs as well as those of Federal partners whose mission success is essential to the success of DHS and the Nation.

*Component Services-* Component Services is included in the S&E PPA (\$0.8 million in FY 2008) and is comprised of the following activities:

- *Occupational Medical Services:* In partnership with the Office of Safety and Environmental Programs within the Office of the Under Secretary for Management, the Occupational Medical Services branch will add its first staff members to assist the medical director in leading the development of strategy, policy, requirements and metrics for the medical aspects of a Department-wide occupational health and safety program. Integrating the existing programs under the "one DHS" concept will be an evolutionary process as it is important not to disrupt current functionality, while still achieving the synergies that can be accomplished through integration of certain program functions (some functions will continue to be most effectively executed at the operational component level). The overall occupational medicine strategy is represented in the below diagram. The strategy recognizes that an effective occupational medicine program spans the lifecycle of federal jobs and involves not only the employee, but addresses the interaction of the employee with the job processes and with the work facility or environment. This branch will assist the Department's human capital personnel in assessing position descriptions, physical evaluation programs (pre-placement, fitness-for-duty, return-to-work, etc.), performing post incident analyses (for example, adding medical analysis to aircraft and motor-vehicle mishap investigations), and working with programs under the Federal Employee

Compensation Act to help to improve return-to-work programs and to facilitate evaluation and treatment activities within Department of Labor guidelines and limitations, thus helping to control growth of workers compensation and continuation of pay costs.



- Workforce Health Protection Activities:** As this fiscal year represents the first staff personnel to be added to this program area, the detailed explanation of additional elements were explained above in the description of the roles of the new staff. The functions of this branch are often seen as a component of occupational medicine programs. However, expanding on the traditional view of workplace health and safety, these programs will integrate efforts towards workforce health protection, including wellness and prevention programs, to help ensure that workforces are physically able to support the Department's missions while minimizing health-threats and work-related disability. The programs managed by this branch comprise discreet elements that can be developed and delivered to the employees of the Department, such a wellness newsletters, travel medicine and deployment health guidelines and policies, health protection guidelines in dangerous work environments, facilitated health screening programs, and mechanisms to support a physical fitness culture in the Department.
- Operational Medicine Support:** DHS has literally hundreds of medical personnel deployed throughout the country. They take care of remotely deployed personnel, ranging from border agents in the Southwest desert, to DHS aviation personnel engaged in counter-narcotics and counter-smuggling operations throughout the hemisphere. They are also directly engaged in humanitarian rescue of migrants who hazard dangerous conditions in attempts to enter the country. There is currently no comprehensive oversight of these personnel. Legally required medical supervisory controls are locally managed without standardization throughout the Department. There are no standardized operational protocols for the Department's medics. These factors pose significant potential risk management issues for DHS. To address these issues, this branch works with the

medics throughout the Department to ensure legally sufficient and medically appropriate policies, protocols, standards, and metrics to enable effective and efficient emergency medical services.

Significant accomplishments in FY 2007 include:

In this initial partial year of existence, the Office of Component Services had no FTEs. The major function of the assigned Detailees was to perform an environmental survey of occupational medicine, safety, and health programs of the Department. The purpose was to develop a strategy for occupational medicine services that does not duplicate, but instead enhances and supports existing programs throughout the department by adding medical concepts that are currently absent from the regulatory-compliance orientation of current programs. In addition to laying the groundwork for future programs, an additional major function of the office was providing medical consultation services to Department Components. Key areas that the Detailees participated in were:

- Leading the Department's interaction with the Division of Global Migration and Quarantine of the Department of Health and Human Services on response to communicable diseases of public health significance. The most notable example was responding to a multi-drug resistant tuberculosis case and developing inter-agency policy and procedures to facilitate these similar events in the future.
- Providing scientific and medical guidance and leading the direct interaction with the Centers for Disease Control and Prevention in supporting the Federal Emergency Management Agency on issues related to formaldehyde in emergency temporary housing.
- Leading negotiations with the United States Public Health Service on a long-term Memorandum of Understanding regarding the mechanisms to enable utilization of Commissioned Corps Public Health Service officers throughout the Department, especially within the operations-critical Division of Immigration Health Services, which provides direct medical care to detainees in facilities operated by Immigration and Customs Enforcement.

FY 2008 Planned Accomplishments:

- In conjunction with CHCO, develop a requirements and implementation plan for a comprehensive workers injury and disability management system;
- Develop comprehensive set of Occupational Safety and Health Policies beginning with existing "best practices" program existing in government;
- Identify key management level occupational health and safety metrics which can drive departmental implementation of occupational health principles. The goal is to shift occupational safety from only a compliance-oriented "cost-center" to ensuring there is a "value-add" component by ensuring a healthier and safer workforce, thus improving productivity and decreasing lost-time costs. Key mechanisms which will be used to accomplish this include:
  - Integration of occupational medicine into the functions of the Department's Occupational Safety Committee to assist in integration and promulgation of occupational medical principles and policies.
  - Standardization of occupational health and safety related forms across the Department in response to concerns expressed by the legal staff of the Office of Personnel Management regarding excess liabilities incurred by

current lack of consistency across the various components of the Department;

- Develop force health protection and wellness related materials for use throughout the Department including:
  - Model wellness newsletters
  - Policy-based health protection guidelines for situations such as disaster related deployment and international travel;
- In conjunction with the Office of Safety and Environmental Programs, develop comprehensive requirements for a risk-management information system which will track injury, illness, and safety trends in order to inform management on mechanisms to reduce injuries, occupational illness, and other factors causing lost productivity. Individual components already recognize the importance of this capability and several are initiating their own individual systems. The goal, in support of “one DHS” is to integrate these requirements to allow efficiency of scale in systems acquisition and ensure comparable datasets for use by Department Leadership in making management decisions; and
- Develop policies, protocols and medical supervisory mechanisms for the operational emergency medical services personnel of the Department.

FY 2009 Planned Accomplishments:

- This program will support continued development of a common set of standards, policies, and training opportunities for occupational medical aspects of occupational safety and health programs across the department. The limited staffing in the previous FY will have supported establishment of the basic program structure for the programs listed for FY 08; and
- In addition, depending on the success of requirements developments efforts for a departmental risk management information capability, a goal for this year will be the implementation of this system throughout the department. While the office of primary responsibility for the capability is the DHS Office of Safety and Environmental Programs, personnel from OHA will play an integral role in ensuring the success of this program.

**IV. Program Justification of Changes**

**Department of Homeland Security  
Office of Health Affairs  
BioWatch  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1: Next Generation BioWatch**

Strategic Goal(s) & Objective(s): Goal 2: Continue to protect our nation from dangerous goods: Objective 2.2 “Biological” to achieve the outcome of reducing the risk of a biological attack in the US.

PPA: Biowatch

Program Increase: Positions: 0 FTE: 0 Dollars: \$34,498

| <b>PPA: BioWatch</b>   |                |     |                 |                 |     |                 |                 |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|                        | POS            | FTE | Dollars (\$000) | POS             | FTE | Dollars (\$000) | POS             | FTE | Dollars (\$000) |
| Current Services Level | ---            | --- | ---             | ---             | --- | 77,108          | ---             | --- | 77,108          |
| Program Increases      | ---            | --- | ---             | ---             | --- | ---             | ---             | --- | 34,498          |
| Total Request          | ---            | --- | ---             | ---             | --- | 77,108          | ---             | --- | 111,606         |

Description

\$34.498 million is requested to conduct the Biowatch next generation head-to-head competition of qualifying vendors and to procure and deploy an interim capability of automated detection sensors.

Funding is requested to:

- Procure an additional 30 Gen 3 sensors for the head to head competition. This will be utilized in conjunction with 42 sensors procured with the \$5.8M provided to S&T in FY 2008 to support testing of up to three candidate systems for a two city, six-month operational test. These additional units will provide optimum data to serve as a basis for selection (\$4.0M),
- Provide the Test support and data reduction to down select to one Gen 3 vendor for procurement in FY 2010. (\$6.3M)
- Procure and field 150 APDS sensors. (\$20.4M)
- Operate and Maintain APDS Block I sensors procured in FY 2008, (\$3.6M).

### Justification

This procurement is critical to the Nation's capability to rapidly and reliably detect the presence of dangerous biological agents. Incorporating this autonomous detection capability into the National BioWatch network will reduce the time between release and detection, so that available countermeasures can be deployed before people become ill, potentially saving thousands of lives. This initiative will fund operational testing activities for Generation 3 BioWatch prototypes as well as the procurement and fielding of 150 automated detection sensors.

Automated detection will enhance the capabilities of the BioWatch environmental monitoring system designed for early warning of bioterrorism incidents. With automated detection, this time can be reduced to four to six hours. This is a critically important new capability, particularly in high-volume transportation facilities to identify the affected population and prevent further exposure and dispersion of that population. It is anticipated that automated system-wide detection will require fewer personnel to operate and eventually reduce the overall operations cost.

In FY 2009, S&T and OHA will conduct joint Operational Testing & Evaluation (operational testing) of candidate automated detection units. During FY 2009, OHA will determine which candidate technologies will be included in the system and will finalize the design of the components and the overall next generation system.

### Performance Impact

Once the BioWatch system is fully converted to an automated system, the time to detect and field a response to a bioterrorism incident will be reduced to less than six hours. This supports the Secretary's Strategic goal in Objective 2.2 "Biological" to achieve the outcome of reducing the risk of a biological attack in the US. Additionally, this meets the Integrated Planning Guidance (IPG) for DHS to "Detect, defend against weapons of mass destruction: deploy in all major US cities a third-generation BioWatch Detection device that is fully automated (does not require regular visits to collect samples for processing); reduces cost per site significantly; and reduces warning time to less than six hours."



The Office of Medical Readiness will provide leadership for the NBA, but will depend heavily on the OHA Office of WMD and Biodefense, along with federal, regional, state, local, and private sector partners in order to develop and effect the implementation of this project. The NBA represents a model for the analysis and coordination functions that are key to the overall role of DHS in national preparedness.

#### National Biodefense Architecture (NBA) Activities:

The initial activities are planned for FY 2008 and will involve concept development. The requirements for the development of the NBA concept will include those identified in the Homeland Security Presidential Directive – 10 “Bio-Defense for the 21<sup>st</sup> Century.” The concept proposal will include:

- Linkages to the essential four pillars identified in HSPD-10 (Threat Awareness, Prevention and Protection, Surveillance and Detection, and Response and Recovery)
- Timeline and plan for moving from concept to operational within 5 years
- Science-based. supported with professional literature
- Identification of both public and private sector partnerships required
- All-hazards approach to support health care and public health issues
- Demonstration of the mechanism to move beyond bio to include chemical and radiological and nuclear defense.

The NBA concept and strategic planning will begin in FY2008 to enable accelerated progress in FY 2009, during which additional funding is requested. In FY 2008, OHA personnel will develop strategic planning, policy, concept, guidance, and methodology for the development and coordination of a National Bio-defense Architecture.

#### Justification

The National Biodefense Architecture (NBA) is designed to define and communicate to all public and private stakeholders the common elements, framework, and connectivity necessary for an integrated National Biodefense system. This framework is necessary to provide for identification and standardization of the generic components and their interactions for the planning, protocols and platforms associated with the four pillars of bio-defense for HSPD-10. This will occur through competitive solicitation for a concept proposal to accomplish this task.

The architecture is not intended to establish a federally run system, but will describe a comprehensive system comprised of various governmental and private sector entities with appropriate responsibilities and duties. The architecture will indicate to all stakeholders, where the federal and state governments will function, where the responsibility lies with individuals and the private sector, and how the emergency response system in this country will react and respond to various signals/threats/alarms. A clearly defined system will allow the private sector to clearly understand the requirements for system design, interface, implementation, and response as appropriate and allow risk and market factors to function for optimum local and private sector involvement.

It is the ultimate goal of the U.S. Government to provide the mechanisms to prevent, protect from, respond to, and recover from biological threats, whether they are intentional or unintentional. However, no single initiative exists or has been proposed to weave together the multiple, broad-ranging elements of biodefense into a cohesive long-range strategy with set goals, defined deliverables, and measurable benchmarks. *It is the ultimate goal of the NBA to satisfy mandates under HSPD-5, HSPD-10, and other authorities for DHS, through OHA, to accomplish a coherent overall biodefense methodology that drives preparedness and response in a way that utilizes the best and most logical features of federal, regional, state, and local preparedness.*

### Impact on Performance

Homeland Security Presidential Directive-10 establishes requirements for the development of a national biodefense architecture (NBA). H.R. 5441 (2007 DHS appropriation legislation) tasks the Office of Health Affairs (OHA) with the coordination of biodefense activities. OHA, as the Secretary's medical advisor, develops end-to-end plans for the five biological national planning scenarios, provides medical incident management during disasters, and ensures that the nation is ready for the health care and public health consequences of all-hazard events of national significance. The Assistant Secretary of Health affairs has designated the Office of Medical Readiness as the lead for the development of this project. The Office of Medical Readiness will work with other OHA programs (e.g. Office of WMD and Biodefense) and DHS agencies to develop and implement all of the pillars of the National Biodefense Architecture.

The execution of this program will lead to a seamless, coordinated Federal, state, local, and international response to biological attacks. The architecture will be applicable for other WMD threats and hazards threatening our nation.

This effort supports the accomplishment of: the Secretary's Goals 4, 10, and 11; Homeland Security Presidential Directives 5, 7, 8 and 10; and H.R. 5441, Department of Homeland Security Appropriations Act, 2007.

### External Mandates, Authorities for NBA Mission and Activities

- H.R. 5441, Department of Homeland Security Appropriations Act, 2007. House of Representatives, September 28, 2006, Title V General Provision, Section 516 Chief Medical Officer:
  - (2) coordinating the biodefense activities of the Department;
  - (3) ensuring internal and external coordination of all medical preparedness and response activities of the Department, (5) serving as the Department's primary point of contact for State, local, and tribal governments, the medical community, and others within and outside the Department, with respect to medical and public health matters.
  
- H.R. 1684, Department of Homeland Security Appropriations Act, 2008, March 26, 2007 (as passed by House and Senate, in conference), Title VI—Biopreparedness Improvements, Sec. 601 Chief Medical Officer and Office of Health Affairs (amendment to Homeland Security Act of 2002)
  - (3) administering the Department's responsibilities for medical readiness

- (5) serving as the Department's primary point of contact for State, local, tribal, and territorial governments, the medical community, and the private sector, to ensure that medical readiness and response activities are coordinated and consistent with the NRP and the Secretary's incident management requirements
- Homeland Security Presidential Directive/HSPD-10, Biodefense for the 21<sup>st</sup> Century, April 28, 2004.
  - Pillars of Our Biodefense Program
  - Response Planning: The Department of Homeland Security, in coordination with other appropriate Federal departments and agencies, is developing comprehensive plans that provide for seamless, coordinated Federal, state, local, and international responses to a biological attack.
  - For those mass casualty incidents that require parallel deployment of Federal assets in other functional areas such as transportation or law enforcement, the Department of Homeland Security will coordinate the overall Federal response in accordance with its statutory authorities for domestic incident management.
- DHS Secretary's Strategic Objectives Supported:
  - 3.7 - Strengthen nationwide preparedness and mitigation against acts of terrorism, natural disasters and other emergencies
  - 4.1 - Reduce the loss of life and property by strengthening nationwide response readiness
- Homeland Security Presidential Directive/HSPD-10  
Biodefense for the 21<sup>st</sup> Century, April 28, 2004
- Homeland Security Presidential Directive/HSPD-5 Management of Domestic Incidents, White House, February 28, 2003
- Homeland Security Presidential Directive/HSPD – 7 Critical Infrastructure Identification, Prioritization, and Protection, December 17, 2003
- Homeland Security Presidential Directive/HSPD 8 National Preparedness, December 17, 2003
- Secretary's Strategic Objective 3.7 - Strengthen nationwide preparedness and mitigation against acts of terrorism, natural disasters and other emergencies

**IV. Program Justification of Changes**

**Department of Homeland Security  
Office of Health Affairs  
Planning and Coordination  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 3: Medical Readiness**

Strategic Goal(s) & Objective(s): Goal 4: Build a nimble, effective emergency response system: Objective 4.1 “Response and Recovery” to achieve the outcome that ensures Americans and their government at all levels can respond to catastrophic incidents.

PPA: Planning and Coordination

Program Increase: Positions: 0 FTE: 0 Dollars: \$3,448

| <b>Program: Medical Readiness</b> |                |     |                 |                 |     |                 |                 |     |                 |
|-----------------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                                   | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|                                   | POS            | FTE | Dollars (\$000) | POS             | FTE | Dollars (\$000) | POS             | FTE | Dollars (\$000) |
| Current Services Level            | ---            | --- | ---             | ---             | --- | 3,748           | ---             | --- | 3,748           |
| Program Increases                 | ---            | --- | ---             | ---             | --- | ---             | ---             | --- | 3,448           |
| Total Request                     | ---            | --- | ---             | ---             | --- | 3,748           | ---             | --- | 7,196           |

Description

The Office of Medical Readiness is requesting \$3.5 million above FY 2008 base levels.

This funding is requested to implement or strengthen five initiatives:

- 1) Knowledge Development and Dissemination Program (\$1.5M)
- 2) Biodefense Response and Recovery Demonstration Project (\$1.1M)
- 3) Medical First Responder Best Practices Program (\$300K)
- 4) Medical Readiness Modeling and Simulation (\$500K)

These programs are explained below:

*1. Knowledge Development and Dissemination Program*

Description

This initiative is to further the application of knowledge developed by interagency science and technology development programs and to support the application and communication of response and recovery concepts.

### Justification

Throughout government, private industry, and academia, research programs are examining basic science, technologies, social science, and other factors that all potentially contribute to overall readiness for response to all-hazards. The OHA will utilize the resources available from this initiative to work with HHS, DoD and other agencies to apply existing research to real-world preparedness, and to refine future research agendas. Through this initiative science-based evidence will inform planning and policy making of OHA and DHS. While other agencies and programs inside and outside of DHS develop new knowledge in basic science and technology, the purpose of the Knowledge Development and Dissemination Initiative is to further the application of knowledge developed by interagency science and technology development programs and to support the scientific study of response and recovery concepts.

### Impact on Performance

The development of evidence and new knowledge in medical readiness and the application of that knowledge to real-world situations will improve the quality of the planning process and its output which in turn will improve response and recovery efforts. The final outcome of these improvements is maximizing lives saved and critical infrastructures recovered. The ability to focus on science-based strategies for overall biodefense will allow for the effective performance of OHA's overall duties within this existing threat scenario.

This effort meets the requirements of HSPD-5, 8 and 10 and the Secretary's strategic objective 3.7.

## 2. *Biodefense Response and Recovery Demonstration Project*

### Description of Item

The goal is to build a network of integrated local response and recoveries capability that meet the needs of the communities or jurisdictions. This collaborative framework will demonstrate the possibility of a regionalized system for an integrated emergency response consistent with the principles of the National Incident Management System.

### Justification

The program will allow the Emergency Management and Medical Response division (EMMRI) to develop a demonstration project to establish a framework for the response and recovery pillar of the National Biodefense Architecture required in HSPD 10 through an emergency management collaboration and integration framework to promote and support efforts by State, local, and private sector entities to leverage resources and cluster capabilities for efficient and effective all-hazards preparedness and response. This collaborative framework will create a regionalized system for an integrated emergency response consistent with the principles of the National Incident Management System. This collaborative framework will leverage existing state and local capabilities creating coalitions and integrating functional entities to provide a response system with seamless functioning across local, state, regional, and federal entities. This

demonstration project will support the National Preparedness System and National Preparedness Goal through requirements development and analysis to support the integration of all elements of emergency management and response.

#### Impact on Performance

Planning and preparedness at the Federal level will ultimately be ineffective unless state, local, and regional entities are involved in a proactive and interactive way. This program will extend the readiness activities of the office in a tangible and measurable way throughout a regional construct. The integration of health and medical response with other aspects of emergency management will improve coordination and enhance the effectiveness and efficiency of overall event response and recovery functions. An integrated and regionalized response approach will optimize the leveraging of health care and public health capabilities across state, local, and jurisdictional lines to ensure regional and national interoperability.

This effort meets the requirements of: the Secretary's Goals 4, 10, and 11; Homeland Security Presidential Directives 5, 7, 8 and 10; and H.R. 5441, Department of Homeland Security Appropriations Act, 2007.

### 3. *Medical First Responder Best Practices Program*

#### Description

The Medical First Responder Division of the Office of Medical Readiness serves as the Department's representative to the medical first responder community, to other governmental departments and agencies as well as to the private sector. This division will work in a coordinated fashion with the Office of Emergency Medical Services (EMS) at the National Highway Traffic Safety Agency (in DOT), HHS and other partners to ensure fully prepared first responder and EMS communities. This will be done through the development of best practices and protocol development, NIMS integration, integration of threat assessments into medical first responder planning and education, and implementation of Federal Interagency Committee on Emergency Medical Services (FICEMS) recommendations that address disaster preparedness issues. The EMS community, and ultimately, the nation, will benefit from improved integration of EMS into all Homeland Security activities.

#### Justification

Activities of the Medical First Responder All-Hazards Best Practices program will include ensuring the incorporation of medical first responders in all levels of planning in local, State, regional, territorial and the private sector by working with the EMMRI program; ensuring that the medical first responder and EMS communities are fully NIMS compliant; ensuring bilateral communications of biological attacks/hazards between the medical first responder / EMS communities and the incident command structure by working with the incident management division; ensuring that the medical first responder and EMS communities are appropriately integrated into exercises at all levels—local, State, regional, territorial and private sectors by working with the exercise branch of the

incident management division; providing guidance on all-hazards disaster education to the medical first responder communities by forming linkages with other DHS components and the interagency; and providing guidance on all-hazards disaster planning and response.

#### Impact on Performance

The development of best practices and standards into medical first responder planning will ensure that the medical consequences of disasters of all hazards will be mitigated. Further development of best practices and standards will ensure seamless end-to-end medical first responder disaster preparation, ensuring the increasing of resources to the first responder and EMS communities and providing medical subject matter expertise for first responder education programs.

This effort meets the requirements of: the Secretary's Goals 3.7, 10.2, and 11; Homeland Security Presidential Directives 5, and 8; and H.R. 5441, Department of Homeland Security Appropriations Act, 2007.

#### *4. Medical Readiness Modeling and Simulation*

##### Description

This new program will explore innovative methods of planning as well as the use of innovative and new methods to simulate tests. These new methods will support exercising in a real time environment and allow for planning to accommodate realities identified within the exercise. Within the Office of Medical Readiness, the Innovative Planning, Modeling and Simulation Program is being developed to explore and support innovative and improved methods of disaster planning. Modeling is an emerging scientific process that is currently being used within DHS and across the Federal Government to provide the evidence needed to inform planning and preparation for disaster events (e.g. Pandemic Influenza planning). This new program will not only explore innovative methods of planning, but also support the development of innovative and new methods of simulation to test draft plans.

##### Justification

The Office of Health Affairs is charged with the end-to-end planning of the biological National Planning Scenarios, with subject matter expertise input into the medical aspects of the other scenarios. Determining the best methods for use of disaster plans during an incident is part of the goal of the planning program. Development of innovative methods of planning has the potential to accelerate and improve the process of planning by allowing the immediate incorporation of elements based on changes in capabilities and needs. Further, these new methods have the potential to support integration of resources and response on local, regional and the national level. In addition these new methods can support exercising in a real-time environment that allows for planning to accommodate realities identified within the exercise. The initial funding of this program in FY 2009 will allow for the development of the program.

##### Impact on Performance

This program will have a tremendous effect on the OHA and DHS planning programs and has the potential to change how planning is done across the interagency. This effort meets the requirements of: Homeland Security Presidential Directives 5, and 8; H.R. 5441, Department of Homeland Security Appropriations Act, 2007 and the Secretary's Strategic Objective 10.4.



### Justification

The administrative personnel being requested include personnel to enhance the internal control function of the Office of Health Affairs. In FY 2008, these activities are extremely limited due to lack of personnel and in FY 2009 we hope to correct these shortfalls. It is imperative that the positions are funded in order to meet GAO standards and Federal regulations and policies associated with contracting, budget formulation, budget execution, and internal controls.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Office of Health Affairs  
Justification of Proposed Changes in OHA  
Appropriation Language**

For the necessary expenses of the Office of Health Affairs, [\$116,500,000] *\$161,339,000* of which [\$24,317,000] *\$29,210,000* is for salaries and expenses; and of which [\$92,183,000] *\$132,129,000* is for biosurveillance, biowatch, chemical response, and related activities for the Department of Homeland Security, to remain available until [September 30, 2009] *September 30, 2010*: *Provided*, That not to exceed \$3,000 shall be for official reception and representation expenses.

**Explanations of Changes:**

OHA was created to effectively carry out the Congressionally mandated duties as authorized in Section 516 of the Homeland Security Act of 2002, as amended (6 U.S.C 321e).

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
Office of Health Affairs**

**FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>     |
|--|-------------|------------|-------------------|
| <b>FY 2007 Actual</b> .....                        | ---         | ---        | ---               |
| <b>FY 2008 Enacted</b> .....                       | 76          | 49         | \$116,500         |
| <b>Adjustments-to-Base</b>                         |             |            |                   |
| <b>Increases</b>                                   |             |            |                   |
| Annualization of prior year part year funding..... |             | 27         | \$3,727           |
| Annualization of 2008 pay raise.....               |             |            | \$67              |
| 2009 pay increase.....                             |             |            | \$201             |
| Non-pay inflation excluding GSA Rent.....          |             |            | \$176             |
| GSA Rent.....                                      |             |            | \$ 78             |
| <b>Total Increases</b> .....                       |             | <u>27</u>  | <u>\$4,249</u>    |
| <b>Total Adjustments-to-Base</b> .....             | ---         | <u>27</u>  | <u>\$4,249</u>    |
| <b>2009 Current Services</b> .....                 | 76          | 76         | \$120,749         |
| <b>Program Changes</b>                             |             |            |                   |
| Program Increases/(Decreases)                      |             |            |                   |
| <b>BioWatch</b>                                    |             |            | <b>\$ 34,498</b>  |
| <b>Planning and Coordination</b>                   |             |            | <b>\$ 5,448</b>   |
| National Biodefense Architecture                   |             |            | 2,000             |
| Medical Readiness                                  |             |            | 3,448             |
| <b>Salaries and Expenses</b>                       |             |            | <b>\$ 644</b>     |
| Management and Administration                      | 8           | 4          | 644               |
| <b>Total Program Changes</b> .....                 | <b>8</b>    | <b>4</b>   | <b>\$ 40,590</b>  |
| <b>2009 Request</b> .....                          | <b>84</b>   | <b>80</b>  | <b>\$ 161,339</b> |
| <b>2008 to 2009 Total Change</b> .....             | <b>8</b>    | <b>31</b>  | <b>\$ 44,839</b>  |

**C. Summary of Requirements**

**Department of Homeland Security  
Office of Health Affairs  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |           |                |
|--|--------------|-----------|----------------|
|  | Perm. Pos.   | FTE       | Amount         |
| <b>FY 2007 Actual</b>  | ---          | 22        | \$24,267       |
| <b>2008 Enacted</b>  | <b>76</b>    | <b>49</b> | <b>116,500</b> |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                |
| Transfers  | ---          | ---       | ---            |
| Increases  | ---          | 27        | 4,249          |
| Decreases  | ---          | ---       | ---            |
| Total Adjustments-to-Base  | ---          | 27        | 4,249          |
| <b>2009 Current Services</b>   | <b>76</b>    | <b>76</b> | <b>120,749</b> |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 8            | 4         | 40,590         |
| <b>2009 Total Request</b>  | <b>84</b>    | <b>80</b> | <b>161,339</b> |
| 2008 to 2009 Total Change  | 8            | 31        | 44,839         |

| Estimates by Program/Project Activity          | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |           |                | 2009 Program Change |           |                  | 2009 Request |           |                  | 2008 to 2009 Total Change |           |                 |
|--|--------------|-----------|------------------|--------------------------|-----------|----------------|---------------------|-----------|------------------|--------------|-----------|------------------|---------------------------|-----------|-----------------|
|  | Pos.         | FTE       | Amount           | Pos.                     | FTE       | Amount         | Pos.                | FTE       | Amount           | Pos.         | FTE       | Amount           | Pos.                      | FTE       | Amount          |
| 1 BioWatch                                     |              |           | \$77,108         |                          |           |                |                     | \$ 34,498 |                  |              | \$111,606 |                  |                           |           | \$34,498        |
| 2 National Biosurveillance Integration Center  |              |           | \$8,000          |                          |           |                |                     | \$ ---    |                  |              | \$8,000   |                  |                           |           | \$0             |
| 3 Rapidly Deployable Chemical Detection System |              |           | \$2,600          |                          |           |                |                     | \$ ---    |                  |              | \$2,600   |                  |                           |           | \$0             |
| 4 Planning and Coordination                    |              |           | \$4,475          |                          |           |                |                     | \$ 5,448  |                  |              | \$9,923   |                  |                           |           | \$5,448         |
| 5 Salaries and Expenses                        | 76           | 49        | \$24,317         | 27                       |           | \$4,249        | 8                   | 4         | \$ 644           | 84           | 80        | \$29,210         | 8                         | 31        | \$4,893         |
| <b>Total</b>                                   | <b>76</b>    | <b>49</b> | <b>\$116,500</b> | <b>---</b>               | <b>27</b> | <b>\$4,249</b> | <b>8</b>            | <b>4</b>  | <b>\$ 40,590</b> | <b>84</b>    | <b>80</b> | <b>\$161,339</b> | <b>8</b>                  | <b>31</b> | <b>\$44,839</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Office of Health Affairs  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source   | FY 2007 Actual |     |              | 2008 Enacted |     |                  | 2009 Estimate |     |                  | Increase/Decrease |     |                 |
|---|----------------|-----|--------------|--------------|-----|------------------|---------------|-----|------------------|-------------------|-----|-----------------|
|   | Pos.           | FTE | Amount *     | Pos.         | FTE | Amount           | Pos.          | FTE | Amount           | Pos.              | FTE | Amount          |
| Department of Defense - Joint Program Executive Office            |                |     | \$76         |              |     | \$175            |               |     | \$175            | ---               | --- | \$ -            |
| Department of Homeland Security - Immigration Customs Enforcement |                |     |              | 230          |     | 28,750           | 230           |     | 29,900           | ---               | --- | 1,150           |
| Department of Homeland Security - Science & Technology            |                |     |              | 4            |     | 500              | 4             |     | 520              | ---               | --- | 20              |
| Department of Homeland Security - FEMA                            |                |     |              | 4            |     | 500              | 4             |     | 520              | ---               | --- | 20              |
| Department of Homeland Security - NPPD                            |                |     |              | 1            |     | 125              | 1             |     | 130              | ---               | --- | 5               |
| Department of Homeland Security - DNDO                            |                |     |              | 1            |     | 125              | 1             |     | 130              | ---               | --- | 5               |
| <b>Total Budgetary Resources</b>                                  | ---            | --- | <b>\$ 76</b> | <b>240</b>   | --- | <b>\$ 30,175</b> | <b>240</b>    | --- | <b>\$ 31,375</b> | ---               | --- | <b>\$ 1,200</b> |

| Obligations by Program/Project Activity       | FY 2007 Actual |     |              | 2008 Enacted |     |                  | 2009 Estimate |     |                  | Increase/Decrease |     |                 |
|---|----------------|-----|--------------|--------------|-----|------------------|---------------|-----|------------------|-------------------|-----|-----------------|
|   | Pos.           | FTE | Amount       | Pos.         | FTE | Amount           | Pos.          | FTE | Amount           | Pos.              | FTE | Amount          |
| BioWatch                                      |                |     | \$76         |              |     | \$175            |               |     | \$175            | ---               | --- | ---             |
| Salaries and Expenses (Component Services) ** |                |     |              | 240          |     | 30,000           | 240           |     | 31,200           | ---               | --- | 1,200           |
| <b>Total Obligations</b>                      | ---            | --- | <b>\$ 76</b> | <b>240</b>   | --- | <b>\$ 30,175</b> | <b>240</b>    | --- | <b>\$ 31,375</b> | ---               | --- | <b>\$ 1,200</b> |

Explanation of Increase/Decrease.

\* BioWatch FY07 reimburseable resources were managed by S&T.

\*\* Public Health Officers support multiple DHS Directorates but the program is managed by Component Services.

**E. Summary of Requirements By Object Class**

**Department of Homeland Security  
Office of Health Affairs  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| <b>Object Classes</b>                                 | <b>FY 2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|---------------------------|-------------------------|-------------------------|-------------------------------|
| 11.1 Total FTE & personnel compensation               | 2,575                     | 6,272                   | 9,221                   | 2,949                         |
| 11.3 Other than full-time permanent                   | 276                       | 301                     | 350                     | 49                            |
| 11.5 Other Personnel Compensation                     | 95                        | 108                     | 230                     | 122                           |
| 11.8 Special Service Pay                              | ---                       | 2,632                   | 3,152                   | 520                           |
| 12.1 Benefits   | 714                       | 2,113                   | 2,951                   | 838                           |
| 13.0 Benefits - former                                | ---                       | ---                     | ---                     | ---                           |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$3,660</b>            | <b>\$11,427</b>         | <b>\$15,904</b>         | <b>4,477</b>                  |
| Other Object Classes:                                 |                           |                         |                         |                               |
| 21.0 Travel   | 269                       | 678                     | 872                     | 194                           |
| 22.0 Transportation of things                         | ---                       | ---                     | ---                     | ---                           |
| 23.1 GSA rent   | ---                       | ---                     | ---                     | ---                           |
| 23.2 Other rent                                       | ---                       | ---                     | ---                     | ---                           |
| 23.3 Communications, utilities, & other misc. charges | ---                       | ---                     | ---                     | ---                           |
| 24.0 Printing and reproduction                        | ---                       | ---                     | ---                     | ---                           |
| 25.1 Advisory and assistance services                 | 10,445                    | 29,646                  | 36,503                  | 6,858                         |
| 25.2 Other services                                   | 920                       | 15,050                  | 15,870                  | 820                           |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 825                       | 36,358                  | 41,503                  | 5,145                         |
| 25.4 Operation & maintenance of facilities            | ---                       | ---                     | ---                     | ---                           |
| 25.5 Research and development contracts               | ---                       | ---                     | ---                     | ---                           |
| 25.6 Medical care                                     | ---                       | ---                     | ---                     | ---                           |
| 25.7 Operation and maintenance of equipment           | ---                       | ---                     | ---                     | ---                           |
| 25.8 Subsistence and support of persons               | ---                       | ---                     | ---                     | ---                           |
| 26.0 Supplies and materials                           | ---                       | 251                     | 251                     | ---                           |
| 31.0 Equipment  | 146                       | 136                     | 23,136                  | 23,000                        |
| 32.0 Land & structures                                | ---                       | ---                     | ---                     | ---                           |
| 41.0 Grants/Subsidies/Contributions                   | ---                       | 22,955                  | 27,300                  | 4,345                         |
| 42.0 Indemnity  | ---                       | ---                     | ---                     | ---                           |
| 43.0 Interest & dividends                             | ---                       | ---                     | ---                     | ---                           |
| 44.0 Refunds  | ---                       | ---                     | ---                     | ---                           |
| 91.0 Unvouchered                                      | ---                       | ---                     | ---                     | ---                           |
| 99.0 Other  | ---                       | ---                     | ---                     | ---                           |
| <b>Total, Other Object Classes</b>                    | <b>\$12,607</b>           | <b>\$105,073</b>        | <b>\$145,435</b>        | <b>40,362</b>                 |
| <b>Total, Direct Obligations</b>                      | <b>\$16,267</b>           | <b>\$116,499</b>        | <b>\$161,339</b>        | <b>44,839</b>                 |
| Unobligated balance, start of year                    | ---                       | (8,000)                 | (8,000)                 | (8,000)                       |
| Unobligated balance, end of year                      | 8,000                     | 8,000                   | 8,000                   | 8,000                         |
| Recoveries of prior year obligations                  | ---                       | ---                     | ---                     | ---                           |
| <b>Total requirements</b>                             | <b>\$24,267</b>           | <b>\$116,499</b>        | <b>\$161,339</b>        | <b>44,839</b>                 |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Office of Health Affairs  
Summary of Requirements by Grade  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 1              | 2               | 2               | ---                    |
| Total, EX                        | 1              | 1               | 1               | ---                    |
| Total SL                         | ---            | ---             | ---             | ---                    |
| Total ST                         | 4              | 5               | 5               | ---                    |
|                                  |                |                 |                 |                        |
| GS-15                            | 6              | 24              | 25              | 1                      |
| GS-14                            | 6              | 17              | 20              | 3                      |
| GS-13                            | ---            | 8               | 9               | 1                      |
| GS-12                            | ---            | 4               | 4               | ---                    |
| GS-11                            | 3              | 8               | 11              | 3                      |
| GS-10                            | 1              | 4               | 4               | ---                    |
| GS-9                             | ---            | 3               | 3               | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>22</b>      | <b>76</b>       | <b>84</b>       | <b>8</b>               |
| Unfilled Positions EOY           | ---            | 27              | 4               | (23)                   |
| Total Perm. Employment EOY       | ---            | 49              | 80              | 31                     |
| <b>FTE</b>                       | <b>---</b>     | <b>49</b>       | <b>80</b>       | <b>31</b>              |
| Headquarters                     | ---            | 76              | 84              | 8                      |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>---</b>     | <b>76</b>       | <b>84</b>       | <b>8</b>               |
| <b>Average ES Salary</b>         | \$ 164,107     | \$ 162,269      | \$ 161,815      | NA                     |
| <b>Average GS Salary</b>         | \$ 100,351     | \$ 96,069       | \$ 93,990       | NA                     |
| <b>Average GS Grade</b>          | 13.56          | 13.31           | 12.68           | NA                     |

**G. Capital Investment and Construction Initiative Listing**

| INITIATIVE NAME  | FY 2009 FUNDING REQUEST (\$000) |                |          | FUNDING FROM:                                 |                               |
|--|---------------------------------|----------------|----------|---|-------------------------------|
|  | Current Services Level          | New Initiative | Total    | Budget Activity                               | Program/s Name                |
| Next Generation  | \$0                             | \$10,390       | \$10,390 | BioWatch                                      | Next Generation               |
| Autonomous Detector "A" Units                              | \$14,868                        | \$24,108       | \$38,976 | BioWatch                                      | Autonomous Detector "A" Units |
| National Biological Integration System 2.0                 | \$0                             | \$0            | \$0      | National Biological Integration Center (NBIC) | IT Systems Development        |
| Total Non-IT Total Non- IT investments \$5 million or more | \$14,868                        | \$34,498       | \$49,366 |   |                               |
| Total Non-IT initiatives under \$5 million                 | \$0                             | \$0            | \$0      |   |                               |
| Total Non-IT Investments                                   | \$14,868                        | \$34,498       | \$49,366 |   |                               |
|  |                                 |                |          |   |                               |
| Total of IT Investments                                    | \$2,500                         | \$5,000        | \$7,500  |   |                               |
|  |                                 |                |          |   |                               |
| Total all IT and Non-IT Investments                        | \$17,368                        | \$39,498       | \$56,866 |   |                               |

## H. PPA Budget Justifications

### Department of Homeland Security

#### Office of Health Affairs

#### BioWatch

Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual * | 2008<br>Enacted | 2009<br>Request  | 2008 - 2009<br>Change |
|---|---------------------|-----------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | ---                 | ---             | ---              | ---                   |
| 11.3 Other than full-time permanent                   | ---                 | ---             | ---              | ---                   |
| 11.5 Other Personnel Compensation                     | ---                 | ---             | ---              | ---                   |
| 11.8 Special Service Pay                              | ---                 | 200             | 200              | ---                   |
| 12.1 Benefits   | ---                 | ---             | ---              | ---                   |
| 13.0 Benefits - former                                | ---                 | ---             | ---              | ---                   |
| 21.0 Travel   | ---                 | 84              | 100              | 16                    |
| 22.0 Transportation of things                         | ---                 | ---             | ---              | ---                   |
| 23.1 GSA rent   | ---                 | ---             | ---              | ---                   |
| 23.2 Other rent                                       | ---                 | ---             | ---              | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---                 | ---             | ---              | ---                   |
| 24.0 Printing and reproduction                        | ---                 | ---             | ---              | ---                   |
| 25.1 Advisory and assistance services                 | ---                 | 15,140          | 18,732           | 3,592                 |
| 25.2 Other services                                   | ---                 | 14,990          | 15,770           | 780                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---                 | 23,740          | 26,805           | 3,065                 |
| 25.4 Operation & maintenance of facilities            | ---                 | ---             | ---              | ---                   |
| 25.5 Research and development contracts               | ---                 | ---             | ---              | ---                   |
| 25.6 Medical care                                     | ---                 | ---             | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                 | ---             | ---              | ---                   |
| 25.8 Subsistence and support of persons               | ---                 | ---             | ---              | ---                   |
| 26.0 Supplies and materials                           | ---                 | ---             | ---              | ---                   |
| 31.0 Equipment  | ---                 | ---             | 23,000           | 23,000                |
| 32.0 Land & structures                                | ---                 | ---             | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---                 | 22,955          | 27,000           | 4,045                 |
| 42.0 Indemnity  | ---                 | ---             | ---              | ---                   |
| 43.0 Interest & dividends                             | ---                 | ---             | ---              | ---                   |
| 44.0 Refunds  | ---                 | ---             | ---              | ---                   |
| 91.0 Unvouchered                                      | ---                 | ---             | ---              | ---                   |
| 99.0 Other  | ---                 | ---             | ---              | ---                   |
| <b>Total, BioWatch</b>                                | ---                 | <b>\$77,108</b> | <b>\$111,606</b> | <b>\$34,498</b>       |

\* FY07 actuals are reported in the S&T appropriations.

#### BioWatch Mission Statement

The Office of Health Affairs is the Department of Homeland Security's principal authority for all medical and public health matters. Working across all levels of government, and with the private sector, the Office leads the Department's role in developing, supporting, measuring and refining a scientifically rigorous, intelligence-based medical and biodefense architecture that ensures the public health and medical security of our nation.

**Summary Justification and Explanation of Changes**

|                            | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Special Service Pay</b> | ---                    | 200                     | 200                     | ---                            |

Special Service Pay is for PHS detailees and does not change from FY 2008 to FY2009 because OHA will maintain the same level of support for the BioWatch program.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | ---                    | 84                      | 100                     | 16                             |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$16,000 in program increases associated with testing, fielding and initial maintenance of next generation detectors in BioWatch jurisdictions

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and assistance services</b> | ---                    | 15,140                  | 18,732                  | 3,592                          |

Advisory and assistance services include services acquired by contract from non-Federal sources for advisory services. The FY 2009 request includes an increase of \$3,592,000 to allow OHA to engage industry experts for next generation detector support.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other services</b> | ---                    | 14,990                  | 15,770                  | 780                            |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes program increases of \$780,000 to meet the requirements for full-rate production and procurement of 670 next generation detectors.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b> | ---                    | 23,740                  | 26,805                  | 3,065                          |

Purchases from Government Accounts include the costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 requests an increase of \$3,065,000 for fulfilling next generation requirements.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation and maintenance of equipment</b> | ---                    | ---                     | ---                     | ---                            |

The FY 2009 request includes an increase of \$21,665,000 for operations and maintenance of equipment for next generation BioWatch detectors.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | ---                    | ---                     | 23,000                  | 23,000                         |

The FY 2009 request includes an increase of 23,000,000 for purchase of equipment for BioWatch next generation detectors.

|                                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | ---                    | 22,955                  | 27,000                  | 4,045                          |

Grants/Subsidies/Contributions includes cooperative agreements to jurisdictions. The FY 2009 request includes an increase of \$4,045,000 for next generation related cooperative agreements.

**Department of Homeland Security**  
**Office of Health Affairs**  
**National Biosurveillance Integration Center**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | ---               | ---             | ---             | ---                   |
| 11.3 Other than full-time permanent                   | ---               | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     | ---               | ---             | ---             | ---                   |
| 11.8 Special Service Pay                              | ---               | ---             | ---             | ---                   |
| 12.1 Benefits   | ---               | ---             | ---             | ---                   |
| 13.0 Benefits - former                                | ---               | ---             | ---             | ---                   |
| 21.0 Travel   | 100               | 200             | 200             | ---                   |
| 22.0 Transportation of things                         | ---               | ---             | ---             | ---                   |
| 23.1 GSA rent   | ---               | ---             | ---             | ---                   |
| 23.2 Other rent                                       | ---               | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---               | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 6,788             | 7,362           | 7,362           | ---                   |
| 25.2 Other services                                   | ---               | ---             | ---             | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 275               | 302             | 302             | ---                   |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | ---               | ---             | ---             | ---                   |
| 31.0 Equipment  | 124               | 136             | 136             | ---                   |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---             | ---                   |
| 42.0 Indemnity  | ---               | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, NBIC</b>                                    | <b>\$7,288</b>    | <b>\$8,000</b>  | <b>\$8,000</b>  | <b>\$0</b>            |

**National Biosurveillance Integration Center Mission Statement**

The Office of Health Affairs is the Department of Homeland Security's principal authority for all medical and public health matters. Working across all levels of government, and with the private sector, the Office leads the Department's role in developing, supporting, measuring and refining a scientifically rigorous, intelligence-based medical and biodefense architecture that ensures the public health and medical security of our nation.

**Summary Justification and Explanation of Changes**

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>100</b>    | <b>200</b>     | <b>200</b>     | <b>---</b>          |

Travel support for NBIC is not expected to increase from FY 2008 to FY 2009.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and assistance services</b> | <b>6,788</b>  | <b>7,362</b>   | <b>7,362</b>   | <b>---</b>          |

Advisory and assistance services is not expected to increase from FY2008 to FY2009.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b> | <b>275</b>    | <b>302</b>     | <b>302</b>     | <b>---</b>          |

Purchases from Government Accounts is not expected to increase from FY2008 to FY2009.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>124</b>    | <b>136</b>     | <b>136</b>     | <b>---</b>          |

Equipment is not expected to increase from FY2008 to FY2009.

**Department of Homeland Security**  
**Office of Health Affairs**  
**Rapidly Deployable Chemical Detection System**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual * | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|---------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               |                     | ---             | ---             | ---                   |
| 11.3 Other than full-time permanent                   |                     | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     |                     | ---             | ---             | ---                   |
| 11.8 Special Service Pay                              |                     | ---             | ---             | ---                   |
| 12.1 Benefits   |                     | ---             | ---             | ---                   |
| 13.0 Benefits - former                                |                     | ---             | ---             | ---                   |
| 21.0 Travel   |                     | ---             | ---             | ---                   |
| 22.0 Transportation of things                         |                     | ---             | ---             | ---                   |
| 23.1 GSA rent   |                     | ---             | ---             | ---                   |
| 23.2 Other rent                                       |                     | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges |                     | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        |                     | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 |                     | ---             | ---             | ---                   |
| 25.2 Other services                                   |                     | ---             | ---             | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   |                     | 2,600           | 2,600           | ---                   |
| 25.4 Operation & maintenance of facilities            |                     | ---             | ---             | ---                   |
| 25.5 Research and development contracts               |                     | ---             | ---             | ---                   |
| 25.6 Medical care                                     |                     | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           |                     | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               |                     | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           |                     | ---             | ---             | ---                   |
| 31.0 Equipment  |                     | ---             | ---             | ---                   |
| 32.0 Land & structures                                |                     | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   |                     | ---             | ---             | ---                   |
| 42.0 Indemnity  |                     | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             |                     | ---             | ---             | ---                   |
| 44.0 Refunds  |                     | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      |                     | ---             | ---             | ---                   |
| 99.0 Other  |                     | ---             | ---             | ---                   |
| <b>Total, RDCDS</b>                                   | <b>\$0</b>          | <b>\$2,600</b>  | <b>\$2,600</b>  | <b>\$0</b>            |

\* FY07 actuals are reported in the S&T appropriations.

**Rapidly Deployable Chemical Detection System Mission Statement**

The Office of Health Affairs is the Department of Homeland Security's principal authority for all medical and public health matters. Working across all levels of government, and with the private sector, the Office leads the Department's role in developing, supporting, measuring and refining a scientifically rigorous, intelligence-based medical and biodefense architecture that ensures the public health and medical security of our nation.

**Summary Justification and Explanation of Changes**

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b> | ---            | 2,600           | 2,600           | ---                    |

Purchases from Government Accounts is not expected to increase from FY2008 to FY2009.

**Department of Homeland Security**  
**Office of Health Affairs**  
**Planning and Coordination**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               |                   | ---             | ---             | ---                   |
| 11.3 Other than full-time permanent                   |                   | ---             | ---             | ---                   |
| 11.5 Other Personnel Compensation                     |                   | ---             | ---             | ---                   |
| 11.8 Special Service Pay                              |                   | 800             | 1,352           | 552                   |
| 12.1 Benefits   |                   | ---             | ---             | ---                   |
| 13.0 Benefits - former                                |                   | ---             | ---             | ---                   |
| 21.0 Travel   |                   | 150             | 242             | 92                    |
| 22.0 Transportation of things                         |                   | ---             | ---             | ---                   |
| 23.1 GSA rent   |                   | ---             | ---             | ---                   |
| 23.2 Other rent                                       |                   | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges |                   | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        |                   | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 |                   | 2,000           | 4,840           | 2,840                 |
| 25.2 Other services                                   |                   | ---             | ---             | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   |                   | 1,525           | 3,189           | 1,664                 |
| 25.4 Operation & maintenance of facilities            |                   | ---             | ---             | ---                   |
| 25.5 Research and development contracts               |                   | ---             | ---             | ---                   |
| 25.6 Medical care                                     |                   | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           |                   | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               |                   | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           |                   | ---             | ---             | ---                   |
| 31.0 Equipment  |                   | ---             | ---             | ---                   |
| 32.0 Land & structures                                |                   | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   |                   | ---             | 300             | 300                   |
| 42.0 Indemnity  |                   | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             |                   | ---             | ---             | ---                   |
| 44.0 Refunds  |                   | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      |                   | ---             | ---             | ---                   |
| 99.0 Other  |                   | ---             | ---             | ---                   |
| <b>Total, Planning and Coordination</b>               | <b>\$0</b>        | <b>\$4,475</b>  | <b>\$9,923</b>  | <b>\$5,448</b>        |

**Planning and Coordination Mission Statement**

The Office of Health Affairs is the Department of Homeland Security's principal authority for all medical and public health matters. Working across all levels of government, and with the private sector, the Office leads the Department's role in developing, supporting, measuring and refining a scientifically rigorous, intelligence-based medical and biodefense architecture that ensures the public health and medical security of our nation.

**Summary Justification and Explanation of Changes**

|                            | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|----------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Special Service Pay</b> | <b>\$0</b>             | <b>\$800</b>            | <b>\$1,352</b>          | <b>\$552</b>                   |

Special Services Pay includes reimbursements to other agencies for personnel detailed to OHA. In FY 2009 a program increase of \$552,000 is expected for additional Medical Readiness program support.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | ---                    | 150                     | 242                     | 92                             |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$92,000 for program related increases commensurate with newly planned activities.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and assistance services</b> | ---                    | 2,000                   | 4,840                   | 2,840                          |

The FY 2009 requests an increase of \$2,840,000 for increased contractor program support.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b> | ---                    | 1,525                   | 3,189                   | 1,664                          |

Purchases from Government Accounts include the costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 requests an increase of \$1,664,000 in program increases.

|                                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Grants/Subsidies/Contributions</b> | ---                    | ---                     | 300                     | 300                            |

The FY 2009 requests an increase of \$300,000 for cooperative agreements for the demonstration project.

**Department of Homeland Security**  
**Office of Health Affairs**  
**Salaries and Expenses**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$2,575           | \$6,272         | \$9,221         | \$2,949               |
| 11.3 Other than full-time permanent                   | \$276             | \$301           | \$350           | \$49                  |
| 11.5 Other Personnel Compensation                     | \$95              | \$108           | \$230           | \$122                 |
| 11.8 Special Service Pay                              | \$0               | \$600           | \$600           | \$0                   |
| 12.1 Benefits   | \$714             | \$2,113         | \$2,951         | \$838                 |
| 13.0 Benefits - former                                | \$0               | \$0             | \$0             | \$0                   |
| 21.0 Travel   | 169               | 244             | 330             | \$86                  |
| 22.0 Transportation of things                         | ---               | ---             | ---             | ---                   |
| 23.1 GSA rent   | ---               | ---             | ---             | ---                   |
| 23.2 Other rent                                       | ---               | ---             | ---             | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---               | ---             | ---             | ---                   |
| 24.0 Printing and reproduction                        | ---               | ---             | ---             | ---                   |
| 25.1 Advisory and assistance services                 | 3,657             | 5,144           | 5,570           | \$426                 |
| 25.2 Other services                                   | 920               | 60              | 100             | \$40                  |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 550               | 9,223           | 9,607           | \$384                 |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | ---               | 251             | 251             | \$0                   |
| 31.0 Equipment  | 22                | ---             | ---             | ---                   |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---             | ---                   |
| 42.0 Indemnity  | ---               | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, S&amp;E</b>                                 | <b>\$8,979</b>    | <b>\$24,317</b> | <b>\$29,210</b> | <b>\$4,893</b>        |

**Salary and Expenses Mission Statement**

The Office of Health Affairs is the Department of Homeland Security's principal authority for all medical and public health matters. Working across all levels of government, and with the private sector, the Office leads the Department's role in developing, supporting, measuring and refining a scientifically rigorous, intelligence-based medical and biodefense architecture that ensures the public health and medical security of our nation.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------------------|----------------|----------------|-----------------|---------------------|
|                              | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Salaries and Benefits</b> | <b>\$3,660</b> | <b>\$9,395</b> | <b>\$13,352</b> | <b>\$3,957</b>      |

Salaries and benefits includes and increase of \$3,925,000 for a total of 80 FTEs.

|               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------|---------------|----------------|----------------|---------------------|
|               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Travel</b> | <b>169</b>    | <b>244</b>     | <b>330</b>     | <b>86</b>           |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental expenses in accordance with Federal travel regulations. The FY 2009 request includes an increase of \$86,000 for program related increases commensurate with newly planned activities.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and assistance services</b> | <b>3,657</b>  | <b>5,144</b>   | <b>5,570</b>   | <b>426</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources. The FY 2009 request includes an increase of \$426,000 in program increases.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other services</b> | <b>920</b>    | <b>60</b>      | <b>100</b>     | <b>40</b>           |

Other services include contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes program increases of \$40,000.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b> | <b>550</b>    | <b>9,223</b>   | <b>9,607</b>   | <b>384</b>          |

Purchases from Government Accounts include the costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 requests an increase of \$384,000 in program increases for Working Capital Fund.

|                               | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-------------------------------|---------------|----------------|----------------|---------------------|
|                               | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies and materials</b> | <b>---</b>    | <b>251</b>     | <b>251</b>     | <b>---</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>22</b>     | <b>---</b>     | <b>---</b>     | <b>---</b>          |

Equipment is not projected to change from FY 2008 to FY 2009.

## I. Changes in FTE

### Department of Homeland Security Office of Health Affairs

#### Changes in Full-Time Equivalents

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year                       | 0       | 22      | 76      |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:  |         |         |         |
| Description: Annualization of FY 2008 Positions             |         | 27      |         |
| Increase #2:  |         |         |         |
| Description: Transfer from Science & Technology to BioWatch |         | 2       |         |
| Increase #3:  |         |         |         |
| Description: Increases by PPA:                              |         |         |         |
| BioWatch  |         | 12      |         |
| National Biosurveillance Integration Center                 |         |         |         |
| Rapidly Deployable Chemical Detection System                |         |         |         |
| Planning and Coordination                                   |         | 8       |         |
| Salaries Expenses   |         | 5       | 4       |
| Increase #4:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Increases   | 0       | 54      | 4       |
| <b>DECREASES</b>  |         |         |         |
| Not Applicable  |         |         |         |
| Sub-Total Decreases   | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs                              | 22      | 76      | 80      |
| Net Change from prior year base to Budget Year Estimate:    |         | 54      | 4       |

**J. FY 2009 Schedule of Working Capital Fund by Program / Project Activity**

**Department of Homeland Security**  
**Office of Health Affairs**  
 FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity          | FY 2007 Actual | FY 2008 Anticipated | FY 2009 Anticipated | Increase / Decrease for FY 2009 |
|-----------------------------------|----------------|---------------------|---------------------|---------------------------------|
|                                   | AMOUNT         | AMOUNT              | AMOUNT              | AMOUNT                          |
| Salaries and Expense              | ---            | \$9,308             | \$10,414            | \$1,106                         |
| <b>Total Working Capital Fund</b> | ---            | <b>\$9,308</b>      | <b>\$10,414</b>     | <b>\$1,106</b>                  |

\* FY 2009 numbers are based on FY 2008 reprogramming.

# Department of Homeland Security

*Office of Health Affairs*

*Biodefense Countermeasures*

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Fiscal Year 2009  
Congressional Justification

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# **BUDGET REQUEST AND SUPPORTING INFORMATION**

## **OFFICE OF HEALTH AFFAIRS** **BIODEFENSE COUNTERMEASURES**

### **I. Appropriation Overview**

#### **A. Mission Statement for Biodefense Countermeasures:**

The Biodefense Countermeasures program procures medical countermeasures to strengthen the Nation's preparedness against chemical, biological, radiological, and nuclear (CBRN) attacks, including promoting the removal of barriers to development and production processes that the Government undergoes to pre-purchase critically needed vaccines or medications for biodefense. The Project Bioshield Act of 2004 authorized the 10-year program to encourage the development and production of new medical countermeasures for chemical, biological, radiological, and nuclear (CBRN) agents. Provisions of this Act were designed to provide incentive for private companies, which might otherwise be discouraged due to inherent risks in product development and lengthy timelines to licensure, to develop these countermeasures by guaranteeing a government market for successfully developed countermeasures. Biodefense Countermeasures is thus a procurement program, allowing the Federal Government to enter into contracts to acquire countermeasures while they are still in development. Successful countermeasures are delivered to the Strategic National Stockpile (SNS) at an agreed upon price and quantity, as well as at a development stage demonstrating sufficient safety and efficacy. The Biodefense Countermeasures program strengthens the Nation's preparedness against CBRN attacks through acquiring civilian medical countermeasures to CBRN agents for the SNS.

#### **B. Budget Activities:**

In FY09 the Biodefense Countermeasures funding will continue to support coordinated efforts to remove barriers to development and production processes and will enable the government to pre-purchase critically needed vaccines or medication for biodefense once production of licensable products that will be safe and effective enough to place in the SNS is judged scientifically feasible. HHS will be the procuring authority.

The Biodefense Countermeasures procurement process requires actions by DHS, the Department of Health and Human Services (HHS), and the President, and relies on interagency working groups. Specifically, the Office of Health Affairs (OHA) coordinates with HHS through interagency working groups to determine program requirements, priorities and acquisitions. DHS is instrumental in the very first stage of this process – identifying and prioritizing programs for the development and acquisition of medical countermeasures – by establishing a relative hierarchy of CBRN threat classes. Each of the threat classes and agents within a given threat class are distinct in their likelihood of use and in their potential medical and public health consequences. DHS' Directorate of Science & Technology (S&T), in conjunction with the Office of Health Affairs, has the lead in considering the best available intelligence, law-enforcement, scientific, and public-health information to identify and prioritize CBRN threats. DHS uses this as the basis for issuing Material Threat Determinations (MTDs) which identify agents presenting a material threat sufficient to affect national security (an MTD issued by the Secretary of DHS is required for procurement using Biodefense Countermeasures funds and authorities.) DHS then conducts a Population Threat Assessment (PTA) (formerly referred to as Material Threat Assessments (MTAs)) to estimate the

size of the population exposed to the agents identified in the MTDs and gauge the impact on the population and national infrastructure if that particular agent was released for a given plausible, high consequence scenario. Once the MTDs are issued and PTAs are completed for any given threat, the results are provided to HHS to inform subsequent medical and public health consequence assessments. These inputs are used to inform medical countermeasure requirements which are developed by interagency working groups as part of the Public Health Emergency Medical Countermeasures Enterprise (PHEMCE), a coordinated interagency effort which HHS created in July 2006 to take a more integrated, systematic end-to-end approach to the medical countermeasure mission – including research, development, acquisition, storage, maintenance, deployment, and guidance for utilization. Upon identification of countermeasures that meet the eligibility requirements to warrant use of the Special Reserve Fund (SRF), the Secretary of DHS and the Secretary of HHS jointly request that OMB release funds to HHS from the SRF to acquire the countermeasures. Under section 319F-2(c) (7) (C) of the Public Health Service Act, as amended, HHS is ultimately responsible for managing the countermeasure procurement process including the negotiation of terms and entering into contracts for research, development, acquisition, procurement, storage and distribution of countermeasures. The PHEMCE process is the vehicle by which DHS provides input on the medical countermeasure continuum ranging from research and development to storage, maintenance, and deployment.

### **C. Budget Request Summary:**

The Biodefense Countermeasures program was transferred to the OHA from FEMA under the Department's Second Stage Review (2SR) and received no program enhancements. The program will continue to operate using \$5.6 billion advance appropriations provided by the 2004 Department of Homeland Security Appropriations Act, (P.L. 108-90) to procure civilian medical countermeasures for a 10-year period (FY04-FY13). The appropriations act established the "Biodefense Countermeasures" account for "necessary expenses for securing medical countermeasures against biological terror attacks."

Although all the funds for this account were provided in the 2004 Department of Homeland Security Appropriations Act, only a portion became available for obligation upon enactment. The act specified that no more than \$890 million could be obligated in FY04, and no more than \$3.4 billion could be obligated from FY04 through FY08. Any money not obligated within these defined periods would remain available through FY13. Thus, before rescissions were enacted, DHS had \$890 million available as budget authority for this account in FY04. In FY05, an additional \$2.5 billion would have become available. The remaining \$2.2 billion is scheduled to become available in FY09.

In FY09, OHA will work with HHS and other agencies through the PHEMCE process to determine appropriate countermeasures to pursue in the interest of national security. Funding is requested in the DHS S&T appropriation as well as the OHA appropriation to determine CBRN agents that pose a material threat to national security and conduct PTAs (MTAs) which will inform future acquisitions using the Biodefense Countermeasures account. The \$2.2 billion scheduled to become available from the Biodefense Countermeasures account will be coordinated with the HHS and used to manage and procure safe and effective civilian medical countermeasures for the SNS.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Office of Health Affairs**  
**Biodefense Countermeasures**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                 | FY 2007 * |             | FY 2008 * |             | FY 2009 * |                     | Increase (+) or Decrease (-) For FY 2009 * |                     |                 |                     |                     |             |
|--|-----------|-------------|-----------|-------------|-----------|---------------------|--|---------------------|-----------------|---------------------|---------------------|-------------|
|  | Actual    |             | Enacted   |             | Request   |                     | Total Changes                              |                     | Program Changes |                     | Adjustments-to-Base |             |
|  | FTE       | AMT         | FTE       | AMOUNT      | FTE       | AMOUNT              | FTE  | AMOUNT              | FTE             | AMOUNT              | FTE                 | AMOUNT      |
| Biodefense Countermeasures                               | ---       | \$ -        | ---       | \$ -        | 0         | \$ 2,175,000        | ---  | 2,175,000           | ---             | 2,175,000           | ---                 | \$ -        |
| <b>Subtotal, Enacted Appropriations/Budget Estimates</b> | ---       | <b>\$ -</b> | ---       | <b>\$ -</b> | <b>0</b>  | <b>\$ 2,175,000</b> | ---  | <b>\$ 2,175,000</b> | ---             | <b>\$ 2,175,000</b> |                     | <b>\$ -</b> |
| <b>Net, Enacted Appropriations and Budget Estimates</b>  | ---       | <b>\$ -</b> | ---       | <b>\$ -</b> | ---       | <b>\$ 2,175,000</b> | ---  | <b>\$ 2,175,000</b> | ---             | <b>\$ 2,175,000</b> | ---                 | <b>\$ -</b> |

\* In accordance with H.R.2555 Biodefense Countermeasures was appropriated, "For necessary expenses for securing medical countermeasures against biological terror attacks, \$5,593,000,000, to remain available until September 30, 2013; Provided, That not to exceed \$3,418,000,000 maybe obligated during fiscal years 2004 through 2008, of which not to exceed \$890,000,000 may be obligated during fiscal year 2004." As a result, the balance will be availbale for obligation in FY2009.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Health Affairs**  
**Biodefense Countermeasures**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Biodefense Countermeasures

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>      |
|------------------------------|---------------------|------------|--------------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>0</b>           |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>           |
| 2009 Adjustments-to-Base     | 0                   | 0          | 0                  |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>0</b>           |
| 2009 Program Change          | 0                   | 0          | \$2,175,000        |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>\$2,175,000</b> |
| Total Change 2008-2009       | 0                   | 0          | \$2,175,000        |

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Biodefense Countermeasures program, provided through advanced appropriations, will support the Government’s efforts to secure medical countermeasures to strengthen the Nation’s preparedness against CBRN attacks, including promoting the removal of barriers to development and production processes and pre-purchasing critically needed vaccines or medication for biodefense.

To date, ten contracts have been awarded through the Project BioShield program using the Strategic Reserve Fund (SRF). Delivery to the SNS has begun (or been completed) for three of the seven following products:

- Pediatric liquid formulation of potassium iodide (radionuclide blocking agent): \$5.7 million for 1.7 million one-ounce bottles; delivery to the SNS was completed in September 2005. In FY06, contract was modified to provide \$11.8 million for 3.1 million additional bottles; delivery to the SNS is on-going;
- Anthrax Vaccine Adsorbed (AVA): \$122.7 million for 5 million doses; delivery to the SNS has been completed. In FY06 contract modified to provide \$120 million for 5 million additional doses of AVA; delivery to the SNS is on-going. In FY 07, another contract was issued to supply 18.75 million doses of AVA for placement into the SNS \$448 million.
- Calcium and Zinc Diethylenetriaminepentaacetate (DTPA) (chelating agents that remove radioactive particulates from the body): \$21.9 million for 474,739 doses; delivery to the SNS was completed in April 2006.
- Contracts were issued in FY06 for two different anthrax therapeutics (\$309 million) and for botulinum antitoxins \$415 million.
- A contract was awarded in June 2007 for \$500 million to manufacture and deliver 20 million doses of a next generation modified vaccinia Ankara (MVA) smallpox vaccine.

In FY07 the Program to completed delivery of second 5 million doses of AVA; completed delivery of second 2.3 million bottles of pediatric potassium iodide (KI) to SNS; began delivery of anthrax

immune globulin to the SNS; delivered additional botulinum antitoxin to the SNS; and awarded a contract for modified vaccinia Ankara smallpox vaccine.

In FY08, the Program plans to issue Requests for Proposals (RFPs) for anthrax recombinant Protective Antigen (rPA) vaccine and treatments for Acute Radiation Syndrome; begin delivery of the modified vaccinia Ankara (MVA) smallpox vaccine to the SNS; and continue delivery of botulinum antitoxin and anthrax immune globulin to the SNS.

The FY 2007 accomplishments

Contracts awarded in FY 2007 include:

- \$448 million for manufacture and delivery of 18.75 million doses of AVA; and
- \$500 million to manufacture and deliver 20 million doses of a next generation modified vaccinia Ankara (MVA) smallpox vaccine.

FY 2008 Planned Accomplishments

Planned RFPs and acquisition contracts in FY 2008 include:

- anthrax recombinant Protective Antigen (rPA) vaccine; and
- medical countermeasure(s) for Acute Radiation Syndrome.

FY 2009 initiatives coordinated with HHS

Mid-term (FY 2009-2013) planned acquisitions using the SRF include:

- diagnostics;
- broad spectrum antibiotic(s);
- anthrax antitoxin(s);
- medical countermeasure(s) for Filoviruses;
- smallpox antiviral(s);
- medical countermeasure(s) for Acute Radiation Syndrome;
- radiological biodosimetry/bioassay(s); and
- radionuclide-specific agent(s).

In addition, Project BioShield material threat determinations (MTDs) and population (material) threat assessments (PTAs) for all traditional biological agents posing a threat sufficient to affect national security were completed in FY 2007. In FY 2008 and 2009, DHS will continue to evaluate biological agents, as well as chemical, and issue MTDs and conduct PTAs as appropriate. These determinations and assessments are required to inform medical countermeasure requirement setting and support the use of the Biodefense Countermeasures account for the acquisition and stockpiling of medical countermeasures against the designated agents.

#### **IV. Program Justification of Changes**

Program justification changes are not requested for Biodefense Countermeasures.

**V. Exhibits and Other Supporting Materials**

Not Applicable

**FY 2008 to FY 2009 Budget**

**Department of Homeland Security  
Office of Health Affairs  
Biodefense Countermeasures  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>       |
|--|-------------|------------|---------------------|
| <b>FY 2007 Actual</b> .....                        | ---         | ---        | ---                 |
| <b>FY 2008 Enacted</b> .....                       | ---         | ---        | ---                 |
| <b>Adjustments-to-Base</b>                         |             |            |                     |
| <b>Increases</b>                                   |             |            |                     |
| Annualization of prior year part year funding..... | ---         | ---        | ---                 |
| Annualization of 2008 pay raise.....               | ---         | ---        | ---                 |
| 2009 pay increase.....                             | ---         | ---        | ---                 |
| Non-pay inflation including GSA Rent.....          | ---         | ---        | ---                 |
| <b>Total Increases</b> .....                       | ---         | ---        | ---                 |
| Termination of one-time costs.....                 | ---         | ---        | ---                 |
| Management and Technology Efficiencies.....        | ---         | ---        | ---                 |
| <b>Total Decreases</b> .....                       | ---         | ---        | ---                 |
| <b>Total Adjustments-to-Base</b> .....             | ---         | ---        | ---                 |
| <b>2009 Current Services</b> .....                 | ---         | ---        | ---                 |
| <b>Program Changes</b>                             |             |            |                     |
| <b>Biodefense Countermeasures:</b>                 |             |            |                     |
| BioShield *  |             |            | \$2,175,000         |
| <b>Total Program Changes</b> .....                 | ---         | ---        | <b>\$ 2,175,000</b> |
| <b>2009 Request</b> .....                          | ---         | ---        | <b>\$ 2,175,000</b> |
| <b>2008 to 2009 Total Change</b> .....             | ---         | ---        | <b>\$ 2,175,000</b> |

**C. Summary of Requirements**

**Department of Homeland Security  
Office of Health Affairs  
Biodefense Countermeasures  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |                  |
|--|--------------|-----|------------------|
|  | Perm. Pos.   | FTE | Amount           |
| <b>FY 2007 Actual</b>  | ---          | --- | ---              |
| <b>2008 Enacted</b>  | ---          | --- | ---              |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |                  |
| Transfers  | ---          | --- | ---              |
| Increases  | ---          | --- | ---              |
| Decreases  | ---          | --- | ---              |
| Total Adjustments-to-Base  | ---          | --- | ---              |
| <b>2009 Current Services</b>   | ---          | --- | ---              |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | --- | 2,175,000        |
| <b>2009 Total Request</b>  | ---          | --- | <b>2,175,000</b> |
| 2008 to 2009 Total Change  | ---          | --- | 2,175,000        |

| Estimates by Program/Project Activity | 2008 Enacted |     |            | 2009 Adjustments-to-Base |     |            | 2009 Program Change |     |                     | 2009 Request |     |                    | 2008 to 2009 Total Change |     |                    |
|---------------------------------------|--------------|-----|------------|--------------------------|-----|------------|---------------------|-----|---------------------|--------------|-----|--------------------|---------------------------|-----|--------------------|
|                                       | Pos.         | FTE | Amount     | Pos.                     | FTE | Amount     | Pos.                | FTE | Amount              | Pos.         | FTE | Amount             | Pos.                      | FTE | Amount             |
| 1 Biodefense Countermeasures          | ---          | --- | \$0        | ---                      | --- | \$0        | ---                 | --- | \$ 2,175,000        | ---          | --- | \$2,175,000        | ---                       | --- | \$2,175,000        |
| <b>Total</b>                          | ---          | --- | <b>\$0</b> | ---                      | --- | <b>\$0</b> | ---                 | --- | <b>\$ 2,175,000</b> | ---          | --- | <b>\$2,175,000</b> | ---                       | --- | <b>\$2,175,000</b> |

Note:

**D. Summary of Reimbursable Resources**

Not Applicable

## E. Summary of Requirements by Object Class

**Office of Health Affairs**  
**Biodefense Countermeasures**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual  | 2008<br>Enacted    | 2009<br>Request    | 2008 - 2009<br>Change |
|---|--------------------|--------------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | ---                | ---                | ---                | ---                   |
| 11.3 Other than full-time permanent                   | ---                | ---                | ---                | ---                   |
| 11.5 Other Personnel Compensation                     | ---                | ---                | ---                | ---                   |
| 11.8 Special Service Pay                              | ---                | ---                | ---                | ---                   |
| 12.1 Benefits   | ---                | ---                | ---                | ---                   |
| 13.0 Benefits - former                                | ---                | ---                | ---                | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>            |
| Other Object Classes:                                 |                    |                    |                    |                       |
| 21.0 Travel   | ---                | ---                | ---                | ---                   |
| 22.0 Transportation of things                         | ---                | ---                | ---                | ---                   |
| 23.1 GSA rent   | ---                | ---                | ---                | ---                   |
| 23.2 Other rent                                       | ---                | ---                | ---                | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---                | ---                | ---                | ---                   |
| 24.0 Printing and reproduction                        | ---                | ---                | ---                | ---                   |
| 25.1 Advisory and assistance services                 | ---                | ---                | ---                | ---                   |
| 25.2 Other services                                   | ---                | ---                | ---                | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---                | 1,800,000          | 2,175,000          | 375,000               |
| 25.4 Operation & maintenance of facilities            | ---                | ---                | ---                | ---                   |
| 25.5 Research and development contracts               | ---                | ---                | ---                | ---                   |
| 25.6 Medical care                                     | ---                | ---                | ---                | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                | ---                | ---                | ---                   |
| 25.8 Subsistence and support of persons               | ---                | ---                | ---                | ---                   |
| 26.0 Supplies and materials                           | ---                | ---                | ---                | ---                   |
| 31.0 Equipment  | ---                | ---                | ---                | ---                   |
| 32.0 Land & structures                                | ---                | ---                | ---                | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---                | ---                | ---                | ---                   |
| 42.0 Indemnity  | ---                | ---                | ---                | ---                   |
| 43.0 Interest & dividends                             | ---                | ---                | ---                | ---                   |
| 44.0 Refunds  | ---                | ---                | ---                | ---                   |
| 91.0 Unvouchered                                      | ---                | ---                | ---                | ---                   |
| 99.0 Other  | ---                | ---                | ---                | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$0</b>         | <b>\$1,800,000</b> | <b>\$2,175,000</b> | <b>\$375,000</b>      |
| <b>Total, Direct Obligations</b>                      | <b>\$0</b>         | <b>\$1,800,000</b> | <b>\$2,175,000</b> | <b>\$375,000</b>      |
|   |                    |                    |                    |                       |
| Unobligated balance, start of year                    |                    | (1,800,000)        | ---                | ---                   |
| Unobligated balance, end of year *                    | 1,800,000          |                    | ---                |                       |
| Recoveries of prior year obligations                  |                    | ---                | ---                | ---                   |
| <b>Total requirements</b>                             | <b>\$1,800,000</b> | <b>\$0</b>         | <b>\$2,175,000</b> | <b>\$375,000</b>      |

**F. Permanent Positions by Grade**

Not Applicable.

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

## H. PPA Budget Justifications

**Department of Homeland Security**  
**Office of Health Affairs**  
**Biodefense Countermeasures**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual * | 2008<br>Enacted | 2009<br>Request    | 2008 - 2009<br>Change |
|---|---------------------|-----------------|--------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | ---                 | ---             | ---                | ---                   |
| 11.3 Other than full-time permanent                   | ---                 | ---             | ---                | ---                   |
| 11.5 Other Personnel Compensation                     | ---                 | ---             | ---                | ---                   |
| 11.8 Special Service Pay                              | ---                 | ---             | ---                | ---                   |
| 12.1 Benefits   | ---                 | ---             | ---                | ---                   |
| 13.0 Benefits - former                                | ---                 | ---             | ---                | ---                   |
| 21.0 Travel   | ---                 | ---             | ---                | ---                   |
| 22.0 Transportation of things                         | ---                 | ---             | ---                | ---                   |
| 23.1 GSA rent   | ---                 | ---             | ---                | ---                   |
| 23.2 Other rent                                       | ---                 | ---             | ---                | ---                   |
| 23.3 Communications, utilities, & other misc. charges | ---                 | ---             | ---                | ---                   |
| 24.0 Printing and reproduction                        | ---                 | ---             | ---                | ---                   |
| 25.1 Advisory and assistance services                 | ---                 | ---             | ---                | ---                   |
| 25.2 Other services                                   | ---                 | ---             | ---                | ---                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | ---                 | ---             | 2,175,000          | 2,175,000             |
| 25.4 Operation & maintenance of facilities            | ---                 | ---             | ---                | ---                   |
| 25.5 Research and development contracts               | ---                 | ---             | ---                | ---                   |
| 25.6 Medical care                                     | ---                 | ---             | ---                | ---                   |
| 25.7 Operation and maintenance of equipment           | ---                 | ---             | ---                | ---                   |
| 25.8 Subsistence and support of persons               | ---                 | ---             | ---                | ---                   |
| 26.0 Supplies and materials                           | ---                 | ---             | ---                | ---                   |
| 31.0 Equipment  | ---                 | ---             | ---                | ---                   |
| 32.0 Land & structures                                | ---                 | ---             | ---                | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---                 | ---             | ---                | ---                   |
| 42.0 Indemnity  | ---                 | ---             | ---                | ---                   |
| 43.0 Interest & dividends                             | ---                 | ---             | ---                | ---                   |
| 44.0 Refunds  | ---                 | ---             | ---                | ---                   |
| 91.0 Unvouchered                                      | ---                 | ---             | ---                | ---                   |
| 99.0 Other  | ---                 | ---             | ---                | ---                   |
| <b>Total, Biodefense Countermeasures</b>              | <b>\$0</b>          | <b>\$0</b>      | <b>\$2,175,000</b> | <b>\$2,175,000</b>    |

\* FY07 actuals are in transition from FEMA

### Biodefense Countermeasures Mission Statement

The Biodefense Countermeasures program provides secure medical countermeasures to strengthen the Nation's preparedness against bioterrorism attacks, including promoting the removal of barriers to development and production processes that the Government undergoes to pre-purchase critically needed vaccines or medication for biodefense.

### Summary Justification and Explanation of Changes

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Advisory and assistance services</b>  | ---            | ---             | ---             | ---                    |
| Advisory and assistance services will not change from FY 2008 to FY 2009 because the level of program management support will be consistent. |                |                 |                 |                        |
|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
| <b>Purchases of goods &amp; svcs. from Gov't accounts</b>  | ---            | ---             | 2,175,000       | 2,175,000              |

Purchases from Government Accounts include the costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. Per the appropriation, FY 2009 requests an increase of \$2,175,000 to HHS for obligation in securing the medical countermeasures against biological terror attacks.

**I. Changes in FTE**

Not Applicable

**J. Working Capital Fund**

Not Applicable

# Department of Homeland Security

*Office of Health Affairs*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 CONGRESSIONAL JUSTIFICATION STRATEGIC CONTEXT**

**Office of Health Affairs**

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**I. STRATEGIC CONTEXT FOR FY2009 BUDGET**

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## A. Mission and Description of Component

The Office of Health Affairs (OHA) was formally established on April 1, 2007 to manage and to serve as the Department of Homeland Security's principal advisor on all public health and medical issues. In accordance with Homeland Security Presidential Directive (HSPD)-5, *Management of Domestic Incidents*, OHA leads the Department's role in developing, supporting, measuring and refining scientifically rigorous and intelligence-based medical and national biodefense architecture to ensure the public health and medical security of the nation. In working alongside its Federal partners, state and local governments and the private sector, OHA maintains a coordinated and effective emergency preparedness and response structure. The main areas of focus for OHA are Biodefense programs such as the National Biosurveillance Integration Center and BioWatch, veterinary and agricultural defense, medical readiness for catastrophic incidents, deployable chemical detection systems, and DHS workforce safety and occupational health.

OHA's main program, BioWatch, is strategically located in over 30 of the largest metropolitan areas in the U.S. to provide early detection capabilities against aerosolized biological attacks. BioWatch personnel are located throughout the country and work closely with the jurisdictions, lab response network staff, and local emergency operations centers.

## B. Major Activities and Key Strategic Issues

In fiscal year 2009, the Office of Health Affairs (OHA) is requesting 161.3 million to define and strengthen the nation's biodefense architecture, deploy improved detection equipment for intentional release of a biological hazard/substance, double the chemical detection capability of DHS, enhance the security of the nation's food supply, initiate activities and models to increase coordination of medical readiness of our nation's first-responders, and initiate programs to protect the health and safety of the DHS workforce.

BioWatch provides 24/7/365 biological weapons threat detection and characterization of biodefense intelligence. The core requirements for the BioWatch program are derived from HSPD-10, *Biodefense Strategy for the 21<sup>st</sup> Century*, which provides a comprehensive framework for our Nation's biodefense infrastructure.

- BioWatch provides a capability for early detection and warning against biological attacks on our high-risk urban areas, covering over 30 of our Nation's largest jurisdictions. This will, in turn, allow for a rapid response by our first responders. BioWatch has formed vital partnerships with state and local public health agencies and labs and has conducted over 3 million air samples to date without a false alarm. An indoor monitoring program for key transportation facilities was developed and critical updates were made to outdoor monitoring guidance documents. A pilot study was initiated to test and evaluate the Automated Pathogen Detection System (APDS) in an effort to reduce the detection and ultimately the response time for medical countermeasures to reach the population during an emergency. Capacity of

the Biological Warning and Incident Characterization (BWIC) system was upgraded to include a third jurisdiction.

In FY 2008, BioWatch will deploy/employ additional detectors in the top threat cities with a plan to increase coverage of the population. BioWatch will integrate its early detection capabilities into the National Biosurveillance Integration Center (NBIC) to enhance situational awareness for bio-detection.

Next generation (Generation 3) BioWatch prototypes will be tested beginning in April 2008 with applications planned for 2009. Full-rate production and procurement of 670 next generation BioWatch detectors is planned for FY 2009 to allow for a seamless integration of the planned next generation BioWatch technologies into the existing jurisdictions. In addition, funding is requested to prepare BioWatch jurisdictions for the next generation automated detectors and to integrate the BWIC system into fourteen additional jurisdictions. This plan for the next generation is dependent upon a technology study that will start in FY 2008.

National Biosurveillance Integration Center (NBIC) is an integrated biosurveillance system partnering with Federal agencies, state and local governments and the private sector. In FY 2007, NBIC was placed under the authority of OHA and was reestablished as one of the nation's top bio-detection and threat characterization mechanisms. Mutual agreements with six interagency partners were established to allow an integration of intelligence from various federal resources into NBIC. Five additional informal agreements were made with federal partners as a second phase of federal coordination. NBIC also led in the formation of the Interagency Analysis Group (IAG) for characterization of the Department of Health and Human Services (HHS) Fusion Cell inputs, which is a part of the Food Contamination Event National Interagency Situation Report.

In FY 2008, NBIC will be fully operational. The NBIS 2.0 IT project will continue to make progress on integrating the remaining classified segments. NBIC will also provide a decision management framework for environmental decontamination resulting from a biological attack. In FY 2009, NBIC will continue to improve the common operating picture for biosurveillance through intelligence sharing and analysis. It plans to collaborate with the private sector, especially with biological and health industries, to establish critical partnerships for better infrastructure protection.

The Office of Food, Agriculture and Veterinary Defense enables OHA to serve as the Department's principal agent for all issues related to food, agriculture and veterinary defense. The Office of Food, Agriculture and Veterinary Defense carries out its responsibilities as laid out in HSPD-9, *Defense of U.S. Agriculture and Food*.

In FY 2007, the Office of Food, Agriculture and Veterinary Defense led the Department's incident management efforts during the pet food contamination recall and the recent Foot-and-Mouth Disease (FMD) scare involving imported swine. The Office is also leading the Department's eleven components involved in the President's

Executive Order 13439 on Import Safety. Interagency and intra-agency coordination channels for food, agriculture and veterinary defense have been established through the leadership of the Office.

In FY 2008, the Office of Food, Agriculture and Veterinary Defense will develop intelligence and import safety collaboration among federal agencies through agreements based on recommendations from the President's Import Safety Working Group. Interaction and reach-out initiatives will take place with the private sector and state and local programs to establish requirements for research and grant awards, veterinary preparedness and response guidance, mitigation of future and emerging food, and agriculture and veterinary threats.

In FY 2009, The Office of Food, Agriculture and Veterinary Defense will strengthen DHS subject matter experts in international, education and plant/wildlife issue areas to improve incident support and response coordination at the Headquarter DHS level. OHA also plans to expand coordination with the intelligence community to improve early warning and to initiate/expand private sector outreach efforts to create sub-sector specific round tables. These round tables will build food and agriculture resilience to ensure survival in the face of a major sector calamity or bioterrorism event. In addition, the Office will complete the alignment of food, agriculture and veterinary defense education curricula in Centers of Excellence, university programs and other state and local programs.

Medical Readiness develops policies and programs to enhance all hazards planning, exercises and training, promote integration of state and local medical response capabilities, align DHS emergency preparedness grants and support the medical first responder community.

In FY 2007, the primary accomplishments of the Office of Medical Readiness includes completing the pandemic influenza planning and implementation guidance for the Department, providing the medical guidance to the Department during catastrophic event exercises, and developing top level plans for the five bio-medical incident scenarios.

In FY 2008, the Medical Readiness Office will develop multiple medical contingency planning programs for the management of medical and biological situations during an incident, including the latest scientifically-based information on emerging biological threats like pandemic influenza. The Office will also coordinate DHS and HHS bioterrorism-related grants to create a more unified mission for medical readiness. Development of a medical first-responder interface with the entire DHS community is also slated for FY 2008.

In FY 2009, the Office of Medical Readiness will implement many of the programs set for development in FY 2008, including identification of capabilities and responsibilities required for management of medical and biological events (including pandemic influenza) and medical management tools for decision-makers during catastrophic

incidents. The Office will also implement programs designed to develop and implement a National Biodefense Architecture.

The Office of Component Services provides workforce protection guidance to the Secretary and Under Secretary for Management. The Office leads the development of strategy, policy, requirements and metrics for the medical elements of the Department-wide occupational health and safety program.

In FY 2007, the Office of Component Services was in its initial phase of surveying occupational medicine services, safety and health programs throughout the Department. The Office led the Department's interactions with the Centers for Disease Control and Prevention (CDC) and its Division of Global Migration and Quarantine during the recent multi-drug resistant tuberculosis case and developed interagency coordination policies to facilitate responses to similar events in the future. The Office has also led the Department's interaction with CDC in supporting the Federal Emergency Management Agency (FEMA) on actions and policies involving formaldehyde in emergency temporary housing units in the Gulf Coast region. A long-term Memorandum of Understanding was developed and negotiated by the Office to allow U.S. Public Health Service officers to work alongside Immigration and Customs Enforcement (ICE) officers to provide direct medical care to detainees in ICE facilities.

The Office plans to develop a comprehensive set of guidelines for Occupational Safety and Health Policies to integrate into the existing federal "best practices" program in FY 2008.

In FY 2009, the Office will build off of accomplishments made in the development of a common set of standards, policies, and training opportunities for occupational medical and health safety programs across the Department.

### **Key Strategic Issues**

OHA faces four key strategic issues and major challenges in FY 2009.

- 1.) *Coordination and integration of our nation's biodefense activities.* A comprehensive understanding of how biodefense initiatives are coordinated at various levels of government and the private sector does not exist. The mission of OHA is to establish a robust and interoperable National Biodefense Architecture to create a seamless integration of federal, state, local and private sector capabilities to defend against biological threats.
- 2.) *Enhancing security of our nation's food and agriculture supply.* Strengthening DHS' role in food, agriculture and veterinary defense will require a high level of planning and coordination among DHS components, as well as other federal, state and local entities involved in working with the Office of Food, Agriculture and Veterinary Defense to protect the nation's food and agriculture supply. Improving import safety is a particular challenge as highlighted by recent events.

3.) *Improving DHS occupational health and safety.* Implementation of DHS occupational health and safety programs and “best practices” guidelines will be challenging due to the breadth of the coordination efforts and scope of the mission assignments among the various components. These programs and guidelines must be understandable, robust and truly beneficial to gain the trust of the DHS community.

4.) *Integrating all-hazards medical readiness for first-responders.* Integrating all-hazards medical readiness standards and guidelines for the nation’s first responders will require intensive efforts by the Office of Medical Readiness, especially in light of new and emerging biological threats, such as pandemic influenza. These efforts will require developing a robust system of planning and guidance at the state and local levels. Another challenge will be aligning DHS and HHS emergency preparedness grants for the medical first-responder community to avoid duplicative and uncoordinated grant guidance.

### C. Resources Requested and Performance Impact

#### **Major Changes within the Base level**

The Office of Health Affairs requests 84 positions, (80 FTE), and \$161.3 million. The total adjustments-to-base is 27 FTE and \$4.2 million.

#### **Increments over current service level**

In FY2009 OHA is requesting an additional 8 positions, 4 FTE and \$45 million to further enhance an intelligence-based medical and biodefense architecture. The requested changes will support OHA’s ability to implement its mission through supporting OHA’s four goals. The requested changes are detailed below.

#### **Next Generation BioWatch**

- Procure and implement fielding of BioWatch Next Generation Technology (\$34.5 million increase).

Performance Impact - Once the BioWatch system is fully converted to an automated system, the time to detect and field a response to a bioterrorism incident will be reduced to less than 6 hours.

#### **National Biodefense Architecture**

- Design and implement the foundation for a National Biodefense Architecture to create a seamless integrated system for coordination at all levels of government and the private sector. (\$2.0 million increase)

Performance Impact - The execution of this program will ensure coordinated Federal, state, local, and international responses to biological attacks. This architecture could then be applicable for other WMD threats and hazards threatening our nation.

## **Medical Readiness**

- Increase medical readiness and response systems throughout the nation by designing and promoting effective all-hazards medical response and contingency planning, training, and exercise tools for medical first responders and regional preparedness. (Medical Readiness \$3.4 increase)

Performance Impact - This program will have a tremendous effect on the OHA and DHS planning programs and has the potential to change how planning is done across the interagency. This effort meets the requirements of: Homeland Security Presidential Directives 5, and 8; H.R. 5441, Department of Homeland Security Appropriations Act, 2007, the Secretary's Strategic Objective 10.4, and S. 3678 Pandemic All-Hazards Preparedness Act, December 2006, Title II Public Health Security Preparedness. The development of evidence and new knowledge in medical readiness will improve the quality of the planning process and its output which in turn will improve response and recovery efforts. The development of best practices and standards into medical first responder planning will ensure that the consequences of disasters of all hazards will be mitigated. Development of innovative methods of planning has the potential to accelerate and improve the process of planning by allowing the immediate incorporation of elements based on changes in capabilities and needs.

## **Management & Administration**

- Provide Salaries and Expense funding (\$.6 million increase)

Performance Impact - The OHA is a start-up agency which has been operating with skeletal staff since its inception. In order to meet stakeholder expectations related to its core mission as well as the requirements associated with several HSPD's, adequate staffing is required. Failure to fund the requested positions will severely impact the ability of OHA to implement its programs, curtail activities associated with HSPD's, and prevent implementation of an internal controls program.

## D. How OHA Programs and Their Performance Goals Align to and Support the DHS Goals and Objectives.

The following list of programs with their performance goals are followed by the DHS goals and objective they support.

Medical and Biodefense program performance goal - Bolster the Nation's biodefense readiness by enhancing the strategy, policy, requirements, metrics and operations of a national architecture to rapidly detect, characterize and respond effectively to a large-scale biological event.

Goal 2- Continue to Protect our Nation from Dangerous Goods  
Objective 2.2

E. Performance Based Budget Highlights by Program

|   |         |         |         |         |           |             |
|---|---------|---------|---------|---------|-----------|-------------|
| <b>Program: Medical and Biodefense Programs</b>   |         |         |         |         |           |             |
| <b>Performance Goal:</b> Bolster the Nations biodefense readiness by enhancing the strategy, policy, requirements, metrics and operations of a national architecture to rapidly detect, characterize and respond effectively to a large - scale biological event. |         |         |         |         |           |             |
| <b>Goal 2 – Continue to Protect our Nation from Dangerous Goods</b>   |         |         |         |         |           |             |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008   | FY 2009     |
| <b>\$ Thousands</b>   | None    | None    | None    | 12,980  | \$116,500 | \$2,336,339 |
| <b>FTE</b>  | None    | None    | None    | 22      | 49        | 80          |

|   |         |         |          |         |         |         |
|---|---------|---------|----------|---------|---------|---------|
| <b>Measure:</b> Number of agencies who have agreed to provide information to the National Biosurveillance Integration System (NBIC).  |         |         |          |         |         |         |
| <b>Description of Measure:</b> This measure will determine how many Federal agencies are participating in NBIS by determining the number of information sharing and access agreements (ISAA) that are in place. An ISAA is a tool that facilitates and formalizes information access or exchange between two or more parties, and can take many forms. NBIS will begin work with participation of 5 core agencies. Agency participation and information exchange must be paced to allow adequate consideration of major issues and documentation of the exchange details. Currently, details pertaining to privacy rights, system compatibility issues, and information security are being negotiated. This year, NBIS will enter agreements and secure the participation of 5 of the core agencies. In FY 2008, an additional five agencies will sign ISAA's in order to make NBIS a more robust and effective network. After FY2008 NBIS will continue to add additional agencies to improve the effectiveness of the system. |         |         |          |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006  | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | Baseline | 5       | 10      | 12      |
| <b>Actual:</b>  | None    | None    | 0        | 7       | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of biological monitoring units employed in high - risk indoor facilities within BioWatch jurisdictions.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> This performance measure captures the number of monitoring units, designed to detect the release of biological agents, within the facilities or complexes of a BioWatch jurisdictions. A BioWatch jurisdiction includes the largest metropolitan areas in the U.S. The higher number of units employed, the larger number of people protected from a potential biological attack. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 72      | 122     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

F. Digest Tables by Future Year Homeland Security Program (FYHSP) Programs

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <b>Measure:</b> Percent of the population in BioWatch jurisdictions covered by outdoor biological monitoring units.   |  |  |  |  |  |  |
| <b>Description of Measure:</b> This performance measure calculates the percentage of the population in the BioWatch jurisdictions that is covered by outdoor biological monitoring units. Population covered by these units can be warned and identified for treatment prior to becoming symptomatic as a consequence of an outdoor release of biological agent. A BioWatch jurisdiction includes the largest metropolitan areas in the U.S. This measure is an estimate based on performance (i.e., probability of detection) and range (i.e., protection area) of the monitoring units. |  |  |  |  |  |  |

|                     |         |         |         |         |         |         |
|---------------------|---------|---------|---------|---------|---------|---------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>      | None    | None    | None    | None    | SSI 67% | SSI 67% |
| <b>Actual:</b>      | None    | None    | None    | None    | N/A     | N/A     |

**Measure:** Time between an indoor monitoring unit exposure to a biological agent and the determination/declaration of a confirmed positive sample result.

**Description of Measure:** This performance measure calculates the maximum time between an indoor release of a biological agent and a declaration of a confirmed positive sample result by the local laboratory official. The higher the number of autonomous indoor biological monitoring units employed, the shorter the time will be between the release of a biological agent and the declaration of a confirmed positive sample result. An autonomous indoor biological monitoring unit is a type of sensor that collects airborne particles and performs sample analysis. By performing the sample analysis at the monitoring site, automated detection systems significantly reduce the time between a biological release and detecting confirming that an event has occurred.

|                     |         |         |         |         |            |            |
|---------------------|---------|---------|---------|---------|------------|------------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008    | FY 2009    |
| <b>Target:</b>      | None    | None    | None    | None    | < 17 hours | < 12 hours |
| <b>Actual:</b>      | None    | None    | None    | None    | N/A        | N/A        |

**Measure:** Time between an outdoor monitoring unit exposure to a biological agent and the determination/declaration of a confirmed positive sample result.

**Description of Measure:** This performance measure calculates the maximum time between an outdoor release of a biological agent and a declaration of a confirmed positive sample result by the local laboratory official. The higher the number of autonomous outdoor biological monitoring units employed, the shorter the time will be between the release of a biological agent and the declaration of a confirmed positive sample result. An autonomous outdoor biological monitoring unit is a type of sensor that collects airborne particles and performs sample analysis. By performing the sample analysis at the monitoring site, automated detection systems significantly reduce the time between a biological release and detecting confirming that an event has occurred.

|                     |         |         |         |         |            |            |
|---------------------|---------|---------|---------|---------|------------|------------|
| <b>Fiscal Year:</b> | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008    | FY 2009    |
| <b>Target:</b>      | None    | None    | None    | None    | < 36 hours | < 36 hours |
| <b>Actual:</b>      | None    | None    | None    | None    | N/A        | N/A        |

F. Digest Tables by Future Year Homeland Security Program (FYHSP) Programs

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
(dollars in thousands)

| Budget Activity  | FY2007<br>Actual |        | FY2008<br>President's Budget |            | FY2009<br>Estimate |            | Increase (+) or Decrease (-) For FY 2009 |            |                 |           |               |          |
|--|------------------|--------|------------------------------|------------|--------------------|------------|--|------------|-----------------|-----------|---------------|----------|
|  | FTE              | AMOUNT | FTE                          | AMOUNT     | FTE                | AMOUNT     | Total Changes                            |            | Program Changes |           | Other Changes |          |
|  |                  |        |                              |            |                    |            | FTE                                      | AMOUNT     | FTE             | AMOUNT    | FTE           | AMOUNT   |
| <b>Medical and<br/>Biodefense<br/>Programs</b>                       | 0                | \$ 0   | 49                           | \$ 116,500 | 80                 | \$ 161,339 | 31                                       | \$ 44,839  | 4               | \$ 40,590 | 27            | \$ 4,249 |
| <b>Subtotal, Budget<br/>Authority (All<br/>Sources)</b>              | 0                | \$ 0   | 49                           | \$ 116,500 | 80                 | \$ 161,339 | 66                                       | \$ 124,829 | 4               | \$ 40,590 | 27            | \$ 4,249 |
| <b>Less Adjustments<br/>for Other<br/>Funding Sources:</b>           |                  |        |                              |            |                    |            |  |            |                 |           |               |          |
| <b>Total enacted<br/>appropriations<br/>and budget<br/>estimates</b> | 0                | \$ 0   | 49                           | \$ 116,500 | 80                 | \$ 161,339 | 66                                       | \$ 124,829 | 4               | \$ 40,590 | 27            | \$ 4,249 |

# Department of Homeland Security

*Departmental Management and Operations*

*Office of the Secretary and Executive Management*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## Departmental Management and Operations Office of the Secretary and Executive Management

### I. Appropriation Overview

#### **A. Mission Statement for the Office of the Secretary and Executive Management:**

The Department of Homeland Security (DHS) Office of the Secretary and Executive Management (OSEM) supports the Department and all of its components by providing leadership, direction, and management to the Department. OSEM establishes and implements policy and provides various support functions and oversight to all entities within the Department. The Department continues to work toward integration and consolidation of its resources and operations to create a seamless organization that shares services, information, and best practices across previously stove-piped organizations.

#### **B. Budget Activities**

OSEM is a separate appropriation within Departmental Management and Operations that provides resources for 12 separate offices that individually report to the Secretary. These offices are: Immediate Office of the Secretary, Immediate Office of the Deputy Secretary, Office of the Chief of Staff, Office of Policy, Office of the Executive Secretary, Office of Public Affairs, Office of Legislative Affairs, Office of the General Counsel, Office for Civil Rights and Civil Liberties, Office of the Citizenship and Immigration Ombudsman, Privacy Officer, and the Office of Counternarcotics Enforcement. A brief summary of each office is described below.

*Immediate Office of the Secretary:* The Office of the Secretary's role is to provide leadership, management and direction, and oversight for all the Department's components. The Secretary serves as the top representative of the Department of Homeland Security to the President, to Congress, and to the general public.

*Immediate Office of the Deputy Secretary:* The Office of the Deputy Secretary supports the Secretary by providing leadership to the Department by focusing on internal management and direction. This role ensures the Department will operate efficiently and effectively when carrying out its mission. The Deputy Secretary's role provides internal oversight to all Department operations, which allows the Secretary to focus his attention on more external matters concerning the Department of Homeland Security.

*Chief of Staff:* The Chief of Staff is responsible for the coordination of all Department agencies, directorates, and offices. This office is tasked to streamline, coordinate, and deliver initiatives and policies that will ensure our safety, response capacity, and our freedoms.

*Office of Policy:* The Office of Policy's responsibilities include the coordination of Department-wide policies, programs, and planning to ensure consistency and integration of missions throughout the Department. This Office strengthens the Department's ability to maintain policy and operational readiness needed to protect the Homeland by providing a centralized coordination point for developing and communicating policies across the multiple internal and external components of the Homeland Security network. In addition to DHS, the Office of Policy also interacts with other government entities, international counterparts, academics and private stakeholders.

*Office of the Executive Secretary:* The Office of the Executive Secretary's mission is to support the Office of the Secretary in the Homeland Security mission of leading a unified national effort to secure America. By providing the Secretary with accurate and timely dissemination of information and written communications throughout DHS and with our homeland security partners, the Executive Secretary supports DHS's strategic goals of awareness, prevention, protection, response, recovery, service and organizational excellence. The Executive Secretary supports the Office of the Secretary by developing, implementing, and managing business processes for written communications, briefing book materials for the Secretary and Deputy Secretary, Authorization Questions for the Record, White House/interagency actions, and others as identified by the Chief of Staff. Most importantly, the Executive Secretary facilitates communications among all the DHS components, thereby encouraging a unified national effort to secure America.

*Office of Public Affairs:* The Office of Public Affairs is responsible for managing external and internal communications. The Office of Public Affairs respond to national media inquiries, maintain and update the Department's web site, write speeches for principals and coordinate speaking events for Department officials. The Office of Public Affairs also develops and manages various public education programs including the Ready Campaign to increase citizen preparedness. The Office fosters strategic communication throughout the Department and with external stakeholders. It manages the Department's organizational identity program, which includes usage of the DHS seal and related guidelines. It oversees the Department's employee communication activities, which include an all employee newsletter, town hall meetings between management and employees, and an intranet site. Finally, its incident communications program guides overall Federal incident communication activity and coordinates with state, local, and international partners to ensure accurate and timely information to the public during a crisis.

*Office of Legislative Affairs:* The Office of Legislative Affairs serves as the Secretary's principal liaison with Capital Hill and other governmental entities by fostering relationships with Members of Congress and staff to precipitate legislative support for the Departmental programs, policies and initiatives that promote a more secure nation.

*Office of the General Counsel:* The General Counsel is responsible for ensuring implementation of the Department's statutory responsibilities and policies as set forth by the Administration, the Secretary, and other senior officials within the Department. The General Counsel is the Department's chief legal officer and principal legal advisor to the Secretary of Homeland Security and, as such, has final authority and responsibility for legal policy determinations within the Department and its components. The General Counsel, and the attorneys engaged in the practice of law on behalf of DHS who report to him from throughout the Department, are responsible for ensuring that legal compliance is achieved in every aspect of the Department's work. The Office provides legal counsel for all Departmental offices, (other than those specifically excluded by regulation or directive), determines the Department's position to provide effective legal services

involving claims, protests, litigation, and alternative dispute resolution, and represents the Department in all legal forums.

*Office for Civil Rights and Civil Liberties:* The responsibility of the Office for Civil Rights and Civil Liberties is to protect civil rights and civil liberties by providing policy advice on civil rights and civil liberties issues, and serving as an information and communication channel to the public on these issues. This office is tasked with investigating complaints alleging abuses of civil rights, civil liberties, and racial and ethnic profiling by employees and by officials of the Department. The Office is responsible for overseeing the Departmental Equal Employment Opportunity programs.

*Citizenship and Immigration Services Ombudsman:* The statutory mission of the Citizenship and Immigration Services (CIS) Ombudsman is to assist individuals and employers in resolving problems with United States Citizenship and Immigration Services (USCIS), to identify individual and employee problem areas within USCIS and propose changes to mitigate identified problems.

*Privacy Officer:* The DHS Privacy Officer is the first statutorily mandated Privacy Officer within the Federal government. The Privacy Office protects the collection, use, and disclosure of personally identifiable information (PII) and Departmental information. It ensures that appropriate access to information is consistent with the vision, strategic mission, and core values of the Department, and implements the policies of the Department to defend and protect the individual rights, liberties, and information interests of our citizens. The Privacy Office has oversight of all privacy policy matters, including compliance with the Privacy Act of 1974, the Freedom of Information Act, and the completion of privacy impact statements on all new programs, as required by the E-Government Act of 2002 and Section 222 of the Homeland Security Act.

*Office of Counternarcotics Enforcement (CNE):* As the principal advisor to the Secretary on counterdrug matters, the CNE Director reviews and evaluates the effectiveness of DHS counterdrug activities. The Office of Counternarcotics Enforcement coordinates Departmental policy and operations within the Department, other Federal departments and agencies, and State and local agencies with respect to stopping the entry of illegal drugs into the United States. The Office ensures the adequacy of resources within the Department and recommends the appropriate financial and personnel resources necessary to help the Department fulfill its responsibilities to stop the entry of illegal drugs into the United States. The Office of Counternarcotics Enforcement also works closely with DHS intelligence and law enforcement entities to assist in tracking and severing connections between drugs and terrorism (known as the DTX Project). DTX activities to track and sever the connections between drug trafficking and terrorism are conducted within the Joint Terrorism Task Force construct.

### **C. Budget Request Summary:**

The Office of the Secretary and Executive Management requests 625 positions, 599 FTE, and \$127,229,000 for the FY 2009 request. This represents an increase of 52 positions, 57 FTE, and \$29,876,000 over the FY 2008 Enacted budget of 573 positions, 542 FTE, and \$97,353,000. The FY 2009 request includes adjustments-to-base of \$22,591,000 and program increases of \$7,285,000. Requested program increases in FY 2009 include:

- 18 positions, 9 FTE and \$3,093,000 for the Office of Policy;
- 20 positions, 10 FTE and \$2,475,000 for the Office of the General Counsel;
- 10 positions, 5 FTE and \$708,000 for the Office for Civil Rights and Civil Liberties;
- 4 positions, 2 FTE and \$509,000 for the Privacy Officer;
- 0 positions, 0 FTE and \$500,000 for the Office of Public Affairs.

### **D. PPA Consolidation:**

The FY 2009 Budget Request is being submitted as one single appropriation, instead of in the program/project activity (PPA) format provided in prior years. DHS is requesting funding under the auspices of a single appropriation without PPA's to allow the Secretary to maximize the use of resources within this appropriation and to address emerging requirements.

## II. Summary of FY 2009 Budget Estimates by Office

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Secretary and Executive Management**  
 Summary of FY 2009 Budget Estimates by Office  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                 | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                |                     |                 |
|--|-------------------|------------------|--------------------|-----------------|--------------------|------------------|--|-----------------|-----------------|----------------|---------------------|-----------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT          | FTE                | AMOUNT           | Total Changes                            |                 | Program Changes |                | Adjustments-to-Base |                 |
|  |                   |                  |                    |                 |                    |                  | FTE                                      | AMOUNT          | FTE             | AMOUNT         | FTE                 | AMOUNT          |
| Immediate Office of the Secretary                            | 9                 | \$2,245          | 12                 | \$2,540         | 12                 | \$3,378          | ---                                      | \$838           | ---             | ---            | ---                 | \$838           |
| Immediate Office of the Deputy Secretary                     | 5                 | 934              | 6                  | 1,122           | 6                  | 1,505            | ---                                      | 383             | ---             | ---            | ---                 | 383             |
| Chief of Staff   | 12                | 2,147            | 12                 | 2,639           | 12                 | 2,693            | ---                                      | 54              | ---             | ---            | ---                 | 54              |
| Office of Policy   | 136               | 27,606           | 160                | 33,000          | 185                | 43,693           | 25                                       | 10,693          | 9               | \$3,093        | 16                  | 7,600           |
| Secure Border Coordination Office                            | 2                 | 1,865            | ---                | ---             | ---                | ---              | ---                                      | ---             | ---             | ---            | ---                 | ---             |
| Executive Secretary  | 34                | 4,325            | 41                 | 4,722           | 41                 | 5,848            | ---                                      | 1,126           | ---             | ---            | ---                 | 1,126           |
| Office of Public Affairs                                     | 34                | 5,649            | 39                 | 6,650           | 43                 | 8,291            | 4  | 1,641           | ---             | 500            | 4                   | 1,141           |
| Office of Legislative Affairs                                | 39                | 4,865            | 48                 | 4,900           | 48                 | 5,697            | ---                                      | 797             | ---             | ---            | ---                 | 797             |
| Office of the General Counsel                                | 73                | 12,641           | 77                 | 13,500          | 91                 | 20,914           | 14                                       | 7,414           | 10              | 2,475          | 4                   | 4,939           |
| Office for Civil Rights and Civil Liberties                  | 39                | 12,775           | 73                 | 14,200          | 80                 | 17,917           | 7  | 3,717           | 5               | 708            | 2                   | 3,009           |
| Citizenship & Immigration Ombudsman                          | 18                | 3,251            | 30                 | 5,900           | 30                 | 6,471            | ---                                      | 571             | ---             | ---            | ---                 | 571             |
| Privacy Officer  | 14                | 4,550            | 29                 | 5,500           | 34                 | 6,804            | 5  | 1,304           | 2               | 509            | 3                   | 795             |
| Office of Counternarcotics Enforcement                       | 10                | 2,431            | 15                 | 2,680           | 17                 | 4,018            | 2  | 1,338           | ---             | ---            | 2                   | 1,338           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>425</b>        | <b>\$85,284</b>  | <b>542</b>         | <b>\$97,353</b> | <b>599</b>         | <b>\$127,229</b> | <b>57</b>                                | <b>\$29,876</b> | <b>26</b>       | <b>\$7,285</b> | <b>31</b>           | <b>\$22,591</b> |
| <b>Adjustments for Other Funding Sources:</b>                |                   |                  |                    |                 |                    |                  |  |                 |                 |                |                     |                 |
| Supplemental Funding pursuant to P.L. 109-148 for Avian Flu  |                   | \$20,321         |                    |                 |                    |                  |  |                 |                 |                |                     |                 |
| <b>Total Appropriations and Budget Estimates</b>             | <b>425</b>        | <b>\$105,605</b> | <b>542</b>         | <b>\$97,353</b> | <b>599</b>         | <b>\$127,229</b> | <b>57</b>                                | <b>\$29,876</b> | <b>26</b>       | <b>\$7,285</b> | <b>31</b>           | <b>\$22,591</b> |

### III. Current Services Program Description by Office

**Departmental Management and Operations  
Office of the Secretary and Executive Management  
Program Performance Justification  
(Dollars in thousands)**

#### IMMEDIATE OFFICE OF THE SECRETARY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>9</b>            | <b>9</b>   | <b>2,245</b>  |
| <b>2008 Enacted</b>          | <b>12</b>           | <b>12</b>  | <b>2,540</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 838           |
| <b>2009 Current Services</b> | <b>12</b>           | <b>12</b>  | <b>3,378</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>12</b>           | <b>12</b>  | <b>3,378</b>  |
| Total Change 2008-2009       | 0                   | 0          | 838           |

The Office of the Secretary and Executive Management requests \$3.378 million for this office. This is an increase of \$838,000 over the FY 2008 Enacted level for adjustments to base.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Immediate Office of the Secretary provides leadership, management, and direction for the Department by providing oversight for all offices within the Departmental Operations function and all other entities of the Department. The Secretary serves as the top representative of the Department to the President, to Congress, and to the public.

#### IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>5</b>            | <b>5</b>   | <b>934</b>    |
| <b>2008 Enacted</b>          | <b>6</b>            | <b>6</b>   | <b>1,122</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 383           |
| <b>2009 Current Services</b> | <b>6</b>            | <b>6</b>   | <b>1,505</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>6</b>            | <b>6</b>   | <b>1,505</b>  |
| Total Change 2008-2009       | 0                   | 0          | 383           |

The Office of the Secretary and Executive Management requests \$1.505 million for this office. This is an increase of \$383,000 over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Immediate Office of the Deputy Secretary supports the Office of the Secretary by providing leadership to the Department. This office focuses on internal management and direction, which ensures efficient and effective operation of the Department. The Deputy Secretary’s role is to provide internal oversight to all Departmental operations which allows the Secretary to focus on external matters concerning the Department of Homeland Security.

CHIEF OF STAFF

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>12</b>           | <b>12</b>  | <b>2,147</b>  |
| <b>2008 Enacted</b>          | <b>12</b>           | <b>12</b>  | <b>2,639</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 54            |
| <b>2009 Current Services</b> | <b>12</b>           | <b>12</b>  | <b>2,693</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>12</b>           | <b>12</b>  | <b>2,693</b>  |
| Total Change 2008-2009       | 0                   | 0          | 54            |

The Office of the Secretary and Executive Management requests \$2.693 million for this office. This is an increase of \$54,000 over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Chief of Staff promotes coordination of the agencies and directorates that comprise the Department of Homeland Security. The Chief of Staff’s role encompasses all operational functions as they relate to the Immediate Office of the Secretary, including budget, information technology, and personnel issues and coordinates activities with the Department’s Continuity of Operations.

OFFICE OF POLICY

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>136</b>          | <b>136</b> | <b>27,606</b> |
| <b>2008 Enacted</b>          | <b>176</b>          | <b>160</b> | <b>33,000</b> |
| 2009 Adjustments-to-Base     | 0                   | 16         | 7,600         |
| <b>2009 Current Services</b> | <b>176</b>          | <b>176</b> | <b>40,600</b> |
| 2009 Program Change          | 18                  | 9          | 3,093         |
| <b>2009 Request</b>          | <b>194</b>          | <b>185</b> | <b>43,693</b> |
| Total Change 2008-2009       | 18                  | 25         | 10,693        |

The Office of the Secretary and Executive Management requests \$43.693 million for this office. This request is an increase of \$7.600 million over the FY 2008 Enacted level for adjustments to base, as well as program increases of \$3.093 million to produce the Quadrennial Homeland Security Review and fund critical office staffing for the Office of

International Affairs, Screening Coordination Office, Office of Strategic Plans, and Office of Policy Development.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Policy was created in FY 2006 and has since been responsible for strengthening homeland security by developing and coordinating Department-wide policies, planning, and programs in order to better coordinate/integrate the Department’s prevention, protection, and response and recovery missions. The Office of Policy acts as lead coordinator of Department-wide policies, programs, and planning which will ensure consistency and integration of missions throughout the entire Department. The Policy Office provides a central office to develop and communicate policies across multiple components of the homeland security network and strengthens the Department’s ability to maintain policy and operational readiness needed to protect the homeland. It also provides the foundation and direction for Department-wide strategic planning and budget priorities. The Office of Policy is tasked with bridging multiple headquarters’ components and operating agencies to improve communication among DHS entities, eliminate duplication of effort, and translate policies into timely action. The Office of Policy will create a single point of contact for internal and external stakeholders that will allow for streamlined policy management for the Department.

**SECURE BORDER COORDINATION OFFICE**

|                    | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|--------------------|---------------------|------------|---------------|
| <b>2007 Actual</b> | <b>2</b>            | <b>2</b>   | <b>1,865</b>  |

The Office of the Secretary and Executive Management requests no funding for the Secure Border Coordination Office. The U.S. Customs and Border Protection (CBP) assumed responsibility for the Secure Border Coordination Office in FY 2008.

**EXECUTIVE SECRETARY**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>34</b>           | <b>34</b>  | <b>4,325</b>  |
| <b>2008 Enacted</b>          | <b>41</b>           | <b>41</b>  | <b>4,722</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 1,126         |
| <b>2009 Current Services</b> | <b>41</b>           | <b>41</b>  | <b>5,848</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>41</b>           | <b>41</b>  | <b>5,848</b>  |
| Total Change 2008-2009       | 0                   | 0          | 1,126         |

The Office of the Secretary and Executive Management requests \$5.848 million for this office. This request is an increase of \$1.126 million over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of the Executive Secretary has established effective and proficient protocols in the processing of all internal communication, decision management, briefings, liaison activities between the Department and its components, and external correspondence for the Immediate Office of the Secretary and all directorates. The Department-wide scope of this office facilitates achievement of the Department's goals by developing channels of internal communication and of correspondence to be implemented by all offices and by establishing policies for the approval and dissemination of internal and external communication.

OFFICE OF PUBLIC AFFAIRS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>34</b>           | <b>34</b>  | <b>5,649</b>  |
| <b>2008 Enacted</b>          | <b>43</b>           | <b>39</b>  | <b>6,650</b>  |
| 2009 Adjustments-to-Base     | 0                   | 4          | 1,141         |
| <b>2009 Current Services</b> | <b>43</b>           | <b>43</b>  | <b>7,791</b>  |
| 2009 Program Change          | 0                   | 0          | 500           |
| <b>2009 Request</b>          | <b>43</b>           | <b>43</b>  | <b>8,291</b>  |
| Total Change 2008-2009       | 0                   | 4          | 1,641         |

The Office of the Secretary and Executive Management requests \$8.291 million for this office. This request is an increase of \$1.141 million over the FY 2008 Enacted level for adjustments to base, as well as a program increase of \$500,000 to restore prior year funding levels for the Ready Campaign.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The DHS Office of Public Affairs is comprised of 11 major functional areas. They are, the Ready Campaign, media relations, incident communications, intelligence and operations communications, strategic communications, employee communications, public liaison, finance and administration, planning and technical operations, web content, and multimedia liaison.

OFFICE OF LEGISLATIVE AFFAIRS

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>39</b>           | <b>39</b>  | <b>4,865</b>  |
| <b>2008 Enacted</b>          | <b>48</b>           | <b>48</b>  | <b>4,900</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 797           |
| <b>2009 Current Services</b> | <b>48</b>           | <b>48</b>  | <b>5,697</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>48</b>           | <b>48</b>  | <b>5,697</b>  |
| Total Change 2008-2009       | 0                   | 0          | 797           |

The Office of the Secretary and Executive Management requests \$5.697 million for this office. This request is an increase of \$797,000 over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Legislative Affairs serves as the Secretary’s principal liaison with Capitol Hill and other government entities. The Office fosters working relationships with Members of Congress and staff to engender legislative support for the Department of Homeland Security programs, policies and initiatives that will facilitate the unified national effort to secure America.

OFFICE OF THE GENERAL COUNSEL

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>77</b>           | <b>73</b>  | <b>12,641</b> |
| <b>2008 Enacted</b>          | <b>81</b>           | <b>77</b>  | <b>13,500</b> |
| 2009 Adjustments-to-Base     | 0                   | 4          | 4,939         |
| <b>2009 Current Services</b> | <b>81</b>           | <b>81</b>  | <b>18,439</b> |
| 2009 Program Change          | 20                  | 10         | 2,475         |
| <b>2009 Request</b>          | <b>101</b>          | <b>91</b>  | <b>20,914</b> |
| Total Change 2008-2009       | 20                  | 14         | 7,414         |

The Office of the Secretary and Executive Management requests \$20.914 million for this office. This request is an increase of \$4.939 million over the FY 2008 Enacted level for adjustments to base, as well as program increases of \$2.475 million.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of the General Counsel is responsible for all legal activities within the Department to ensure full implementation of the Department’s statutory responsibilities and all policies set forth by the Secretary and all officials of the Department. The Office of the General Counsel provides legal counsel for all DHS offices (except those specifically excluded by regulation or directive), determines the Department’s position in order to provide effective legal services dealing with claims, protests, litigation, and alternative dispute resolution, and represents the Department in all legal forums.

OFFICE FOR CIVIL RIGHTS AND CIVIL LIBERTIES

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>43</b>           | <b>39</b>  | <b>12,775</b> |
| <b>2008 Enacted</b>          | <b>75</b>           | <b>73</b>  | <b>14,200</b> |
| 2009 Adjustments-to-Base     | 0                   | 2          | 3,009         |
| <b>2009 Current Services</b> | <b>75</b>           | <b>75</b>  | <b>17,209</b> |
| 2009 Program Change          | 10                  | 5          | 708           |
| <b>2009 Request</b>          | <b>85</b>           | <b>80</b>  | <b>17,917</b> |
| Total Change 2008-2009       | 10                  | 7          | 3,717         |

The Office of the Secretary and Executive Management requests \$17.917 million for this office. This request is an increase of \$3.009 million over the FY 2008 Enacted level for adjustments to base, as well as program increases of \$708,000.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The mission of the Office for Civil Rights and Civil Liberties is to review and assess information regarding abuses of civil rights, civil liberties, and profiling on the basis of race, ethnicity, or religion by employees and officials of the Department; to make available to the public information on the responsibilities and functions of, and how to contact the Officer for Civil Rights and Civil Liberties; to assist the Secretary, directorates, and offices of the Department to develop, implement, and periodically review Department policies and procedures to ensure that protection of civil rights and civil liberties is appropriately incorporated into Department programs and activities; to oversee compliance with constitutional, statutory, regulatory, policy, and other requirements relating to the civil rights and civil liberties of individuals affected by the programs and activities of the Department; to coordinate with the Department Privacy Officer and ensure that programs, policies, and procedures involving civil rights, civil liberties, and privacy considerations are addressed in an integrated and comprehensive manner, and that Congress receives appropriate reports regarding such programs, policies, and procedures; and to investigate complaints and information indicating possible abuses of civil rights or civil liberties. The Office for Civil Rights and Civil Liberties is also responsible for overseeing the Department’s equal employment opportunity programs, and for bringing all civil rights-related issues under the jurisdiction of one Headquarters office.

**CITIZENSHIP AND IMMIGRATION OMBUDSMAN**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>24</b>           | <b>18</b>  | <b>3,251</b>  |
| <b>2008 Enacted</b>          | <b>30</b>           | <b>30</b>  | <b>5,900</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 571           |
| <b>2009 Current Services</b> | <b>30</b>           | <b>30</b>  | <b>6,471</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>30</b>           | <b>30</b>  | <b>6,471</b>  |
| Total Change 2008-2009       | 0                   | 0          | 571           |

The Office of the Secretary and Executive Management requests \$6.471 million for this office. This request is an increase of \$571,000 over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The statutory mission of the Citizenship and Immigration Services Ombudsman is to assist individuals in resolving problems with Unites States Citizenship and Immigration Services (USCIS), identify individual and employee problem areas within USCIS, and propose changes to mitigate identified problems.

PRIVACY OFFICER

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>16</b>           | <b>14</b>  | <b>4,550</b>  |
| <b>2008 Enacted</b>          | <b>32</b>           | <b>29</b>  | <b>5,500</b>  |
| 2009 Adjustments-to-Base     | 0                   | 3          | 795           |
| <b>2009 Current Services</b> | <b>32</b>           | <b>32</b>  | <b>6,295</b>  |
| 2009 Program Change          | 4                   | 2          | 509           |
| <b>2009 Request</b>          | <b>36</b>           | <b>34</b>  | <b>6,804</b>  |
| Total Change 2008-2009       | 4                   | 5          | 1,304         |

The Office of the Secretary and Executive Management requests \$6.804 million for this office. This request is an increase of \$795,000 over the FY 2008 Enacted level for adjustments to base, as well as program increases of \$509,000.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Privacy Officer is responsible for protecting the Department’s collection, use, and disclosure of personally identifiable information (PII). The Office mission ensures that appropriate access to information is consistent with the vision, strategic mission, and core values of the Department, and implements the policies of the Department to defend and protect the individual rights, liberties, and information interests of our citizens. The Privacy Office has primary responsibility for privacy policy, including:

1. Assuring that the use of technologies sustains, and does not erode, privacy protections relating to the use, collection, and disclosure of personal information;
2. Assuring that personal information contained in Privacy Act systems of records is handled in full compliance with fair information practices as set out in the Privacy Act of 1974;
3. Evaluating legislative and regulatory proposals involving collection, use, and disclosure of personal information by the Federal government;
4. Conducting a privacy impact assessment of proposed rules of the Department or that of the Department on the privacy of personal information, including the type of personal information collected and the number of people affected; and
5. Preparing a report to Congress on an annual basis on activities of the Department that affect privacy including complaints of privacy violations, implementation of the Privacy Act of 1974, internal controls, and other matters.

OFFICE OF COUNTERNARCOTICS ENFORCEMENT

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>13</b>           | <b>10</b>  | <b>2,431</b>  |
| <b>2008 Enacted</b>          | <b>17</b>           | <b>15</b>  | <b>2,680</b>  |
| 2009 Adjustments-to-Base     | 0                   | 2          | 1,338         |
| <b>2009 Current Services</b> | <b>17</b>           | <b>17</b>  | <b>4,018</b>  |
| 2009 Program Change          | 0                   | 0          | 0             |
| <b>2009 Request</b>          | <b>17</b>           | <b>17</b>  | <b>4,018</b>  |
| Total Change 2008-2009       | 0                   | 2          | 1,338         |

The Office of the Secretary and Executive Management requests \$4.018 million for this office. This request is an increase of \$1.338 million over the FY 2008 Enacted level for adjustments to base.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Counternarcotics Enforcement (CNE) has two statutorily established primary missions (6 U.S.C §458) that support the Nation's drug control program and the statutory mission of the Department of Homeland Security:

- To stop the entry of illegal drugs into the United States
- To track and sever the connections between drug trafficking and terrorism

The Office of Counternarcotics Enforcement coordinates policy and operations within DHS and between the Department and other Federal departments and agencies, and between the Department and State and local agencies with respect to stopping the entry of illegal drugs into the United States. It ensures the adequacy of resources within the Department and recommends the appropriate financial and personnel resources necessary to help the Department better fulfill its responsibility to stop the entry of illegal drugs into the United States. The Office of Counternarcotics Enforcement also works closely with DHS intelligence and law enforcement entities to assist in tracking and severing connections between drugs and terrorism (known as the DTX Project). DTX activities to track and sever the connections between drug trafficking and terrorism are conducted within the Joint Terrorism Task Force construct.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of Secretary and Executive Management  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1:**                    Office of Policy

Strategic Goal(s) & Objective(s):    Continually improve the manner in which we do our business.

Program Increase:       Positions 18    FTE 9    Dollars \$3,093

|                        | FY 2007 Actual |            |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|------------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |            |                 |                 |            |                 | 176             | 176        | \$40,600        |
| Program Increase       |                |            |                 |                 |            |                 | 18              | 9          | 3,093           |
| <b>Total Request</b>   | <b>136</b>     | <b>136</b> | <b>\$27,606</b> | <b>176</b>      | <b>160</b> | <b>\$33,000</b> | <b>194</b>      | <b>185</b> | <b>\$43,693</b> |

Description of Item

The Office of Policy is requesting an increase of \$1.500 million and 0 FTE to produce the Quadrennial Homeland Security Review (QHSR). The Office of Policy is also requesting an increase of \$1.593 million and 9 FTE to fund critical office staffing for the Office of International Affairs, Screening Coordination Office, Office of Strategic Plans, and Office of Policy Development.

Justification

The Office of Policy requests \$1,500,000 to support the Quadrennial Homeland Security Review (QHSR). A QHSR sets the long-term direction of the Department. This is the first QHSR for DHS and will serve as a strategic capstone construct for broad Homeland Security policy within the Federal government. The QHSR will be principally conducted during FY 2009. Contractor support will be necessary to research, organize, analyze, facilitate workshops, and draft the document.

The Screening Coordination Office (SCO) is requesting \$293,000 and 2 FTE to support the Credentialing and Vetting roadmap efforts. These two programmatic areas represent significant opportunities for enhancing screening processes across DHS, rationalizing and prioritizing investments in screening technologies and systems, developing metrics for evaluating and improving screening processes and establishing standards for biometrics use in screening. The SCO is responsible for developing service models, as appropriate, for these areas to improve DHS screening operations.

The Office of International Affairs is requesting \$300,000 and 2 FTE for the DHS Attaché program. With DHS Attachés fielded in Iraq, USEU, Canada, Mexico, and Singapore, the next critical

regions for deployment are Beijing and Berlin. The DHS Attaché program affords the Department the ability to promote overarching DHS goals and objectives that strategically guide the operational responsibilities of our myriad component representatives abroad. As the Secretary's personal representatives, and often with broad regional responsibilities, the DHS Attachés actively engage our international partners on the full breadth of the DHS mission, to include immigration policy, transportation security, traveler screening, border management, and cargo security. As the eyes and ears of the Office of International Affairs around the globe, these senior-level attachés dramatically increase the Office's ability to provide DHS leadership with real-time information exchange, negotiating strategies and expert advice on international security policy.

The Office of Strategic Plans is requesting \$500,000 and 2 FTE to assist in support of systematically reviewing all Department strategic plans and ensuring integration across the Department.

The Office of Policy Development is requesting \$500,000 and 3 FTE. The Office of Policy Development is currently relying on contract and detailee support to meet 40 percent of its mission functions. As the lead coordinator of Department-wide policies, programs, and planning, it is critical that appropriate full time staff levels coincide with current and anticipated workload. The additions of several Offices to the Policy Development mission, such as Weapons of Mass Destruction, Bioterrorism, Border Security, and Cyber Security have created a staff shortage which limits the ability to meet each Office's mission. Funding will also be used to continue the Committee on Foreign Owned Investments in the United States.

**Program Increase 2:** Office of the General Counsel

Strategic Goal(s) & Objective(s): Continually improve the manner in which we conduct our business

Program Increase: Positions 20 FTE 10 Dollars \$2,475

|                        | FY 2007<br>Actual |           |                    | FY 2008<br>Enacted |           |                    | FY 2009<br>Request |           |                    |
|------------------------|-------------------|-----------|--------------------|--------------------|-----------|--------------------|--------------------|-----------|--------------------|
|                        | Pos               | FTE       | Dollars<br>(\$000) | Pos                | FTE       | Dollars<br>(\$000) | Pos                | FTE       | Dollars<br>(\$000) |
| Current Services Level |                   |           |                    |                    |           |                    | 81                 | 81        | \$18,439           |
| Program Increase       |                   |           |                    |                    |           |                    | 20                 | 10        | 2,475              |
| <b>Total Request</b>   | <b>77</b>         | <b>73</b> | <b>\$12,641</b>    | <b>81</b>          | <b>77</b> | <b>\$13,500</b>    | <b>101</b>         | <b>91</b> | <b>\$20,914</b>    |

Description of Item

The Office of the General Counsel (OGC) is requesting an increase of \$2,475,000, 20 positions, and 10 FTE to effectively assist the Department in meeting the growing need for legal counsel across numerous mission areas.

Justification

The Department has ever-increasing responsibilities related to immigration and border security, emergency preparedness and response, chemical security, port security, cyber security and other mission-critical priorities that are stretching currently available legal resources past the limit. Additional staff is required to provide efficient and effective response to legal needs arising in the context of existing and newly-mandated programs and initiatives.

Impact on Performance

OGC continues to provide high-quality legal advice in a timely manner to the Secretary and other Department decision makers; however additional resources are needed to maintain this level of service. If OGC does not receive the requested funding for FY 2009, legal services for growing programs and new initiatives in the following areas may be severely impacted:

- *Immigration and Border Security:* The Department continues to prioritize efforts to strengthen border security, increase interior enforcement, reform immigration processes, and enhance immigration screening coordination. These initiatives require three positions for legal support and coordination from OGC.
- *Regulatory Affairs:* OGC manages a complex and growing regulatory workload. Drafting and overseeing the development of these rules, which in many cases are driven by aggressive statutory deadlines, requires a tremendous dedication of staff resources, including in many cases the assistance of economists to conduct required analyses. OGC requests three positions for Regulatory Affairs.
- *Chemical Security and Infrastructure Protection:* Section 550 of the Department's FY 2007 appropriations bill gave the Department the authority to regulate security at high-risk

chemical facilities. OGC requests one position to increase legal staffing in this area to handle emerging workloads associated with newly issued chemical facility security regulations.

- *National Protection and Programs:* OGC requests one position to provide enhanced support to the recently-created National Protection and Programs Directorate, including needs associated with new cyber security initiatives designed to protect federal information technology networks.
- *Legislative Affairs:* OGC requests one position in order to meet the aggressive timelines of Congress and the Department's leadership on legislative matters.
- *Information sharing programs:* OGC desires one position to develop legal expertise on information sharing programs currently underway and being developed by the Department and its components.
- *International cooperative mechanisms:* OGC requests one position to develop legal expertise in the international arena, including in the exchange of traveler information with foreign governments, particularly biometrics.
- *Screening and credentialing programs:* OGC requests one position to provide stronger support to new screening and credentialing programs being developed by the Department and its components, and to provide legal support to a redress process for individuals and cargo shippers impacted by these programs.
- *Fiscal/Appropriations Law:* OGC currently has only two fiscal law experts. A Senate committee report to the appropriations bill criticized OGC's efforts to ensure that Departmental activities fully comply with appropriations law as insufficient. OGC requests one position to address this need.
- *Incident management:* OGC requests one position to provide enhanced expertise to support the Secretary's incident management responsibilities and in support of efforts to prevent, protect against, and respond to threats and incidents involving WMD, catastrophic consequences, and natural disasters.
- *Claims and litigation:* OGC requests two positions to provide more robust legal support to clients dealing with employment disputes, environmental litigation, procurement protests and litigation, and Freedom of Information Act litigation.
- *Environmental Law:* OGC has been doing the best possible job with the resources available to address environmental issues as they arise in the myriad legal matters handled at the headquarters level. OGC requests one position to bring dedicated expertise to this key area.
- *Procurement:* OGC procurement attorneys provide advice and counsel on general procurement matters for all headquarters offices. It is imperative, given the financial scope of these procurement operations that one position is provided for the necessary legal review, oversight, and support.

- *Recruitment program:* OGC requests two positions to establish a more robust Departmental entry-level Honors Attorney recruitment program for third-year law students, full-time graduate law students, and Judicial Law Clerks, as well as a Summer Law Intern Program.

**Program Increase 3:** Office for Civil Rights and Civil Liberties

Strategic Goal(s) & Objective(s): Continually improve the manner in which we conduct our business

Unit: Review and Compliance Unit

Program Increase: Positions 10 FTE 5 Dollars \$708

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 75              | 75        | \$17,209        |
| Program Increase       |                |           |                 |                 |           |                 | 10              | 5         | 708             |
| <b>Total Request</b>   | <b>43</b>      | <b>39</b> | <b>\$12,775</b> | <b>75</b>       | <b>73</b> | <b>\$14,200</b> | <b>85</b>       | <b>80</b> | <b>\$17,917</b> |

Description of Item

The Office for Civil Rights and Civil Liberties (CRCL) is requesting \$708,000 and 5 FTE to fund critical staffing for the CRCL Programs Directorate.

Justification

The CRCL Programs Directorate enables the Office for Civil Rights and Civil Liberties to (1) provide proactive legal and policy advice on a wide range of issues, helping the DHS Secretary and the DHS Components to shape policy in ways that are mindful of civil rights and civil liberties, and (2) serve as an information and communications channel with the public regarding these issues. Because of the high profile nature of Department programs and activities, this support can be critical to the successful launch of initiatives and operations.

The CRCL Programs Directorate requires five management and program analysts to help fulfill the following objectives: (1) conduct Civil Rights and Civil Liberties Impact Assessments (CRCLIA) and provide support to and oversight of DHS programs and initiatives such as the National Applications Office, Secure Flight, REAL ID, DHS-TRIP; (2) administer training initiatives and programs designed to bring awareness of civil rights and civil liberties to Department personnel within headquarters and in the field including critical areas such as state and local fusion centers; and (3) oversee information sharing, technology, and general civil liberties issues, and perform a wide variety of legislative and regulatory reviews.

In order to ensure that the Department can successfully achieve its mission while adequately protecting the civil rights and civil liberties of our citizens, CRCL will develop a Civil Rights and Civil Liberties Impact Assessment for DHS programs that can be used to assess how Departmental programs and operations can potentially impact the CRCL of U.S. Persons and how they will be prevented from doing so inappropriately.

The CRCL Programs Community Engagement Unit requires two policy advisors to help the Office fulfill the following objectives: (1) develop regular communications with American Arab, Muslim, Sikh and South Asian community leaders in key cities throughout the United States; (2) continue collaborative efforts with colleagues in the Executive Branch engaged in similar work; and (3) continue communications with allied countries to improve our knowledge of the Arab and Muslim world. Demands on the Office for public speaking, intra agency briefings, and review of related work produced by other Departments and agencies has considerably increased in recent years and is expected to continue for the foreseeable future.

The CRCL Programs Immigration Unit requires two policy advisors to help the Office fulfill the following objectives: (1) provide analysis of civil rights statutes affecting workforce and worksite enforcement; (2) help with responses required by Human and Civil Rights treaties; and (3) coordinate with the Department of Justice on immigration issues. With immigration initiatives and regulations underway, CRCL expects an increase in demand for analysis on civil rights and civil liberties relating to immigration and assimilation issues.

The CRCL Programs Special Needs Unit requires one policy advisor to help the Office fulfill the following objectives: (1) ensure that special needs issues are fully considered within the formation and implementation of Departmental policy; and (2) build the capacity of DHS preparedness and emergency management functions to address these issues within the conduct of agency operations. Special Needs takes into account individuals with disabilities, Limited English Proficiency, the elderly and others.

#### Impact on Performance

Absent this funding, the CRCL Programs Directorate would remain at its current staffing level resulting in a shortage of resources and tools needed to advise and oversee Department programs and initiatives impacting the civil rights, civil liberties, and security of the American public. Likewise, a lack in funding would result in a considerable inventory of matters retained by the Review and Compliance Directorate for investigation and recommendation, a significant inventory of matters referred to components for appropriate action, and a diminished ability to quickly investigate matters important to the Department and public. CRCL will also be unable to meet regulatory time frames for adjudicating employment discrimination complaints. More important is the impact on DHS employees who rely on the EEO process for an examination of employment policies and elimination of barriers to an equitable workplace. Employee productivity is reduced and turnover increased in organizations where issues in conflict are not resolved quickly.

**Program Increase 4:** Privacy Officer

Strategic Goal(s) & Objective(s): Continually improve the manner in which we conduct our business

Program Increase: Positions 4 FTE 2 Dollars \$509

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 32              | 32        | \$6,295         |
| Program Increase       |                |           |                 |                 |           |                 | 4               | 2         | 509             |
| <b>Total Request</b>   | <b>16</b>      | <b>14</b> | <b>\$4,550</b>  | <b>32</b>       | <b>29</b> | <b>\$5,500</b>  | <b>36</b>       | <b>34</b> | <b>\$6,804</b>  |

Description of Item

The Privacy Officer is requesting program funding of \$509,000 and 2 FTE for program increase requirements involving the processing of all privacy documentation for the Department, including Privacy Impact Assessments, System Records Notices, and OMB privacy reporting.

Justification

The Privacy Office accomplishes the critical mission of developing, reviewing and delivering System of Records Notices (SORNs), Privacy Impact Assessments (PIAs) and Privacy Threat Assessments (PTAs) for the Department of Homeland Security. The Privacy Office has multiple commitments that mandate review and approval on privacy and data protection and compliance oversight for agreements such as the U.S. – EU Passenger Name Record (PNR) Agreement and the U.S. - Europol Data Protection Agreement and the Lost and Stolen Passport arrangements with an International forum.

Funding is included for a Privacy Compliance Analyst. This individual will meet with component specific programs and privacy points of contacts in the components, at headquarters in the Metro DC area and in field offices to review the list of programs and systems that collect, use, maintain and disseminate PII to determine if they are properly covered with appropriate PIAs and SORNs. This person will coordinate with CRCL, SCO, OCIO, and OGC to identify programs early in the development process to ensure that privacy is incorporated into the programs at the beginning and throughout the lifecycle of the program.

Impact on Performance

With these resources, DHS will complete all required PIAs on time. The inability to access resources necessary to complete the review and approval processes will impact the Department’s ability to ensure continued funding for operational programs as these programs will not receive passing privacy scores for the investment risk reviews (OMB Exhibit 300) of the supporting information technology systems. It is incumbent on the DHS Privacy Office to provide sound, reasonable, and prompt leadership to these significant programs while developing, implementing, and conducting a sequential internal Privacy training program for more than 180,000 DHS Federal employees and an equal number of contractors.

**Program Increase 5:**

Office of Public Affairs: Ready Campaign

Strategic Goal(s) & Objective(s): *Ready* is a national campaign to educate and empower Americans to prepare for emergencies. The objective is to get citizens who can prepare to do so now, thereby freeing up valuable response resources during an emergency and making our nation better prepared and more resilient.

Program Increase: Positions 0 FTE 0 Dollars \$500

|                        | FY 2007 Actual |           |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|-----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |           |                 |                 |           |                 | 43              | 43        | \$7,791         |
| Program Increase       |                |           |                 |                 |           |                 | 0               | 0         | 500             |
| <b>Total Request</b>   | <b>34</b>      | <b>34</b> | <b>\$5,649</b>  | <b>43</b>       | <b>39</b> | <b>\$6,650</b>  | <b>43</b>       | <b>43</b> | <b>\$8,291</b>  |

Description of Item

The Office of Public Affairs is requesting an increase of \$500,000 to support the Ready Campaign.

Justification

This will restore funding that the Ready Campaign lost during a reorganization at DHS, and will allow the Office of Public Affairs to provide much needed preparedness education and advertising to our citizens. These funds are critical to the program’s ability to promote public awareness, which is a goal the Campaign has been able to achieve since its inception.

With \$500,000, the Ready Campaign will help support the Office’s continuing efforts to educate the public on emergency preparedness and fulfill the Homeland Security Presidential Directive 8 on Citizen Preparedness. Specifically, the Ready Campaign will use these funds to develop new advertising and public service announcements to engage the public - especially our Spanish Campaign known as Listo. This is one of the Campaign's main outreach efforts and is something that has to be updated every two years in order to keep them relevant and current.

In addition, these funds will continue to help the Campaign support it's efforts to get citizens involved nationwide during National Preparedness Month in September. The Campaign continues to grow this effort by engaging the participation of more organizations and businesses as well as citizens through outreach and publicity. These funds will allow us to sustain our effort in engaging the participation of the public through outreach and publicity. We will also be able to provide our partners with resources, such as a toolkit, web materials, and other resources.

Partnerships are another key component of the Campaign and these funds will allow the Campaign to continue those efforts. For example, for the past two years the Ready Campaign through its partnership with the Ad Council has joined the Radio Disney Mall Tour in the summer. This effort allows the Campaign to take its message across the country and reach a core audience - parents.

This initiative funding will not be new money for the Campaign but will restore funding that was lost to the Campaign during a reorganization at DHS. These funds are critical to the program's ability to promote public awareness, which is a goal the Campaign has been able to achieve since its inception.

Impact on Performance (Relationship of Increase to Strategic Goals)

Without the increase in funding for FY 2009, which was historically provided by other parts of the Department, the Campaign's ability to build a culture of preparedness in this country would be severely hampered. If these resources are not provided in FY 2009, the Ready Campaign will not be able to develop, produce and distribute specific emergency preparedness messages and information to several segments of the population including older and disabled Americans, families with young children, owners and managers of small and medium-sized businesses and non-English speaking citizens. The forms of emergency preparedness messages affected include public service advertisements, brochures, and web site content as well as public and media outreach efforts.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management  
Justification of Proposed Changes  
Appropriation Language**

For necessary expenses of the Office of the Secretary of Homeland Security, as authorized by section 102 of the Homeland Security Act of 2002 (6 U.S.C. 112), and executive management of the Department of Homeland Security, as authorized by law, [\$97,353,000]**\$127,229,000**: *Provided*, That not to exceed \$40,000 shall be for official reception and representation expenses[*Provided* further, That \$15,000,000 shall not be available for obligation until the Secretary (1) certifies and reports to the Committees on Appropriations of the Senate and the House of Representatives that the Department has revised Departmental guidance with respect to relations with the Government Accountability Office to specifically provide for: (a) expedited timeframes for providing the Government Accountability Office with access to records within 20 days from the date of request; (b) expedited timeframes for interviews of program officials by the Government Accountability Office; and (c) a significant streamlining of the review process for documents and interview requests by liaisons, counsel, and program officials, consistent with the objective that the Government Accountability Office be given timely and complete access to documents and agency officials; and (2) defines in a memorandum to all Department employees the roles and responsibilities of the Department of Homeland Security Inspector General; *Provided* further, That the Secretary shall make the revisions to Departmental guidance with respect to relations with the Government Accountability Office in consultation with the Comptroller General of the United States and issue departmental guidance with respect to relations with the Department of Homeland Security Inspector General: *Provided* further, That not more than seventy-five percent of the funds provided under this heading shall be obligated prior to the submission of the first quarterly report on progress to improve and modernize efforts to remove criminal aliens judged deportable from the United States. (Consolidated Appropriations Act, 2008)].

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Secretary and Executive Management  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|--|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....                            | <b>448</b>  | <b>425</b> | <b>\$105,605</b> |
| <b>2008 Enacted</b> .....                              | <b>573</b>  | <b>542</b> | <b>\$97,353</b>  |
| <b>Adjustments-to-Base</b>                             |             |            |                  |
| Transfers to and from other accounts:                  |             |            |                  |
| Transfer from USM Office of Administration - Rent..... | ---         | ---        | 3,733            |
| Total Transfers  | ---         | ---        | 3,733            |
| Increases  |             |            |                  |
| Annualization of prior year part year funding.....     | ---         | 31         | 3,394            |
| Annualization of 2008 pay raise.....                   | ---         | ---        | 1,056            |
| 2009 pay increase.....                                 | ---         | ---        | 2,995            |
| Non-pay inflation excluding GSA Rent.....              | ---         | ---        | 1,010            |
| GSA Rent.....  | ---         | ---        | 3,914            |
| Working Capital Fund and Shared Services.....          | ---         | ---        | 8,582            |
| Total Increases  | ---         | 31         | 20,951           |
| Decreases  |             |            |                  |
| Management efficiencies.....                           | ---         | ---        | (2,093)          |
| Total Decreases  | ---         | ---        | (2,093)          |
| <b>Total Adjustments-to-Base</b> .....                 | <b>---</b>  | <b>31</b>  | <b>22,591</b>    |
| <b>2009 Current Services</b> .....                     | <b>573</b>  | <b>573</b> | <b>\$119,944</b> |
| <b>Program Changes</b>                                 |             |            |                  |
| Office of Policy                                       | 18          | 9          | 3,093            |
| Office of the General Counsel                          | 20          | 10         | 2,475            |
| Office for Civil Rights and Civil Liberties            | 10          | 5          | 708              |
| Privacy Officer  | 4           | 2          | 509              |
| Office of Public Affairs                               | ---         | ---        | 500              |
| <b>Total Program Changes</b> .....                     | <b>52</b>   | <b>26</b>  | <b>\$7,285</b>   |
| <b>2009 Request</b> .....                              | <b>625</b>  | <b>599</b> | <b>\$127,229</b> |
| <b>2008 to 2009 Total Change</b> .....                 | <b>52</b>   | <b>57</b>  | <b>\$29,876</b>  |

### C. Summary of Requirements

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management  
Summary of Requirements  
(Dollars in Thousands)**

|                              | 2009 Request |            |                  |
|------------------------------|--------------|------------|------------------|
|                              | Perm. Pos.   | FTE        | Amount           |
| <b>FY 2007 Actual</b>        | 448          | 425        | \$105,605        |
| <b>2008 Enacted</b>          | 573          | 542        | \$97,353         |
| Adjustments-to-Base          |              |            |                  |
| Transfers                    |              |            | 3,733            |
| Increases / Decreases        | ---          | 31         | 18,858           |
| Total Adjustments-to-Base    | ---          | 31         | 22,591           |
| <b>2009 Current Services</b> | 573          | 573        | \$119,944        |
| Program Changes              | 52           | 26         | 7,285            |
| <b>2009 Total Request</b>    | <b>625</b>   | <b>599</b> | <b>\$127,229</b> |
| 2008 to 2009 Total Change    | 52           | 57         | 29,876           |

| Estimates by Office                         | 2008 Enacted |            |                 | 2009 Adjustments-to-Base |           |                 | 2009 Program Change |           |                | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                 |
|---|--------------|------------|-----------------|--------------------------|-----------|-----------------|---------------------|-----------|----------------|--------------|------------|------------------|---------------------------|-----------|-----------------|
|   | Pos.         | FTE        | Amount          | Pos.                     | FTE       | Amount          | Pos.                | FTE       | Amount         | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount          |
| 1 Immediate Office of the Secretary         | 12           | 12         | \$2,540         | ---                      | ---       | \$838           | ---                 | ---       | ---            | 12           | 12         | \$3,378          | ---                       | ---       | \$838           |
| 2 Immediate Office of the Deputy Secretary  | 6            | 6          | 1,122           | ---                      | ---       | 383             | ---                 | ---       | ---            | 6            | 6          | 1,505            | ---                       | ---       | 383             |
| 3 Chief of Staff                            | 12           | 12         | 2,639           | ---                      | ---       | 54              | ---                 | ---       | ---            | 12           | 12         | 2,693            | ---                       | ---       | 54              |
| 4 Office of Policy                          | 176          | 160        | 33,000          | ---                      | 16        | 7,600           | 18                  | 9         | \$3,093        | 194          | 185        | 43,693           | 18                        | 25        | 10,693          |
| 5 Office of Executive Secretary             | 41           | 41         | 4,722           | ---                      | ---       | 1,126           | ---                 | ---       | ---            | 41           | 41         | 5,848            | ---                       | ---       | 1,126           |
| 6 Office of Public Affairs                  | 43           | 39         | 6,650           | ---                      | 4         | 1,141           | ---                 | ---       | 500            | 43           | 43         | 8,291            | ---                       | 4         | 1,641           |
| 7 Office of Legislative Affairs             | 48           | 48         | 4,900           | ---                      | ---       | 797             | ---                 | ---       | ---            | 48           | 48         | 5,697            | ---                       | ---       | 797             |
| 8 Office of the General Counsel             | 81           | 77         | 13,500          | ---                      | 4         | 4,939           | 20                  | 10        | 2,475          | 101          | 91         | 20,914           | 20                        | 14        | 7,414           |
| 9 Office for Civil Rights & Civil Liberties | 75           | 73         | 14,200          | ---                      | 2         | 3,009           | 10                  | 5         | 708            | 85           | 80         | 17,917           | 10                        | 7         | 3,717           |
| 10 Citizenship & Immigration Ombudsman      | 30           | 30         | 5,900           | ---                      | ---       | 571             | ---                 | ---       | ---            | 30           | 30         | 6,471            | ---                       | ---       | 571             |
| 11 Privacy Officer                          | 32           | 29         | 5,500           | ---                      | 3         | 795             | 4                   | 2         | 509            | 36           | 34         | 6,804            | 4                         | 5         | 1,304           |
| 12 Office of Counternarcotics Enforcement   | 17           | 15         | 2,680           | ---                      | 2         | 1,338           | ---                 | ---       | ---            | 17           | 17         | 4,018            | ---                       | 2         | 1,338           |
| <b>Total</b>                                | <b>573</b>   | <b>542</b> | <b>\$97,353</b> | <b>---</b>               | <b>31</b> | <b>\$22,591</b> | <b>52</b>           | <b>26</b> | <b>\$7,285</b> | <b>625</b>   | <b>599</b> | <b>\$127,229</b> | <b>52</b>                 | <b>57</b> | <b>\$29,876</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source                              | FY 2007 Actual |     |              | FY 2008 Estimate |     |              | FY 2009 Estimate |     |              | Increase/Decrease |     |               |
|--|----------------|-----|--------------|------------------|-----|--------------|------------------|-----|--------------|-------------------|-----|---------------|
|  | Pos.           | FTE | Amount       | Pos.             | FTE | Amount       | Pos.             | FTE | Amount       | Pos.              | FTE | Amount        |
| Air Transportation Stabilization Board             |                |     | \$4          |                  |     | ---          |                  |     | ---          |                   |     | ---           |
| Customs and Border Protection                      |                |     | 2            |                  |     | \$2          |                  |     | \$2          |                   |     | ---           |
| Immigration and Customs Enforcement                |                |     | 1            |                  |     | 1            |                  |     | 1            |                   |     | ---           |
| Intelligence & Analysis                            |                |     | 353          |                  |     | 400          |                  |     | 400          |                   |     | ---           |
| Science and Technology                             |                |     | 100          |                  |     | 100          |                  |     | 100          |                   |     | ---           |
| United States Citizenship and Immigration Services |                |     | 255          |                  |     | 300          |                  |     | 265          |                   |     | (\$35)        |
| United States Coast Guard                          |                |     | 1            |                  |     | 1            |                  |     | 1            |                   |     | ---           |
| United States Secret Service                       |                |     | 1            |                  |     | 1            |                  |     | 1            |                   |     | ---           |
| White House  |                |     | 99           |                  |     | 129          |                  |     | 129          |                   |     | ---           |
| <b>Total Budgetary Resources</b>                   | ---            | --- | <b>\$816</b> | ---              | --- | <b>\$934</b> | ---              | --- | <b>\$899</b> | ---               | --- | <b>(\$35)</b> |

| Obligations by Office                       | FY 2007 Actual |     |              | FY 2008 Estimate |     |              | FY 2009 Estimate |     |              | Increase/Decrease |     |               |
|---|----------------|-----|--------------|------------------|-----|--------------|------------------|-----|--------------|-------------------|-----|---------------|
|   | Pos.           | FTE | Amount       | Pos.             | FTE | Amount       | Pos.             | FTE | Amount       | Pos.              | FTE | Amount        |
| Immediate Office of the Secretary           |                |     | \$34         |                  |     | \$34         |                  |     | \$34         |                   |     | ---           |
| Immediate Office of the Deputy Secretary    |                |     | 4            |                  |     |              |                  |     |              |                   |     | ---           |
| Office of Policy                            |                |     | 100          |                  |     | 100          |                  |     | 100          |                   |     | ---           |
| Office of the General Counsel               |                |     | 423          |                  |     | 500          |                  |     | 500          |                   |     | ---           |
| Office for Civil Rights and Civil Liberties |                |     | 255          |                  |     | 265          |                  |     | 265          |                   |     | ---           |
| Citizenship and Immigration Ombudsman       |                |     | ---          |                  |     | 35           |                  |     |              |                   |     | (\$35)        |
| <b>Total Obligations</b>                    | ---            | --- | <b>\$816</b> | ---              | --- | <b>\$934</b> | ---              | --- | <b>\$899</b> | ---               | --- | <b>(\$35)</b> |

## **E. Summary of Requirements by Object Class**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management**

Please refer to Exhibit H on page 31 for the Summary of Requirements by Object Class for the Office of the Secretary and Executive Management.

## F. Permanent Positions by Grade

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Secretary and Executive Management**  
Permanent Positions by Grade

| Grades and Salary Ranges         | 2007           | 2008            | 2009            | 2008 to 2009    |
|----------------------------------|----------------|-----------------|-----------------|-----------------|
|                                  | Actual<br>Pos. | Enacted<br>Pos. | Request<br>Pos. | Change<br>Total |
| Total, SES                       | 40             | 48              | 49              | 1               |
| Total, EX                        | 1              | 1               | 1               | ---             |
|                                  | ---            | ---             | ---             |                 |
| GS-15                            | 125            | 142             | 150             | 8               |
| GS-14                            | 80             | 116             | 130             | 14              |
| GS-13                            | 52             | 82              | 91              | 9               |
| GS-12                            | 41             | 49              | 58              | 9               |
| GS-11                            | 34             | 43              | 47              | 4               |
| GS-10                            | ---            | ---             | ---             | ---             |
| GS-9                             | 42             | 54              | 57              | 3               |
| GS-8                             | 6              | 6               | 6               | ---             |
| GS-7                             | 15             | 19              | 22              | 3               |
| GS-6                             | 1              | 1               | 1               | ---             |
| GS-5                             | 4              | 5               | 5               | ---             |
| GS-4                             | 1              | 1               | 1               | ---             |
| GS-3                             | 1              | 1               | 1               | ---             |
| GS-2                             | ---            | ---             | ---             | ---             |
| Other Graded Positions           | 5              | 5               | 6               | 1               |
| Ungraded Positions               | ---            | ---             | ---             | ---             |
| <b>Total Permanent Positions</b> | <b>448</b>     | <b>573</b>      | <b>625</b>      | <b>52</b>       |
| Unfilled Positions EOY           | 23             |                 |                 | ---             |
| Total Perm. Employment EOY       | 425            | 573             | 625             | 52              |
| <b>FTE</b>                       | <b>425</b>     | <b>542</b>      | <b>599</b>      | <b>57</b>       |
| Headquarters                     | 443            | 568             | 617             | 49              |
| U.S. Field                       | ---            | ---             | ---             | ---             |
| Foreign Field                    | 5              | 5               | 8               | 3               |
| <b>Total Permanent Positions</b> | <b>448</b>     | <b>573</b>      | <b>625</b>      | <b>52</b>       |
| <b>Average ES Salary</b>         | \$148,925      | \$151,549       | \$155,983       | \$4,434         |
| <b>Average GS Salary</b>         | \$75,894       | \$78,952        | \$83,012        | \$4,060         |
| <b>Average GS Grade</b>          | 12             | 12              | 13              | 1               |

**G. Capital Investment and Construction Initiative Listing**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management**

**NOT APPLICABLE**

## H. Object Class Budget Justifications

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Secretary and Executive Management**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|--------------------|--------------------|-----------------------|
| 11.1 Full-time permanent                                    | \$29,500          | \$38,362           | \$47,605           | \$9,243               |
| 11.3 Other than full-time permanent                         | 9,424             | 10,278             | 11,171             | 893                   |
| 11.5 Other personnel compensation                           | 1,185             | 1,495              | 1,731              | 236                   |
| 11.8 Special personnel services payments                    | 156               | 159                | 164                | 5                     |
| 12.1 Civilian personnel benefits                            | 10,274            | 13,773             | 16,017             | 2,244                 |
| 21.0 Travel and transportation of persons                   | 3,606             | 4,292              | 4,371              | 79                    |
| 22.0 Transportation of things                               | 91                | 148                | 148                | ---                   |
| 23.1 Rental payments to GSA                                 | ---               | 1,672              | 9,319              | 7,647                 |
| 23.2 Rental payments to others                              | 37                | 41                 | 41                 | ---                   |
| 23.3 Communication, utilities, misc. charges                | 100               | 41                 | 42                 | 1                     |
| 24.0 Printing and Reproduction                              | 167               | 233                | 233                | ---                   |
| 25.1 Advisory and assistance services                       | 9,939             | 8,334              | 7,796              | (538)                 |
| 25.2 Other services   | 6,736             | 4,463              | 5,918              | 1,455                 |
| 25.3 Purchases of goods and services from gov't accounts    | 12,102            | 11,509             | 20,091             | 8,582                 |
| 25.4 Operation & maintenance of facilities                  | 100               | ---                | ---                | ---                   |
| 25.5 Research and development contracts                     | ---               | 868                | 868                | ---                   |
| 25.6 Medical care   | 215               | 21                 | 21                 | ---                   |
| 26.0 Supplies and materials                                 | 985               | 901                | 918                | 17                    |
| 31.0 Equipment  | 667               | 763                | 775                | 12                    |
| <b>Total, OSEM</b>  | <b>\$85,284</b>   | <b>\$97,353</b>    | <b>\$127,229</b>   | <b>\$29,876</b>       |
| Supplemental Funding pursuant to P.L. 109-148 for Avian Flu | 20,321            | ---                | ---                | ---                   |
| <b>Total requirements</b>                                   | <b>\$105,605</b>  | <b>\$97,353</b>    | <b>\$127,229</b>   | <b>\$29,876</b>       |
| Full Time Equivalents                                       | <b>425</b>        | <b>542</b>         | <b>599</b>         | <b>57</b>             |

**Summary Justification and Explanation of Changes**

|                              | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | \$50,539                  | \$64,067                   | \$76,688                   | \$12,621                      |

Salaries and Benefits includes costs for 599 FTE in FY 2009. The FY 2009 request includes an increase of \$2.995 million for the proposed January 2009 increase in personnel compensation, \$4.450 million for the annualization of prior year funding and of the 2008 pay raise.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Travel and transportation of persons</b> | \$3,606                   | \$4,292                    | \$4,371                    | \$79                          |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal travel regulations. Travel for the Office of the Secretary also includes the costs to reimburse other government entities, such as the USCG, FAA, and USAF for the use of their plane for travel by the Secretary and Secretary related travel. The FY 2009 request includes an increase of \$79,000 requested as part of the Office of Policy's requested program increase.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Transportation of Things</b> | \$91                      | \$148                      | \$148                      | \$0                           |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes no additional request for funding.

|                               | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-------------------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Rental Payments to GSA</b> | \$0                       | \$1,672                    | \$9,319                    | \$7,647                       |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The funding for rent in FY 2007 is shown within object class 25.3 for OSEM along with other WCF charges. The FY 2009 request includes a permanent transfer of \$3.733 million in base funding from the Office of the Chief Administrative Officer appropriation. In prior years, the Office of the Chief Administrative Officer received funding for the rent at DHS start-up as the Department acquired additional space, the cost was budgeted in the appropriation of the occupying organization. This transfer of CAO base funding aligns the rent funding request with the organization occupying the space and more accurately reflects their costs. The FY 2009 request also includes an increase of \$3.914 million to enable OSEM to pay the increased rent bill associated with the FY 2007 rent reprogramming approved by the House and Senate in August 2007. The rent reprogramming was primarily due to recertification and corrections to the GSA Occupancy Agreements resulting in more accurate allocations of the GSA rent bill to users. Beginning in FY 2008, GSA rent paid by OSEM through the WCF will be obligated against object class 23.1.

|                   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Other Rent</b> | \$37                      | \$41                       | \$41                       | \$0                           |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes no additional request for funding.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Communication, Utilities, and Miscellaneous charges</b> | \$100                     | \$41                       | \$42                       | \$1                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes a program increase of \$1,000 for the Office of Policy.

|                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Printing</b> | \$167                     | \$233                      | \$233                      | \$0                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes no additional request for funding.

|   | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Advisory and Assistance Services</b> | <b>\$9,939</b>            | <b>\$8,334</b>             | <b>\$7,796</b>             | <b>(\$538)</b>                |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes a decrease of \$538,000 as a result of management efficiencies from Offices conversion of contractors to Federal employees.

|                       | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Other Services</b> | <b>\$6,736</b>            | <b>\$4,463</b>             | <b>\$5,918</b>             | <b>\$1,455</b>                |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes no additional request in funding. Funding increases are included for the Office of Policy and the Office of Public Affairs in the amount of \$2.0 million. A few offices have converted personnel from contractors to federal employees for management efficiencies of \$545,000.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Purchases of Goods and Services from Gov't Accts.</b> | <b>\$12,102</b>           | <b>\$11,509</b>            | <b>\$20,091</b>            | <b>\$8,582</b>                |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes an increase of \$8.582 million to cover the Working Capital Fund and shared services increase from FY 2008 to FY 2009.

|  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | <b>\$100</b>              | <b>\$0</b>                 | <b>\$0</b>                 | <b>\$0</b>                    |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. The FY 2009 request includes no additional request in funding.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Research and Development</b> | <b>\$0</b>                | <b>\$868</b>               | <b>\$868</b>               | <b>\$0</b>                    |

Research and Development includes costs for contracts for the conduct of basic and applied research and development. The FY 2009 request includes no additional request in funding.

|                     | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Medical Care</b> | <b>\$215</b>              | <b>\$21</b>                | <b>\$21</b>                | <b>\$0</b>                    |

Medical care includes payments to contracts for medical services, but excludes contracts with individuals who are reportable under OPM regulations as federal employees or payments to compensate casual workers and patient help. The FY 2009 request includes no additional request in funding.

|                                 | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Supplies &amp; Materials</b> | <b>\$985</b>              | <b>\$901</b>               | <b>\$918</b>               | <b>\$17</b>                   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property. The FY 2009 request includes an additional \$17,000 as part of the program increases for the Office of Policy.

|                  | <b>FY 2007<br/>Actual</b> | <b>FY 2008<br/>Enacted</b> | <b>FY 2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------|---------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Equipment</b> | <b>\$667</b>              | <b>\$763</b>               | <b>\$775</b>               | <b>\$12</b>                   |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes an additional \$12,000 as part of the program increases for the Office of Policy.

## I. Changes in FTE

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Secretary and Executive Management  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 375     | 425     | 542     |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:<br>Description: Additional FTE are required to fulfill program increases in FY 2007 and FY 2008.  | 50      | 53      |         |
| Increase #2:<br>Description: Additional FTE are provided as a result of annualization as well as conversion of contractors to federal employees.   |         | 66      | 31      |
| Increase #3:<br>Description: The FY 2009 President's Budget contains a program increase of 26 FTE requested for the Office of Policy (9 FTE), Office of the General Counsel (10 FTE), Office of Civil Rights and Civil Liberties (5 FTE), and the Privacy Officer (2 FTE). |         |         | 26      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:<br>Description: The U.S. Customs and Border Protection (CBP) assumed responsibility for the Secure Border Coordination Office in FY 2008.   |         | (2)     |         |
| Year-end Actual/Estimated FTE  | 425     | 542     | 599     |
| Net Change from prior year base to Budget Year Estimate:   | 50      | 117     | 57      |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Secretary and Executive Management  
 FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
 (Dollars in Thousands)**

| Program/Project Activity                    | FY 2007<br>Actual | FY 2008<br>Anticipated <sup>1</sup> | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|---|-------------------|-------------------------------------|------------------------|---------------------------------------|
|   | AMOUNT            | AMOUNT                              | AMOUNT                 | AMOUNT                                |
| Immediate Office of the Secretary           | \$281             | \$177                               | \$633                  | \$456                                 |
| Immediate Office of the Deputy Secretary    | 158               | 65                                  | 297                    | 232                                   |
| Chief of Staff                              | 160               | 224                                 | 188                    | (36)                                  |
| Office of Policy                            | 3,588             | 2,198                               | 7,291                  | 5,093                                 |
| Secure Border Coordination Office           | 722               | ---                                 | ---                    | ---                                   |
| Executive Secretary                         | 655               | 287                                 | 984                    | 697                                   |
| Office of Public Affairs                    | 420               | 554                                 | 1,121                  | 567                                   |
| Office of Legislative Affairs               | 708               | 517                                 | 894                    | 377                                   |
| Office of the General Counsel               | 828               | 765                                 | 3,301                  | 2,536                                 |
| Office for Civil Rights and Civil Liberties | 1,481             | 1,712                               | 3,099                  | 1,387                                 |
| Citizenship and Immigration Ombudsman       | 415               | 332                                 | 684                    | 352                                   |
| Privacy Officer                             | 663               | 545                                 | 850                    | 305                                   |
| Office of Counternarcotics Enforcement      | 232               | ---                                 | 571                    | 571                                   |
| <b>Total Working Capital Fund</b>           | <b>\$10,311</b>   | <b>\$7,376</b>                      | <b>\$19,913</b>        | <b>\$12,537</b>                       |

<sup>1</sup> Fiscal Year 2008 amounts reflect the FY 2008 Congressional Justification. We will be transmitting an FY 2008 WCF reprogramming similar to the FY 2007 request.

# Department of Homeland Security

*Departmental Management and Operations*

*Office of the Secretary and Executive Management*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET STRATEGIC CONTEXT**

**Office of the Secretary and Executive Management**

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## A. Mission and Description of the Office of the Secretary and Executive Management

The Office of the Secretary and Executive Management (OSEM) supports the Department of Homeland Security (DHS) and all of its components by bolstering core management and policy and by facilitating operational integration. This enables the Department to prevent and deter terrorist attacks, protect against and respond to threats and hazards to our nation, ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free-flow of commerce. OSEM establishes and implements policy, obtains resources, and provides oversight to all entities within the Department to meet these missions. It is the responsibility of the OSEM to deliver quality customer support services while eliminating redundancies and reducing support costs. The Department continues to work toward integration and consolidation of its resources and operations to create a seamless organization that shares services, information, and best practices across previously stove-piped organizations.

## B. Major Activities and Key Strategic Issues

OSEM includes 12 separate offices that individually report to the Secretary. These offices include: the Immediate Office of the Secretary; the Office of the Deputy Secretary; the Office of the Chief of Staff; the Office of Policy; the Office of the Executive Secretary; the Office of Public Affairs; the Office of Legislative Affairs; the Office of the General Counsel; the Office for Civil Rights and Civil Liberties; the Office of Citizenship and Immigration Ombudsman; the Privacy Office, and the Office of Counternarcotics Enforcement.

*Immediate Office of the Secretary:* The Office of the Secretary is requesting \$3,378,000 (12 FTE) in FY 2009 to continue to provide leadership, management and direction, and oversight for all of the Department's components. The Secretary serves as the top representative of the Department of Homeland Security to the President, to the Congress, and to the general public.

*Immediate Office of the Deputy Secretary:* The Office of the Deputy Secretary supports the Secretary by providing leadership to the Department by focusing on internal management and direction. This role ensures that the Department will operate efficiently and effectively when carrying out its mission. In FY 2009, the Office is requesting \$1,505,000 (6 FTE) to continue to provide internal oversight to all Department operations, allowing the Secretary to focus his attention on more external matters concerning the Department of Homeland Security.

*Chief of Staff:* The Chief of Staff is responsible for the coordination of all Department agencies, directorates, and offices. This office is responsible for the budget, information technology, and personnel functions, as well as COOP (Continuity of Operations), as they relate to the Immediate Office of the Secretary. In FY 2009, the Office is requesting \$2,693,000 (12 FTE) to continue to streamline, coordinate, and deliver initiatives and policies that will ensure our safety, response capacity, and our freedoms.

*Office of Policy:* The Office of Policy is responsible for the coordination of Department-wide policies, programs, and planning to ensure consistency and integration of missions throughout the Department. The Office includes the Screening Coordination Office, which works to improve DHS screening operations. In FY 2009, the Office of Policy is requesting \$43,693,000 (185 FTE) to continue its efforts, which strengthen the Department's ability to maintain policy and operational readiness necessary to protect the Homeland by providing a centralized coordination point for developing and

communicating policies across the multiple internal and external components of the Homeland Security network. The Office of Policy also interacts with other government entities, international counterparts, academics and private stakeholders.

*Office of Executive Secretary:* The Office of the Executive Secretary's mission is to support the Office of the Secretary in the Homeland Security mission of leading a unified national effort to secure America. Through the accurate and timely dissemination of information and written communications throughout DHS and with homeland security partners, the Executive Secretary supports all of DHS' strategic goals. In FY 2007, the Office assumed additional management responsibilities, including management of the Policy Coordination Committee, a robust and responsive Secretary Tasker process, and Congressional Authorization Questions for the Record (QFR). In FY 2009, the Executive Secretary is requesting \$5,848,000 (41 FTE) to continue to assist the Office of the Secretary by developing, implementing, and managing business processes for written communications, briefing book materials for the Secretary and Deputy Secretary, and all White House and interagency actions. The funding requested will enable the Office to meet the Department's increasing requirements and facilitates communications among all the DHS components, thereby encouraging a unified national effort to secure America.

*Office of Public Affairs:* The Office of Public Affairs is responsible for oversight and management of all external and internal communications for the Department of Homeland Security. On a daily basis, the Office responds to national media inquiries, maintains and updates the Department's website, writes speeches for principals, and coordinates speaking events for Department officials across the country. Public Affairs also develops and manages various public education programs including the Ready Campaign to increase citizen preparedness. In FY 2009, the Office of Public Affairs is requesting \$8,291,000 (43 FTE) to continue to: foster strategic communication throughout the department and with external stakeholders; manage the Department's organizational identity program, which includes usage of the DHS seal and related guidelines; oversee the Department's employee communication activities; and guide overall Federal incident communication activity and coordinate with state, local, and international partners to ensure accurate and timely information to the public during a crisis

*Office of Legislative Affairs:* The Office of Legislative Affairs serves as the primary liaison to members of Congress and their staffs, the White House and Executive Branch, and to other Federal agencies and governmental entities that have roles in assuring national security. The Office responds to inquiries from Congress and the White House; notifies Congress about Department initiatives, policies, and programs; and keeps other governmental bodies informed concerning Homeland Security measures that affect their operations and Department actions in jointly undertaken security endeavors. In FY 2009, the Office of Legislative Affairs is requesting \$5,697,000 (48 FTE) to continue to provide timely information about Homeland Security and national security issues to members of Congress, the White House and Executive Branch, and to other Federal agencies and governmental entities. The Office will also continue to precipitate legislative support for the Departmental programs, policies and initiatives that promote a more secure nation.

*Office of the General Counsel:* The Office of the General Counsel is responsible for ensuring the implementation of the Department's statutory responsibilities and policies as set forth by the Administration, the Secretary, and all officials within the Department. The Office also provides legal counsel for all Departmental offices (other than those specifically excluded by regulation or directive), determines the Department's position to provide effective legal services involving claims, protests,

litigation, and alternative dispute resolution, and represents the Department in all legal forums. In FY 2009, General Counsel is requesting \$20,914,000 (91 FTE) to continue to: serve as chief legal advisor to the Secretary and as chief legal officer for the Department; ensure that the Department's efforts to secure the Nation are consistent with civil rights and liberties of all citizen; integrate approximately 1,700 lawyers into an effective, client-oriented, full-service legal team; assist in policy and operational initiative planning; coordinate with Homeland Security Council and counterparts throughout the Executive Branch; and communicate and coordinate with each component of DHS on legal matters that affect the DHS mission.

*Office for Civil Rights and Civil Liberties:* The Office for Civil Rights and Civil Liberties is responsible for protecting civil rights and civil liberties, providing policy advice to Departmental leadership on civil rights and civil liberties issues, and serving as an information and communication channel to the public on these issues. The Office is also responsible for overseeing the Departmental Equal Employment Opportunity (EEO) programs and, in FY 2007, it implemented a more effective processing mechanism for EEO complaints. In FY 2008, the Office plans to continue engagement with American Arab, Muslim, Sikh, South Asian, and other ethnic and religious communities. The Office also plans to implement new training products. In FY 2009, Civil Rights and Civil Liberties is requesting \$17,917,000 (80 FTE) to fund critical staffing for the CRCL Programs Directorate.

*Citizenship and Immigration Services Ombudsman:* The Citizenship and Immigration Services Ombudsman assists individuals and employers in resolving problems with United States Citizenship and Immigration Services (USCIS), identifies individual and employee problems areas within USCIS, and proposes changes to mitigate identified problems. In FY 2007, the Office completed the fourth Annual Report to Congress, which addressed 15 pervasive and serious problems and included 25 recommendations for change. In FY 2008 Ombudsman plans to gather information and feedback from USCIS customers and stakeholders in an effort to improve the process for resolving problems individuals and employers face with USCIS. In FY 2009, the Office is requesting \$6,471,000 (30 FTE) to continue to initiate and expand activities to promote interagency cooperation and holistic approaches to immigration. With this in mind, Ombudsman plans to establish a Virtual Ombudsman's Office to provide for online case problem submission, improved analysis and reporting capabilities, and an electronic interface with customers and stakeholders as another avenue to share concerns and solutions.

*Privacy Officer:* The DHS Privacy Officer is the first statutorily mandated Privacy Officer within the Federal government. The Office ensures that appropriate access to information is consistent with the vision, strategic mission, and core values of the Department, and implements the policies of the Department to defend and protect the individual rights, liberties, and information interests of U.S. citizens. The Privacy Office has oversight of all privacy policy matters, including compliance with the Privacy Act of 1974, the Freedom of Information Act, and the completion of privacy impact statements on all new programs, as required by the E-Government Act of 2002 and Section 222 of the Homeland Security Act. In FY 2009, the Privacy Office is requesting \$6,804,000 (34 FTE) to continue to protect the collection, use, and disclosure of personally identifiable information (PII) and Departmental information.

*Office of Counternarcotics Enforcement:* The Office of Counternarcotics Enforcement coordinates policy within the Department, and with other Federal, state, and local agencies with respect to stopping the entry of illegal drugs into the United States. The Office ensures the adequacy of resources within

the Department and recommends the appropriate financial and personnel resources necessary to help the Department fulfill its responsibilities to stop the entry of illegal drugs into the United States. In FY 2007, Counternarcotics Enforcement worked with other components in the Department to develop a comprehensive package of policy initiatives, including the Southwest Border Counternarcotics Strategy, a Northern Border and Maritime border strategy, and an international bulk cash smuggling report. In FY 2008, the Office will continue the Drug-Terror Nexus Project by reaching out to intelligence agencies and operators to ensure the rapid gathering and dissemination of intelligence. In FY 2009, Counternarcotics Enforcement is requesting \$4,018,000 (17 FTE) to continue to expand outreach to the counterdrug law enforcement community and facilitate information sharing through departmental and inter-agency working groups. The Office will also work to increase involvement in counterdrug issues related to Afghanistan and Southwest Asia. Additionally, Counternarcotics Enforcement will continue to be involved in the performance measurement system of DHS counterdrug agencies.

### C. Resources Requested and Performance Impact

For the Office of the Secretary and Executive Management, the Department is requesting a total of \$127,229,000 for 625 positions and 599 FTE in FY 2009, representing an increase of \$29,876,000, 57 FTE, and 52 positions over the FY 2008 Enacted budget of \$97,353,000. The FY 2009 request includes adjustments to base of \$22,591,000 and program increases of \$7,285,000.

Program increases include:

- 18 positions, 9 FTE and \$3,093,000 for the Office of Policy;
- 20 positions, 10 FTE and \$2,475,000 for the Office of the General Counsel;
- 10 positions, 5 FTE and \$708,000 for the Office for Civil Rights and Civil Liberties;
- 4 positions, 2 FTE and \$509,000 for the Privacy Office;
- 0 positions, 0 FTE and \$500,000 for the Office of Public Affairs.

### D. How OSEM Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.

The Office of the Secretary and Executive Management (OSEM) provides leadership, direction, and management to the Department. The Office establishes and implements policy, obtains resources, and provides oversight to all entities within the Department. It is the responsibility of OSEM to deliver quality customer support services while eliminating redundancies and reducing support costs. OSEM programs support the following DHS goal:

**Goal Five:** Strengthen and Unify DHS Operations and Management.

E. Performance Based Budget Highlights by Program <sup>1</sup>

The OSEM FYHSP performance goal, performance measure, budget, and FTE are:

|  |          |          |           |          |          |           |
|--|----------|----------|-----------|----------|----------|-----------|
| <b>Program: Office of the Secretary and Executive Management</b>   |          |          |           |          |          |           |
| <b>Performance Goal:</b> Provide comprehensive leadership, oversight, and support to all components and improve the efficiency and effectiveness of the Department and its business and management services. |          |          |           |          |          |           |
| <b>Objective 5.1</b> Strengthen and Unify DHS Operations and Management- 71.5% allocation  |          |          |           |          |          |           |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006   | FY 2007  | FY 2008  | FY 2009   |
| <b>\$ Thousands</b>  | \$69,263 | \$82,700 | \$125,858 | \$95,336 | \$97,353 | \$127,229 |
| <b>FTE</b>   | 359      | 361      | 375       | 469      | 542      | 599       |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of DHS strategic objectives with programs that meet their associated performance targets.  |         |         |         |         |         |         |
| <b>Description of Measure:</b> This measure is defined as the total number of Department of Homeland Security (DHS) strategic objectives with programs that meet their associated performance targets. Performance data is tabulated against the 33 strategic objectives of the DHS Strategic Plan. DHS gauges its success in meeting its mission through implementation of the DHS Strategic Plan. The Strategic Plan includes strategic goals and objectives as well as strategies and programs that describe what the Department does and what the Department will accomplish. Each program is linked to the DHS strategic goals and objectives and has specific performance measures. DHS demonstrates the value and outcomes of its services through the results of program performance metrics. The performance outcomes of DHS programs essentially tell how the Department is impacting citizens, stakeholders, and customers and meeting its mission. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | 44%     | 90%     | 75%     | 80%     | 85%     |
| <b>Actual:</b>   | None    | 84.9%   | 69%     | 67%     | N/A     | N/A     |

<sup>1</sup> In this section, FY 2007 is based on revised enacted vice actual obligations

**F. Digest Tables by FYHSP Programs**

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
(dollars in thousands)

| Budget Activity  | FY2007<br>Actual |        | FY2008<br>Enacted |        | FY2009<br>Request |         | Increase (+) or Decrease (-) For FY 2009 |        |                 |        |               |        |
|--|------------------|--------|-------------------|--------|-------------------|---------|--|--------|-----------------|--------|---------------|--------|
|  |                  |        |                   |        |                   |         | Total Changes                            |        | Program Changes |        | Other Changes |        |
|  | FTE              | AMOUNT | FTE               | AMOUNT | FTE               | AMOUNT  | FTE                                      | AMOUNT | FTE             | AMOUNT | FTE           | AMOUNT |
| <b>BUDGET<br/>ACTIVITY<br/>1. Office of the<br/>Secretary and<br/>Executive<br/>Management</b> | 425              | 85,284 | 542               | 97,353 | 599               | 127,229 | 57                                       | 29,876 | 26              | 7,285  | 31            | 22,591 |
| <b>Subtotal, Budget<br/>Authority (All<br/>Sources)</b>  | 425              | 85,284 | 542               | 97,353 | 599               | 127,229 | 57                                       | 29,876 | 26              | 7,285  | 31            | 22,591 |
| <b>Less<br/>Adjustments for<br/>Other Funding<br/>Sources:</b>                                 |                  |        |                   |        |                   |         |  |        |                 |        |               |        |
| <b>Total enacted<br/>appropriations<br/>and budget<br/>estimates</b>                           | 425              | 85,284 | 542               | 97,353 | 599               | 127,229 | 57                                       | 29,876 | 26              | 7,285  | 31            | 22,591 |

# Department of Homeland Security

*Departmental Management and Operations*

*Under Secretary for Management*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## DEPARTMENTAL MANAGEMENT AND OPERATIONS UNDER SECRETARY FOR MANAGEMENT

### I. Appropriation Overview

#### **A. Mission Statement for Under Secretary of Management**

The Management Directorate ensures delivery of effective and efficient business and management services throughout the Department, to enable the Department of Homeland Security to lead the unified national effort to secure America.

The DHS Management Directorate provides the business framework that enables the Department of Homeland Security to achieve its mission. It does so by providing policy, guidance, operational oversight and support, and innovative solutions for the management needs of the entire Department.

#### **B. Under Secretary for Management Offices:**

##### Immediate Office of Under Secretary of Management (OUSM)

The Immediate Office of the Under Secretary for Management's primary mission is to deliver quality administrative support services providing leadership and oversight for all departmental management functions which include information technology, security, budget and financial management, procurement and acquisition, human capital, and administrative services.

##### Office of the Chief Administrative Officer (OCAO)

The Office of the Chief Administrative Officer establishes policy and procedures as well as provides both departmental leadership and oversight for all functional areas managed by the DHS Chief Administrative Officer (CAO) and Component Chief Administrative Officers. Functional areas include asset management (logistics, real estate, personal property, aviation, transportation, fleet, marine vessels), mail screening and delivery, business continuity and emergency preparedness, occupational safety and health, environmental planning and management, historic preservation, energy management, records, directives, forms, library services, printing and graphics. In addition, OCAO also provides the day to day operational support for departmental headquarters and the start up components (I&A, Preparedness, Operations and S&T).

##### DHS Consolidated Headquarters Project

The DHS Consolidated Headquarters Project is in accordance with the DHS National Capital Region Housing Master Plan signed by the Secretary and submitted to the Congress on October 25, 2006 as required by Public Law 109-295 (FY-07 Homeland Security Appropriations Act). Our mission demands an integrated approach, yet our legacy facilities and dispersed locations

throughout the National Capital Region causes non-integration of our agencies. This project will consolidate executive program leadership of the Department in a secure setting for policy, management and operational coordination to facilitate the incident management functions and command and control capabilities. It will foster a “one-DHS culture” and enhance the flow/fusion of information while optimizing our prevention and response capabilities across the spectrum of operations. The project consolidates the DHS requirements and centrally funds the consolidation of other DHS Components on the St. Elizabeths West Campus and throughout the NCR. The consolidation includes up to 4.5 million gross square feet of office space at the St. Elizabeths West Campus. The consolidation effort will also examine the leases/occupancies for off campus functions/elements with a vision of consolidating/ realigning leases where appropriate with consideration for functional integration.

#### Office of the Chief Human Capital Officer (OCHCO)

The Office of the Chief Human Capital Officer provides overall management and administration of the Department’s human resources-related operations, including Federal Law Enforcement Training Accreditation (FLETA). OCHCO is organized around four major areas (Talent Management & Accountability; Workforce Relations & Performance Culture; Learning & Development; and Recruiting, Staffing and Services) and is responsible for establishing policy and procedures for these areas, as well as providing oversight, guidance and leadership within the Department. OCHCO has rolled out its Human Capital Operational Plan (HCOP) as a means of providing the Department with a modern human resources management system expanded to improve the Department’s capacity to build and sustain a high performing workforce. OCHCO is responsible for ensuring that DHS recruits, hires, trains and retains the very best workforce; provides the highest quality leadership development; and creates a performance culture in the workforce to ensure DHS succeeds in its mission.

#### Office of the Chief Procurement Officer (OCPO)

The Office of the Chief Procurement Officer is responsible for the overall management, administration, and oversight of Department-wide acquisition, financial assistance, strategic sourcing, and competitive sourcing programs, including direct management and oversight of the Office of Procurement Operations. The OCPO activities include:

##### Acquisition Support and Oversight

- **Acquisition Workforce:** Responsible for strategic acquisition workforce planning to ensure accession, development, and retention of a professional workforce.
- **Operations Support:** Principal liaison for the acquisition community and assist Components to accomplish their varied missions.
- **Acquisition Oversight:** Responsible for developing and implementing a DHS acquisition oversight strategy.
- **Program Management:** Responsible for providing support to program managers DHS-wide and assisting in the development of a DHS-wide acquisition management system.

##### Strategic Initiatives

- **Acquisition Policy and Legislation:** Responsible for development of the DHS acquisition regulations and policies.

- **Competitive Sourcing and Privatization:** Responsible for the Department's implementation of the Federal Activities Inventory Reform (FAIR) Act of 1998, the Revised OMB Circular A-76 and the President's Management Agenda (PMA) Competitive Sourcing Initiative.
- **Strategic Sourcing and Acquisition Systems:** Responsible for managing the DHS strategic sourcing program; developing corporate strategies for the acquisition of shared commodities to achieve efficiencies and economies of scale.

Office of Small and Disadvantaged Business Utilization (OSDBU)

- In support of the Small Business Act to maximize small business procurement opportunities, the OSDBU assists, counsels, and advises small businesses of all types on procedures for contracting with the DHS. Additionally, the OSDBU works closely with each Departmental organizational element to implement the Department's small business procurement assistance program. While this office works closely with the Chief Procurement Officer, it reports directly to the Deputy Secretary.

Office the Chief Security Officer (OCSO)

The mission of the Office of the Chief Security Officer is to secure the Department so the Department can secure the homeland. The OCSO implements security programs that safeguard DHS personnel, property, facilities, and information. The office develops, implements, and oversees the Department's security policies, programs, and standards; delivers security training and education to DHS personnel; and provides security support to DHS Components. Additionally, the office investigates threats related to foreign intelligence, terrorism, and criminal activities within or directed against DHS.

**C. Budget Request Summary:**

The Under Secretary for Management requests 518 positions, 473 FTE, and \$321,469,000 for the FY 2009 Request. The total adjustments-to-base is 28 positions, 74 FTE, and \$37,405,000. The program increases include 92 positions, 47 FTE, and \$138,826,000 to:

- Sustain the position of the (career) Deputy Under Secretary for Management to provide continuity throughout the transition process. (1 position, 1 FTE, and \$250,000)
- Support the St. Elizabeths Campus portion of the DHS National Capital Region (NCR) Housing Master Plan. (21 positions, 11 FTE, and \$120,000,000)
- Support the Learning and Development initiatives and programs. (6 positions, 3 FTE, \$5,500,000)
- Continue the Human Capital Operational Initiatives and the Human Resource Management System. (0 positions, 0 FTE, \$5,000,000)
- Establish Department Wide Program Management Teams to support program offices in achieving their mission to deliver timely and effective acquisitions. (18 positions, 9 FTE, \$3,648,000)
- Continue the Department-wide Acquisition Intern Program. (34 positions, 17 FTE, \$3,142,000)
- Meet increased counterintelligence and security needs of the Department by effectively structuring and integrating security services into all DHS operations. (12 positions, 6 FTE, and \$1,286,000)

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
 Summary of FY 2009 Budget Estimates by Organization  
 (Dollars in Thousands)

| Program/Project Activity   | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| Immediate Office of the Under Secretary for Management                     | 8                 | \$1,797          | 8                  | \$2,012          | 13                 | \$2,654          | 5  | \$642            | 1               | 250              | 4                   | \$392           |
| Office of Administration   | 46                | 40,192           | 54                 | 41,430           | 62                 | 41,727           | 8  | \$297            | ---             | ---              | 8                   | \$297           |
| DHS Headquarters Project   | ---               | 8,206            | ---                | 6,000            | ---                | 6,000            | ---                                      | \$0              | ---             | ---              | ---                 | \$0             |
| Consolidated Headquarters Project  | ---               | ---              | ---                | ---              | 11                 | 120,000          | 11                                       | \$120,000        | 11              | 120,000          | ---                 | \$0             |
| Office of Human Capital  | 53                | 9,661            | 53                 | 8,811            | 86                 | 48,117           | 33                                       | \$29,306         | 3               | 10,500           | 30                  | \$18,806        |
| Office of Human Capital - Operational Initiatives and HR Management System | ---               | 20,000           | ---                | 10,000           | ---                | ---              | ---                                      | \$0              | ---             | ---              | ---                 | \$0             |
| Office of Procurement  | 71                | 16,473           | 129                | 28,495           | 184                | 42,003           | 55                                       | \$13,508         | 26              | 6,790            | 29                  | \$6,718         |
| Office of Security   | 105               | 52,319           | 108                | 53,490           | 117                | 60,968           | 9  | \$7,478          | 6               | 1,286            | 3                   | \$6,192         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>               | <b>283</b>        | <b>\$148,648</b> | <b>352</b>         | <b>\$150,238</b> | <b>473</b>         | <b>\$321,469</b> | <b>121</b>                               | <b>\$171,231</b> | <b>47</b>       | <b>\$138,826</b> | <b>74</b>           | <b>\$32,405</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                        |                   |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
| USM Reduction \$5M - USM Office TBD  |                   |                  | ---                | (\$5,000)        | ---                | \$0              | ---                                      | \$5,000          | ---             | \$0              | ---                 | \$5,000         |
|  |                   |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
|  |                   |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                    | <b>283</b>        | <b>\$148,648</b> | <b>352</b>         | <b>\$145,238</b> | <b>473</b>         | <b>\$321,469</b> | <b>121</b>                               | <b>\$176,231</b> | <b>47</b>       | <b>\$138,826</b> | <b>74</b>           | <b>\$37,405</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Program Performance Justification**  
(Dollars in thousands)

#### IMMEDIATE OFFICE OF THE UNDER SECRETARY OF MANAGEMENT

|                              | <b>Perm</b> |            |                |
|------------------------------|-------------|------------|----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>  |
| <b>2007 Actual</b>           | <b>10</b>   | <b>8</b>   | <b>\$1,797</b> |
| <b>2008 Enacted</b>          | <b>10</b>   | <b>8</b>   | <b>2,012</b>   |
| 2009 Adjustments-to-Base     | 2           | 4          | 392            |
| <b>2009 Current Services</b> | <b>12</b>   | <b>12</b>  | <b>2,404</b>   |
| 2009 Program Change          | 1           | 1          | 250            |
| <b>2009 Request</b>          | <b>13</b>   | <b>13</b>  | <b>2,654</b>   |
| Total Change 2008-2009       | 3           | 5          | 642            |

Under Secretary for Management requests \$2.654 million and 13 FTE for this activity. This is an increase of \$0.642 million and 5 FTE over the FY 2008 enacted level. The current services level converts most contract positions to government full time equivalent positions.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Immediate Office of the Under Secretary for Management's primary mission is to deliver quality administrative support services providing leadership and oversight for all departmental management functions which include information technology, security, budget and financial management, procurement and acquisition, human capital, and administrative services.

#### OFFICE OF CHIEF ADMINISTRATIVE OFFICER

|                              | <b>Perm</b> |            |                 |
|------------------------------|-------------|------------|-----------------|
|                              | <b>Pos</b>  | <b>FTE</b> | <b>Amount</b>   |
| <b>2007 Actual</b>           | <b>46</b>   | <b>46</b>  | <b>\$40,192</b> |
| <b>2008 Enacted</b>          | <b>62</b>   | <b>54</b>  | <b>41,430</b>   |
| 2009 Adjustments-to-Base     | 0           | 8          | 297             |
| <b>2009 Current Services</b> | <b>62</b>   | <b>62</b>  | <b>41,727</b>   |
| 2009 Program Change          | 0           | 0          | 0               |
| <b>2009 Request</b>          | <b>62</b>   | <b>62</b>  | <b>41,727</b>   |
| Total Change 2008-2009       | 0           | 8          | 297             |

Under Secretary for Management requests \$41.727 million and 62 FTE for this activity. This is an increase of \$0.297 million and an increase of 8 FTE over the FY 2008 enacted level.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Chief Administrative Officer (OCAO) is responsible for asset management (logistics, real estate, personal property, aviation, transportation, fleet, marine vessels), mail screening and delivery, occupational safety and health, environmental planning and management, historic preservation, energy management, records, directives, forms, library services, printing and graphics for the Department as well as consolidating and optimizing the same; and the Executive Service Center to support the Office of the Secretary and Executive Offices. The OCAO also manages and implements the Department’s Continuity of Operations Plan (COOP) and Emergency Preparedness program.

**DHS HEADQUARTERS PROJECT**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$8,206</b> |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>6,000</b>   |
| 2009 Adjustments-to-Base     | 0                   | 0          | 0              |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>6,000</b>   |
| 2009 Program Change          | 0                   | 0          | 0              |
| <b>2009 Request</b>          | <b>0</b>            | <b>0</b>   | <b>6,000</b>   |
| Total Change 2008-2009       | 0                   | 0          | 0              |

Under Secretary for Management requests \$6 million for this activity. There is no change over the FY 2008 enacted level.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Nebraska Avenue Complex (NAC) is the headquarters facility for DHS, and presence at the Complex continues to expand as well as at other locations. Continued relocation and realignment of as much of the Department Headquarters as possible at the NAC will enable better communication and more efficient operations.

**CONSOLIDATED HQ PROJECT**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>\$0</b>     |
| <b>2008 Enacted</b>          | <b>0</b>            | <b>0</b>   | <b>0</b>       |
| 2009 Adjustments-to-Base     | 0                   | 0          | 0              |
| <b>2009 Current Services</b> | <b>0</b>            | <b>0</b>   | <b>120,000</b> |
| 2009 Program Change          | 21                  | 11         | 120,000        |
| <b>2009 Request</b>          | <b>21</b>           | <b>11</b>  | <b>120,000</b> |
| Total Change 2008-2009       | 21                  | 11         | 120,000        |

Under Secretary for Management requests \$120 million and 11 FTE for this activity. This is a new activity in FY 2009.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The DHS Consolidated Headquarters Project will consolidate executive program leadership of the Department in a secure setting for policy, management and operational coordination. It will foster a “one-DHS culture” and enhance the flow of information while optimizing our prevention and response capabilities across the spectrum of operations.

**OFFICE OF THE CHIEF HUMAN CAPITAL OFFICER**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>53</b>           | <b>53</b>  | <b>\$29,661</b> |
| <b>2008 Enacted</b>          | <b>53</b>           | <b>53</b>  | <b>18,811</b>   |
| 2009 Adjustments-to-Base     | 30                  | 30         | 18,806          |
| <b>2009 Current Services</b> | <b>83</b>           | <b>83</b>  | <b>37,617</b>   |
| 2009 Program Change          | 6                   | 3          | 10,500          |
| <b>2009 Request</b>          | <b>89</b>           | <b>86</b>  | <b>48,117</b>   |
| Total Change 2008-2009       | 36                  | 33         | 29,306          |

Under Secretary for Management requests \$48.117 million and 86 FTE for this activity. This is an increase of \$29.306 million and 33 FTE over the FY 2008 enacted level. The current services level converts 23 contractors that support the Office of Human Capital to governmental full time positions.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of the Chief Human Capital Officer provides overall management and administration for the Department’s human capital. This office establishes policy and procedures and also provides oversight, guidance, and leadership for human resources functions, including learning and development, within the Department of Homeland Security. The Office of Human Capital (OHC) is responsible for designing and implementing DHS human resources programs, including the human resources strategy and technology components necessary for its successful deployment. A primary focus of OHC is the Department’s response to issues that surfaced in the Federal Human Capital Survey.

Under OHC’s leadership, DHS will continue its investment in recruitment and retention programs to ensure the Department has the workforce it needs to achieve its mission. DHS will continue to provide support for DHS’ transparent performance management system that clearly articulates expectations and holds managers and employees accountable for results. OHC will monitor and evaluate the implementation of the performance system to ensure that components are in compliance with guiding directives and employees are well informed on the progress being made. Furthermore, DHS will continue to invest in diversity initiatives by leading efforts to finalize and implement the diversity strategy, conduct outreach in colleges and universities and minority serving organizations, and increase partnerships with diversity-focused professional associations, develop and deploy appropriate diversity training, and enhance diversity within the executive cadre. Veteran’s outreach programs will be enhanced to improve communications with the Veteran community regarding career opportunities at DHS.

OHC intends to convert contractor positions to Federal positions in FY 2009. Conversion savings will be applied to other needed services, such as DHS’s response to the Federal Human Capital Survey and conducting and responding to the DHS employee morale survey. OHC will refocus its contract needs

on short term projects to meet surge requirements, one –time infrastructure costs, and areas where expertise is not easily obtained in the Federal workspace or would be more cost effective if provided by contractors. Converted contractor positions will provide OHC a stable, cost effective Federal workforce replacement to perform ongoing initiatives and provide depth in areas where OHC is currently “one deep” in bench strength. In addition, OHC will be able to broaden and sustain its knowledge base and capacity to meet the challenges associated workforce and succession planning, diversity, veteran outreach, recruiting and retention, employee morale, service delivery, as well as its strategic leadership of HR lines of business throughout DHS. A special challenge for FY 2009 will be the transition of key executive positions during the change of administration.

**OFFICE OF THE CHIEF PROCUREMENT OFFICER**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>96</b>           | <b>71</b>  | <b>\$16,473</b> |
| <b>2008 Enacted</b>          | <b>162</b>          | <b>129</b> | <b>28,495</b>   |
| 2009 Adjustments-to-Base     | (4)                 | 29         | 6,718           |
| <b>2009 Current Services</b> | <b>158</b>          | <b>158</b> | <b>35,213</b>   |
| 2009 Program Change          | 52                  | 26         | 6,790           |
| <b>2009 Request</b>          | <b>210</b>          | <b>184</b> | <b>42,003</b>   |
| Total Change 2008-2009       | 48                  | 55         | 13,508          |

Under Secretary for Management requests \$42.003 million and 184 FTE for this activity. This is an increase of \$13.508 million and 55 FTE over the FY 2008 enacted level. The current services level transfers the grants management function to the Office of the Chief Financial Officer.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of Procurement is responsible for the overall management, administration, and oversight of Department-wide acquisitions, strategic sourcing, and competitive sourcing programs, including direct management and oversight of the Office of Procurement Operations. The Office is responsible for developing DHS acquisition regulations and policies; workforce planning; and oversight and performance management of the CPO infrastructure.

**OFFICE OF THE CHIEF SECURITY OFFICER**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>105</b>          | <b>105</b> | <b>\$52,319</b> |
| <b>2008 Enacted</b>          | <b>111</b>          | <b>108</b> | <b>53,490</b>   |
| 2009 Adjustments-to-Base     | 0                   | 3          | 6,192           |
| <b>2009 Current Services</b> | <b>111</b>          | <b>111</b> | <b>59,682</b>   |
| 2009 Program Change          | 12                  | 6          | 1,286           |
| <b>2009 Request</b>          | <b>123</b>          | <b>117</b> | <b>60,968</b>   |
| Total Change 2008-2009       | 12                  | 9          | 7,478           |

Under Secretary for Management requests \$60.968 million and 117 FTE for this activity. This is an increase of \$7.478 million and 9 FTE over the FY 2008 enacted level.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

The mission of the Office of Security (OS) is to lead a collaborative security program to safeguard the Department's personnel, information, and property so the Department may secure the Homeland. Today's complex security environment demands that security operations be effectively structured and integrated into all DHS operations. OS implements Department-wide security programs, policies and standards to safeguard DHS personnel, property, facilities, and information. Priority initiatives include expediting background investigations and granting security clearances; conducting facility security risk assessments; providing security education and awareness training; and issuing guidance on topics ranging from installing physical security equipment to handling classified information. Additionally, the OS investigates threats related to foreign intelligence, terrorism, and criminal activities within or directed against DHS.

The OS integrates all security disciplines in a manner that increases efficiency and enhances the overall security of the Department. The Office is broken into seven divisions that work together to create an environment that promotes best practices and shares accountability. These divisions are:

- The Administrative Security Division - develops, implements, and oversees policies, programs and standards necessary to safeguard classified and sensitive but unclassified information;
- The Counterintelligence and Investigations Division - protects DHS personnel, information and property from foreign intelligence services, terrorists, and criminals. This division also identifies, analyzes, and defends against espionage directed at DHS and conducts investigations of crimes committed against DHS personnel, property and facilities;
- The Special Security Programs Division - manages the DHS Sensitive Compartmented Information (SCI) and Special Access Programs;
- The Physical Security Division protects DHS personnel, controls access to DHS Headquarters facilities, and safeguards against damage and theft;
- The Personnel Security Division - ensures the highest levels of confidence in DHS employee and contractor trustworthiness, loyalty, integrity, and reliability. The division conducts background investigations, makes suitability and security clearance eligibility determinations and provides oversight of personnel security policy throughout the Department;
- The Training and Operations Security Division - ensures that all DHS employees are trained to recognize and defend against threats of the Department's personnel, information, and property;
- The Operations Division - provides an accurate account of the budget, both classified and non-classified. This division ensures coordination of security-related budget issues with the DHS Budget Office (Office of the Chief Financial Officer), the Office of the Director of National Intelligence (ODNI), the Office of Management and Budget (OMB), the House Appropriations Committee (HAC), and the Senate Appropriations Committee (SAC). The Operations Division also completes procurement actions, which require market research and evaluations so that the government can achieve the best value and executes reimbursable agreements with other government agencies.

## IV. Program Justification of Changes

**Department of Homeland Security  
Departmental Management and Operations  
Under Secretary for Management  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1:                    OUSM Support Services**

Strategic Goal(s) and Objective(s): Goal 5: Strengthen and Unify DHS Operations and Management

Organization:                            Immediate Office US/M

Program Increase:    Positions   1   FTE   1   Dollars \$250

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 12              | 12        | \$2,404         |
| Program Increase       |                |          |                 |                 |          |                 | 1               | 1         | \$ 250          |
| <b>Total Request</b>   | <b>10</b>      | <b>8</b> | <b>\$1,797</b>  | <b>10</b>       | <b>8</b> | <b>\$2,012</b>  | <b>13</b>       | <b>13</b> | <b>\$2,654</b>  |

Description of Item

This program increase is needed to handle the increased workload with the management integration and transformation process, as well as the transition process to ensure an efficient and orderly consolidation of functions and personnel in the Department.

Justification

The Under Secretary for Management serves as the Chief Management Officer and principal advisor to the Secretary on matters related to the management integration and transformation in support of homeland security operations and programs. One of the Chief Management Officer's primary responsibilities is the development of a transition and succession plan to guide the transition of management to a new administration. The increase sustains the position of the (career) Deputy Under Secretary that provides continuity throughout the transition.

Impact on Performance (Relationship of Increase to Strategic Goals)

Funding the program increase allows the Under Secretary for Management to continue to ensure the impending transition between administrations is well-planned and smoothly implemented.

**Program Increase 2: DHS Consolidated Headquarters Project**

Strategic Goal(s) & Objective(s): **Goal 5: Strengthen and Unify DHS Operations and Management**

Organization: **Office of the Chief Administrative Officer**

Program Increase: Positions 21 FTE 11 Dollars \$120,000

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                  |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000)  |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0         | \$0              |
| Program Increase       |                |          |                 |                 |          |                 | 21              | 11        | \$120,000        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>21</b>       | <b>11</b> | <b>\$120,000</b> |

Description of Item

This request consolidates the DHS requirements and centrally funds the DHS project costs and support. This item combines the non-recurring DHS tenant improvement costs and the recurring Special Projects Team personnel costs for management of the relocation of the USCG Headquarters and consolidation of other DHS Components on the St. Elizabeths West Campus and throughout the NCR.

The \$120 million provides the base level funding to support the DHS Consolidated HQ Campus at St. Elizabeths and will fund the following items:

- USCG Headquarters Building Tenant Improvement construction costs for FY 2009 including the main headquarters facility (Phase 1a only). USCG shared operational and support spaces (Phase 1b) will be requested in a future year.
- Staffing to manage the project (21 FTE)
- Operational Security Site Survey Requirements for Construction

Justification

The DHS mission is to lead a unified national effort to secure America. The lessons learned from Hurricane Katrina and Secretary Chertoff’s Second Stage Review reinforced the critical requirement that DHS operate with increased integration to prepare for and respond to natural disasters or terrorist attacks. Our mission demands this approach to all hazards. Yet the Department’s legacy facilities are dispersed in about 40 locations and 70 buildings throughout the National Capital Region (NCR), sometimes with sub-optimal security protections and routinely impacting adversely critical communication, coordination, and cooperation across DHS components. To support the incident management and command-and-control requirements of our mission, the Department clearly needs to consolidate executive leadership, operations coordination, and policy and program management functions in a secure setting.

This will foster a “one-DHS” culture and optimize our prevention and response capabilities across the spectrum of operations. The Department also needs to reduce significantly the total number of locations that house DHS components to as few as possible to lower overall costs. The Headquarters

Consolidation will provide opportunities for improved organizational efficiency through functional integration and sharing of like services and enhanced component working relationships:

- At full potential development capacity, the Department anticipates St. Elizabeths will satisfy up to 4.5 million gross square feet (GSF) of office space out of a current total need (FY 2008) of about 7 million GSF. Specific details are dependent on final GSA Master Plan approval. Consolidation of shared campus services will reduce duplication.
- Mission Support functions that do not relocate to St. Elizabeths will be consolidated/collocated where possible to enhance functional integration, cooperation and coordination among all components.
- A phasing plan will mitigate the impacts of lease expirations, totaling approximate 4.8 million GSF over the next 10 years.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

Funding the St. Elizabeths Consolidated DHS Headquarters Campus directly supports the Department's Organizational Excellence Strategic Goal and facilitates the Awareness, Prevention, Protection, Response and Recovery Strategic Goals through the creation of a consolidated headquarters campus focused on mission execution. The collocation of the National Operations Center (NOC) with the individual component operations centers at St. Elizabeths will directly enhance mission execution capabilities and coordination of Federal, State and local assets in the preparations for, response to and recovery from, natural disasters or terrorist attacks. The Secretary has identified Priority 12.1; Implementation of the DHS National Capital Region Housing Master Plan and creation of a unified Departmental headquarters as one of the top initiatives critical to mission performance, establishing a common identity, supporting teamwork and a unified culture.

GSA determined that consolidation of 4.5 million GSF of office space at St. Elizabeths will result in a revised estimate of approximately \$743 million Present Value (NPV) savings over a thirty year period as compared to individually replacing leases without any consolidation. This projected savings includes DHS specific tenant costs. In addition to the direct real estate savings, DHS will achieve further savings/cost avoidances at the consolidated headquarters campus through reduction of administrative overhead, elimination of redundancies and sharing of common campus services.

This project will impact most, if not all, of DHS components in the Washington, DC metropolitan area totaling approximately 26,000 employees/contractors/detailees and over 7 million GSF of real property. The project staff is required to manage all aspects of the planning, design/construction coordination with GSA and individual tenants, lease administration, outfitting and moves of the various offices to St. Elizabeths and other consolidation locations. This requires broad based expertise in project management, engineering, real property, environmental management, personal property, outfitting, and logistics support.

The St. Elizabeths campus offers a tremendous opportunity to create a secure, state-of-the-art-headquarters focused on achieving our core mission to protect the homeland.

**Program Increase 3: Learning and Development**

Strategic Goal(s) & Objective(s): Goal 5: Strengthen and Unify DHS Operations and Management

Organization: Office of the Chief Human Capital Officer

Program Increase: Positions 6 FTE 3 Dollars \$5,500

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase       |                |          |                 |                 |          |                 | 6               | 3        | \$5,500         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>6</b>        | <b>3</b> | <b>\$5,500</b>  |

Description of Item

In October 2007, the Deputy Secretary approved and signed the DHS Learning and Development Strategy (Strategy) developed by the DHS Chief Learning Officer (CLO). The Strategy calls for the centralization of several DHS employee learning and professional development opportunities—to include design, development, delivery and evaluation--in order to enhance consistency of training content, foster a DHS mission-focused culture, and promote cost savings. The overall goal of the Strategy, and of the Office of the Chief Learning Officer, is to offer programs that cultivate awareness and understanding of the Department and the various missions and organizations that function together to accomplish the DHS mission.

The Office of the Chief Learning Officer will fund DHS headquarters training and functions as a policy making and data coordination office for the Department. For FY 2009, the programs offered will include legislative mandatory training, the DHS fellows program, and the Scholarship and Internship Program. Also, DHS will also establish coordinated efforts across the enterprise focused on integrating the various existing instructional technology approaches in existence while also standing up a collaborative Research and Development Office to explore new opportunities designed to enhance human performance in support of DHS missions. Leveraging advanced instructional technologies is an integral part of an overall Federal government and DHS-specific strategy to improve mission performance within the workforce.

FY 2009 will be the first year that DHS headquarters and enterprise-wide Learning and Development programs, courses, and streamlined data collection will have an appropriated budget line. The FY09 Learning and Development budget will continue progress toward integration and coordination among the many DHS Component organizations and help move the Department toward a culture of “Team DHS.”

Justification

The Strategy was written in response to the Secretary’s Second Stage Review, the DHS/FEMA Appropriations Act, the Katrina Lessons Learned Report, the Homeland Security Advisory Council, academia, and numerous studies. While several DHS Directorates and Components have well established and proven mission specific Learning and Development programs, there has been no

unified effort to design, develop, and deploy a DHS enterprise-wide Learning and Development strategy to date. The goal of the Learning and Development initiatives in the Strategy is to not only foster a culture of a “Team DHS,” but also to increase the efficiency and effectiveness of training and education programs across the Enterprise through integration and consolidation.

Part of the DHS Learning and Development Strategy is the DHS University System, which will not only provide an enterprise-wide learning management system, but also close knowledge and skill gaps in the DHS workforce, integrate learning and development across the Department, and serve as a key element in a robust Department-wide succession plan.

Justification for the Learning and Development Budget is provided by Title 5 USC Part 410, Subpart C §410.308; Executive Order 13434 for National Security Professional Education; Section 623 of H.R. Appropriations Act 2007; Katrina Lessons Learned Report Recommendation #116; Goal 4.3 of the DHS Strategic Plan; Goal 12 of the Secretary’s Priority Goals for 2007; the FEMA Appropriations Act Section 845; the Chief Human Capital Officer Operational Plan.

Leadership courses funded by this budget directly address the Secretary’s Near Term Objectives #4 and #5; the DHS Strategic Plan, the Katrina Lessons Learned Report, the Homeland Security Advisory Council (HSAC) 2006 Tasking from the Secretary to “Create a Culture of a Team DHS”, the DHS Chief Human Capital Officer Strategic Plan, the DHS Chief Human Capital Officer Operational Plan, the DHS Training Leaders Council Strategic Plan for Learning and Development; the DHS Management Directive 3210 (Training, Education and Professional Development), and the Presidential Management Agenda. These courses are fundamental to the Department’s transitions efforts and the Secretary’s request for a leadership rotational program.

Preparedness courses, such as the DHS 101/201 courses, directly address HSPD #5, paragraph 15, the Secretary’s Near Term Priority Goal #4 and #5, Katrina Lessons Learned #2, #114, #117, and the Homeland Security Act of 2002 Title XIII closing organizational and occupational competencies gaps.

Scholarship and Internship programs directly address Title 5 USC Part 410, Subpart C §410.308, the DHS Strategic Plan Goal 4.3 and the Secretary’s Priority Goals for 2007-Goal 12.

Instructional Technology Management will centralize management of training and professional development capabilities, realize economies of scale, and alleviate duplicative acquisition efforts in addition to supporting the DHS Information Technology Portfolio Management Initiative.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

The programs and initiatives described above and outlined in the Strategy are essential to the sustained, long-term success of many DHS Human Capital Operational Plan (HCOP) led programs implemented during FY 2007 and FY 2008. The DHS Office of the Chief Human Capital Officer has also highlighted learning and development efforts within the HCOP by specifically identifying such programs as one of five key priorities – Create High-Quality Learning and Development Programs for DHS employees. Finally, the five near-term objectives for DHS as outlined by Secretary Chertoff depends upon “...building a Department that will meet future challenges, preserve freedom and privacy, and protect the American people.” A skilled and competent workforce that is ready and can deliver on important, high visibility programs is consistent with the Secretary’s strategic statement for the Department.

As outlined above, all of the Learning and Development initiatives and programs are supported by Congressional Mandates, DHS Secretary's Priorities, DHS Strategic Goals and/or other rules, regulations, or Presidential Directives. The DHS Learning and Development Strategy attempts to leverage and integrate existing Departmental training programs that are currently available. Funding requested for the initiatives outlined above provides the basis for a Department that is functionally integrated and effective in its mission. Without funding, leadership and preparedness response capability will decrease across the Department, and we will have less capability to foster collaborative efforts across DHS and the interagency and provide programs that have been congressionally mandated to us.

**Program Increase 4:****Operational Initiatives & HR Management System**Strategic Goal(s) & Objective(s): Goal 5: Strengthen and Unify DHS Operations and ManagementOrganization: Office of the Chief Human Capital OfficerProgram Increase: Positions 0 FTE 0 Dollars \$5,000Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | \$10,000        |
| Program Increase       |                |          |                 |                 |          |                 | 0               | 0        | \$5,000         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>\$20,000</b> | <b>0</b>        | <b>0</b> | <b>\$10,000</b> | <b>0</b>        | <b>0</b> | <b>\$15,000</b> |

Description of Item

Improving DHS results to the Federal Human Capital Survey (FHCS) remains a priority of DHS for FY 2009. During FY 2009, OHC will work with components to craft policies and programs to improve employees' working environment and their perceptions of DHS. Programs and policies identified in FY 2008 to respond to the FY 2007 internal DHS employee survey and FY 2006 and FY 2008 FHCS will need to be evaluated and adjusted. In addition, OHC will need to monitor compliance. In FY 2009 OHC will conduct another internal DHS employee census survey, analyze the results, and develop strategies and plans to address weaknesses identified in the results. In concert with the FHCS, OHC will continue with corporate workforce planning and analysis for mission critical occupations to determine current and future staffing needs, analyze turnover and attrition, examine reasons for employee attrition through such methods as exit interviews/surveys, and link the results to training and other recruiting and retention strategies, including improving performance evaluation.

Justification

The National Defense Authorization Act of 2004 mandated that each federal agency survey its workforce on an annual basis. The Federal Human Capital Survey fulfills this requirement every other year. The results are widely published in national newspapers and have an impact on DHS retention and recruitment efforts. In FY 2009, OHC will continue Workforce Engagement activities, including the implementation and monitoring of Component action plans and initiatives developed in response to the 2007 Annual Employee Survey results and the 2008 FHCS. DHS will continue to provide support for DHS' transparent performance management system that clearly articulates expectations and holds managers and employees accountable for results. FY 2006 FHCS findings showed only 30% of employees answered positively to the question, "[E]mployees are rewarded for providing high quality products and services to customers." Similarly, of DHS employees who took the FHCS, only 23% felt that steps were taken to deal with poor performers.

OHC will monitor and evaluate the implementation of the performance system to ensure that components are in compliance with guiding directives and employees are well informed on the progress being made. OHC will closely monitor progression in closing the competency gaps in mission critical occupations. Activities which are improving results will continue and include such areas as workforce planning, quality of life programs, communication, performance culture, enterprise-

wide recruitment and retention, workforce diversity, continuity of executive leadership during transition, and communication.

Furthermore, DHS will continue to invest in diversity initiatives by leading efforts to finalize and implement the diversity strategy, conduct outreach in colleges and universities and minority serving organizations, and increase diversity awareness. In addition, DHS will expand outreach to Veterans by establishing the DHS Veterans Outreach Advisory Council and conducting various Veterans outreach efforts.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

Successful recruitment and retention of high performing, talented employees is key to the Department's success in accomplishing its mission. Current and future employees' perceptions of the Department will impact how successfully internal human resources capacity is grown and maintained. The Federal Human Capital Survey results provide insight into our employees perceptions and color what others might think of DHS as future employees. In addition, FY 2009 will pose additional challenges related to the transition of key executive positions during the change Presidential appointees. A smooth transition of executives is paramount to continuity of DHS operations.

**Program Increase 5:****Program Management Teams**Strategic Goal(s) & Objective(s): **Goal 5: Strengthen and Unify DHS Operations and Management**Organization: Office of the Chief Procurement OfficerProgram Increase: Positions 18 FTE 9 Dollars \$3,648Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase       |                |          |                 |                 |          |                 | 18              | 9        | \$ 3,648        |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>0</b>        | <b>18</b>       | <b>9</b> | <b>\$ 3,648</b> |

Description of Item

This increased funding establishes Department Wide Program Management Teams to support program offices in achieving their mission to deliver timely and effective acquisitions.

Justification

Program Management Teams are essential to establish an acquisition system where each requirement has a well-defined mission and management team staffed by professionals with the necessary skills to achieve mission results.

For every major acquisition, there's a program office that owns the mission. The program office is responsible for doing the budgeting and ensuring that the mission is delivered. It is necessary to have a good program management office and good contracting office to support that program and to deliver truly effective acquisitions.

Impact on Performance (Relationship of Increase to Strategic Goals)

The DHS Chief Procurement Officer maintains the responsibility to be effective stewards of taxpayer dollars. All of DHS's strategic goals are achieved through its acquisition programs. Program management determines whether the program achieves its performance goals and spends the taxpayer dollars efficiently. Without program initiation, review, assistance and support DHS will fail to meet all of its strategic goals. Programs such as cargo and passenger screening, Coast Guard revitalization and communications, disaster preparation, response and recovery, or border control fail without good program management. This office ensures DHS selects appropriate programs to meet its goals and provides the programs tools they need to be effective.

**Program Increase 6:****DHS-Wide Acquisition Workforce Intern Program**Strategic Goal(s) & Objective(s): **Goal 5: Strengthen and Unify DHS Operations and Management**Organization: Office of the Chief Procurement OfficerProgram Increase: Positions 34 FTE 17 Dollars \$3,142Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                  |
|------------------------|----------------|----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|------------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000)  |
| Current Services Level |                |          |                 |                 |           |                 | 66              | 66        | \$10,363         |
| Program Increase       |                |          |                 |                 |           |                 | 34              | 17        | \$ 3,142         |
| <b>Total Request</b>   | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>66</b>       | <b>33</b> | <b>\$5,100</b>  | <b>100</b>      | <b>83</b> | <b>\$ 13,505</b> |

Description of Item

Department-wide Acquisition Intern Program was established in FY 2008 as a three year program; the FY 2009 budget requests funding for the second year of this program.

In an effort to combat staffing shortages, the Department requested a centrally funded Department-wide DHS Intern Program in FY 2008; this allows for the recruitment of college graduates who will receive an appropriate amount of training over three years.

Justification

The Acquisition Workforce directorate is tasked with recruiting, training, certifying, and retaining an appropriate workforce of acquisition professionals. While ideally qualified contracting professionals, ranging from journeyman to expert level, would be readily available, an analysis of the current job market confirms demand outweighs supply of contracting professionals. In addition to this shortage, new labor numbers show that 30 percent of the Federal professional staff will be eligible for retirement in the next three to five years. To address these concerns, DHS is expanding the Acquisition Intern Program to one hundred annually and adding the Student Career Experience Program positions as these two sources in other agencies have traditionally formed the core of the procurement workforce. In order to attract a highly motivated workforce DHS continues to examine options such as Department-wide training and other incentives including relocation expenses, recruitment bonuses, educational loan repayment, and/or payment for graduate classes.

Impact on Performance (Relationship of Increase to Strategic Goals)

The DHS acquisition workforce maintains the responsibility to be effective stewards of taxpayer dollars. The potential for negligence may result without the ability to appropriately staff, train, and certify members of the acquisition workforce. These requested dollars are required in order to recruit and retain staff in a professional field which is critically short staffed government wide.

**Program Increase 7:**

**Counterintelligence Expansion Program**

Strategic Goal(s) & Objective(s): 7.3 Continually Improve Our Way of Doing Business  
PPA: Office of Security

Program Increase: Positions 12 FTE 6 Dollars 1,286

Funding Profile

|                        | FY 2007 Actual |            |                 | FY 2008 Enacted |            |                 | FY 2009 Request |            |                 |
|------------------------|----------------|------------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
|                        | Pos            | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) | Pos             | FTE        | Dollars (\$000) |
| Current Services Level |                |            |                 |                 |            |                 | 111             | 111        | 59,682          |
| Program Increase       |                |            |                 |                 |            |                 | 12              | 6          | 1,286           |
| <b>Total Request</b>   | <b>105</b>     | <b>105</b> | <b>\$52,319</b> | <b>111</b>      | <b>108</b> | <b>\$53,490</b> | <b>123</b>      | <b>117</b> | <b>\$60,968</b> |

Description of Item

The Office of Security requests an increase of \$1.286 million to expand its Counterintelligence and Investigative Division to significantly enhance the Department’s counterintelligence (CI) program in conjunction with the Office of Intelligence and Analysis to address emerging intelligence collection threats to the Department.

Justification

Today’s complex security environment demands that security operations be effectively structured and integrated into all Department of Homeland Security (DHS) operations. The DHS Office of Security (OS) implements department-wide security programs, policies and standards to safeguard DHS personnel, property, facilities, and information. As DHS expands the numbers of employees, contractors and facilities security resources must increase proportionally to ensure Department safety.

Counterintelligence and Investigations Division requests 12 additional positions (6 FTE) to better defend the Department, its personnel, information, and property, from foreign and domestic threats and to ensure a secure workplace environment. These individuals are needed to assist in the continuing effort with identifying, analyzing, deterring, exploiting, and defending against espionage, foreign intelligence, and terrorist activities directed against DHS. Working closely with the Office of Intelligence and Analysis through a joint DHS program office of counterintelligence and the CI community, these individuals will work to deter crimes against the Department or its employees. If a credible threat or incident is identified, DHS will pass along all investigations to the Federal Bureau of Investigations.

Impact on Performance (Relationship of Increase to Strategic Goals)

The current complex security environment demands that counterintelligence and security operations be effectively structured and integrated into all Department of Homeland Security (DHS) operations. The Department must have the ability to protect itself to it can protect the country. If this initiative is not funded, Security will be unable to keep up with the security measures and monitoring needed to secure DHS, which will have two main effects: (1) DHS will become more vulnerable to foreign intelligence entities committing espionage or cyber attacks against DHS, and (2) the entire federal government could be put at greater risks because DHS is extensively connected to other federal departments and

agencies in defense, intelligence, homeland security and the law enforcement communities and thus, DHS' vulnerabilities could serve as entry points for foreign threats wanting to penetrate these other communities.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Justification of Proposed Changes in Appropriation Name**  
**Appropriation Language**

For necessary expenses of the Office of the Under Secretary for Management, as authorized by sections 701 through 705 of the Homeland Security Act of 2002 (6 U.S.C. 341 through 345), [\$278,350,000: *Provided*, That] **\$320,093,000, of which** not to exceed \$3,000 shall be for official reception and representation expenses: **Provided further**, That of the total amount provided, [\$6,000,000]; **\$126,000,000** shall remain available until expended solely for the consolidated headquarters project, alteration and improvement of facilities, **and** tenant improvements[, and relocation costs to consolidate Department headquarters operations] **for the DHS headquarters project**.

#### **Explanation of Changes:**

Of the \$126,000,000 that shall remain available until expended, the appropriation total includes \$120,000,000 for the Consolidated Headquarters Project at St. Elizabeths and \$6,000,000 for the DHS Headquarters Project.

**B. FY 2008 to FY 2009 Budget Change**  
**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....   | <b>283</b>  | <b>283</b> | <b>\$148,648</b> |
| <b>2008 Enacted</b> .....   | <b>398</b>  | <b>352</b> | <b>145,238</b>   |
| <b>Adjustments-to-Base</b>  |             |            |                  |
| Transfers to and from other accounts:                                     |             |            |                  |
| Transfer from Office of Administration to Dept Ops Components - Rent..... | ---         | ---        | (7,105)          |
| Transfer to Immediate Office US/M - Rent.....                             |             |            | 163              |
| Transfer to Office of Security - Rent.....                                |             |            | 850              |
| Transfer to Office of Human Capital - Rent.....                           |             |            | 452              |
| Transfer to Office of Procurement - Rent.....                             |             |            | 416              |
| Transfer to Office of Human Capital from OCIO - HRIT.....                 |             |            | 17,131           |
| Transfer to Office of Security from the Cerro Grande Appropriation .....  |             |            | 430              |
| Transfer from Federal Law Enforcement Training Center .....               | 7           | 7          | 1,290            |
| Transfer from Office of Procurement to CFO - Grants Management.....       | (4)         | (4)        | (900)            |
| Total Transfers.....  | <u>3</u>    | <u>3</u>   | <u>12,727</u>    |
| Increases   |             |            |                  |
| Annualization of prior year part year funding.....                        | 25          | 71         | 7,711            |
| Annualization of 2008 pay raise.....                                      | ---         | ---        | 296              |
| 2009 pay increase.....  | ---         | ---        | 1,112            |
| GSA Rent.....   | ---         | ---        | 4,193            |
| Non-pay inflation excluding GSA Rent.....                                 |             |            | 4,261            |
| Working Capital Fund.....   | ---         | ---        | 6,366            |
| Restoration of USM Rescission.....  | ---         | ---        | 5,000            |
| Total Increases.....  | <u>25</u>   | <u>71</u>  | <u>28,939</u>    |
| Decreases   |             |            |                  |
| Management Efficiency - Non Pay Inflation.....                            | ---         | ---        | (4,261)          |
| Total Decreases.....  | ---         | ---        | (4,261)          |
| <b>Total Adjustments-to-Base</b> .....                                    | <u>28</u>   | <u>74</u>  | <u>37,405</u>    |
| <b>2009 Current Services</b> .....  | <b>426</b>  | <b>426</b> | <b>182,643</b>   |
| <b>Program Changes</b>  |             |            |                  |
| Program Increases/(Decreases)   |             |            |                  |
| Immediate Office of the Under Secretary for Management                    |             |            |                  |
| Front Office Support Services.....  | 1           | 1          | 250              |
| Office of Administration  |             |            |                  |
| Consolidated Headquarters Project - St. Elizabeths.....                   | 21          | 11         | 120,000          |
| Office of Human Capital   |             |            |                  |
| Learning and Development.....   | 6           | 3          | 5,500            |
| Operational Initiatives & HR Management System.....                       | ---         | ---        | 5,000            |
| Office of Procurement   |             |            |                  |
| Program Management Teams.....   | 18          | 9          | 3,648            |
| Acquisition Workforce Intern Program.....                                 | 34          | 17         | 3,142            |
| Office of Security  |             |            |                  |
| Security Services Expansion Program.....                                  | 12          | 6          | 1,286            |
| <b>Total Program Changes</b> .....  | <b>92</b>   | <b>47</b>  | <b>138,826</b>   |
| <b>2009 Request</b> .....   | <b>518</b>  | <b>473</b> | <b>321,469</b>   |
| <b>2008 to 2009 Total Change</b> .....                                    | <b>120</b>  | <b>121</b> | <b>176,231</b>   |

### C. Summary of Requirements

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |            |                  |
|--|--------------|------------|------------------|
|  | Perm. Pos.   | FTE        | Amount           |
| <b>FY 2007 Actual</b>  | <b>283</b>   | <b>283</b> | <b>\$148,648</b> |
| <b>2008 Enacted</b>  | <b>398</b>   | <b>352</b> | <b>145,238</b>   |
| Adjustments-to-Base (See "FY 2007 to FY 2008 Budget Change" for details) |              |            |                  |
| Transfers  | 3            | 3          | 12,727           |
| Increases  | 25           | 71         | 28,939           |
| Decreases  | ---          | ---        | (4,261)          |
| Total Adjustments-to-Base  | 28           | 74         | 37,405           |
| <b>2009 Current Services</b>   | <b>426</b>   | <b>426</b> | <b>182,643</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 92           | 47         | 138,826          |
| <b>2009 Total Request</b>  | <b>518</b>   | <b>473</b> | <b>321,469</b>   |
| 2008 to 2009 Total Change  | 120          | 121        | 176,231          |

| Estimates by Program/Project Activity                                  | 2008 Enacted |            |                | 2009 Adjustments-to-Base |           |               | 2009 Program Change |           |                | 2009 Request |            |                  | 2008 to 2009 Total Change |            |                  |
|--|--------------|------------|----------------|--------------------------|-----------|---------------|---------------------|-----------|----------------|--------------|------------|------------------|---------------------------|------------|------------------|
|  | Pos.         | FTE        | Amount         | Pos.                     | FTE       | Amount        | Pos.                | FTE       | Amount         | Pos.         | FTE        | Amount           | Pos.                      | FTE        | Amount           |
| 1 Immediate Office of the Under Secretary for Management               | 10           | 8          | \$2,012        | 2                        | 4         | \$392         | 1                   | 1         | \$ 250         | 13           | 13         | \$2,654          | 3                         | 5          | \$642            |
| 2 Office of Administration   | 62           | 54         | 41,430         | ---                      | 8         | 297           | ---                 | ---       | ---            | 62           | 62         | 41,727           | ---                       | 8          | 297              |
| 3 DHS Headquarters Project   | ---          | ---        | 6,000          | ---                      | ---       | ---           | ---                 | ---       | ---            | ---          | ---        | 6,000            | ---                       | ---        | ---              |
| 4 Consolidated Headquarters Project                                    | ---          | ---        | ---            | ---                      | ---       | ---           | 21                  | 11        | 120,000        | 21           | 11         | 120,000          | 21                        | 11         | 120,000          |
| 5 Office of Human Capital  | 53           | 53         | 8,811          | 30                       | 30        | 28,806        | 6                   | 3         | 10,500         | 89           | 86         | 48,117           | 36                        | 33         | 29,306           |
| 6 Office of Human Capital - Oper. Initiatives and HR Management System | ---          | ---        | 10,000         | ---                      | ---       | (10,000)      | ---                 | ---       | ---            | ---          | ---        | ---              | ---                       | ---        | ---              |
| 7 Office of Procurement  | 162          | 129        | 28,495         | (4)                      | 29        | 6,718         | 52                  | 26        | 6,790          | 210          | 184        | 42,003           | 48                        | 55         | 13,508           |
| 8 Office of Security   | 111          | 108        | 53,490         | ---                      | 3         | 6,192         | 12                  | 6         | 1,286          | 123          | 117        | 60,968           | 12                        | 9          | 7,478            |
| 9 Less: USM Reduction (Office TBD)                                     | ---          | ---        | (5,000)        | ---                      | ---       | 5,000         | ---                 | ---       | ---            | ---          | ---        | ---              | ---                       | ---        | 5,000            |
| <b>Total</b>   | <b>398</b>   | <b>352</b> | <b>145,238</b> | <b>28</b>                | <b>74</b> | <b>37,405</b> | <b>92</b>           | <b>47</b> | <b>138,826</b> | <b>518</b>   | <b>473</b> | <b>\$321,469</b> | <b>120</b>                | <b>121</b> | <b>\$176,231</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
 Departmental Management and Operations  
 Under Secretary for Management  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)**

| Collections by Source                                   | 2007 Actual |     |               | 2008 Revised Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |                |
|---|-------------|-----|---------------|-----------------------|-----|---------------|---------------|-----|---------------|-------------------|-----|----------------|
|   | Pos.        | FTE | Amount        | Pos.                  | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount         |
| Security Office: U.S. Visit                             |             |     |               |                       |     | 585           |               |     | 597           | ---               | --- | 12             |
| Security Office: Exec. Office of the President HIDTA    |             |     |               |                       |     | 61            |               |     | 62            | ---               | --- | 1              |
| Security Office: DHS Offices                            |             |     | 940           |                       |     | 2,110         |               |     | 2,152         |                   |     | 42             |
| Administration Office: DHS Offices                      |             |     | 16,329        |                       |     | ---           |               |     | ---           |                   |     | ---            |
| Administration Office: Shared Services from DHS Offices |             |     | ---           |                       |     | 5,596         |               |     | 7,053         | ---               | --- | 1,457          |
| Administration Office: Consolidation of Mail Operations |             |     | ---           |                       |     | 14,403        |               |     | 11,000        | ---               | --- | (3,403)        |
| Human Capital Office: DHS Offices                       |             |     | 52            |                       |     | ---           |               |     | ---           |                   |     | ---            |
| <b>Total Budgetary Resources</b>                        | ---         | --- | <b>17,321</b> | ---                   | --- | <b>22,755</b> | ---           | --- | <b>20,864</b> | ---               | --- | <b>(1,891)</b> |

| Obligations by Program/Project Activity    | 2007 Actual |     |               | 2008 Revised Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |                |
|--|-------------|-----|---------------|-----------------------|-----|---------------|---------------|-----|---------------|-------------------|-----|----------------|
|  | Pos.        | FTE | Amount        | Pos.                  | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount         |
| Office of Security                         |             |     | \$940         |                       |     | \$2,756       |               |     | \$2,811       | ---               | --- | 55             |
| Office of the Chief Administrative Officer |             |     | 16,329        |                       |     | 19,999        |               |     | ---           | ---               | --- | (1,946)        |
| Office of the Chief Human Capital Officer  |             |     | 52            |                       |     | ---           |               |     | ---           | ---               | --- | ---            |
| <b>Total Obligations</b>                   | ---         | --- | <b>17,321</b> | ---                   | --- | <b>22,755</b> | ---           | --- | <b>20,864</b> | ---               | --- | <b>(1,891)</b> |

**E. Summary of Requirements By Object Class**

**Department of Homeland Security  
Departmental Management and Operations  
Under Secretary for Management  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | 2007<br>Actual   | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$25,416         | \$36,731         | \$52,683         | \$15,952              |
| 11.3 Other than full-time permanent                   | 790              | 719              | 842              | \$123                 |
| 11.5 Other Personnel Compensation                     | 910              | 669              | 781              | \$112                 |
| 12.1 Benefits   | 6,673            | 9,836            | 13,496           | \$3,660               |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$33,789</b>  | <b>\$47,955</b>  | <b>\$67,802</b>  | <b>\$19,847</b>       |
| Other Object Classes:                                 |                  |                  |                  |                       |
| 21.0 Travel   | 396              | 673              | 730              | 57                    |
| 22.0 Transportation of things                         | 3,191            | 3,787            | 3,787            | ---                   |
| 23.1 GSA rent   | 12,215           | 18,664           | 23,643           | 4,979                 |
| 23.2 Other rent                                       | 74               | 49               | 49               | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 5,094            | 5,243            | 7,900            | 2,657                 |
| 24.0 Printing and reproduction                        | 159              | 230              | 240              | 10                    |
| 25.1 Advisory and assistance services                 | 39,686           | 38,665           | 102,238          | 63,573                |
| 25.2 Other services                                   | 20,893           | 8,353            | 37,243           | 28,890                |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 29,142           | 19,820           | 70,886           | 51,066                |
| 25.7 Operation and maintenance of equipment           | 2,230            | 2,728            | 2,728            | ---                   |
| 26.0 Supplies and materials                           | 1,034            | 1,001            | 1,003            | 2                     |
| 31.0 Equipment  | 745              | 3,070            | 3,220            | 150                   |
| <b>Total, Other Object Classes</b>                    | <b>114,859</b>   | <b>102,283</b>   | <b>253,667</b>   | <b>151,384</b>        |
| <b>Total, Direct Obligations</b>                      | <b>\$148,648</b> | <b>\$150,238</b> | <b>\$321,469</b> | <b>\$171,231</b>      |
| Less: USM Reduction (Office TBD)                      |                  | (5,000)          |                  | 5,000                 |
|   |                  |                  |                  |                       |
|   |                  |                  |                  |                       |
| <b>Total requirements</b>                             | <b>\$148,648</b> | <b>\$145,238</b> | <b>\$321,469</b> | <b>\$176,231</b>      |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Departmental Management and Operations  
Under Secretary for Management  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 19             | 21              | 21              | ---                    |
| Total, EX                        | 2              | 2               | 2               | ---                    |
|                                  |                |                 |                 | ---                    |
| GS-15                            | 78             | 78              | 160             | 82                     |
| GS-14                            | 99             | 186             | 168             | (18)                   |
| GS-13                            | 77             | 93              | 142             | 49                     |
| GS-12                            | 19             | 32              | 43              | 11                     |
| GS-11                            | 4              | 2               | 22              | 20                     |
| GS-10                            | 0              | 0               |                 | ---                    |
| GS-9                             | 6              | 6               | 77              | 71                     |
| GS-8                             | 0              | 0               | 0               | ---                    |
| GS-7                             | 3              | 3               | 103             | 100                    |
| GS-6                             | 0              | 0               |                 | ---                    |
| GS-5                             | 1              | 1               | 1               | ---                    |
| GS-4                             | 2              | 2               |                 | (2)                    |
| GS-3                             |                |                 |                 |                        |
| GS-2                             |                |                 | 1               |                        |
| Other Graded Positions           |                |                 |                 |                        |
| Ungraded Positions               |                |                 |                 |                        |
| <b>Total Permanent Positions</b> | <b>310</b>     | <b>426</b>      | <b>740</b>      | <b>313</b>             |
| Unfilled Positions EOY           |                |                 | 73              | ---                    |
| Total Perm. Employment EOY       |                |                 | 667             | ---                    |
| <b>FTE</b>                       | <b>283</b>     | <b>352</b>      | <b>466</b>      | <b>114</b>             |
| Headquarters                     | 283            | 352             | 459             | 107                    |
| U.S. Field                       |                |                 | 7               | 7                      |
| Foreign Field                    |                |                 |                 | ---                    |
| <b>Total Permanent Positions</b> | <b>283</b>     | <b>398</b>      | <b>511</b>      | <b>113</b>             |
| <b>Average ES Salary</b>         | \$ 152,500     | \$ 156,500      | \$ 159,617      |                        |
| <b>Average GS Salary</b>         | \$ 80,400      | \$ 85,300       | \$ 89,377       |                        |
| <b>Average GS Grade</b>          | 12             | 12              | 13              |                        |

**G. Capital Investment and Construction Initiative Listing**

Not Applicable

**H. PPA Budget Justifications**

**Department of Homeland Security  
 Departmental Management and Operations  
 Under Secretary for Management  
 Immediate Office of the Under Secretary for Management  
 Funding Schedule  
 (Dollars in Thousands)**

| <b>PPA: Immediate Office of the Under Secretary for Management</b> |                                | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>   |                                |                        |                         |                         |                                |
| 11.1   | Perm Positions                 | \$639                  | \$729                   | \$956                   | 227                            |
| 11.3   | Other than perm                | 193                    | 250                     | 258                     | 8                              |
| 11.5   | Other per comp                 | ---                    | ---                     | ---                     | ---                            |
| 12.1   | Benefits                       | 210                    | 217                     | 275                     | 58                             |
| 21.0   | Travel                         | 4                      | 4                       | 4                       | ---                            |
| 23.1   | GSA rent                       | ---                    | ---                     | 262                     | 262                            |
| 24.0   | Printing                       | 1                      | 1                       | 1                       | ---                            |
| 25.1   | Advisory & Assistance Services | 365                    | 418                     | 456                     | 38                             |
| 25.3   | Purchase from Govt. Accts.     | 376                    | 384                     | 431                     | 47                             |
| 26.0   | Supplies & materials           | 9                      | 9                       | 11                      | 2                              |
| <b>Total, Immediate Office US/M</b>                                |                                | <b>\$1,797</b>         | <b>\$2,012</b>          | <b>\$2,654</b>          | <b>\$642</b>                   |
| Full Time Equivalents  |                                | 8                      | 8                       | 13                      | 5                              |

**PPA Mission Statement**

The Immediate Office of the Under Secretary of Management ensures the "front office" of our Directorate functions effectively and efficiently in support of both the Department as a whole, and the Directorate itself. The requested funding will allow the Immediate Office of US/M to manage the Directorate's workload; respond quickly to queries from within, and outside, the Department; and further our efforts for functional integration.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | \$1,042                | \$1,196                 | \$1,489                 | \$293                         |

The FY 2009 request includes an additional 5 FTEs and an increase of salaries and benefits of \$293,000 to handle the increased workload with the management integration and transformation process, as well as the transition process to ensure an efficient consolidation of functions and personnel in the Department. Most of the contractor positions will be converted to government full-time equivalent positions.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | \$4                    | \$4                     | \$4                     | \$0                           |

Travel includes all costs of transportation of persons, subsistence of travelers and incidental travel expenses in accordance with Federal travel regulations.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>GSA rent</b> | \$0                    | \$0                     | \$262                   | \$262                         |

GSA Rent is estimated at \$262,000 and includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Printing</b> | \$1                    | \$1                     | \$1                     | \$0                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Advisory and Assistance Services</b> | \$365                  | \$418                   | \$456                   | \$38                          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The increase for FY 2009 reflects the increase workload with the management integration and transformation process, as well as the transition process.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Purchase from Government Accounts</b> | \$376                  | \$384                   | \$431                   | \$47                          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified, as well as cost reimbursements for the Working Capital Fund (WCF). The FY 2009 request includes an increase of \$47,000.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Supplies &amp; materials</b> | \$9                    | \$9                     | \$11                    | \$2                           |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Office of Administration**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Office of Administration</b>            |  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|---|--|-----------------|-----------------|-----------------|---------------------|
|   |  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Object Classes:</b>                          |  |                 |                 |                 |                     |
| 11.1  | Perm Positions                             | \$4,947         | \$5,120         | \$6,767         | \$1,647             |
| 11.3  | Other than perm                            | 145             | 150             | 154             | 4                   |
| 11.5  | Other per comp                             | 110             | 114             | 117             | 3                   |
| 12.1  | Benefits                                   | 1,306           | 1,352           | 1,765           | 413                 |
| 21.0  | Travel                                     | 43              | 44              | 44              | ---                 |
| 22.0  | Transportation of things                   | 3,185           | 3,249           | 3,249           | ---                 |
| 23.1  | GSA rent                                   | 9,865           | 12,311          | 8,662           | (3,649)             |
| 23.2  | Other rent                                 | 48              | 49              | 49              | ---                 |
| 23.3  | Communication, Utilities, and misc charges | 4,936           | 5,035           | 5,035           | ---                 |
| 24.0  | Printing                                   | 51              | 51              | 51              | ---                 |
| 25.1  | Advisory & Assistance Services             | 9,807           | 8,206           | 10,067          | 1,861               |
| 25.2  | Other Services                             | 435             | 435             | 453             | 18                  |
| 25.3  | Purchase from Govt. Accts.                 | 4,771           | 4,771           | 4,771           | ---                 |
| 25.7  | Operation & maintenance of equipment       | 7               | 7               | 7               | ---                 |
| 26.0  | Supplies & materials                       | 284             | 284             | 284             | ---                 |
| 31.0  | Equipment                                  | 252             | 252             | 252             | ---                 |
| <b>Total, Office of Administrative Services</b> |  | <b>\$40,192</b> | <b>\$41,430</b> | <b>\$41,727</b> | <b>\$297</b>        |
| Full Time Equivalents                           |  | 46              | 54              | 62              | 8                   |

**PPA Mission Statement**

Administrative Services functional areas include the Executive Services Center; Asset Management (logistics, real estate, personal property, aviation, transportation, fleet, marine vessels, mail screening and delivery); and Occupational Safety and Health.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Salaries and Benefits</b> | \$6,508                | \$6,736                 | \$8,803                 | \$2,067                       |

Salaries and Benefits includes costs for 62 FTEs. The FY 2009 request includes annualization and pay raise costs.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Travel</b> | \$43                   | \$44                    | \$44                    | \$0                           |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Transportation of Things</b> | \$3,185                | \$3,249                 | \$3,249                 | \$0                           |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>GSA rent</b> | \$9,865                | \$12,311                | \$8,662                 | (\$3,649)                     |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a net decrease of \$3,649K which attributes to a transfer of rent cost to other Departmental Operations components.

|                   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other Rent</b> | \$48                   | \$49                    | \$49                    | \$0                           |

Other rent includes all payments to a non-Federal source for rental space, land, and structures.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$4,936                | \$5,035                 | \$5,035                 | \$0                           |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Printing</b> | \$51                   | \$51                    | \$51                    | \$0                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>     | <b>2008 - 2009</b> |
|---|----------------|----------------|-----------------|--------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | <b>\$9,807</b> | <b>\$8,206</b> | <b>\$10,067</b> | <b>\$1,861</b>     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------------|---------------|----------------|----------------|--------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Services</b> | <b>\$435</b>  | <b>\$435</b>   | <b>\$453</b>   | <b>\$18</b>        |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|----------------|----------------|----------------|--------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Purchase from Government Accounts</b> | <b>\$4,771</b> | <b>\$4,771</b> | <b>\$4,771</b> | <b>\$0</b>         |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$7</b>    | <b>\$7</b>     | <b>\$7</b>     | <b>\$0</b>         |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---------------------------------|---------------|----------------|----------------|--------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Supplies &amp; materials</b> | <b>\$284</b>  | <b>\$284</b>   | <b>\$284</b>   | <b>\$0</b>         |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------|---------------|----------------|----------------|--------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Equipment</b> | <b>\$252</b>  | <b>\$252</b>   | <b>\$252</b>   | <b>\$0</b>         |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security  
Departmental Management and Operations  
Under Secretary for Management  
DHS Headquarters Project**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: DHS Headquarters Project</b>   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                 |  |                        |                         |                         |                                |
| 23.3                                   | Communication, Utilities, and misc charges | 158                    | 158                     | 158                     | ---                            |
| 25.2                                   | Other Services                             | 108                    | 108                     | 108                     | ---                            |
| 25.3                                   | Purchase from Govt. Accts.                 | 7,885                  | 5,679                   | 5,679                   | ---                            |
| 31.0                                   | Equipment                                  | 55                     | 55                      | 55                      | ---                            |
| <b>Total, DHS Headquarters Project</b> |  | <b>\$8,206</b>         | <b>\$6,000</b>          | <b>\$6,000</b>          | <b>\$0</b>                     |
| Full Time Equivalent                   |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

To streamline departmental administrative functions and create a unified Department of Homeland Security, we will continue to find, design, renovate, improve, and secure a minimum number of DHS Headquarters facilities.

**Summary Justification and Explanation of Changes**

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | <b>\$158</b>           | <b>\$158</b>            | <b>\$158</b>            | <b>\$0</b>                    |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Other Services</b> | <b>\$108</b>           | <b>\$108</b>            | <b>\$108</b>            | <b>\$0</b>                    |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Purchase from Government Accounts</b> | <b>\$7,885</b>         | <b>\$5,679</b>          | <b>\$5,679</b>          | <b>\$0</b>                    |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Equipment</b> | <b>\$55</b>            | <b>\$55</b>             | <b>\$55</b>             | <b>\$0</b>                    |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Consolidated Headquarters Project**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Consolidated Headquarters Project</b> |                                | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                        |                                |                        |                         |                         |                                |
| 11.1  | Perm Positions                 | \$0                    | \$0                     | \$1,727                 | \$1,727                        |
| 24.0  | Printing                       | ---                    | ---                     | 10                      | 10                             |
| 25.1  | Advisory & Assistance Services | ---                    | ---                     | 65,423                  | 65,423                         |
| 25.2  | Other Services                 | ---                    | ---                     | 2,840                   | 2,840                          |
| 25.3  | Purchase from Govt. Accts.     | ---                    | ---                     | 50,000                  | 50,000                         |
| <b>Total, St. Elizabeth's Project</b>         |                                | <b>\$0</b>             | <b>\$0</b>              | <b>\$120,000</b>        | <b>\$120,000</b>               |
| Full Time Equivalents                         |                                | ---                    | ---                     | 11                      | 11                             |

**PPA Mission Statement**

To streamline departmental administrative functions and create a unified Department of Homeland Security, we will continue to find, design, renovate, improve, and secure a minimum number of DHS Headquarters facilities. The St. Elizabeth's project will consolidate executive program leadership of the Department in a secure setting for policy, management and operational coordination to facilitate the incident management functions and command and control capabilities. It will foster a "one-DHS" culture and enhance the flow/fusion of information while optimizing our prevention and response capabilities across the spectrum of operations.

**Summary Justification and Explanation of Changes**

|                              | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|------------------------------|---------------|----------------|----------------|--------------------|
|                              | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Salaries and Benefits</b> | \$0           | \$0            | \$1,727        | \$1,727            |

Salaries and benefits for FY 2009 support 11 FTE.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------|---------------|----------------|----------------|--------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Printing</b> | \$0           | \$0            | \$10           | \$10               |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|---|---------------|----------------|----------------|--------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Advisory and Assistance Services</b> | \$0           | \$0            | \$65,423       | \$65,423           |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. FY 2009 contractual funds for phase 1 construction costs (USCG HA), phase 2 design costs (DHS HQ and FEMA) and phase 3 design costs (remaining operating components).

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|-----------------------|---------------|----------------|----------------|--------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Other Services</b> | \$0           | \$0            | \$2,840        | \$2,840            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 - 2009</b> |
|--|---------------|----------------|----------------|--------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>      |
| <b>Purchase from Government Accounts</b> | \$0           | \$0            | \$50,000       | \$50,000           |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Office of Human Capital**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Office of Human Capital</b>         |                                      | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                      |                                      |                        |                         |                         |                                |
| 11.1  | Perm Positions                       | \$5,551                | \$5,717                 | \$8,262                 | \$2,545                        |
| 11.3  | Other than perm                      | 237                    | 244                     | 353                     | 109                            |
| 11.5  | Other per comp                       | 171                    | 176                     | 254                     | 78                             |
| 12.1  | Benefits                             | 1,472                  | 1,516                   | 2,191                   | 675                            |
| 21.0  | Travel                               | 96                     | 96                      | 96                      | ---                            |
| 22.0  | Transportation of things             | 6                      | 6                       | 6                       | ---                            |
| 23.1  | GSA rent                             | 775                    | 2,126                   | 2,043                   | (83)                           |
| 24.0  | Printing                             | 59                     | 59                      | 59                      | ---                            |
| 25.1  | Advisory & Assistance Services       | 15                     | 15                      | 15                      | ---                            |
| 25.2  | Other Services                       | 13,719                 | 2,007                   | 27,989                  | 25,982                         |
| 25.3  | Purchase from Govt. Accts.           | 5,166                  | 4,455                   | 4,455                   | ---                            |
| 25.7  | Operation & maintenance of equipment | 2,184                  | 2,184                   | 2,184                   | ---                            |
| 26.0  | Supplies & materials                 | 210                    | 210                     | 210                     | ---                            |
| <b>Total, OHC - Operational Initiatives</b> |                                      | <b>\$29,661</b>        | <b>\$18,811</b>         | <b>\$48,117</b>         | <b>\$29,306</b>                |
| Full Time Equivalent                        |                                      | 53                     | 53                      | 79                      | 26                             |

**PPA Mission Statement**

The Office of Human Capital is organized around four major initiative areas (Talent Management, Performance Culture, Learning and Development, and Service Excellence) and is responsible for the implementation of the Human Capital Operational Plan, which contains specific actionable goals in support of the HC Strategic Plan, the Strategy for Developing a Homeland Security University, the Secretary's Goals, and other Executive and Legislative Branch regulations and directives.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$7,431                | \$7,653                 | \$11,060                | \$3,407                        |

Salary and Benefits reflects the conversion of 23 contractor positions to Federally staffed positions in addition to 3 new positions for Learning and Development.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$96                   | \$96                    | \$96                    | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$775                  | \$2,126                 | \$2,043                 | (\$83)                         |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$59                   | \$59                    | \$59                    | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$15                   | \$15                    | \$15                    | \$0                            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | <b>2007</b>     | <b>2008</b>    | <b>2009</b>     | <b>2008 to 2009</b> |
|-----------------------|-----------------|----------------|-----------------|---------------------|
|                       | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Other Services</b> | <b>\$13,719</b> | <b>\$2,007</b> | <b>\$27,989</b> | <b>\$25,982</b>     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. Increased funds support the human resource operational initiatives that were reduced in FY 2008, the new Learning and Development program, and the \$17.131 million transfer from CIO to support HRIT.

|  | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|----------------|----------------|----------------|---------------------|
|  | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$5,166</b> | <b>\$4,455</b> | <b>\$4,455</b> | <b>\$0</b>          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$2,184</b> | <b>\$2,184</b> | <b>\$2,184</b> | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$210</b>  | <b>\$210</b>   | <b>\$210</b>   | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Office of Procurement**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Office of Procurement</b>   |                                      | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--------------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |                                      |                        |                         |                         |                                |
| 11.1                                | Perm Positions                       | \$6,107                | \$14,965                | \$23,549                | \$8,584                        |
| 11.3                                | Other than perm                      | 52                     | 54                      | 55                      | \$1                            |
| 11.5                                | Other per comp                       | 187                    | 194                     | 199                     | \$5                            |
| 12.1                                | Benefits                             | 1,430                  | 3,641                   | 5,784                   | \$2,143                        |
| 21.0                                | Travel                               | 120                    | 120                     | 165                     | \$45                           |
| 23.1                                | GSA rent                             | 66                     | 2,349                   | 1,465                   | (\$884)                        |
| 24.0                                | Printing                             | 34                     | 34                      | 34                      | \$0                            |
| 25.1                                | Advisory & Assistance Services       | 763                    | 763                     | 4,377                   | \$3,614                        |
| 25.2                                | Other Services                       | 6,393                  | 5,054                   | 5,054                   | \$0                            |
| 25.3                                | Purchase from Govt. Accts.           | 940                    | 940                     | 940                     | \$0                            |
| 25.7                                | Operation & maintenance of equipment | 39                     | 39                      | 39                      | \$0                            |
| 26.0                                | Supplies & materials                 | 268                    | 268                     | 268                     | \$0                            |
| 31.0                                | Equipment                            | 74                     | 74                      | 74                      | ---                            |
| <b>Total, Office of Procurement</b> |                                      | <b>\$16,473</b>        | <b>\$28,495</b>         | <b>\$42,003</b>         | <b>\$13,508</b>                |
| Full Time Equivalents               |                                      | 71                     | 129                     | 184                     | 55                             |

**PPA Mission Statement**

The OCPO reports directly to the Under Secretary for Management, and is responsible for overall management, administration and oversight assistance, strategic sourcing and competitive sourcing programs. Functions of the OCPO include:  
Acquisition Policy; Competitive Sourcing and Privatization: Responsible for the Department's implementation of the Federal Activities Inventory Reform, Circular A-76, and the President's Management Agenda (PMA) Competitive Sourcing Initiative; and Strategic Sourcing and Acquisitions Systems: Responsible for managing the DHS strategic sourcing program and acquisition systems and data management.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Salaries and Benefits</b> | \$7,776        | \$18,854        | \$29,587        | \$10,733              |

Salaries and Benefits includes costs for 184 FTEs. The FY 2009 request transfers 4 FTE to CFO for Grants Management, annualizes 33 FTE for the acquisition workforce training program, supports an additional 17 FTE for the acquisition workforce training program, and supports 9 FTE for the Program Management Teams.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------|----------------|-----------------|-----------------|-----------------------|
| <b>Travel</b> | 120            | 120             | \$165           | \$45                  |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>GSA rent</b> | 66             | 2,349           | \$1,465         | (\$884)               |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>Printing</b> | 34             | 34              | \$34            | \$0                   |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | 763            | 763             | \$4,377         | \$3,614               |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | 6,393          | 5,054           | \$5,054         | \$0                   |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | 940            | 940             | \$940           | \$0                   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | 39                     | 39                      | \$39                    | \$0                           |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|-------------------------------|
| <b>Supplies &amp; materials</b> | 268                    | 268                     | \$268                   | \$0                           |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
**Office of Security**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: Office of Security</b>   |  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|----------------------------------|--|-----------------|-----------------|-----------------|---------------------|
| <b>Object Classes:</b>           |  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| 11.1                             | Perm Positions                             | \$8,172         | \$10,200        | \$11,422        | \$1,222             |
| 11.3                             | Other than perm                            | 163             | 21              | 22              | 1                   |
| 11.5                             | Other per comp                             | 442             | 185             | 211             | 26                  |
| 12.1                             | Benefits                                   | 2,255           | 3,110           | 3,481           | 371                 |
| 21.0                             | Travel                                     | 133             | 409             | 421             | 12                  |
| 22.0                             | Transportation of things                   | ---             | 532             | 532             | ---                 |
| 23.1                             | GSA rent                                   | 1,509           | 1,878           | 3,482           | 1,604               |
| 23.3                             | Communication, Utilities, and misc charges | ---             | 50              | 2,707           | 2,657               |
| 24.0                             | Printing                                   | 14              | 85              | 85              | ---                 |
| 25.1                             | Advisory & Assistance Services             | 28,736          | 29,263          | 29,629          | 366                 |
| 25.2                             | Other Services                             | 264             | 749             | 799             | 50                  |
| 25.3                             | Purchase from Govt. Accts.                 | 10,004          | 3,591           | 4,610           | 1,019               |
| 25.7                             | Operation & maintenance of equipment       | ---             | 498             | 498             | ---                 |
| 26.0                             | Supplies & materials                       | 263             | 230             | 230             | ---                 |
| 31.0                             | Equipment                                  | 364             | 2,689           | 2,839           | 150                 |
| <b>Total, Office of Security</b> |  | <b>\$52,319</b> | <b>\$53,490</b> | <b>\$60,968</b> | <b>\$7,478</b>      |
| Full Time Equivalent             |  | 105             | 108             | 117             | 9                   |

**PPA Mission Statement**

The mission of the Office of Security is to secure the Department so the Department can secure the homeland. The Office of Security implements security programs that safeguard DHS personnel, property, facilities, and information. The Office develops, implements, and oversees the Department's security policies, programs, and standards; delivers security training and education to DHS personnel; and provides security support to DHS Components. Additionally, the Office investigates threats related to foreign intelligence, terrorism, and criminal activities within or directed against DHS.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Salaries and Benefits</b> | \$11,032       | \$13,516        | \$15,136        | \$1,620               |

Salaries and Benefits includes costs for 117 FTE. The increase of 9 FTE include the annualization of 3 FTE and 6 new FTE to support the Security Services Expansion Program.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------|----------------|-----------------|-----------------|-----------------------|
| <b>Travel</b> | \$133          | \$409           | \$421           | \$12                  |

Travel includes all costs of transportation of persons, subsistence of travelers, and incidental travel expenses in accordance with Federal Travel Regulations.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Transportation of Things</b> | \$0            | \$532           | \$532           | \$0                   |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>GSA rent</b> | \$1,509        | \$1,878         | \$3,482         | \$1,604               |

GSA Rent estimates all payments to General Services Administration (GSA) for rental of space and rent related services.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$0            | \$50            | \$2,707         | \$2,657               |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|-----------------------|
| <b>Printing</b> | \$14           | \$85            | \$85            | \$0                   |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Advisory and Assistance Services</b> | \$28,736       | \$29,263        | \$29,629        | \$366                 |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|                       | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|-----------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Other Services</b> | \$264          | \$749           | \$799           | \$50                  |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|--|----------------|-----------------|-----------------|-----------------------|
| <b>Purchase from Government Accounts</b> | \$10,004       | \$3,591         | \$4,610         | \$1,019               |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|----------------|-----------------|-----------------|-----------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0            | \$498           | \$498           | \$0                   |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Supplies &amp; materials</b> | \$263          | \$230           | \$230           | \$0                   |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property

|                  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|------------------|----------------|-----------------|-----------------|-----------------------|
| <b>Equipment</b> | \$364          | \$2,689         | \$2,839         | \$150                 |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

## I. Changes In FTE

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Under Secretary for Management**  
 Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 265     | 283     | 352     |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:   |         |         |         |
| Description: USM Program Staffing Increase   | 45      | 44      | 47      |
| Increase #2:   |         |         |         |
| Description: Conversion of Contractors to FTE - Immediate Office of the USM                        |         |         | 2       |
| Conversion of Contractors to FTE - Office of Human Capital   |         |         | 23      |
| Transfers from the Federal Law Enforcement Training Center   |         |         | 7       |
| Increase #3:   |         |         |         |
| Description: Annualization of prior year staffing increases  |         | 25      | 46      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Description: USM Staffing Decreases (MaxHR - 12; BTO - 12)   | (24)    |         |         |
| Decrease #2:   |         |         |         |
| Description: Technical Adjustments (2SR)   | (3)     |         |         |
| Decrease #3:   |         |         |         |
| Description: Transfer of the CPO Grants Management program to Office of the Chief Financial Office |         |         | (4)     |
| Year-end Actual/Estimated FTE  | 283     | 352     | 473     |
| Net Change from prior year base to Budget Year Estimate:   | 18      | 69      | 121     |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
Departmental Management and Operations  
Under Secretary for Management**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)

| Program/Project Activity   | FY 2007<br>Actuals | FY 2008<br>Enacted | FY 2009<br>Request | Increase /<br>Decrease for<br>FY 2009 |
|--|--------------------|--------------------|--------------------|---------------------------------------|
|  | AMOUNT             | AMOUNT             | AMOUNT             | AMOUNT                                |
| Immediate Office of the Under Secretary for Management                     | \$363              | \$345              | \$538              | \$193                                 |
| Business Transformation Office   | ---                | ---                | ---                | ---                                   |
| Office of Administration   | 9,802              | 14,208             | 19,784             | 5,576                                 |
| DHS Headquarters Project   | ---                | ---                | ---                | ---                                   |
| Consolidated Headquarters Project  | ---                | ---                | ---                | ---                                   |
| Office of Human Capital  | 5,124              | 5,808              | 5,527              | (281)                                 |
| Office of Human Capital - Operational Initiatives and HR Management System | ---                | ---                | ---                | ---                                   |
| Office of Procurement  | 969                | 3,022              | 4,483              | 1,461                                 |
| Office of Security   | 4,371              | 4,786              | 8,395              | 3,609                                 |
| <b>Total Working Capital Fund</b>  | <b>\$20,629</b>    | <b>\$28,169</b>    | <b>\$38,727</b>    | <b>\$10,558</b>                       |

# Department of Homeland Security

*Under Secretary for Management*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

**FY 2009 PRESIDENT’S BUDGET STRATEGIC CONTEXT**

**UNDER SECRETARY FOR MANAGEMENT (USM)**

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## A. Mission and Description of the Under Secretary for Management (USM)

The Office of the Under Secretary for Management delivers quality administrative support services and provides both leadership and oversight for all departmental management functions: information technology; budget and financial management; procurement and acquisition; human capital; and administrative services. The USM delivers departmental customer services, while eliminating redundancies and reducing support costs, with the objective of improving the effective and efficient delivery of business and management services throughout the Department.

The Under Secretary for Management includes the following offices: the Immediate Office for Under Secretary for Management (USM), the Office of the Chief Administrative Officer (CAO), the DHS Consolidated Headquarters Project, the Office of the Chief Human Capital Officer (OHC), the Office of the Chief Procurement Officer (CPO), and the Office of the Chief Security Officer (OS).

## B. Major Activities and Key Strategic Issues

In FY 2007, the Under Secretary for Management expended \$148,648 (283 FTE). This funding supports the necessary functions of leading, directing, and managing the Department. In addition to providing leadership to the Department, the Under Secretary for Management is responsible for the major activities associated with budgeting, appropriations, expenditure of funds, accounting and finance, procurement, human resources and personnel, information technology systems, facilities, property, equipment and other material resources, and the identification and tracking of performance measures aligned with the mission and goals of the Department.

**Immediate Office of the Under Secretary for Management:** This office received \$1,870,000 (8 FTE) in FY 2007 and \$2,012,000 (8 FTE) in FY 2008 to enable continued management and oversight of Directorate operations and activities. The office requests \$2,654,000 (13 FTE) in FY 2009 to focus on continued functional integration in numerous areas across the Department, and the effort to respond as a Directorate to internal requirements.

**Office of the Chief Administrative Officer (OCAO):** The Chief Administrative Officer is responsible for a wide variety of activities such as mail screening and delivery, courier services, shuttle and sedan drivers, personal property internal controls, facilities and space planning, occupational health and safety, environmental programs, records and forms management, directives and printing, as well as the Executive Service Center. While these activities work to coordinate and direct these functions across the Department, the office is also responsible for providing operating support for these functions at the headquarters (HQ), where most of the current resources are used.

Historically, the CAO has assigned any increases in staffing into the program areas. As a result, the existing program offices are strained in performing their functions by attempting to perform various administrative and program support duties that provide internal support and coordination. The staff requested will cover a broad range of programs and activities to support overall accountability and performance.

**FY 2007 Accomplishments:** Funding for FY 2007 is \$40,218,000 (46 FTE). These resources enabled CAO to support HQ operations and start up Organizational Elements, as well as maintain the DHS HQ emergency preparedness program.

**FY 2008 Planned Accomplishments:** Funding for FY 2008 is \$41,430,000 (54 FTE). Administrative Services will bolster the Headquarters Administrative Operation Support Services in order to better align CAO's organizational structure with DHS Headquarters operations and start up components. CAO will also measure performance for all Administrative Services functions for all components and maintain DHS business continuity and emergency preparedness programs.

**FY 2009 Projected Accomplishments:** The FY 2009 request is for \$41,727,000 (62 FTE). This will fund current services, including support for shared services, mail screening and delivery for DHS Headquarters, occupational health and safety, and environmental programs. This funding also supports an enhanced Continuity of Operations Program for the entire Department.

**DHS Headquarters Project:** The Headquarters Project supports continued operations at all DHS Headquarters locations, including the Nebraska Avenue Complex.

**FY 2007 Accomplishments:** Funding for FY 2007 is \$8,206,000. These resources supported Headquarters facilities requirements at multiple locations, including the completion of occupancy plans for the Nebraska Avenue Complex (NAC) and remaining work on security upgrades. This included: security improvements and minor alterations at DHS HQ facilities; planning and initial cost for consolidation of back office functions and organizations; and planning and initial costs for establishing a permanent HQ facility.

**FY 2008 Planned Accomplishments:** Funding for FY 2008 is \$6,000,000. CAO will continue to work with GSA to maintain all Headquarters facilities, including the Nebraska Avenue Complex (NAC). Maintaining the NAC will enable the Department to relocate and consolidate those functions that are not scheduled to relocate to St. Elizabeths, ultimately achieving cost savings and further integrating operations.

**FY 2009 Projected Accomplishments:** The FY 2009 request is for \$6,000,000. This will support continued maintenance for all Headquarters facilities, including the Nebraska Avenue Complex (NAC). CAO plans to make necessary upgrades to mechanical systems, complete necessary building renovations, and make other system improvements.

**DHS Consolidated Headquarters Project:** Although the Department will maintain a presence at the Nebraska Avenue Complex, the facility is not sufficient to support all of the Department's needs. For this reason, the Department plans to secure and strengthen operations by unifying core headquarters facilities with those of operating components. GSA has identified the St. Elizabeths West Campus as the only site available in the National Capital Region to meet the Department's minimum consolidation needs and time requirements. Consolidating will achieve the following objectives: improve mission effectiveness; promote a unified DHS organization; increase organizational efficiency; size the real estate portfolio to accurately fit the mission of DHS; reduce real estate occupancy costs.

**FY 2007 Accomplishments:** Funding for FY 2007 and FY2008 is \$0. CAO worked with GSA to rebaseline the construction profile and provided timely information regarding the project to

Department and Congressional leadership. CAO also continued design of the first phase of the St. Elizabeths project.

**FY 2009 Projected Accomplishments:** The FY 2009 request is for \$120,000,000 (11 FTE). CAO will begin the first phase of construction and begin design of the second phase.

**Office of Human Capital:** The Office of Human Capital (OHC) provides overall management and administration of the Department's human resources-related operations. OHC is organized around four major areas (Talent Management & Accountability; Workforce Relations & Performance Culture; Learning & Development; and Recruiting, Staffing and Services) and is responsible for establishing policy and procedures for these areas, as well as providing oversight, guidance and leadership within the Department.

**FY 2007 Accomplishments:** Funding for FY 2007 is \$29,711,000 (53 FTE). These funds supported activities that began in FY 2006 and enabled OHC to begin implementing the FY 2007-2008 Human Capital Operational Plan (HC Plan), which focuses on five key priorities designed to improve the Department's ability to hire and retain the talent needed to achieve its vital mission. In support of the HC Plan, OHC accomplished much in FY 2007, including: adopting a Department-wide hiring model to increase hiring efficiencies; developing a DHS corporate recruitment strategy; and working with the Partnership for Public Service to create consistent and effective job postings, a corporate brand and tailored marketing language; completed training for over 14,500 supervisors, managers and executives on performance leadership; implementing plans to aggressively address weaknesses indicated by the Federal Human Capital Survey; and deploying the DHS Performance Management Program to approximately 16,000 supervisors, managers and employees.

**FY 2008 Planned Accomplishments:** Funding for FY 2008 is \$18,811,000 (53 FTE). These funds will allow OHC to continue ongoing policy and program requirements in each of its four major areas (Talent Management & Accountability; Workforce Relations & Performance Culture; Learning & Development; and Recruiting, Staffing and Services), including the continued implementation of critical HC Plan initiatives. Specifically, OHC will be able to: deploy an enterprise-wide e-Recruitment solution, streamline hiring procedures and implement approved action steps; assess the skill level of employees in mission critical occupations, determine gaps, and institute hiring and retention initiatives; conduct robust diversity outreach activities; provide training for managers and HR professionals on hiring and retention flexibilities; continue leadership succession planning and transition planning efforts; establish targeted DHS recruitment initiatives to attract students, mid-career professionals, senior professionals and veterans; assist the remaining 92,500 non-bargaining (NBU) employees with their transition to the DHS Performance Management Program; continue to respond to organizational weaknesses identified through employee surveys and focus groups; continue building a DHS University system; continue promoting improvements in service excellence, process improvement, metrics and analysis, etc. in order to pursue organizational efficiency and cost avoidance; and assess weaknesses in HR programs across DHS and identify violations through Human Resource Operational Audit and Delegated Examining reviews Department-wide.

**FY 2009 Projected Accomplishments:** In FY 2009, OHC requests \$48,117,000 (86 FTE). OHC will use this funding to continue to support the Learning and Development Strategy, which seeks to train the workforce through the Preparedness Center, the Leadership Institute, the Homeland Security Academy, and the Center for Academic and Interagency Outreach. OHC will also use requested funding to continue to modernize HR systems, including EmpowHR (core personnel),

eRecruitment and ePerformance. Additionally, OHC plans to implement a prototype pay for performance plan for a limited number of DHS employees. Furthermore, DHS will invest in diversity, recruitment, and retention programs to ensure the Department has the workforce it needs to achieve its mission.

**Chief Procurement Office:** The Office of Procurement (CPO) is responsible for the overall management, administration, and oversight of department-wide acquisitions, strategic sourcing, and competitive sourcing programs, including direct management and oversight of the Office of Procurement Operations. The office is responsible for developing DHS acquisition regulations and policies; workforce planning; and oversight and performance management of the CPO infrastructure.

**FY 2007 Accomplishments:** Funding for FY 2007 is \$16,895,000 (71 FTE). With these resources, CPO implemented the DHS Acquisition Oversight Program and increased support to procurement operations to implement more efficient procurement operations and strategic sourcing teams.

**FY 2008 Planned Accomplishments:** Funding for FY 2008 is \$28,495,000 (129 FTE). CPO will build the DHS acquisition workforce, including the DHS Acquisition Workforce Intern Program, and establish an acquisition system whereby each requirement has a well defined mission and a management team.

**FY 2009 Projected Accomplishments:** CPO requests \$42,003,000 (184 FTE) in FY 2009. CPO plans to continue the Acquisition Workforce Intern Program, implement Program Management teams, and assume responsibility for Investment Review across the Department.

**Office of Security:** The mission of the Office of Security (OS) is to lead a collaborative security program to safeguard the Department's personnel, information, and property so the Department may secure the Homeland. Today's complex security environment demands that security operations be effectively structured and integrated into all DHS operations. OS implements department-wide security programs, policies and standards to safeguard DHS personnel, property, facilities, and information. Priority initiatives include expediting background investigations and granting security clearances; conducting facility security risk assessments; providing security education and awareness training; and issuing guidance on topics ranging from installing physical security equipment to handling classified information. Additionally, the OS investigates threats related to foreign intelligence, terrorism, and criminal activities within or directed against DHS.

**FY 2007 Accomplishments:** FY 2007 funding is \$52,640,000 (105 FTE). With these resources, OS continued to streamline the personnel security process significantly reducing the average turnaround time for background investigations. OS also implemented Computer Based Training (CBT) covering several security areas, and provided security awareness training to state and local officials.

**FY 2008 Planned Accomplishments:** FY 2008 funding is \$53,490,000 (108 FTE). OS will provide security support at State and Local Fusion Centers to ensure that data shared with state and local partners remains secure. OS will also continue to fully implement HSPD-12, to initiate a transition from a startup to operational mode, and identify and establish minimum security requirements for Federal facilities.

FY 2009 Projected Accomplishments: OS requests \$60,968,000 (117 FTE) for FY 2009. OS plans to bolster its adjudication and Counter Intelligence programs, in addition to continuing current services.

### C. Resources Requested and Performance Impact

In FY 2009, the Under Secretary for Management requests 518 positions, 473 FTE, and \$321,469,000 for the FY 2009 Request. The total adjustments-to-base is 28 positions, 74 FTE, and \$37,405,000. The program increases include 92 positions, 47 FTE, and \$138,826,000.

#### Major Changes within the Base level

CPO is transferring \$900,000 to CFO to support Grants Management Oversight.

#### Increments over current service level

**Immediate Office of the Under Secretary for Management:** The FY 2009 request includes an additional \$250,000 (1 FTE) to sustain the position of the (career) Deputy Undersecretary for Management that provides continuity throughout the transition process.

**DHS Consolidated Headquarters Project:** The FY 2009 request of \$120,000 (11 FTE) provides the base level funding to support the DHS Consolidated HQ campus at St. Elizabeth's.

**Office of Human Capital:** The FY 2009 request includes an additional \$5,500,000 (3 FTE) to fund the Learning and Development Initiative and \$5,000,000 to support Operational Initiatives and HR Management System.

**Chief Procurement Office:** The FY 2009 request includes an additional \$3,648,000 (9 FTE) to staff Program Management Teams to review every major acquisition and \$3,142,000 (17 FTE) to continue the DHS Acquisition Workforce Intern Program to recruit, train, certify, and retain an appropriate workforce of acquisition professionals.

**Office of Security (OS):** The FY 2009 request includes an additional \$1,286,000 (6 FTE) to meet the Department's increased security needs through enhanced Department-wide security programs, policies, and standards to safeguard DHS personnel, property, facilities, and information.

### D. How USM and Its Performance Goals Align to and Support the DHS Goals and Objectives.

The Under Secretary for Management and its performance goal is followed by the DHS goal it supports.

Under Secretary for Management – Consolidate support services under the control of the Department of Homeland Security in order to maximize management efficiencies and ensure continuity of services in the near term.

**Goal 5** – Strengthen and Unify DHS Operations and Management

E. Performance Based Budget Highlights by Program<sup>1</sup>

For each major program, the performance goal, main performance measure/s, indicators, budget including allocation of non-programmatic overhead, and FTE are shown below.

| <b>Program: Departmental Management and Operations</b>   |          |           |           |           |           |           |
|--|----------|-----------|-----------|-----------|-----------|-----------|
| <b>Performance Goal:</b> Provide comprehensive leadership, oversight, and support to all components and improve the efficiency and effectiveness of the Department and its business and management services. |          |           |           |           |           |           |
| <b>Goal 5 – Strengthen and Unify DHS Operations and Management</b>   |          |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$53,918 | \$147,853 | \$167,147 | \$149,540 | \$145,238 | \$321,469 |
| <b>FTE</b>   | 125      | 173       | 265       | 283       | 352       | 473       |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of favorable responses by DHS employees on the Federal Human Capital Survey  |         |         |         |         |         |         |
| <b>Description of Measure:</b> Every two years, the U.S. Office of Personnel Management (OPM) conducts a survey to gauge employees' perceptions on whether they are effectively led and managed, if they have opportunities to grow professionally and advance in their careers, and if their contributions are truly valued and recognized. This measure reflects the responses of DHS employees on the 39 questions that the OPM has determined make up the four Human Capital Assessment and Accountability Framework (HCAAF) Indices: Leadership and Knowledge Management; Results - Oriented Performance Culture; Talent Management; and Job Satisfaction. OPM created the HCAAF to guide agencies in addressing human capital management issues and to measure their performance in these areas. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 52%     | N/A     |
| <b>Actual:</b>   | None    | None    | None    | None    | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of President's Management Agenda initiatives that receive a green progress score from the Office of Management and Budget.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The goal of the Management Directorate in overseeing the progress of the Department of Homeland Security on the eight Presidents Management Agenda Initiatives is to increase the performance across all initiative areas. The eight initiatives are assessed quarterly by the Office of Management and Budget (OMB) and assigned a progress score of Red, Yellow or Green. The performance measure is calculated by taking the total number of green progress scores divided by the total number of progress scores across four quarters (32). |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | None    | N/A     | 50%     | 62%     |
| <b>Actual:</b>   | None    | None    | None    | 35%     | N/A     | N/A     |

<sup>1</sup> This section is based on Revised Enacted vice Actual obligations.

F. Digest Tables by Future Year Homeland Security Program (FYHSP) Programs

| Program/Project Activity   | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |                     |                 |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|------------------|-----------------|------------------|---------------------|-----------------|
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | Total Changes                            |                  | Program Changes |                  | Adjustments-to-Base |                 |
|  |                   |                  |                    |                  |                    |                  | FTE                                      | AMOUNT           | FTE             | AMOUNT           | FTE                 | AMOUNT          |
| Immediate Office of the Under Secretary for Management                     | 8                 | \$1,797          | 8                  | \$2,012          | 13                 | \$2,654          | 5  | \$642            | 1               | 250              | 4                   | \$392           |
| Office of Administration   | 46                | 40,192           | 54                 | 41,430           | 62                 | 41,727           | 8  | \$297            | ---             | ---              | 8                   | \$297           |
| DHS Headquarters Project   | ---               | 8,206            | ---                | 6,000            | ---                | 6,000            | ---                                      | \$0              | ---             | ---              | ---                 | \$0             |
| Consolidated Headquarters Project  | ---               | ---              | ---                | ---              | 11                 | 120,000          | 11                                       | \$120,000        | 11              | 120,000          | ---                 | \$0             |
| Office of Human Capital  | 53                | 9,661            | 53                 | 8,811            | 86                 | 48,117           | 33                                       | \$29,306         | 3               | 10,500           | 30                  | \$18,806        |
| Office of Human Capital - Operational Initiatives and HR Management System | ---               | 20,000           | ---                | 10,000           | ---                | ---              | ---                                      | \$0              | ---             | ---              | ---                 | \$0             |
| Office of Procurement  | 71                | 16,473           | 129                | 28,495           | 184                | 42,003           | 55                                       | \$13,508         | 26              | 6,790            | 29                  | \$6,718         |
| Office of Security   | 105               | 52,319           | 108                | 53,490           | 117                | 60,968           | 9  | \$7,478          | 6               | 1,286            | 3                   | \$6,192         |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>               | <b>283</b>        | <b>\$148,648</b> | <b>352</b>         | <b>\$150,238</b> | <b>473</b>         | <b>\$321,469</b> | <b>121</b>                               | <b>\$171,231</b> | <b>47</b>       | <b>\$138,826</b> | <b>74</b>           | <b>\$32,405</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                        |                   |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
| USM Reduction \$5M - USM Office TBD  |                   |                  | ---                | (\$5,000)        | ---                | \$0              | ---                                      | \$5,000          | ---             | \$0              | ---                 | \$5,000         |
|  |                   |                  |                    |                  |                    |                  |  |                  |                 |                  |                     |                 |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                    | <b>283</b>        | <b>\$148,648</b> | <b>352</b>         | <b>\$145,238</b> | <b>473</b>         | <b>\$321,469</b> | <b>121</b>                               | <b>\$176,231</b> | <b>47</b>       | <b>\$138,826</b> | <b>74</b>           | <b>\$37,405</b> |

# Department of Homeland Security

*Departmental Management and Operations*

*Office of the Chief Financial Officer*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## DEPARTMENTAL MANAGEMENT AND OPERATIONS OFFICE OF THE CHIEF FINANCIAL OFFICER (OCFO)

### I. Appropriation Overview

#### **A. Mission Statement for the Office of the Chief Financial Officer (OCFO):**

The mission of the Office of Chief Financial Officer (OCFO) is to provide guidance and oversight of the Department's budget, financial management, and resource management systems to ensure funds necessary to carry out the Department's mission are obtained, allocated, and expended in accordance with the Department's priorities and relevant law and policies.

The DHS CFO goals are:

1. To provide greater visibility into DHS' financial activity, through timely, accurate, and useful financial related data
2. To improve systems and processes eventually leading to sustainable clean audit opinions
3. To provide reasonable assurance about our internal controls over financial reporting
4. To provide efficient financial management services
5. To integrate the budget process with the policy and planning process
6. To support the Under Secretary for Management and business line chiefs by supporting integration and standardization of our resource management systems.

#### **B. Budget Activities:**

Under the OCFO, the following divisions fulfill these functions:

##### Program Analysis and Evaluation (PA&E):

- Analyzes and evaluates plans, programs, and alternatives in relation to homeland security objectives and strategy, threats, vulnerabilities, estimated costs, resource constraints;
- Develops policies and provides guidance and oversight on matters pertaining to program analysis and evaluation;
- Meets the performance-based budget requirements set by OMB;
- Develops analytic tools, data, and methods for analyzing DHS planning and resource allocation;
- Establishes policies for, and oversees the integration of, the planning, programming, and budgeting system of the Department;
- Provides guidance for, and oversees the development of, the DHS Future Years Homeland Security Program (FYHSP);
- Ensures that the costs of Department programs are accurate and complete;
- Assists Budget with the preparation of the OMB and Congressional Justifications;
- Reviews Component execution of planned milestones and performance targets; and
- Coordinates with and supports the Office of Policy on DHS long-term strategic planning.

### Budget:

- Responsible for the Departmental budget, appropriations, and expenditures of funds;
- Coordinates with PA&E to formulate annual budget submissions, assures these properly reflect the requirements of DHS, and assists in the presentation and defense of submissions to OMB and the Congress;
- Assists PA&E with preparation of the FYHSP;
- Coordinates and reviews budget execution for each component and appropriation, at the macro level; conducts spend plan and execution reviews; and acts on requests for modifications;
- Conducts special studies and analyses of execution of financial plans and recommends reprogramming necessary for effective funds utilization;
- Prepares budgetary reports as necessary or as required by OMB and the Congress;
- Administers funds not specifically allotted to other component of DHS, such as the Pandemic Influenza Supplemental;
- Coordinates with the Office of Legislative Affairs in preparing for Congressional hearings;
- Tracks status of reports to Congress required by appropriations bills;
- Ensures technical accuracy and consistency of budget-related materials among the components and in accordance with OMB or Congressional guidance;
- Manages and coordinates components entering their budgets into the President's electronic on-line MAX (budget preparation) data system;
- Analyzes and reviews pending legislation, reports to Congress, testimony, and other documents for budgetary impact;
- Coordinates and reviews apportionments, reappropriations, and allotments for all appropriations across all components; and
- Operates the Department's Working Capital Fund.

### Financial Management and Policy:

- Develops and oversees the Departmental financial management policy; coordinates the government-wide financial management initiatives in the Department;
- Prepares the Department's consolidated financial statements and other required financial information included in the Annual Financial Report; and
- Administers the DHS Bankcard (purchase, travel, and fleet) Program, develops and documents bankcard policy, provides training and establishes and maintains internal control to provide reasonable assurance that the goals and objectives of the Bankcard Program are met and safeguards against fraudulent, improper, abuse, untimely payment, etc. are identified on a timely basis and appropriate corrective action is taken.

### Resource Management Transformation Office (RMTO):

- Responsible for the oversight, administration, and maintenance of DHS business and financial systems across the enterprise; RMTO is focused on improving resource management and enabling DHS components to improve the efficiency and effectiveness of their core support functions;
- Leads transformation efforts to implement DHS-wide enterprise solutions and to merge, improve, integrate and leverage on-going component initiatives and capabilities to create a world-class best value environment in which they can operate; and
- Implements the Department's eTravel solution across all components.

#### GAO and OIG Audit Liaison:

- Coordinates the Department's engagement in Government Accountability Office (GAO) and Office of the Inspector General (OIG) audits, including entrance and exit conferences, and the Department's response to audit reports and findings;
- Tracks audit recommendations and the Department's implementation of those recommendations; and
- Provides oversight and guidance to component-level GAO and OIG audit liaison offices and to DHS employees involved in audit investigations.

#### Internal Controls:

- Implements the *Federal Managers' Financial Integrity Act*, *CFO Act*, and the *Federal Financial Management Improvement Act*;
- Ensures effective internal control over Departmental resources and consistency of internal control across components;
- Monitors and ensures compliance and proper accomplishment of DHS-wide financial corrective action plan milestones;
- Oversees DHS's implementation of OMB Circular A-123, including assessment of the design and operating effectiveness of the Department's internal controls over financial reporting;
- Conducts spot checks of key financial processes to ensure internal controls are operating effectively (DHS OCFO's goal is to identify weaknesses so that they can be corrected before they become problems.); and
- Coordinates the Financial Management Improvement Initiative of the President's Management Agenda.

#### Grants Management Division (Proposed, FY 2009):

- Would represent DHS on government-wide OMB A-133 audit initiatives, ensure compliance, and track implementation of corrective actions for audit findings and recommendations for the thousands of audits submitted annually;
- Would draft, communicate, and implement DHS grant policy, management directives, and procedures, and maintain DHS grants management manuals;
- Would establish standards for terms and conditions of DHS assistance awards and provide guidance for and oversight of the use of special assistance award terms and conditions;
- Would collect and maintain grants and assistance award data, monitor their status and close-out, and assist DHS component grants program offices in closing out delinquent assistance awards;
- Would analyze requirements, research, and draft responses to OMB and Congressional inquires, Questions for the Record, and reports related to DHS grants;
- Would assist DHS component grants management staff through guidance, instruction, or direction on appropriate action to address customer service inquires and requests;
- Would develop and maintain training for DHS component grants management staffs and ensure DHS component-developed training is compliant with government-wide and DHS requirements;
- Would represent DHS on the government-wide CFO Council Grants Policy Committee and other government-wide committees and task forces;
- Would manage the DHS participation in the Grants.gov eGov initiative;
- Would ensure integrity of public information on DHS grants and assistance awards; and
- Would advise senior DHS leadership on grants management activities, DHS and government-wide statutes, regulations, OMB circulars, Executive Orders, etc.

### **C. Budget Request Summary:**

The Office of the Chief Financial Officer (OCFO) requests 163 positions, 139 FTE, and \$56.235 Million for FY 2009. The total adjustments-to-base is 4 positions, 4 FTE and \$5.935 Million. The program increases include 30 positions, 15 FTE, and \$19.000 Million to:

- Transform, consolidate, and integrate legacy resource management systems. (8 positions, 4 FTE, and \$15.500 Million)
- Increase oversight of and accountability for DHS grants and assistance awards. (20 positions, 10 FTE, and \$3.350 Million)
- Support the Quadrennial Homeland Security Review (QHSR) resource analysis and long-range budget planning. (2 positions, 1 FTE, and \$0.150 Million)

## II. Summary of FY 2009 Budget Estimates

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Financial Officer**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                 | FY 2008<br>Enacted |                 | FY 2009<br>Request |                 | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|--|-------------------|-----------------|--------------------|-----------------|--------------------|-----------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|  |                   |                 |                    |                 |                    |                 | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|  | FTE               | AMOUNT          | FTE                | AMOUNT          | FTE                | AMOUNT          | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Office of the Chief Financial Officer                        | 97                | \$25,239        | 120                | \$31,300        | 139                | \$56,235        | 19                                       | \$24,935        | 15              | 19,000          | 4                   | \$5,935        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>97</b>         | <b>\$25,239</b> | <b>120</b>         | <b>\$31,300</b> | <b>139</b>         | <b>\$56,235</b> | <b>19</b>                                | <b>\$24,935</b> | <b>15</b>       | <b>\$19,000</b> | <b>4</b>            | <b>\$5,935</b> |
| Less: Adjustments for Other Funding Sources:                 |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                |
|  |                   |                 |                    |                 |                    |                 |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>97</b>         | <b>\$25,239</b> | <b>120</b>         | <b>\$31,300</b> | <b>139</b>         | <b>\$56,235</b> | <b>19</b>                                | <b>\$24,935</b> | <b>15</b>       | <b>\$19,000</b> | <b>4</b>            | <b>\$5,935</b> |

### III. Current Services Program Description

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Financial Officer**  
**Program Performance Justification**

(Dollars in thousands)

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>   |
|------------------------------|---------------------|------------|-----------------|
| <b>2007 Actual</b>           | <b>116</b>          | <b>97</b>  | <b>\$25,239</b> |
| <b>2008 Enacted</b>          | <b>129</b>          | <b>120</b> | <b>31,300</b>   |
| 2009 Adjustments-to-Base     | 4                   | 4          | 5,935           |
| <b>2009 Current Services</b> | <b>133</b>          | <b>124</b> | <b>37,235</b>   |
| 2009 Program Change          | 30                  | 15         | 19,000          |
| <b>2009 Request</b>          | <b>163</b>          | <b>139</b> | <b>56,235</b>   |
| Total Change 2008-2009       | 34                  | 19         | 24,935          |

The Office of the Chief Financial Officer (OCFO) requests \$56.235 million. This is an increase of \$24.935 million over FY 2008 for pay and non-pay inflation, adjustments to base, as well as program increases for Transformation and Systems Consolidation (TASC), Grants Management, and the Quadrennial Homeland Security Review (QHSR).

**CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of the Chief Financial Officer (OCFO) has made significant progress leading improvement to financial management at DHS.

In FY 2007, the OCFO:

- Launched human capital initiatives such as the DHS CFO New Hire Orientation Program and the CFO Mentorship Program
- Developed and published many new DHS-wide financial policies and developed a plan to develop, publish, and communicate a DHS financial management policy manual by the end of FY 2008
- Developed and published the DHS Internal Controls Over Financial Reporting (ICOFR) Playbook identifying the tasks and milestones that DHS must meet to resolve underlying root causes of DHS’s financial management material weaknesses and established a Program Management Office (PMO) to track and monitor progress in achieving the milestones of the ICOFR Playbook. As a result of this effort, DHS reduced from 26 to 16 the number of component conditions that contributed to the Department’s material weaknesses.
- Remediated DHS OCFO Financial Management and Policy Division audit material weaknesses
- Established an assurance team to conduct internal reviews of key financial management processes and initiated internal reviews on purchase card and travel card controls
- Delivered 1,464 Questions for the Record (QFRs) to Congress within 30 days
- Continued to oversee the initiative to migrate DHS components to a shared baseline of resource management systems model

In FY 2008, the OCFO is:

- Institutionalizing the DHS CFO New Hire Orientation and the CFO Mentorship Program across the DHS financial management community
- Launching a DHS Financial Management Fellowship Program for recent graduates motivated to pursue careers in Federal financial management jobs with DHS and hire the first cohort of fellows from the 2008 graduating class
- Developing, publishing, and communicating a comprehensive DHS financial management policy manual
- Establishing regular, thorough internal assurance reviews to identify and remediate problems before they become audit findings
- Issuing a second edition of the DHS ICOFR Playbook that presents refined corrective action plans with measurable, achievable milestones.
- Implementing a plan to eliminate DHS OCFO Financial Management and Policy Division audit material weaknesses
- Implementing corrective actions related to Department-wide material weakness focus areas of: Fund Balance With Treasury, Actuarial Liabilities, Legal and Other Liabilities, and Budgetary Accounting.
- Deploying eTravel and enhanced business intelligence tools to the DHS financial management community
- Continuing to oversee the initiative to migrate DHS components to a shared baseline of resource management systems, and begin the migration of the Office of Health Affairs (OHA), Departmental Operations, and Science & Technology

In FY 2009, the OCFO plans to:

- Continue refining and expanding DHS financial management community human capital initiatives (New Hire Orientation, CFO Mentorship Program, Financial Management Fellowship) to improve human capital capabilities and build a common culture
- Expand and refine the DHS financial management policy manual
- Continue regular internal assurance audits to identify vulnerabilities to waste, fraud, and abuse, and develop and strengthen internal controls to prevent waste, fraud, and abuse
- Begin migration of ICE and USCIS to new financial systems, including performing gap analysis, planning, training, etc.
- Build the Department's grants management and oversight function to issue policy, conduct audits mandated by the *Single Audit Act*, and monitor DHS grants and assistance awards of approximately \$20 Billion.
- Provide leadership and analytical support for the Quadrennial Homeland Security Review (QHSR)

### **TRANSFER REQUEST:**

The Department of Homeland Security requests the transfer of its grants management, policy, and oversight function from the Under Secretary for Management (USM), Office of the Chief Procurement Officer (OCPO) to the OCFO. The transfer will bring greater integration and development of *Single Audit Act* corrective action oversight within the Department's larger internal control program managed by the OCFO. The Department has identified many opportunities for the OCFO to integrate grants oversight and audit with its efforts to implement stronger internal controls, to identify and remediate improper payments, and to respond to audit findings and implement corrective actions. Transferring the function to the OCFO as a recurring fiduciary responsibility will provide a separation of duties between awarding grants and assistance awards and the review and monitoring of internal controls associated

with administering them. This request transfers 4 positions, 4 FTE, and \$900,000 from the Under Secretary for Management (USM) account, OCPO PPA to the OCFO appropriation. The net effect on the overall DHS budget request is zero.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer (OCFO)  
Justification of Program Changes  
(Dollars in Thousands)**

**Program Increase 1: Transformation and Systems Consolidation (TASC)**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management.

Program Increase: Positions 8 FTE 4 Dollars \$15,500

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |           |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|-----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level | 7              | 7        | \$855           | 12              | 12        | \$3,601         | 12              | 12        | \$3,689         |
| Program Increase       |                |          |                 |                 |           |                 | 8               | 4         | 15,500          |
| <b>Budget Request</b>  | <b>7</b>       | <b>7</b> | <b>\$855</b>    | <b>12</b>       | <b>12</b> | <b>\$3,601</b>  | <b>20</b>       | <b>16</b> | <b>\$19,189</b> |

Description of Item

One of the main objectives of DHS at its formation was to consolidate the support systems of the component agencies to realize cost savings and operational efficiencies. Similarly, the OCFO’s objectives include reducing the number of DHS financial systems and ensuring that manual processes for internal controls are integrated and automated with these financial systems. This request is to continue implementation of an initiative known as *Transformation and Systems Consolidation (TASC)*. The goal of this initiative is to improve Department-wide financial management information through consolidation of the multiple, legacy, obsolete and expensive financial systems to fewer systems able to meet the needs and missions of multiple components. Consolidating the Department’s financial systems is a means of not only meeting long-standing Departmental objectives but also facilitating audit success by ensuring that internal control processes are integrated with foundational financial systems. This initiative is also consistent with the DHS CIO’s objectives.

The \$15.500 is comprised of the following cost estimates:

- ICE migration - \$7.400 Million
- USCIS migration - \$4.600 Million
- Resource Management Transformation Office (RMTO) operating expenses to directly support the migrations and planning for future migrations, \$3.500 Million

Justification

The Department’s TASC effort involves moving from multiple, outdated financial systems to fewer, modern financial and resource management systems (hereinafter referred to as **Shared Baselines**). DHS uses the term “baseline” because it determined there is a minimum resource management system standard, (i.e., compliant with Federal guidelines and best practices,) that all DHS systems should meet.

The term “shared” means that DHS components will not only share the systems and cross-service other components, but that DHS will ensure that all components work with the same versions of the software, and that all configuration changes are vetted and agreed to by the CFO and CIO, the components, and other stakeholders.

The TASC Oracle Shared Baseline offers a suite of industry-recognized tools including Oracle Federal Financials, Compusearch PRISM (Procurement), Sunflower Asset Management, Informatica (Business Intelligence) and 170 Systems’ MarkView (Workflow Routing). Currently, Oracle is widely and successfully implemented across the Federal environment, notably within the Departments of Education, Energy, and Transportation. In FY 2008, the Department plans to migrate several smaller components to the TASC Oracle Shared Baseline, and then begin migrating USCIS and ICE’s financial systems to the Shared Baseline in FY 2009.

Impact on Performance (Relationship of Increase to Strategic Goals)

This DHS initiative promotes DHS Strategic Goal 5.1, Strengthen and Unify DHS Operations and Management. It provides the underlying capability for the Department to pursue all of its missions. The TASC initiative is an investment that combines systems improvements and adoption of financial management best practices to ensure a strong internal financial control environment that will lead to clean audits on a consistent basis. It will also result in operational efficiencies to the Department and individual components. This enhances the components’ ability to carry out their critical missions of protecting the homeland and responding to emergencies, and achieves key missions while *properly managing resources*. Further, this initiative facilitates robust, accurate, and actionable financial information for decision-makers and reporting.

**Program Increase 2: Grants Management**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

Program Increase: Positions 20 FTE 10 Dollars \$3,350

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level | 4              | 4        | \$852           | 4               | 4        | \$876           | 4               | 4         | \$900           |
| Program Increase       |                |          |                 |                 |          |                 | 20              | 10        | 3,350           |
| <b>Budget Request</b>  | <b>4</b>       | <b>4</b> | <b>\$852</b>    | <b>4</b>        | <b>4</b> | <b>\$876</b>    | <b>24</b>       | <b>14</b> | <b>\$4,250</b>  |

Description of Item

This request funds 20 positions (10 FTE) and \$3.350 Million for the oversight and guidance for DHS grants and assistance awards. In addition to staff, this initiative funds improvements to grants management and administration systems to improve the administration and management of DHS grants and assistance awards, and to improve data quality for reporting.

Justification

There are extremely limited FY 2007 and FY 2008 resources dedicated to address the fiscal stewardship and oversight of approximately \$20 billion in DHS assistance awards that provide grants, cooperative agreements and other types of assistance awards to non-Federal entities to address preparedness, protection against, response to, and recovery from major disasters, terrorist attacks, and other emergencies as well as research, development educational and training programs. This request will provide the resources necessary for oversight to assure that the award and expenditure of funding is being administered under standard business practices and fiscal stewardship in compliance with statutory, regulatory, Executive Order and other mandated requirements.

In addition, this funding will provide the resources to establish a central process function to review and resolve thousands of audits submitted by recipients of assistance awards in compliance with the *Single Audit Act*. Currently, the audit process is fragmented between the Office of Inspector General, the Office of the Chief Procurement Officer and DHS component program offices; there is no single office assigned the over-arching responsibility for tracking and processing the thousands of Single Audits received to assure that the audits are resolved, and to identify negative finding trends that could eliminate waste, fraud or abuse of DHS assistance funds. Neither do any of the DHS organizations involved have sufficient staff to handle the workload. The Department proposes to move this function to OCFO and staff it appropriately.

Twenty positions are needed to provide oversight capability for pre-award reviews of new programs, post award monitoring and processing of the thousands of audits received annually. The OCFO will have primary oversight on all policies, procedures, processes and written documents generated by program offices in relationship to grant, cooperative agreements and other types of assistance awards to assure that the funding or property awarded is in compliance with statute, regulation and other mandated requirements.

Impact on Performance (Relationship of Increase to Strategic Goals)

This DHS initiative promotes DHS Strategic Goal 5.1, Strengthen and Unify DHS Operations and Management. Increased accountability for DHS grants and assistance awards is crucial to improving our way of doing business. With the high visibility and dollar amount of DHS grants, preventing and detecting negligence, waste, fraud, and abuse is critical.

**Program Increase 3: Quadrennial Homeland Security Review (QHSR)**

Strategic Goal(s) & Objective(s): 5.1 Strengthen and Unify DHS Operations and Management

Program Increase: Positions 2 FTE 1 Dollars \$150

Funding Profile

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level | 0              | 0        | \$0             | 0               | 0        | \$0             | 0               | 0        | \$0             |
| Program Increase       |                |          |                 |                 |          |                 | 2               | 1        | 150             |
| <b>Budget Request</b>  | <b>0</b>       | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>2</b>        | <b>1</b> | <b>\$150</b>    |

Description of Item

This request for \$150,000 funds two additional positions to provide analysis and support for the Quadrennial Homeland Security Review.

Justification

*Implementing Recommendations of the 9/11 Commission Act of 2007* (P.L. 110-53) directs the Secretary to conduct a comprehensive review of the homeland security of the Nation, referred to as the Quadrennial Homeland Security Review (QHSR), every four years. The first QHSR must be provided to Congress by December 31, 2009. To produce the QHSR, DHS must examine the homeland security strategy, include recommendations regarding the long-term strategy and priorities, and provide guidance on the programs, assets, capabilities, resources, budget, policies, and authorities of the Department.

Conducting an effective QHSR will require a substantial effort with commensurate resources and expertise in all the elements of the QHSR analysis and homeland security. Recognizing the importance of the review and the need to explicitly ensure resource plans are a part of the QHSR review, the OCFO Program Analysis and Evaluation Division (PA&E) will provide analytical support for and closely coordinate with the Office of Policy in conducting the QHSR. PA&E will continue to perform its responsibilities overseeing the integration of the planning, programming, and budgeting process, conducting the internal DHS program review and producing the FYHSP, and meeting performance-based budget and management requirements. However, additional staff will be required to meet the demands of conducting and coordinating the analysis to support the QHSR and ensuring the results adequately address resource requirements and are fully integrated into the FYHSP plan.

Impact on Performance (Relationship of Increase to Strategic Goals)

This DHS initiative promotes DHS Strategic Goal 5.1, Strengthen and Unify DHS Operations and Management. The QHSR will be a long-range, strategic planning and implementation document, providing meaningful insight into the Nation’s homeland security strategy, mission areas, and supporting activities. The QHSR will not only enhance the Nation’s long-term homeland security strategic decision-making and help prioritize policy initiatives; it will assess resource needs and guide budget decisions. These resources will enhance the depth and breadth of the QHSR; and through its conclusions help improve and streamline processes, reduce duplication, and make the Department more effective and efficient.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Departmental Management and Operations  
Justification of Proposed Changes in Office of the Chief Financial Officer  
Appropriation Language**

For necessary expenses for enforcement of the Office of the Chief Financial Officer as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), [\$31,300,000] **\$56,235,000, of which \$12,000,000 is available until expended for financial systems consolidation.**

#### **Explanation of Changes:**

The financial systems consolidation project, now known as TASC, was always funded out of a no-year Chief Information Officer account. However, since those funds will be fully obligated soon, the OCFO will need a new no-year account to continue TASC. This language is proposed to allow \$12 million (which is the total amount of systems integration and data migration contracting costs) to be available until expended in the OCFO's account starting in 2009 to continue to provide the Department with the flexibility it had in previous years for this effort.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Financial Officer  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>   |
|---|-------------|------------|-----------------|
| <b>FY 2007 Actual</b> .....                                 | <b>116</b>  | <b>97</b>  | <b>\$25,239</b> |
| <b>2008 Enacted</b> .....                                   | <b>129</b>  | <b>120</b> | <b>31,300</b>   |
| <b>Adjustments-to-Base</b>                                  |             |            |                 |
| Transfers to and from other accounts:                       |             |            |                 |
| Transfer in of GSA Rent from USM/CAO.....                   | ---         | ---        | 786             |
| Transfer in of Grants Management function from USM/CPO..... | 4           | 4          | 900             |
| Total Transfers.....  | <u>4</u>    | <u>4</u>   | <u>1,686</u>    |
| Increases   |             |            |                 |
| Annualization of 2008 pay raise.....                        | ---         | ---        | 116             |
| 2009 pay increase.....                                      | ---         | ---        | 349             |
| GSA Rent.....   | ---         | ---        | 816             |
| Non-pay inflation excluding GSA Rent.....                   | ---         | ---        | 346             |
| Working Capital Fund.....                                   | ---         | ---        | 2,968           |
| Total Increases.....  | <u>---</u>  | <u>---</u> | <u>4,595</u>    |
| Decreases   |             |            |                 |
| Management and Technology Efficiencies.....                 | ---         | ---        | (346)           |
| Total Decreases.....  | <u>---</u>  | <u>---</u> | <u>(346)</u>    |
| <b>Total Adjustments-to-Base</b> .....                      | <u>4</u>    | <u>4</u>   | <u>5,935</u>    |
| <b>2009 Current Services</b> .....                          | <b>133</b>  | <b>124</b> | <b>37,235</b>   |
| <b>Program Changes</b>                                      |             |            |                 |
| Program Increases/(Decreases)                               |             |            |                 |
| Transformation and Systems Consolidation (TASC).....        | 8           | 4          | 15,500          |
| Grants Management.....                                      | 20          | 10         | 3,350           |
| Quadrennial Homeland Security Review.....                   | 2           | 1          | 150             |
| <b>Total Program Changes</b> .....                          | <u>30</u>   | <u>15</u>  | <u>19,000</u>   |
| <b>2009 Request</b> .....                                   | <b>163</b>  | <b>139</b> | <b>56,235</b>   |
| <b>2008 to 2009 Total Change</b> .....                      | <b>34</b>   | <b>19</b>  | <b>24,935</b>   |

**C. Summary of Requirements**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Financial Officer  
 Summary of Requirements  
 (Dollars in Thousands)**

|  | 2009 Request |     |          |
|--|--------------|-----|----------|
|  | Perm. Pos.   | FTE | Amount   |
| <b>FY 2007 Actual</b>  | 116          | 97  | \$25,239 |
| <b>2008 Enacted</b>  | 129          | 120 | 31,300   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |          |
| Transfers  | 4            | 4   | 1,686    |
| Increases  | ---          | --- | 4,595    |
| Decreases  | ---          | --- | (346)    |
| Total Adjustments-to-Base  | 4            | 4   | 5,935    |
| <b>2009 Current Services</b>   | 133          | 124 | 37,235   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 30           | 15  | 19,000   |
| <b>2009 Total Request</b>  | 163          | 139 | 56,235   |
| 2008 to 2009 Total Change  | 34           | 19  | 24,935   |

| Estimates by Program/Project Activity | 2008 Enacted |            |                 | 2009 Adjustments-to-Base |          |                | 2009 Program Change |           |                 | 2009 Request |            |                 | 2008 to 2009 Total Change |           |                 |
|---------------------------------------|--------------|------------|-----------------|--------------------------|----------|----------------|---------------------|-----------|-----------------|--------------|------------|-----------------|---------------------------|-----------|-----------------|
|                                       | Pos.         | FTE        | Amount          | Pos.                     | FTE      | Amount         | Pos.                | FTE       | Amount          | Pos.         | FTE        | Amount          | Pos.                      | FTE       | Amount          |
| Office of the Chief Financial Officer | 129          | 120        | 31,300          | 4                        | 4        | 5,935          | 30                  | 15        | \$ 19,000       | 163          | 139        | \$56,235        | 34                        | 19        | \$24,935        |
| <b>Total</b>                          | <b>129</b>   | <b>120</b> | <b>\$31,300</b> | <b>4</b>                 | <b>4</b> | <b>\$5,935</b> | <b>30</b>           | <b>15</b> | <b>\$19,000</b> | <b>163</b>   | <b>139</b> | <b>\$56,235</b> | <b>34</b>                 | <b>19</b> | <b>\$24,935</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Financial Officer  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)**

| Collections by Source              | FY 2007 Actual |     |        | 2008 Revised Estimate |     |            | 2009 Estimate |     |            | Increase/Decrease |     |           |
|------------------------------------|----------------|-----|--------|-----------------------|-----|------------|---------------|-----|------------|-------------------|-----|-----------|
|                                    | Pos.           | FTE | Amount | Pos.                  | FTE | Amount     | Pos.          | FTE | Amount     | Pos.              | FTE | Amount    |
| DHS Office of Health Affairs (OHA) | ---            | --- | \$0    | ---                   | --- | \$500      | ---           | --- | \$510      | ---               | --- | 10        |
| <b>Total Budgetary Resources</b>   | ---            | --- | ---    | ---                   | --- | <b>500</b> | ---           | --- | <b>510</b> | ---               | --- | <b>10</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |     |        | 2008 Revised Estimate |     |            | 2009 Estimate |     |            | Increase/Decrease |     |           |
|---|----------------|-----|--------|-----------------------|-----|------------|---------------|-----|------------|-------------------|-----|-----------|
|   | Pos.           | FTE | Amount | Pos.                  | FTE | Amount     | Pos.          | FTE | Amount     | Pos.              | FTE | Amount    |
| Office of the Chief Financial Officer   | ---            | --- | \$0    | ---                   | --- | \$500      | ---           | --- | \$510      | ---               | --- | 10        |
| <b>Total Obligations</b>                | ---            | --- | ---    | ---                   | --- | <b>500</b> | ---           | --- | <b>510</b> | ---               | --- | <b>10</b> |

**E. Summary of Requirements By Object Class**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer  
Summary of Requirements by Object Class  
(Dollars in Thousands)**

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 - 2009<br>Change |
|---|-------------------|-----------------|-----------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$7,792           | \$9,942         | \$12,276        | \$2,334               |
| 11.3 Other than full-time permanent                   | 524               | \$669           | \$818           | 149                   |
| 11.5 Other Personnel Compensation                     | 302               | \$385           | \$475           | 90                    |
| 11.8 Special Service Pay                              | 296               | \$378           | \$462           | 84                    |
| 12.1 Benefits   | 2,271             | \$2,898         | \$3,580         | 682                   |
| 13.0 Benefits - former                                | ---               | ---             | ---             | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$11,185</b>   | <b>\$14,272</b> | <b>\$17,611</b> | <b>\$3,339</b>        |
| Other Object Classes:                                 |                   |                 |                 |                       |
| 21.0 Travel   | 145               | 188             | 231             | 43                    |
| 22.0 Transportation of things                         | ---               | 4               | 5               | 1                     |
| 23.1 GSA rent   | 629               | 635             | 2,237           | 1,602                 |
| 23.2 Other rent                                       | 125               | 128             | 131             | 3                     |
| 23.3 Communications, utilities, & other misc. charges | 7                 | 19              | 78              | 59                    |
| 24.0 Printing and reproduction                        | 53                | 87              | 88              | 1                     |
| 25.1 Advisory and assistance services                 | 9,808             | 11,066          | 27,423          | 16,357                |
| 25.2 Other services                                   | 428               | 484             | 615             | 131                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 2,037             | 3,565           | 6,835           | 3,270                 |
| 25.4 Operation & maintenance of facilities            | ---               | ---             | ---             | ---                   |
| 25.5 Research and development contracts               | ---               | ---             | ---             | ---                   |
| 25.6 Medical care                                     | ---               | ---             | ---             | ---                   |
| 25.7 Operation and maintenance of equipment           | ---               | ---             | ---             | ---                   |
| 25.8 Subsistence and support of persons               | ---               | ---             | ---             | ---                   |
| 26.0 Supplies and materials                           | 104               | 128             | 152             | 24                    |
| 31.0 Equipment  | 718               | 724             | 829             | 105                   |
| 32.0 Land & structures                                | ---               | ---             | ---             | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---             | ---             | ---                   |
| 42.0 Indemnity  | ---               | ---             | ---             | ---                   |
| 43.0 Interest & dividends                             | ---               | ---             | ---             | ---                   |
| 44.0 Refunds  | ---               | ---             | ---             | ---                   |
| 91.0 Unvouchered                                      | ---               | ---             | ---             | ---                   |
| 99.0 Other  | ---               | ---             | ---             | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$14,054</b>   | <b>\$17,028</b> | <b>\$38,624</b> | <b>\$21,596</b>       |
| <b>Total, Direct Obligations</b>                      | <b>\$25,239</b>   | <b>\$31,300</b> | <b>\$56,235</b> | <b>\$24,935</b>       |
| Unobligated balance, start of year                    | ---               | ---             | ---             |                       |
| Unobligated balance, end of year                      | ---               | ---             | ---             |                       |
| Recoveries of prior year obligations                  | ---               | ---             | ---             |                       |
| <b>Total requirements</b>                             | <b>\$25,239</b>   | <b>\$31,300</b> | <b>\$56,235</b> |                       |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 7              | 7               | 8               | 1                      |
| Total, EX                        | 1              | 1               | 1               | ---                    |
| GS-15                            | 26             | 25              | 31              | 6                      |
| GS-14                            | 38             | 38              | 57              | 19                     |
| GS-13                            | 13             | 15              | 23              | 8                      |
| GS-12                            | 10             | 10              | 10              | ---                    |
| GS-11                            | 15             | 15              | 15              | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 5              | 12              | 12              | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | 1              | 6               | 6               | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>116</b>     | <b>129</b>      | <b>163</b>      | <b>34</b>              |
| Unfilled Positions EOY           | 10             | 9               | 8               | (1)                    |
| Total Perm. Employment EOY       | 106            | 120             | 155             | 35                     |
| <b>FTE</b>                       | <b>97</b>      | <b>120</b>      | <b>139</b>      | <b>19</b>              |
| Headquarters                     | 116            | 129             | 163             | 34                     |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>116</b>     | <b>129</b>      | <b>163</b>      | <b>34</b>              |
| <b>Average ES Salary</b>         | \$ 151,270     | \$ 155,052      | \$ 158,928      | \$ 3,876               |
| <b>Average GS Salary</b>         | \$ 92,793      | \$ 90,137       | \$ 96,776       | \$ 6,639               |
| <b>Average GS Grade</b>          | 13.22          | 12.70           | 13.01           | 0.31                   |

**G. Capital Investment and Construction Initiative Listing**

**DEPARTMENTAL MANAGEMENT AND OPERATIONS  
OFFICE OF THE CHIEF FINANCIAL OFFICER**

**NOT APPLICABLE**

**H. Object Class Budget Justifications**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer**

**Funding Schedule**  
(Dollars in Thousands)

|   |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                              |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$7,792                | \$9,943                 | \$12,276                | \$2,333                        |
| 11.3  | Other than perm                            | \$524                  | \$669                   | \$818                   | 149                            |
| 11.5  | Other per comp                             | \$302                  | \$385                   | \$475                   | 90                             |
| 11.8  | Spec Srvc Pay                              | \$296                  | \$378                   | \$462                   | 84                             |
| 12.1  | Benefits                                   | \$2,271                | \$2,898                 | \$3,580                 | 682                            |
| 13.0  | Benefits-former                            | \$0                    | \$0                     | \$0                     | ---                            |
| 21.0  | Travel                                     | 145                    | 188                     | 231                     | 43                             |
| 22.0  | Transportation of things                   | ---                    | 4                       | 5                       | 1                              |
| 23.1  | GSA rent                                   | 629                    | 635                     | 2,237                   | 1,602                          |
| 23.2  | Other rent                                 | 125                    | 128                     | 131                     | 3                              |
| 23.3  | Communication, Utilities, and misc charges | 7                      | 19                      | 78                      | 59                             |
| 24.0  | Printing                                   | 53                     | 87                      | 88                      | 1                              |
| 25.1  | Advisory & Assistance Services             | 9,808                  | 11,066                  | 27,423                  | 16,357                         |
| 25.2  | Other Services                             | 428                    | 484                     | 615                     | 131                            |
| 25.3  | Purchase from Govt. Accts.                 | 2,037                  | 3,565                   | 6,835                   | 3,270                          |
| 25.4  | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5  | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6  | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7  | Operation & maintenance of equipment       | ---                    | ---                     | ---                     | ---                            |
| 25.8  | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0  | Supplies & materials                       | 104                    | 128                     | 152                     | 24                             |
| 31.0  | Equipment                                  | 718                    | 724                     | 829                     | 105                            |
| 32.0  | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0  | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0  | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0  | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Office of the Chief Financial Officer</b> |  | <b>\$25,239</b>        | <b>\$31,301</b>         | <b>\$56,235</b>         | <b>\$24,934</b>                |
| Full Time Equivalents                               |  | 97                     | 120                     | 139                     | 19                             |

**OCFO Mission Statement**

The mission of the Office of Chief Financial Officer (OCFO) is to provide guidance and oversight of the Department's budget, financial management, investment review, and resource management systems to ensure funds necessary to carry out the Department's mission are obtained, allocated, and expended in accordance with the Department's priorities and relevant law and policies.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$11,185       | \$14,273        | \$17,611        | \$3,338                |

Salaries and Benefits includes costs for 139 FTEs. The FY 2009 request includes a transfer in of \$700,000 for the Grants Management function, an increase of \$116,000 in annualization of the 2008 increase in personnel compensation, and an increase of \$349,000 for the proposed January 2009 increase in personnel compensation. There are also program increases of \$1,443,000 to fund 20 new positions for Grants Management, \$589,000 to fund 8 new positions for the Resource Management Transformation Office (RMTO) Transformation and Systems Consolidation (TASC), and \$141,000 to fund 2 new positions for the Quadrennial Homeland Security Review (QHSR).

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$145          | \$188           | \$231           | \$43                   |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 2009 request includes increases of \$4,000 in non-pay inflation, a program increase of \$28,000 for Grants Management, and a program increase of \$11,000 for Transformation and Systems Consolidation (TASC)

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$0            | \$4             | \$5             | \$1                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$1,000 in non-pay inflation.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$629          | \$635           | \$2,237         | \$1,602                |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes a transfer in of \$786,000 from the Under Secretary for Management account for rent historically paid by that organization for space occupied by the OCFO. There is also an adjustment-to-base of \$816,000.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | \$125          | \$128           | \$131           | \$3                    |

Other rent includes all payments to a non-Federal source for rental space, land, and structures. The FY 2009 request includes an increase of \$3,000 in non-pay inflation.

|   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$7            | \$19            | \$78            | \$59                   |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes increases of \$6,000 in non-pay inflation. There are also program increases of \$35,000 for Grants Management, \$14,000 for Transformation and Systems Consolidation (TASC), and \$4,000 for the Quadrennial Homeland Security Review (QHSR). The program increases support increased staffing levels.

|                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------|---------------|----------------|----------------|---------------------|
|                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Printing</b> | \$53          | \$87           | \$88           | \$1                 |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities. The FY 2009 request includes an increase of \$1,000 in non-pay inflation.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | \$9,808       | \$11,066       | \$27,423       | \$16,357            |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 2009 request includes an increase of \$216,000 in non-pay inflation and a decrease of \$346,000 in management and technology efficiencies. There are also program increases of \$1,671,000 for Grants Management to assist the Department in building its grants management and Single Audit Act process, and \$14,816,000 for Transformation and Systems Consolidation (TASC) to assist the Department in planning, migrating, and managing the financial systems modernization efforts at OHA, S&T, Departmental Management and Operations, NPPD, ICE, and USCIS.

|                       | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|-----------------------|---------------|----------------|----------------|---------------------|
|                       | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Other Services</b> | \$428         | \$484          | \$615          | \$131               |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes increases of \$8,000 in non-pay inflation and program increases of \$86,000 for Grants Management, \$35,000 for Transformation and Systems Consolidation (TASC), and \$2,000 for the Quadrennial Homeland Security Review (QHSR).

|  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|--|---------------|----------------|----------------|---------------------|
|  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | \$2,037       | \$3,565        | \$6,835        | \$3,270             |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 request includes a transfer in of \$200,000 from the Under Secretary for Management account to reflect the transfer of the Grants Management function to OCFO and an adjustment-to-base of \$2,968,000 for shared services through the DHS Working Capital Fund. This increase reflects efforts by DHS to refine the DHS Working Capital Fund algorithms and activity-based-cost models to capture the full cost of shared services. There is also an increase of \$102,000 in non-pay inflation.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | \$104         | \$128          | \$152          | \$24                |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes increases of \$3,000 in non-pay inflation, and program increases of \$15,000 for Grants Management and \$6,000 for Transformation and Systems Consolidation to support staffing increases in these areas.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$718</b>  | <b>\$724</b>   | <b>\$829</b>   | <b>\$105</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes increases of \$2,000 in non-pay inflation and program increases of \$72,000 for Grants Management, \$29,000 for Transformation and Systems Consolidation (TASC), and \$2,000 for the Quadrennial Homeland Security Review (QHSR) to support staffing increases in these areas.

## I. Changes In FTE

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer  
Changes in Full-Time Equivalents**

|  | FY 2007   | FY 2008    | FY 2009    |
|--|-----------|------------|------------|
| <b>Base: Year-end Actual from Prior Year</b>                           | <b>87</b> | <b>97</b>  | <b>120</b> |
| <b>INCREASES</b>   |           |            |            |
| Increase #1:   |           |            |            |
| Transfer in (from USM/CPO) of Grants Management Function               | 0         | 0          | 4          |
| Increase #2:   |           |            |            |
| Adjustment-to-base for Transformation and Systems Consolidation (TASC) | 0         | 5          | 0          |
| Increase #3:   |           |            |            |
| Adjustment-to-base for Financial Management Fellows Program            | 0         | 12         | 0          |
| Increase #4:   |           |            |            |
| FY 2007 OCFO Staffing Increase (20 Positions)                          | 10        | 10         | 0          |
| Increase #5:   |           |            |            |
| FY 2009 Transformation and Systems Consolidation (TASC) (8 Positions)  | 0         | 0          | 4          |
| Increase #6:   |           |            |            |
| FY 2009 Grants Management (20 Positions)                               | 0         | 0          | 10         |
| Increase #7:   |           |            |            |
| FY 2009 Quadrennial Homeland Security Review (2 Positions)             | 0         | 0          | 1          |
| <b>Sub-Total Increases</b>   | <b>10</b> | <b>27</b>  | <b>19</b>  |
| <b>DECREASES</b>   |           |            |            |
| Decrease #1:   |           |            |            |
| Transfer Out (to USM/CPO) of Investment Review function                | 0         | (4)        | 0          |
| <b>Sub-Total Decreases</b>   | <b>0</b>  | <b>(4)</b> | <b>0</b>   |
| <b>Year-end Actual/Estimated FTEs</b>                                  | <b>97</b> | <b>120</b> | <b>139</b> |
| <b>Net Change from prior year base to Budget Year Estimate:</b>        | <b>10</b> | <b>23</b>  | <b>19</b>  |

**J. FY 2009 Schedule of Working Capital Fund**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Financial Officer**

**FY 2009 Schedule of Working Capital Fund**

(Dollars in Thousands)

| Program/Project Activity              | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|---------------------------------------|-------------------|--------------------|------------------------|---------------------------------------|
|                                       | AMOUNT            | AMOUNT             | AMOUNT                 | AMOUNT                                |
| Office of the Chief Financial Officer | \$2,491           | \$2,887            | \$6,474                | \$3,587                               |
| <b>Total Working Capital Fund</b>     | <b>\$2,491</b>    | <b>\$2,887</b>     | <b>\$6,474</b>         | <b>\$3,587</b>                        |

# Department of Homeland Security

*Departmental Management and Operations*  
*Office of the Chief Financial Officer*

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Fiscal Year 2009  
Strategic Context  
Congressional Submission

# FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT

## OFFICE OF THE CHIEF FINANCIAL OFFICER (OCFO)

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## A. Mission and Description of the Office of the Chief Financial Officer (OCFO)

The mission of the Office of Chief Financial Officer (OCFO) is to provide guidance and oversight of the Department's budget, financial management, and resource management systems to ensure funds necessary to carry out the Department's mission are obtained, allocated, and expended in accordance with the Department's priorities and relevant law and policies.

The OCFO has seven divisions: Budget; Program Analysis and Evaluation; Financial Management and Policy; Resource Management Transformation (Systems); Internal Controls Program Management Office; and GAO and OIG Audit Liaison. In FY 2009, DHS proposes to add a new Grants Management division to the OCFO. The FY 2009 budget request has resources for 163 positions, primarily in the following occupational series: budget analyst, management and program analyst, staff accountant, systems accountant; financial analyst; and auditor.

## B. Major Activities and Key Strategic Goals

The Office of the Chief Financial Officer (OCFO) received an appropriation of \$31.300 Million for FY 2008. The OCFO is using these funds to ensure that resources needed to accomplish the DHS missions are obtained and expended in accordance with law, OMB guidance, and Congressional intent. Further, the OCFO is improving DHS financial management practices and strengthening internal controls to ensure that DHS is an effective steward of public resources.

In FY 2008 the OCFO is expanding human capital improvement initiatives for the DHS financial management community (e.g., New Hire Orientation, Financial Management Fellows Program, CFO Mentorship Program); developing and publishing a comprehensive DHS financial management policy manual; providing assurance through regular internal audits of key financial management processes, implementing actions to remediate financial statement audit and internal control material weaknesses; and continuing to lead the Department's resource management systems transformation by migrating DHS components to robust, integrated systems that produce useful management information.

In FY 2009, the OCFO will further these efforts and will refine and expand DHS financial management community human capital initiatives that strengthen our organizational culture and identity; update the financial management policy manual and improve consistency of handling financial transactions and processes across the DHS enterprise; eliminate many internal control and financial audit weaknesses; migrate more DHS components to modern resource management systems, enable improved decisionmaking through business intelligence tools; and continue identifying vulnerabilities to fraud, waste, and abuse through internal assurance reviews and developing and strengthening internal controls to prevent fraud, waste, and abuse. With resources requested to create the Grants Management division, the OCFO would build the Department's grants management and oversight function to issue policy, conduct audits mandated by the *Single Audit Act*, and monitor DHS grants and assistance awards of approximately \$20 Billion; and provide leadership and analytical support for the Quadrennial Homeland Security Review (QHSR).

## C. Resources Requested and Performance Impact

**Major changes within the base level:** The budget request for FY 2009 for the Office of the Chief Financial Officer contains the following major changes within base level:

- A permanent transfer in from the Under Secretary for Management (USM) appropriation, Chief Administrative Officer (CAO) PPA of \$0.786 Million. In prior years, USM/CAO obligated these funds to offset the OCFO GSA rent bill. This transfer of base funding aligns the rent funding request with the organization occupying the space and more accurately reflects their costs.
- A permanent transfer in from the Under Secretary for Management (USM) appropriation, Chief Procurement Officer (CPO) PPA of 4 positions (4 FTE) and \$0.900 Million for the Department's grants management function.
- Pay and non-pay inflation, and annualization of the January 2008 pay increase of \$1.627 Million.
- An increase of \$2.968 Million for shared services through the DHS Working Capital Fund.
- A decrease of \$0.346 Million for management and technology efficiencies.

**Increments over current service level:** The budget request for FY 2009 for the Office of the Chief Financial Officer contains the following increments over current services level:

- An increase of 8 positions (4 FTE) and \$15.500 Million for Transformation and Systems Consolidation (TASC). TASC will consolidate multiple legacy and obsolete systems that are expensive for DHS to maintain, and that are inadequate to meet DHS's, OMB's and Congress's needs for useful management information. Reduction of the number of resource management systems in the Department and integration of systems will improve internal controls. DHS will use the funds to implement integrated resource management systems at ICE and USCIS and to migrate existing financial data. Additionally, grants management system modules will be integrated into financial systems. The TASC initiative is an investment that will ensure a strong financial accountability environment and result in increased efficiency in the Department. Ultimately, all DHS components will benefit by being able to carry out their critical homeland security missions while properly managing resources.
- An increase of 20 positions (10 FTE) and \$3.350 Million for Grants Management. The increase for grants management will enable the OCFO to build a grants management oversight and guidance division within the OCFO. In FY 2007 and FY 2008, there are only 4 government FTE devoted to overseeing and coordinating grant activities for the approximately \$20 Billion in DHS assistance awards, grants, and cooperative agreements to non-Federal entities for preparedness, protection against, response to, and recovery from major disasters, terrorist attacks, and other emergencies, as well as research, development, educational, and training programs. The grants management staff will draft, communicate, and implement policy and procedures to ensure compliance with statutory and DHS grants requirements. Additionally, the staff will be the central unit to review and resolve the thousands of audits submitted annually by recipients of assistance awards in compliance with the *Single Audit Act*. This will ensure audits are resolved and negative finding trends are identified to reduce waste, fraud, and abuse of DHS assistance funds. Achieving the DHS mission is dependent on ensuring that the approximately \$20 billion in grants and assistance awards is used effectively.
- An increase of 2 positions (1 FTE) and \$0.150 Million for the Quadrennial Homeland Security Review (QHSR). The increase for the QHSR will enable the OCFO to support the DHS Office of Policy in *Implementing Recommendations of the 9/11 Commission Act of 2007* (P.L. 110-53), which directs the Secretary of DHS to conduct a comprehensive review of the homeland security of the Nation every four years. To produce the QHSR, DHS must examine homeland security strategy, make recommendations regarding the long-term strategy and priorities, and provide guidance on the programs, assets, capabilities, resources, budget, policies, and authorities of the Department. The two positions for the OCFO Program Analysis and

Evaluation Division (PA&E) funded through this increase will provide analytical support to the Office of Policy to produce the QHSR and ensure that it adequately addresses resource requirements. PA&E will also integrate the QHSR process with the Future Years' Homeland Security Program (FYSHP) and the planning, programming, and budgeting process.

D. Program Performance Highlights, Resources, and Alignment to Strategic Goals

Office of the Chief Financial Officer performance goal – Develop and maintain a Department-wide financial system that produces financial data that is timely, reliable, and useful to decision makers; strengthen accountability by ensuring that internal controls are in place across the Department and oversight reviews are conducted. OCFO supports the following DHS goal:

**Goal 5 – Strengthen and Unify DHS Operations and Management**

E. Performance Based Budget Highlights by Program<sup>1</sup>

The CFO FYHSP performance goal, performance measure, budget, and FTE are:

| <b>Program: Office of the Chief Financial Officer</b>   |         |          |          |          |          |          |
|---|---------|----------|----------|----------|----------|----------|
| <b>Performance Goal:</b> Develop and maintain a Department - wide financial system that produces financial data that is timely, reliable, and useful to decision makers; strengthen accountability by ensuring that internal controls are in place across the Department and oversight reviews are conducted. |         |          |          |          |          |          |
| <b>DHS strategic objectives supported and % allocation of activities:</b> 5.1 - 100%  |         |          |          |          |          |          |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005  | FY 2006  | FY 2007  | FY 2008  | FY 2009  |
| <b>\$ Thousands</b>   | \$9,678 | \$13,000 | \$19,211 | \$26,000 | \$31,300 | \$56,235 |
| <b>FTE</b>  | 60      | 71       | 87       | 97       | 120      | 139      |

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of internal control processes recently tested for effectiveness.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The measure indicates the number of tests completed to gauge the effectiveness of our financial management processes, in order to ensure internal controls prevent waste, fraud and abuse. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | None    | None    | >22     | >40     |
| <b>Actual:</b>  | None    | None    | None    | 22      | N/A     | N/A     |

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Total instances of material weakness conditions identified by the independent auditor in their report on the DHS financial statements.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The number reported is the total instances of material weakness conditions in both the DHS Office of Financial Management and DHS components. A material weakness is a deficiency significant enough to be reported outside the agency. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | None    | None    | n/a     | 25      | <16     | <12     |
| <b>Actual:</b>   | None    | None    | 36      | 16      | N/A     | N/A     |

<sup>1</sup> In this section, FY2007 is based on revised enacted via actual obligations.

**F. Digest Tables by FYHSP Programs**

**DIGEST OF FY 2007 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
(dollars in thousands)

| Budget Activity  | FY2007<br>Actual |        | FY2008<br>Enacted |        | FY2009<br>President's Budget |        | Increase (+) or Decrease (-) For FY 2009 |        |                 |        |               |        |
|--|------------------|--------|-------------------|--------|------------------------------|--------|--|--------|-----------------|--------|---------------|--------|
|  | FTE              | AMOUNT | FTE               | AMOUNT | FTE                          | AMOUNT | Total Changes                            |        | Program Changes |        | Other Changes |        |
|  |                  |        |                   |        |                              |        | FTE                                      | AMOUNT | FTE             | AMOUNT | FTE           | AMOUNT |
| <b>BUDGET<br/>ACTIVITY</b>   |                  |        |                   |        |                              |        |  |        |                 |        |               |        |
| <b>1. Office of the<br/>Chief Financial<br/>Officer</b>              | 97               | 25,239 | 120               | 31,300 | 139                          | 56,235 | 19                                       | 24,935 | 15              | 19,000 | 4             | 5,935  |
| <b>Subtotal, Budget<br/>Authority (All<br/>Sources)</b>              | 97               | 25,239 | 120               | 31,300 | 139                          | 56,235 | 19                                       | 24,935 | 15              | 19,000 | 4             | 5,935  |
| <b>Less<br/>Adjustments for<br/>Other Funding<br/>Sources:</b>       | --               | --     | --                | --     | --                           | --     | --                                       | --     | --              | --     | --            | --     |
| <b>Total enacted<br/>appropriations<br/>and budget<br/>estimates</b> | 97               | 25,239 | 120               | 31,300 | 139                          | 56,235 | 19                                       | 24,935 | 15              | 19,000 | 4             | 5,935  |

# Department of Homeland Security

*Departmental Management and Operations*

*Office of the Chief Information Officer*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## Departmental Management and Operations Office of the Chief Information Officer

### I. Appropriation Overview

#### **A. Mission Statement for the Office of the Chief Information Officer:**

The Department of Homeland Security (DHS) Office of the Chief Information Officer (CIO), in collaboration with the DHS Chief Information Officer Council, is responsible for implementing the necessary programs to align the Information Technology (IT) organization, including all of the systems and infrastructure, to support the missions and activities across the Department.

Under the leadership of the CIO, IT will enable the transformation of the Department into a performance based and integrated organization by providing effective technologies and systems. This transformation will align information-delivery resources into appropriate functions to achieve DHS' missions. To that end, the CIO and the CIO Council are committed to providing the following:

- A secure means of sharing appropriate information to all internal and external stakeholders
- A set of advanced tools that enables the DHS workforce to rapidly and efficiently communicate, process, retrieve, deliver, and share information
- A single, DHS-wide IT infrastructure environment that is reliable, scalable, flexible, maintainable, and secure
- A clear set of performance metrics and efficient business processes
- IT standards and frameworks that provide for integration
- A single, consistent IT governance model
- Continued improvements in cyber security
- A mature and fully detailed Enterprise Architecture
- The alignment of acquisition for IT and IT services to the Department's goals

#### **B. Budget Activities:**

The Office of the Chief Information Officer provides a myriad of Information Technology related services and support throughout the Department of Homeland Security. The CIO program is divided into four major subprograms as follows:

##### **Salaries and Expenses**

Salaries and Expenses is a crosscutting program that provides technology management, shared services, acquisition strategy and executive leadership support to all offices within the CIO.

##### **Department-wide Technology Investments**

**Information Technology Services** – A program that supports development, implementation, and maintenance of a comprehensive and integrated Enterprise Architecture, and the integration of the

following: the Department's financial management system activities; the information technology framework for the Department's Human Resources System; geospatial technologies; and information sharing.

**Security Activities** – A set of programs that provide for the integration and protection of sensitive and collateral DHS information.

**Homeland Secure Data Network (HSDN)** – HSDN provides the primary means for data and information exchange, messaging, and collaboration with specific and controlled interconnections to the intelligence community and federal law enforcement resources at a SECRET-classified level within the civilian side of the Federal Government and State and Local Government.

### **C. Budget Request Summary:**

The CIO requests 94 positions, 94 FTE and \$247.369 million for the FY 2009 Budget. The total adjustment-to-base is a decrease of \$60.431 million and 0 FTEs. This adjustment-to-base includes a pay and non-pay inflationary increase of \$2.828 million for Salaries and Expense and \$0.573 million for HSDN. A net decrease of \$16.255 million for Information Technology Services; due in large part to the transfer of the Human Resources IT program to the Office of the Chief Human Capital. A current services reduction of \$47.577 million in Security Activities associated with one-time construction costs for NCCIPS and a reduction in base funding for the Data Center Development program. CIO requests a net increase of \$12.600 million for the following program changes in the FY 2009 Budget:

- A decrease of \$7.000 million in base funding for the Watchlist Technical Integration program
- An increase of \$0.500 million in recurring base funding for Enterprise Architecture
- The creation of a new program, Enterprise Data Management, with a base funding of \$2.000 million for FY 2009
- The consolidation of base funding and existing programs, Solutions Engineering and Enterprise Portal, into the Enterprise Application Delivery program to maximize efficiencies and cost savings
- An increase of \$3.100 million for the Information Security Program to improve IT configuration management monitoring, improve financial system security, upgrade information security operations and support full FISMA compliance for all DHS systems. These funds will also provide financial audit and remediation support efforts, as well as transition costs to relocate the FISMA compliance tool suite.
- An increase of \$14.000 million for the Homeland Secure Data Network for system-wide core infrastructure and site-specific equipment and software refreshments.

**II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                   |                 |                 |                     |                   |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-------------------|-----------------|-----------------|---------------------|-------------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                   | Program Changes |                 | Adjustments-to-Base |                   |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT            | FTE             | AMOUNT          | FTE                 | AMOUNT            |
| Salaries and Expenses  | 68                | \$78,676         | 91                 | \$81,000         | 94                 | \$86,928         | 3  | \$5,928           | ---             | 3,100           | 3                   | \$2,828           |
| Information Technology Services                              | ---               | 72,067           | ---                | 56,200           | ---                | 42,445           | ---                                      | (13,755)          | ---             | 2,500           | ---                 | (16,255)          |
| Security Activities  | ---               | 69,684           | ---                | 124,900          | ---                | 70,323           | ---                                      | (54,577)          | ---             | (7,000)         | ---                 | (47,577)          |
| Wireless Activities  | ---               | 74,258           | ---                | ---              | ---                | ---              | ---                                      | ---               | ---             | ---             | ---                 | ---               |
| Homeland Secure Data Network                                 | ---               | 32,681           | ---                | 33,100           | ---                | 47,673           | ---                                      | 14,573            | ---             | 14,000          | ---                 | 573               |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>68</b>         | <b>\$327,366</b> | <b>91</b>          | <b>\$295,200</b> | <b>94</b>          | <b>\$247,369</b> | <b>3</b>                                 | <b>(\$47,831)</b> | <b>---</b>      | <b>\$12,600</b> | <b>3</b>            | <b>(\$60,431)</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          | (3)               | (\$18,464)       |                    |                  |                    |                  |  |                   |                 |                 |                     |                   |
|  |                   |                  |                    |                  |                    |                  |  |                   |                 |                 |                     |                   |
|  |                   |                  |                    |                  |                    |                  |  |                   |                 |                 |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>65</b>         | <b>\$308,902</b> | <b>91</b>          | <b>\$295,200</b> | <b>94</b>          | <b>\$247,369</b> | <b>3</b>                                 | <b>(\$47,831)</b> | <b>---</b>      | <b>\$12,600</b> | <b>3</b>            | <b>(\$60,431)</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Information Officer**  
**Program Performance Justification**

(Dollars in thousands)

#### PPA: Salaries and Expenses

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>84</b>           | <b>65</b>  | <b>78,676</b> |
| <b>2008 Enacted</b>          | <b>94</b>           | <b>91</b>  | <b>81,000</b> |
| 2009 Adjustments-to-Base     | ...                 | 3          | 2,828         |
| <b>2009 Current Services</b> | <b>94</b>           | <b>94</b>  | <b>83,828</b> |
| 2009 Program Change          | ...                 | ...        | <b>3,100</b>  |
| <b>2009 Request</b>          | <b>94</b>           | <b>94</b>  | <b>86,928</b> |
| Total Change 2008-2009       | ...                 | 3          | 5,928         |

The Office of the Chief Information Officer requests \$86.928 million for this activity, an increase of \$5.928 million over FY 2008. The adjustments-to-base are due to pay and non-pay inflation and the annualization of three (3) FTEs to more effectively oversee the management of major Department-wide IT acquisitions and E-Gov initiatives. The FY 2009 program change will be used to support the Information Security Program in its efforts to improve financial system security and provide full FISMA compliance for all DHS systems.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

##### **DHS Information Security Program**

The DHS Information Security Program provides oversight to ensure a secure and trusted computing environment that enables the Department to effectively share information in support of its mission. It also works to ensure compliance with the Federal Information Security Management Act (FISMA) and National Institute of Standards and Technology (NIST) security policies and requirements. The services of the program are to develop and document Departmental information security requirements, develop enterprise security management tools, and oversee the implementation of information security for the information and systems that support the operations of the Department. Specifically, the program provides:

**Security Policy** – Establishes and implements DHS information security policies and guidance to ensure the protection of DHS information resources, and incorporate new information security requirements and best practices promulgated by Congress, the Office of Management and Budget (OMB), Homeland Security Presidential Directives (HSPDs), and NIST.

**Security Architecture** - Supports information sharing and interoperability by integrating information security architecture with DHS Enterprise Architecture (EA), System Life Cycle, Capital Planning Investment Control (CPIC), and acquisition processes. Security Architecture works to develop enterprise procedures for dealing with cyber attacks, incidents, and newly discovered vulnerabilities (including patch management). Additionally, Security Architecture assesses technologies that show the greatest promise for enhancing information sharing and security and that can be scaled for enterprise application.

**Compliance and Oversight** – Comprises the management and oversight of the IT system inventory, the certification and accreditation (C&A) process, Plans of Action and Milestones (POA&M), FISMA reporting, the implementation of security management tools, and visits to assist with component compliance. The program also includes oversight of weakness remediation to resolve IT security weaknesses. This activity supports security metrics verification and enhancements to security tools to integrate functionality to improve FISMA compliance management and reporting.

**DHS IT Security Awareness, Training, and Education** - Ensures that all Federal regulations, OMB, and NIST guidance relating to IT Security Training are complied with. It supports the standardization of security content development within the Department. The IT Security Training Program provides IT Security Awareness, role-based IT security training for personnel with significant security responsibilities, and provides role-based training to improve reporting for FISMA and related metrics.

#### **FY 2007 Accomplishments**

- 88% of FISMA systems received valid Authority to Operate (ATO) letters
- Closed 363 of 438 “Core Financial Systems” audit findings
- Implemented Department-wide Security Ops Capability; since then DHS has responded to 731 potential security events

#### **FY 2008 Planned Accomplishments**

- Maintain full FISMA compliance for each of 700+ systems in the Department’s inventory
- Complete the implementation of the plan to retire all financial systems’ security weaknesses
- Develop security templates and technical security compliance checklists to support the review and compliance checks for SDLC/Centers of Excellence (COE)/technical reference model (TRM) insertions.
- Update Security Policy and Architecture Guidance to address new operational requirements, advancing technology, and identify, report, and remediate known and new cyber threats, as well as, adapting new information security best practices
- Complete a rigorous review and analysis of the standards, products and services contained in the Technical Reference Model to ensure they comply with the Security Architecture

#### **FY 2009 Projected Accomplishments**

- Maintain full FISMA compliance for each of 700+ systems in the Department’s inventory
- Implement a standardized operational review methodology to ensure compliance with network and technical guidance
- Standardize the Department’s security operations activities
- Monitor and report DHS Components’ progress completing system accreditations and resolving weaknesses identified in the Components’ respective POA&Ms
- Complete a rigorous review of the Enterprise Infrastructure and Architecture to ensure compliance with the Security Architecture Guidance

#### **Infrastructure Operations and Applications Operations & Maintenance**

**Infrastructure Operations (IO):** IO program capabilities provide network, e-mail, internet, intranet, telecommunications infrastructure and end-user services including desktop computing, telecommunications, cell phones, Blackberry devices, printers, and peripheral equipment to users in the DHS Headquarters Offices.

IO responds to changes that include increases in Headquarters personnel, moves and consolidations of office space, renovations of facilities, and the expansion of mission applications. IO also responds to

infrastructure changes during periods of emergency, infrastructure disruption, and disasters by performing IT Contingency, IT Disaster, and business continuity planning as well as IT/communications support to those situations requiring a FEMA response. In addition, IO also provides two alternate sites with necessary IT/communications capabilities to support emergency operations during periods of activation by the President or Secretary for Continuity of Operations.

DHS' mission requires high performance standards for multiple data, voice and video network environments (sensitive but unclassified (SBU), Secret, and TS/SCI) with higher than normal levels of redundancy and continuous support. The IT infrastructure is comparable to the Department of Defense (DOD) in its scope, complexity and need for uninterrupted service. In the event of a national security emergency, the infrastructure must have the resiliency and capacity to provide uninterrupted operations to ensure that DHS maintains the ability to coordinate actions to protect the homeland.

This program also provides IT Continuity Management which includes: performing periodic risk, interdependency and business impact assessments; developing recovery strategies, writing business resumption, incident response and escalation, and network/system specific contingency plans; and conducting test, training, and exercise of plans and capabilities to ensure the continuation of services and capabilities. Continuity of Operations (COOP) responsibilities include the IT/communications services and support of the components, preparation of exercises with more than 60 departments and agencies participating in efforts to test and improve their ability to perform essential government functions during threats and emergencies, and developing supporting capabilities and plans within the Office of the Chief Information Officer.

**Applications Operations & Maintenance (AO&M):** Plans, builds, maintains, and ensures continuity of support for the web hosting environment so that it remains immediately available. AO&M supports the ongoing maintenance and operations of these critical applications, and optimizes the cost effective delivery of these services. These funds include the operation and maintenance of systems and applications that support the DHS Headquarters and other DHS Components, including DHS.gov, Ready/List.gov, DHSOnline, and DHSInteractive.

Infrastructure efforts support the design and implementation of reliable IT infrastructure to maintain mission critical functions.

#### **FY 2007 Accomplishments**

- Consolidate IT support for unclassified, Secret, and Top Secret LANs into a single vendor to improve service delivery and cost efficiency
- Leverage delivery of infrastructure operations and management (O&M) to capture additional cost reductions and efficiencies as the population continues to grow

#### **FY 2008 Planned Accomplishments**

- Begin to replace all IT hardware assets per National Capital Area (NCA)-developed replacement periods (e.g., wireless devices – 18 to 24 months, personal equipment – 36 months, and server/network equipment – 48 to 60 months)

#### **FY 2009 Projected Accomplishments**

- Enhance the web-hosting environment to optimize delivery of critical services by utilizing distributed content/application delivery capabilities
- Fully deploy an Internet Protocol Version 6.0 (IPv6)-compliant network infrastructure

- Maintain and exercise CIO COOP Implementation Plan; maintain and test operational plans; and focus on enterprise-wide continuous process improvement of IT Disaster Recovery

**Infrastructure Transformation Program (ITP) Operations:** The Infrastructure Transformation Program (ITP) was established in FY 2004 as part of ongoing efforts to optimize DHS' IT infrastructure and increase the Department's effectiveness and efficiency. The ITP Operations funding offsets operations and maintenance expenses related to previously funded ITP investments.

ITP is led by the Office of Chief Information Officer and each project ("Domain") is led by a Component acting as a Steward. The ITP Operations funding will offset increased operations and maintenance charges incurred while transforming and migrating seven wide area networks, consolidating component legacy data centers, and centralizing email, video, and help desk services.

ITP Operations funding pays for the cost of data center capabilities not recovered from Component chargebacks to off-set the gap in funding during the period of initial operating capability (IOC) for data center services. Any funds remaining at the end of the fiscal year not expended on O&M will be used to support data center migration efforts.

#### **FY 2007 Accomplishments**

- Supported the migration of CBP ACE SR/SAT, and CBP Disaster Recovery systems into Stennis Data Center

#### **FY 2008 Planned Accomplishments:**

- Ensure capability readiness and migrate legacy data center systems to the two (2) DHS Data Centers

#### **FY 2009 Projected Accomplishments:**

- Ensure capability readiness and migrate legacy data center systems to the DHS Data Centers

#### **Applied Technology & Research Services**

Under this program, DHS utilizes two IT research and advisory services contracts to support IT management decisions, standards, and practices. Through this program, CIO will also coordinate with and support the efforts of the DHS Science and Technology component to develop and implement information technology test facilities.

#### **FY 2007 Accomplishments**

- Increased the usage of research services by DHS personnel by 50% of the prior year usage
- Developed and initiated a plan to establish test facilities at the DHS enterprise data center

#### **FY 2008 Planned Accomplishments**

- Implement testing of information technologies at the DHS enterprise data center
- Implement the usage of these service contracts by DHS personnel by 50% of the prior year usage

#### **FY 2009 Projected Accomplishments**

- Increase the usage of these service contracts by DHS personnel by 50% of the prior year usage
- Continue testing of information technologies at the DHS enterprise data center

**PPA: Information Technology Services**

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>72,067</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>56,200</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (16,255)      |
| <b>2009 Current Services</b> | ...                 | ...        | <b>39,945</b> |
| 2009 Program Change          | ...                 | ...        | <b>2,500</b>  |
| <b>2009 Request</b>          | ...                 | ...        | <b>42,445</b> |
| Total Change 2008-2009       | ...                 | ...        | (13,755)      |

The Office of the Chief Information Officer requests \$42.445 million for this activity, a decrease of \$13.755 million from the enacted FY 2008 amount. The net decrease of \$13.755 is composed of a downward adjustment to base of \$16.255 million; due in large part to the transfer of the Human Resources IT program to the office of the Chief Human Capital and program increases of \$0.500 million for Enterprise Architecture and \$2.000 million for Enterprise Data Management.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

Information Technology Services supports geospatial technologies, the development, implementation and maintenance of a comprehensive and integrated Enterprise Architecture (EA), and information sharing.

**The Geospatial Management Office (GMO)**

The Geospatial Management Office (GMO) provides oversight and guidance to DHS component organizations for geospatial policy and technology matters. The GMO executes a comprehensive program that enables the effective, collaborative, and coordinated application of geospatial capabilities. DHS requires coordinated, and in some cases consolidated, enterprise geospatial solutions for emergency management, law enforcement, and other homeland security mission objectives, to assure efficient and shared use of geospatial assets. The GMO is also responsible for the coordination of the OMB Geospatial Line of Business initiative within the Department.

**FY 2007 Accomplishments**

- Continued the enterprise implementation of the Department-wide Smart Buy enterprise license agreement for access to Geographic Information System (GIS) software/training, saving DHS approximately \$8.26M, or 66%, over General Services Administration (GSA) list pricing. This exceeded the plan target of 55% savings over GSA Schedule.
- Coordinated the migration of the National Operations Center Common Operating Picture (NOC COP) from a proprietary solution to a solution based on the NPPD integrated Common Asset Viewer (iCAV) infrastructure, realizing a recurring cost savings of \$3M per yr.

**FY 2008 Planned Accomplishments**

- Migrate 85% of DHS enterprise to Environmental Systems Research Institute (ESRI) SmartBuy investment, realizing cost savings for the Department of over \$4M
- Stand up initial geospatial data warehouse capability at the DHS Enterprise Architecture and DHS' National Center for Critical Information Processing and Storage (NCCIPS) Data Center at Stennis, Mississippi; supporting mission critical programs including the Infrastructure Information Collection Program, the National Biological Integration System, the National Operations Center Common Operating Picture, and the FEMA National Response Coordinating Council, avoiding costs through sharing of a common geospatial infrastructure

- Deploy standardized and interoperable common operating picture (COP) technology, support NOC, the National Infrastructure Coordination Center (NICC), and the National Response Coordination Center (NRCC), and formalize this architecture as part of the DHS Enterprise Architecture through the technology insertion process
- Continue migration of DHS Common Operating Data (COD) to non-licensed geospatial products saving at least \$2.0M over FY 2007 costs
- Enhance existing geospatial grant guidance and implement quality assurance program

### **FY 2009 Projected Accomplishments**

- Migrate 95% of DHS enterprise to Environmental Systems Research Institute (ESRI) SmartBuy investment, realizing cost savings for the Department of over \$4.25M
- Build upon FY 2008 accomplishments in establishing the DHS geospatial data warehouse capability at the NCCIPS, integrating and supporting geospatial activities of USVISIT, DNDO, and other geospatially-based DHS mission systems, such as SBInet
- Continue quality assurance of geospatial data developed through the DHS grants program and implement mechanisms for the inclusion and sharing of these data through the DHS geospatial data warehouse
- Enhance COP capability to support mission needs. Expand COP access to FEMA, State, Local and Tribal Partners
- Coordination with Preparedness (integrated Critical Asset Viewer (iCAV)) to migrate enterprise common operating data for DHS missions to NCCIPS

### **Enterprise Architecture (EA)**

Enterprise Architecture supports a "blueprint" for systematically and completely defining DHS' baseline environment, target environment, and the transition plan. This program establishes a Department-wide roadmap to improve mission effectiveness and efficiency, eliminate existing stovepipe systems, and increase interoperability and information sharing. It ensures the essential evolution of information systems and the development of a common Information Technology environment.

### **FY 2007 Accomplishments**

- Target Architecture completed or being set through EA reviewed procurements for 91% of the potential DHS Enterprise Architecture, including setting targets for 14 of 22 critical areas designated by the DHS CIO, in all 169 TRM categories had target standards or products set during FY 2007.
- DHS EA Transition strategy was recognized by OMB as an example of Federal Best Practice
- Improved operational data sharing effectiveness within the Department by increasing to eight the number of active users of the National Information Exchange Model, including NPPD, CBP, US-VISIT, S&T (DM) and GMO.
- The Enterprise Architecture COE completed 18 program alignments, including seven level one investments (USCIS Transformation, US-Visit, HSDN, ATLAS, SBInet, Secure Flight, and ACE), 29 technology insertions, and insertions of SOA methodology, Date Reference Model, and TRM Products Analysis
- Demonstrated benefits from the DHS EA process for costs savings, avoidance and/or efficiency increases of \$44M per year

### **FY 2008 Planned Accomplishments**

- Establish Target Architectures for 20 mission critical areas.
- Update DHS EA Transition strategy to include enterprise migration to new targets established.

- Update of Enterprise Information Repository to include the EA Data Reference Model and increase support of IT security, portfolio management, program oversight, and Enterprise Architecture governance
- Develop the Performance Reference Model (PRM) and implement its governance process
- Continue to demonstrate benefits from the DHS EA process for costs savings, avoidance and/or efficiency increases of more than \$40M per year.

### **FY 2009 Projected Accomplishments**

Reduce the number of unique products and services in the TRM by 10%

- Complete, by the end of FY 2009, 25% of the transition to the DHS target architecture
- Conduct four (4) critical design or production readiness reviews of major IT programs
- Complete Service Reference Model (SRM) and associated governance process implementation.
- Continue to demonstrate benefits from the DHS EA process for costs savings, avoidance and/or efficiency increases of more than \$40M per year.

### **Enterprise Application Delivery (EAD)**

EAD is an initiative that leverages the capabilities and resources of three distinct IT operations: Application Delivery (AD); Enterprise Portal (EP); and Solutions Engineering (SE). These services establish a Department-wide roadmap to improve mission effectiveness and efficiency, eliminate existing stovepipe systems, and increase interoperability and information sharing. EAD engineers and oversees implementation of the DHS Enterprise Application Architecture Roadmap for systematically and completely defining DHS' baseline environment, target environment, and the transition plan in accordance with Management Directive (MD) 0007.1.

The Enterprise Portal is the Department's primary gateway for DHS employees, stakeholders, and citizens to share information in compliance with the expectations established in the President's Management Agenda. Through this initiative, DHS will be positioned to offer an innovative, customer-focused, and interoperable web infrastructure enabling secure access to information, services, and applications. The standards-based web environment will be deployed in the DHS common infrastructure environment, leveraging DHS OneNet and the DHS Data Center services, and will be fully integrated with the Department's Single Sign-on (SSO) solution.

### **FY 2007 Accomplishments**

- Established Single Sign On (SSO) project under ICE stewardship to provide DHS users ease of authentication for access to multiple DHS online environments
- Deployed an integrated enterprise toolset similar to the Rice/Chertoff Dashboard that includes program management, capital planning, enterprise architecture, hosting, engineering, and security services

### **FY 2008 Planned Accomplishments**

- Develop and manage the consolidation of web services
- Oversee the consolidation of identified Internets onto the FEMA Interwoven platform
- Oversee the Single Sign-On integration with the DHS Portal Environment
- Transition departmental portals to the next generation in order to improve performance and integrate Single Sign On for user authentication
- Upgrade ECT/IQ software release to incorporate web services to facilitate service integration with other DHS systems

## **FY 2009 Projected Accomplishments**

- Upgrade the ECT hardware/software to improve system performance and deploy new capabilities to HDS users
- Provide system enhancement to the project management tool to provide a centralized view of tracking cost, schedule, performance, risk/issues and provide accurate and timely reporting

## **Program Management Support**

This initiative plans and executes an effective resource allocation program to support the Department's IT investments. Its activities include:

- Establish and maintain an integrated IT Portfolio Management across the Department to directly support sound IT investment management processes. Under this initiative DHS will augment existing IT budget, acquisition and investment review processes and decision forums with a portfolio-based view of IT investments. This effort will include collaborating with the Enterprise Architecture Office and Business managers to establish architectural targets and transition plans for each portfolio, measuring the performance of each portfolio and continuously improving the balance of investments within each portfolio to more effectively and efficiently meet departmental goals and objectives.
- Execute an IT portfolio management governance process, ensuring data and business case analyses are available to the CIO to make critical decisions regarding IT investment trade-offs and prioritization
- Align Budget dollars to eliminate duplication and execute portfolio transitions to the DHS target Enterprise Architecture
- Develop and execute an IT acquisition strategy to achieve the transition of legacy technologies to the DHS target Enterprise Architecture
- Align investment performance objectives with budget program performance objectives, measure compliance, and enforce remediation plans
- Formulate and execute IT policy, including the IT Strategic Plan, System Life Cycle management, Paperwork Reduction Act (PRA) monitoring and implementation, IT workforce development, and Congressional, Government Accountability Office (GAO), and OMB liaison requirements

## **FY 2007 Accomplishments**

### **IT Acquisition Review**

- Implemented MD 0007.1 for DHS IT Acquisitions by establishing a process and a checklist of questions for component submission. Established a review team to analyze acquisition plans, SOWs, and the checklist for each acquisition. Ensured that OCIO Direct Reports were direct participants in the analyses.
  - \$3.2B of Eagle purchase requests was reviewed achieving an improvement of 72% in alignment with the DHS Enterprise Architecture and portfolios.
  - The IT Acquisition review process re-directed \$500M of Department IT acquisitions into the Eagle contracting vehicles.

### **IT Budget Review**

- Improved overall OMB score of DHS investments from 29 to 34 (15 %) for the 53 investments given pass-back scores
- Increased the percent of investments with passing scores of 31 or more from 30 % to 80%, a 50 % improvement.
- Established IT Budget Review framework and process. Implemented MD 0007.1 for the DHS IT Budget by providing IT instructions for the FY 2009-13 DHS Resource Allocation Plan (RAP)

Integrated Planning Guidance, implementing modifications to the Investment Management System (IMS) to collect portfolio and system cost information, and providing IT Budget instructions to components.

- Conducted analysis of portfolio views of the budget by investment, by component, and for portfolios as a whole. Recommendations were provided to the CIO for use in the Resource Allocation Determination (RAD) process.
- Published all IT and Non-IT Exhibit 300s were published on our Public Facing Website on time (2<sup>nd</sup> Quarter)

### **IT Portfolio Management**

- Successfully transitioned the Disaster Management Program and its technical components from S&T to FEMA, saving \$2.5M or 20% of the budget during the transition phase with no loss in service
- Executed portfolio reviews across more than 300 IT Investments. This resulted in a CBP and ICE joint submission of a FY 2009 Exhibit 300 Business Case for TECS Modernization and alignment of other investments to portfolio targets. Established policy and guidance for IT Portfolio Management at DHS
- Achieved implementation of the e-Authentication and app-Authentication components of the Single Sign-On portfolio
- Developed successful business cases for the Financial Services, Asset Management, Procurement, Portal, and Geospatial portfolios
- Worked with FEMA and CPO to develop the business case and consolidation strategy for the Grants portfolio and achieved a designated target architecture
- Worked with Disaster Management and HSIN PMO to develop a transition plan for the Disaster Management portfolio.
- Assist in establishing target architectures for components of the Human Resources and Infrastructure portfolios for alignment with the e-Gov Human Resources Line of Business and standard network, data center, and e-mail services
- Facilitated deployment of the Secretary's Priority Tracker (SPT) through coordination and management across DHS and component achieving compliance with security and VIP requirements
- Established policy and guidance for IT portfolio management across DHS
- Facilitated the establishment of 11 portfolios with 12 target architectures across DHS by providing business cases, metrics, and insertion packages for CIO approval. The portfolios are: 1) Financial Services, 2) Infrastructure, 3) Document Management, 4) Asset Management, 5) Procurement, 6) Training, 7) Screening/Watchlist/Credentialing, 8) Human Resources, 9) Telecom/Radio/Systems/Wireless, 10) Geospatial, and 11) Security/Clearance Management. Another 7 portfolios were initiated as well.

### **IT Program Management**

- Issued revised DHS Earned Value Management (EVM) guidance (version 1.1) based on OMB feedback on version 1.0 of DHS EVM Guidance
- Supported achieving a "green" rating for Enterprise Architecture for FY 2007
- Supported efforts to achieve a FISMA Certification and Accreditation rating of 80 percent for FY 2007
- Provided periodic reporting to the CFO that identified breach programs for remediation and improved program performance
- 77% of our FY 2008 Exhibit 300s are removed from the OMB Management Watch List (3<sup>rd</sup> Quarter)

## **FY 2008 Planned Accomplishments**

### **IT Acquisition Review**

- Through the ITAR process develop, measure, and improve target architecture compliance by 20 percent and portfolio alignment according to the DHS Enterprise Architecture.
- Reduce pre-approval conditions by 7 percent
- Reduce overall post-approval conditions by 30 percent.
- Enforce compliance for reviews of acquisitions under \$2.5 million by component CIOs.
- Refine the IT Acquisition Review process based on lessons learned from the first year (FY 2007) to continuously improve alignment with DHS Portfolio, Enterprise Architecture, Investment and priority programs. This will be accomplished by designing and developing an ITAR web based system. .
- Ensure contracts contain appropriate Earned Value Management (EVM) clauses and are performance based
- Transition from program to project level tracking in the budget process and enforce through the ITAR process

### **IT Budget Review**

- Achieve a 10% improvement in the compliance of IT programs with cost/schedule/performance requirements
- Solicit, review, and score DHS FY 2010 Exhibits 300 and 53 while meeting all OMB and Congressional submission deadlines
- Perform analyses and provide Resources Allocation Plan (RAP) recommendations to the Investment Review Board (IRB) with the goal of eliminating all duplicate investments
- Support the IT Budget Review process by refining the annual Investment Planning Guidance (IPG), communication of target architectures, refining data requirements for reviews, refining the review process, and elimination of systemic issues through implementation of lessons learned
- Improve Capitol Planning and Investment Control (CPIC) using the OMB Exhibit 300 and Exhibit 53 processes to achieve more effective investment performance and compliance with DHS objectives
- Integrate Resource Allocation Plan (RAP) more closely with CFO to ensure IT investments are funded in accordance with OMB directives and legislative mandates. Provide comprehensive guidance to Components

### **IT Portfolio Management**

- Establish targets and transition plans for 100 percent of DHS priority Portfolios
- Accomplish 100 percent of IRB, IT Acquisition and Budget reviews for all priority portfolios
- Develop IT portfolio requirements for DHS and embed them in the overarching program management acquisition
- Manage the establishment of 5 more portfolios for 1) DHS Portal, 2) Grants, 3) Alerts and Warnings, 4) Single Sign-On (Internal and External), and 5) Infrastructure (MS Vista OS) during FY 2008 and continue the initiation process for other components of the Telecommunications portfolio.
- Meet transition milestones for all active components in the portfolio transition process

### **IT Program Management**

- Reduce by 50 percent the number of IT investments exceeding the 10% deviation limit for cost, schedule, and performance requirements
- Reduce number of investments on the Watch List by 50%
- Implement a pilot of 5 DHS investments to improve performance and compliance with OMB guidelines for Level 1, 2, and 3 investments to remove investments from the OMB "Watch List".

- Develop and test an initial implementation of the Next Generation Periodic Reporting and Probability of Project Success capability
- Use portfolio management methodology to allocate funding to enterprise architecture targets.
- Develop requirements in collaboration with OCPO, OCFO, and PLCY for the department's new program management solution and execute an acquisition to acquire the target PM platform
- Incorporate IT acquisition data into the CIO IT Budget and Investment Performance Reporting tools for greater visibility into portfolio performance and alignment to the DHS Enterprise Architecture
- Implement an interface between the IT Acquisition automated tool (PRISM) and the Investment Management System (IMS) to ensure that current IT Acquisition information is used in the FY10 IT Budget review process

## **FY 2009 Projected Accomplishments**

### **IT Acquisition Review**

- Continuously upgrade the IT Acquisition Review process based on lessons learned from prior years to improve alignment with DHS Portfolio, Enterprise Architecture, Investment and priority programs
  - Report accomplishments against performance baselines
- Reduce pre-approval conditions by 10 percent
- Reduce overall post-approval conditions by another 30 percent
- Through the ITAR process develop, measure, and improve alignment with the DHS Enterprise Architecture and with appropriate mapping to DHS portfolios by 20 percent
- Continue to enforce compliance for reviews of acquisitions under \$2.5 million by component CIOs

### **IT Budget Review**

- Achieve a 10% improvement in the compliance of IT programs with cost/schedule/performance requirements
- Solicit, review, and score DHS FY11 Exhibits 300 and 53 while meeting all OMB and Congressional submission deadlines

### **IT Portfolio Management**

- Align 100% of IT investments within priority portfolios to targets
- Achieve a 10 percent reduction of investment levels in legacy systems through their retirement.
- Accomplish 100% of IRB, IT Acquisition and Budget reviews for all priority portfolios
- Continue to develop IT portfolio requirements for DHS and embed them in the overarching program management

### **IT Program Management**

- Reduce by 50 percent the number of IT investments exceeding the 10% deviation limit for cost, schedule, and performance requirements
- Reduce number of investments on the Watch List by 50%
- Acquire and pilot the program management and periodic reporting solution for DHS
- Link all source data collection systems to the program management and periodic reporting system

### **Human Resources Information Technology (HR IT)**

\$17.1 million is being transferred from the CIO's account for HRIT, to the Office of the Chief Human Capital Officer (OCHCO) in FY 2009.

## **E-Gov Initiatives**

DHS is performing a comprehensive analysis of all of its information systems in relation to E-Gov initiatives and LoBs. A transition strategy is being developed, in compliance with the Enterprise Architecture, for those services that can be delivered as a shared service by E-Gov initiatives. Specific E-Gov integration opportunities that have been identified include the integration of GSA's eAuthentication capability with the DHS core identity management solution, coordination with the Consolidated Health Informatics including Enterprise Architecture (EA) alignment review, reporting and coordination with USA Services by conducting an inventory of DHS call centers and analyzing their procedures.

### **FY 2007 Accomplishments**

- Achieved an overall "yellow" on the E-Gov PMA Scorecard for Progress and Status
- Enterprise Architecture at "green" on the E-Gov PMA Scorecard for the year
- Removed 77% of the 87 Investments OMB placed on the FY 2008 Watch List
- Achieved 100 percent compliance with Paperwork Reduction Act (PRA) requirements.
- Completed 100% of Q1 eGov milestones (13)
- Completed 88% of Q2 eGov milestones (14 out of 16) – 2 missed milestones were due to WCF reprogramming
- Completed 93% of Q3 eGov milestones (13 out of 14) – 1 missed milestone due to WCF reprogramming
- Completed 100% of Q4 eGov milestones (12) – tentative awaiting final scores from OMB
- Executed 13 MOUs and IAAs for eGov initiatives
- Renewed 133 Information Collection Requests
- Achieved green in progress (Q1 and Q4)
- Deployed an E-Gov website off of the CIO's website
- Implemented the following E-Gov applications across DHS: 1) eQPF, 2) Grants.gov, 3) e-Rulemaking, 4) e-Authentication, 5) e-Payroll, 6) WebTA, and 7) Federal Assets Sales (except National Security Reason)
- Drafted Information Quality Act Guidelines
- Implemented e-Gov communications plan and process

### **FY 2008 Planned Accomplishments**

- Provide Program Management Support and Guidance for Information Quality and ensure that the Department remains compliant
- Provide Program Management Support for Government Paperwork Elimination Act (GPEA) and ensure that the Department remains compliant
- Implement the following e-gov applications: 1) E-Travel, 2) E-Training, 3) Empower, 4) E-Recruitment, and 5) FMLOB (FY 2008 migrations only)
- Implement a Privacy Requirements Act (PRA) and Information Quality Guidance and website.
- Move to Yellow/Green for entire E-Gov scorecard

### **FY 2009 Projected Accomplishments**

- Move to and Maintain "green" on the PMA Scorecard for Status and Progress
- Provide Program Management Support for PRA compliance throughout the department and ensure the department maintains "zero violations"
- Maintain and improve E-Gov applications.

### **Cyber Identity and Credentialing (Smartcard)**

This program is described in Homeland Security Presidential Directive (HSPD-12) which requires that all Federal employees and internal contractors be issued “secure and reliable forms of identification.” This is a high-security token implemented as a Federal Information Processing Standards-201 (FIPS-201) standard Smartcard. The Smartcard must be used to provide access to “Federally controlled facilities and logical access to federally controlled information systems.” Smartcard technology provides high-security cyber-identity management as the basis for logical access to Departmental Information Technology systems and supports enablement of Single Sign On (SSO) solutions. Combined, Smartcard and SSO technologies offer both high-security and efficient user access to the Department’s information systems.

#### **FY 2007 Accomplishments**

- Issued initial HSPD-12 compliant Smart Card in advance of OMB October 2006 deadline
- Developed HSPD-12 implementation plan for DHS Headquarters and all components.
- Based on prototype, developed requirements for BPA to provide HSPD-12 enterprise solutions; acquisitions to be completed in December 2007.

#### **FY 2008 Planned Accomplishments**

- Complete award of contracts required to support enterprise implementation of HSPD-12
- Establish central Identity Management System (IDMS), Card Management System and Certificate Authority (CA) to support DHS enterprise needs for the Smartcard
- Issue Smartcards to DHS employees in the National Capitol Region (approximately 5,500)
- Implement use of SmartCards for physical access.
- Develop standards for two and three factor authentication for logical access based on SmartCard technology.
- Set DHS enterprise technology architecture for Single Sign On (SSO).

#### **FY 2009 Projected Accomplishments**

- Continue issuance of Smartcards for all new employees and contractors, completing issuance to at least 80% of all DHS staff.
- Deploy the DHS enterprise solution for SSO for six (6) major applications.
- Implement the use of SmartCards to enable two and three-factor logical access

### **Enterprise Data Management**

The Enterprise Data Management program provides the Enterprise Architecture a Data Reference Model for the understanding of data assets within and across the Department. The Enterprise Data Management Office (EDMO) establishes the guidance and oversight to DHS for data policy, data management, and data stewardship. This program supports the development of the Department-wide roadmap for data to improve mission effectiveness and efficiency, eliminating existing stovepipe data systems, and increasing interoperability and information sharing. The Data Reference Model (DRM) is a key governance tool to assure that mission needs drive technology investments. Additionally, through the use of the DRM, the EDMO is expected to recommend realignment of IT Investments or Acquisitions through the identification of targets at an estimated reduction of \$10 million in annual IT costs by reducing the systems under maintenance, or driving common requirements for the development of central services.

The EDMO’s program plans integrate information sharing requirements and enable access across all levels of government, first responders, and stakeholders in the private sector. The EDMO program is a new proposal for FY 2009 and only has planned accomplishments for this fiscal year.

## **FY 2009 Projected Accomplishments**

- Develop the initial data asset inventory baseline, using segment architectures, to allow for use of this baseline in the IT Investment Review process. This allows data to drive the alignment of the systems that support the mission within the Enterprise Architecture. Milestones and deliverables include:
  - Demonstrate cost savings of \$4.5M
  - Continued development of the DRM portion of the Enterprise Architecture. The deliverable is the Data Reference Model 3.0 (to be completed by September 2009), which includes:
    - completing the as-is data inventory base line with a minimum of 90% of all DHS enterprise data assets described in the EA,
    - developing the to-be target data architecture including the development of 2 to 3 mission based Logical Data Models identified by the EA Transition Strategy, and
    - identifying and adopting international or industry data standards into EA, with an expected volume of 20 data standard insertions as part of the target data architecture
    - support an anticipated 800 IT investment acquisition reviews as part of the Enterprise Architecture oversight processThe DRM 3.0 will be used to evaluate the expected 2,000 IT investment reviews as part of the Enterprise Architecture review process.
- Continued development and support of the National Information Exchange Model (NIEM) as a standard for information exchange for the Department, including specific DHS information exchanges such as (but not limited to):
  - Counter Terrorism Information Sharing Standards (CTISS) in support of the DHS Intelligence and Analysis (I&A)
  - Cargo Conveyance and International Trade in support of DHS Customs and Border Protection
  - Person Screening in support of the DHS Screening Coordination Office (SCO)
  - Infrastructure Protection in support of the DHS National Preparedness and Program Directorate (NPPD)
  - Biometric Information in support of the DHS US-VISIT Program

## **Communications Security (COMSEC)**

The Homeland Security Central Office of Record (COR) was established to meet the national security policies associated with providing accounting, safeguarding and management control over classified communications security keying material and equipment.

The DHS COR provides COMSEC accounting services in accordance with established National Security Agency (NSA) policies and directives. This process includes processing incoming and out going transactions, destruction reports, and maintaining a consolidated database detailing the location and quantity of COMSEC material and key, updates DHS COMSEC accounting policies and COMSEC training.

The COMSEC program provides keying material and technical support to the Transportation Security Agency (TSA) Trace system, the DHS NOC, and Intelligence and Analysis (I&A) to protect classified communications. The COMSEC program provides a variety of COMSEC equipment and technical support to secure all the classified communications within the Department to protect the dissemination of intelligence information.

**FY 2007 Accomplishments**

- Upgraded, configured and shipped 65 KG-175 TACLANES to all State Emergency Operation Centers (EOCs) and Fusion centers to meet new NSA High Assurance Internet Protocol Encryptor (HAIPE) requirements.
- Established contract to field 10 Electronic Key Management Systems (EKMS) to the components to provide an electronic key management capability that will allow a more unified IT infrastructure through the ability to order and move key quickly from NSA to users in the field.
- Implemented EKMS (Electronic Key Management System) for DHS HQ to manage, generate, and distribute cryptographic keying material and equipment to over 70 State and local civilian and military National Guard units nationwide.
- Procured 100 Simple Key Loaders and 300 Data Transfer Devices to improve key management at the 100 Component COMSEC accounts.
- Introduce new Simple Key Loaders as a replacement for the Data Transfer Device and provide user training

**FY 2008 Planned Accomplishments**

- Procure new COMSEC equipment to replace obsolete COMSEC equipment six months before the decertification dates
- Provide updated COMSEC security policies and procedures annually for use by the Components and perform 80 Audits of COMSEC accounts per year

**FY 2009 Projected Accomplishments**

- Transition all current voice communications using secure telephone unit (STU) IIIs and secure telecommunication equipment (STEs) to the new and enhanced cryptographic systems; this entails over 10,000 secure phones
- Procure new COMSEC equipment to replace obsolete COMSEC equipment six months before the decertification dates

## PPA: Security Activities

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>69,684</b>  |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>124,900</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | (47,577)       |
| <b>2009 Current Services</b> | ...                 | ...        | <b>77,323</b>  |
| 2009 Program Change          | ...                 | ...        | <b>(7,000)</b> |
| <b>2009 Request</b>          | ...                 | ...        | <b>70,323</b>  |
| Total Change 2008-2009       | ...                 | ...        | (54,577)       |

The Office of the Chief Information Officer requests \$70.323 million for this activity, a decrease of \$54.577 million from enacted FY 2008 amount. The net decrease in funding is due mainly to the termination of a one time cost for NCCIPS buildout (\$35.500), a reduction in the data center development program (\$12.987), and a reduction in base funding associated with the Watchlist Integration program (\$7.000 million).

### **CURRENT SERVICES PROGRAM DESCRIPTION**

Security Activities provides for the integration and protection of sensitive DHS information and supports the integration of the terrorist Watch List, which establishes operational system interfaces for DHS organizations that receive data from the Terrorist Screening Center (TSC). This activity supports Homeland Security Presidential Directives (HSPDs) 6 and 11, and conforms to Executive Order 13356 (Terrorism Information Sharing Environment). It supports the Infrastructure Transformation Program (ITP), which will transform DHS' IT infrastructure from a decentralized delivery model to centralized governance with a distributed execution IT infrastructure services model for all DHS Components.

#### **Watch List Technical Integration**

The Watch List program supports the sharing of information included within the Watch List database and accomplishes the technical integration required to interoperably share these data in a secure manner with key DHS and other entities. The Watch List Technical Integration program will accomplish its intended goals by the end of FY 2008.

#### **Information Security and Infrastructure**

The Information Security & Infrastructure (ISI) appropriation supports investment and investment-related operations and maintenance (O&M) for the capabilities developed in the Enterprise Services Division (ESD) of the IT Services Office (ITSO). Specifically, the ISI appropriation funds development of capabilities in Network Services, ADEX/Email Services, and supports the management and oversight of the ITP.

#### **Network Services**

The Steward for the Network Services project is Customs and Border Protection (CBP). Network Services will provide a reliable, resilient and secure DHS-wide data network that streamlines appropriate sharing and discovery of information within the Department and associated organizations. The core of the unified environment will be the DHS Wide Area Network (WAN), called "OneNet." Major services provided by Network Services include:

- DHS OneNet - Wide Area Network Services
- Network and Security Operations Centers

- Traffic Modeling and Data Analysis
- IP Address Administration
- Network Management
- Access Controls

OneNet will be comprised of two independent Multi-Protocol Label Switching (MPLS) networks, each provided by a separate vendor. Through physical line redundancy and first-tier vendor carrier delivery, the WAN systematically provides continuity and network availability. DHS sites will be connected to the WAN via two physical connections, each terminating at a different vendor's MPLS network. Key features of the MPLS-based network employed by OneNet include increased flexibility, scalability and security, as well as a lower total cost of ownership.

The Network Operations Centers/Security Operations Centers (NOC/SOC) will centrally oversee DHS' infrastructure systems and network components. Incident response and detection is coordinated and escalated by the NOC/SOC within the network security and computing services groups depending on the nature of the breach or failure. This aids in availability management and capacity management by providing respective service groups with collected monitoring data.

#### **ADEX/Email Services**

The Steward for ADEX/Email Services is the US Coast Guard (USCG). Email and active directory services will provide more effective communication between and within DHS. ADEX/Email Services will provide flexibility to accommodate dynamic requirements for quicker and easier communications. ADEX/Email Services will allow personnel to gain access to critical business communications and are designed to deliver greater security, availability, and reliability.

Major services provided by the ADEX/Email Services program include:

- Consolidated DHS-wide Global Address List (GAL)
- Standard email naming convention
- Delivery and management of a DHS-wide active directory
- Delivery of a DHS-wide email platform

#### **FY 2007 Accomplishments:**

- Converted 58% of the Department's networks to DHS standards technology and fully migrated 53% to DHS OneNet; including the full transition of 317 sites for ICE, 129 sites for CIS, and 1,330 sites for CBP
- Completed Video Operations Center requirements analysis and design to provide enterprise-level video services to DHS
- Established a primary NOC and SOC to Full Operating Capability (FOC)
- Achieved all goals for consolidation of email operations

#### **FY 2008 Planned Accomplishments:**

- All remaining Components are planned to move to OneNet with centrally managed Network Services with enterprise-wide NOC/SOC services
- Establish a secondary NOC/SOC
- Complete Component migrations to MS Exchange

#### **FY 2009 Projected Accomplishments:**

- Maintain existing NOC/SOC capability
- Maintain Internet and Extranet Gateways

- Update and maintain Infrastructure Information Repository (IIR)
- Support transition to IPv6

### **Data Center**

Two (2) enterprise-wide data centers will consolidate the Department's legacy data center environments. Data Center Services will provide management and control of data center hardware, operating systems software, and environmental systems. To promote operational availability, DHS will establish a data center environment that is redundant and secure. The DHS Data Center capabilities will provide the personnel and tools to manage service delivery and support activities.

Major services provided by Data Center Services include:

- Capacity management
- Availability management
- System management and administration
- Hardware/software maintenance
- Facility monitoring, management, and security
- Disaster recovery management and testing

The Data Center Development appropriation provides funding to consolidate and assist migrating data center environments to two enterprise-wide DHS Data Centers. The program will focus on continuing to build capabilities at the first DHS Data Center (Stennis) and at the second DHS Data Center. This funding will provide support services for migration to the DHS Data Centers.

### **FY 2007 Accomplishments**

- Completed construction of Stennis Phase II space comprising approximately 26,000 square feet of additional raised floor space, including an area designed to physical security standards required for classified processing.
- Achieved migration of CBP ACE SR/SAT, and CBP Disaster Recovery systems into Stennis Data Center Phase I space occupying approximately 24,000 square feet
- Installed and configured the Stennis Internet/Extranet Gateway.
- Awarded contract for Second DHS Data Center capability

### **FY 2008 Planned Accomplishments**

- Establish disaster recovery capability between the two (2) DHS Data Centers
- Expand capabilities/services at the Stennis data center
- The Stennis Data Center operations contract will be re-competed
- Migrate Component data centers to the two (2) DHS Data Centers

### **FY 2009 Projected Accomplishments**

- Continue migrating component data centers to the two (2) DHS Data Centers

## PPA: Wireless Program

|                              | Perm<br>Pos | FTE | Amount          |
|------------------------------|-------------|-----|-----------------|
| <b>2007 Actual</b>           | ...         | ... | <b>\$56,258</b> |
| <b>2008 Enacted</b>          | ...         | ... | <b>\$0</b>      |
| 2009 Adjustments-to-Base     | ...         | ... | \$0             |
| <b>2009 Current Services</b> | ...         | ... | <b>\$0</b>      |
| 2009 Program Change          | ...         | ... | \$0             |
| <b>2009 Request</b>          | ...         | ... | <b>\$0</b>      |
| Total Change 2008-2009       | ...         | ... | \$0             |

The Office of the Chief Information Officer requests \$0 for this activity. This section is provided to show the accomplishments attained through the execution of current FY 2007 funding. The program was transferred to the Office of Emergency Communications within the National Protection and Programs Directorate (NPPD) in FY 2007.

### FY 2007 Accomplishments

- Processed 3,795 frequency assignment records in support of DHS operations including coordination of 410 assignment proposals and spectrum support for CBP Project-25 upgrade and modernization efforts in Arizona
- Achieved NTIA agreement to sponsor and conduct centralized joint government/industry interference testing for Advanced Wireless Services (AWS) spectrum relocation. These tests verified the risk of interference to ICE technical surveillance operations and established an objective, authoritative basis for DHS to impose limits on vendor testing
- Acquired and deployed upgraded technical investigative equipment to support ICE and USSS (e.g., body wires, transmitters, and receivers) and completed first article acceptance testing, supporting Department-wide procurement.

## PPA: Homeland Secure Data Network

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | ...                 | ...        | <b>32,681</b> |
| <b>2008 Enacted</b>          | ...                 | ...        | <b>33,100</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | 573           |
| <b>2009 Current Services</b> | ...                 | ...        | <b>33,673</b> |
| 2009 Program Change          | ...                 | ...        | <b>14,000</b> |
| <b>2009 Request</b>          | ...                 | ...        | <b>47,673</b> |
| Total Change 2008-2009       | ...                 | ...        | 14,573        |

The Office of the Chief Information Officer requests \$47.673 million for this activity, an increase of \$14.573 million over the enacted FY 2008 amount. The increase in funding is due to a \$0.573 million increase for non pay inflation and a program increase of \$14.000 million for system-wide core infrastructure and site-specific equipment and software refreshments.

### **CURRENT SERVICES PROGRAM DESCRIPTION**

Homeland Secure Data Network (HSDN) is the single program within DHS that enables agencies to collaborate and communicate effectively at a SECRET-classified level among Federal and State government and supporting entities. With HSDN capabilities, DHS has the ability to collect, disseminate and exchange both tactical and strategic intelligence information throughout DHS and DHS partners.

- HSDN has established 95 sites composed of some 1,830 seats
- HSDN has 2,898 established end user accounts who currently logon and exchange information across HSDN in performing their daily mission requirements
- HSDN currently operates its system-wide core capabilities and infrastructure consisting of its Network Operating Center (NOC), Secure Operating Center (SOC), four-tiered helpdesk, first data center, and system-wide telecommunications backbone on 24-hour operations in support of the mission requirements of its established end users

#### **FY 2007 Accomplishments**

- Implemented the capability to bridge both HSIN-S and HSDN networks together for IP secure video teleconferencing purposes
- Finalized the Homeland Security Data Center Services Migration Strategy and migrated the disaster recovery HSDN data center to the Stennis Data Center
- Developed and deployed an HSDN Secure Video Teleconferencing (SVTC) capability
- Established the Fair Lakes Homeland Secure Data Network (HSDN) as the first Trust Zone customer

#### **FY 2008 Planned Accomplishments**

- Establish and maintain periodic HSDN program self-assessment and evaluation through the DHS established Operational Analysis periodic review and reporting process, for identifying areas for improvements in costs and operational efficiencies and effectiveness
- Establish support to the mission requirements of DHS component organizations and its homeland security partners staying abreast of and identifying applicable advancing information and applied technologies capable of improving data gathering, fusion, analysis, intelligence gathering and dissemination at a SECRET-classified level.

**FY 2009 Projected Accomplishments**

- Complete critical refreshment of one third of the established system-wide core infrastructure and site-specific aging HSDN equipment
- Complete annual Operational Analysis periodic review and reporting process, for identifying areas for improvements in costs and operational efficiencies and effectiveness

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Increase 1:                    Information Security Program**

Strategic Goal(s) & Objective(s): Goal 5- Strengthen and Unify DHS Operations and Management  
Objective 5.1 Strengthen and Unify DHS Operations and  
Management

PPA: Salaries and Expenses

Program Increase:     Positions   0      FTE   0      Dollars \$3,100

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ...             | ... | \$15,260        |
| Program Increase       |                |     |                 |                 |     |                 | ...             | ... | \$3,100         |
| <b>Total Request</b>   | ...            | ... | <b>\$15,000</b> | ...             | ... | <b>\$15,000</b> | ...             | ... | <b>\$18,360</b> |

**Description and justification for program changes:**

- DHS NOC/SOC: Fully implement the DHS NOC/SOC security architecture to provide continuous monitoring and managed services for components, to ensure operational security compliance for DHS network and managed systems. Develop capabilities to support initial situational awareness based on aggregating operational data gathered by the DHS NOC/SOC and the Computer Security Incident Response Center (CSIRC).
- Improved Financial System Security: This request is for the development of DHS financial system security capabilities in support of the Federal Financial Management Improvement Act of 1996 (FFMIA). FFMIA identifies IT general controls as outlined in OMB Circular A-123 Appendix A. The mandate to become fully compliant with Financial Systems IT General Controls has continued to identify additional program requirements for the Information Security Office and the Chief Information Security Officer (CISO) including the need for increased support to address and validate the FY 2009-FY13 Financial Audit Assurance Statement. The additional funding and support will assist CISO to update Information Security Policy and work with the DHS Office of the Chief Financial Officer (OCFO) to address A-123 Internal Controls for financial system security. The Compliance Office will augment existing tools and staff to support additional control procedures and provide Component support for financial system security audit preparation, execution, response, and remediation.
- In order to achieve these goals, the following funds are needed:
  - \$800K - Financial audit and remediation support efforts. Will ensure compliance with Federal Financial Management Improvement Act of 1996 (FFMIA) and OMB Circular A-123

#### Appendix A

- \$750 K – Transition costs to relocate FISMA compliance tool suite to one of the two DHS Data Centers
- \$400K – Security Policy & Architecture support. Required to support publishing DHS policy updates on a quarterly basis. Current funding limits updates to key security program documents to one per year
- \$250K – Classified Security Architecture. Required to provide policy and architecture guidance to transition HSIN-S to the HSDN environment.
- \$500K – IT Security Lab for evaluating new and existing technologies in support of information sharing. Will allow us to evaluate new technology insertions to significantly reduce the number of information security products in the DHS Technical Reference Model (TRM)
- \$400K - Automated compliance tools Concept of Operations (CONOP) development. Will allow NOC/SOC to remotely monitor system-level technical controls for FISMA compliance, POA&M mitigation and IT penetration testing

#### **Impact on Performance (Relationship of Increase to Strategic Goals)**

Eliminating the DHS Material Weakness for FISMA and Financial System Security as identified in the DHS CFO's FY06 Financial Systems Internal Control Audit supports the DHS Strategic Goal to achieve Organizational Excellence. Improving DHS systems and network configurations, testing and compliance monitoring will reduce operational vulnerabilities in support of DHS. Achieving a high assurance information security program will strengthen DHS Operational Integration by enabling a community of trust among DHS' components and eventually partner agencies with joint mission support.

**Program Increase 2: Homeland Secure Data Network**

Strategic Goal(s) & Objective(s): Goal 5- Strengthen and Unify DHS Operations and Management  
Objective 5.1 Strengthen and Unify DHS Operations and Management

PPA: Homeland Secure Data Network

Program Increase: Positions 0 FTE 0 Dollars \$14,000

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ...             | ... | \$33,673        |
| Program Increase       |                |     |                 |                 |     |                 | ...             | ... | \$14,000        |
| <b>Total Request</b>   | ...            | ... | <b>\$31,662</b> | ...             | ... | <b>\$33,100</b> | ...             | ... | <b>\$47,673</b> |

**Description and justification for program changes:**

This funding will be used to re-capitalize HSDN. Requested funding will pay for the deferred costs of system-wide core infrastructure, site specific equipment refreshment, and software refreshment of one third of the baseline capabilities established in FY06 (first Data Center and 60 baseline HSDN sites):

- a. System-wide core infrastructure and site-specific equipment and software refreshment: \$12.811M
- b. The “Risk of Deferment” associated with “deferred” system-wide core infrastructure and site-specific equipment and software refreshment. The risk is associated with older, end-of-useful-life, end-of-sale equipment potentially breaking down and which cannot be repaired due to the lack of established maintenance agreements, repair parts, or replacement equipment. This includes the cost for extending existing warranties or the cost associated with having to repair or replace this aging equipment beyond its warranties: \$1.189M

**Impact on Performance (Relationship of Increase to Strategic Goals):**

A level of customer dependency was created, as HSDN became the alternative of choice for collection, aggregations, analysis and dissemination of data and information at the SECRET-classified level for the civilian side of government (some 2,898 existing HSDN end user accounts have been established at some 95 established HSDN sites at the Federal and State levels.)

This level of customer dependency increases as reliance upon SIPRNet diminishes. The Department of Defense (DoD) expressed a need for moving users on the civil side of the Federal government off primary dependence on SIPRNet.

This dependency necessitates DHS’ and HSDN’s action to sustain HSDN through established redundant capabilities and assets for disaster management and recovery, as well as continuity of operations (COOP). Currently, the second Data Center plays a critical role in this necessary redundancy, and the crucial need for sustaining both the first and second Data Centers becomes even more critical.

The potential for prolonged interruption or prevention of services provided by HSDN increases as established critical HSDN infrastructure and assets reach the end of useful life (some infrastructure was placed into operations in FY04 and FY05 and will be five to seven years old at the time of final replacement in FY 2009 – FY11).

**Program Increase 3: Enterprise Architecture**

Strategic Goal(s) & Objective(s): Goal 5- Strengthen and Unify DHS Operations and Management  
Objective 5.1 Strengthen and Unify DHS Operations and  
Management

PPA: Information Technology Services

Program Increase: Positions 0 FTE 0 Dollars \$500

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ...             | ... | \$7,432         |
| Program Increase       |                |     |                 |                 |     |                 | ...             | ... | \$500           |
| <b>Total Request</b>   | ...            | ... | <b>\$7,606</b>  | ...             | ... | <b>\$7,305</b>  | ...             | ... | <b>\$7,932</b>  |

**Description and justification for program changes:**

Enterprise Architecture supports a "blueprint" for systematically and completely defining DHS' baseline environment, target environment, and the transition plan. This program establishes a Department-wide roadmap to improve mission effectiveness and efficiency, eliminate existing stovepipe systems, and increase interoperability and information sharing. It ensures the essential evolution of information systems and the development of a common Information Technology environment.

Congressionally mandated reviews of all procurements over \$2.5M must be in alignment with the Homeland Security Enterprise Architecture and in-depth reviews of major IT projects at the critical design and production readiness points require additional technical support. Without these reviews IT spending would continue on fragmented and duplicative paths driving up long term O&M costs that are not affordable. An additional \$500,000 will allow the program to handle an increasing volume of IT investments to review for alignment to the Department's architecture.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

- 1) Directly aligns spending with business driven technology goals.
- 2) Reduces unnecessary duplication in technology spending.
- 3) Reduces the technology O&M tail in the budget.
- 4) Through critical design and production reviews reduces the number of major IT programs that fail.

**Program Increase 4: Enterprise Data Management**

Strategic Goal(s) & Objective(s): Goal 5- Strengthen and Unify DHS Operations and Management  
Objective 5.1 Strengthen and Unify DHS Operations and Management

PPA: Information Technology Services

Program Increase: Positions 0 FTE 0 Dollars \$2,000

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level | ...            | ... | ...             | ...             | ... | ...             | ...             | ... | ...             |
| Program Increase       | ...            | ... | ...             | ...             | ... | ...             | ...             | ... | \$2,000         |
| <b>Total Request</b>   | ...            | ... | ...             | ...             | ... | ...             | ...             | ... | <b>\$2,000</b>  |

**Description and justification for program changes:**

The Enterprise Data Management program provides the Enterprise Architecture a Data Reference Model for defining the data assets. The Enterprise Data Management Office (EDMO) establishes the guidance and oversight to DHS for data policy, data management, and data stewardship. This program supports the development of a Department-wide roadmap for data to improve mission effectiveness and efficiency, eliminating existing stovepipe data systems, and increasing interoperability and information sharing. The Data Reference Model (DRM) is a key governance tool to assure that mission needs drive technology investments.

The EDMO’s program plans integrate information sharing requirements and enable access across all levels of government, first responders, and stakeholders in the private sector. The EDMO program is a new proposal for FY 2009 and only has planned accomplishments for this fiscal year.

Without the Enterprise Data Management program, the Enterprise Architecture will be a blueprint for systems without content that can be widely understood and shared. The Data Reference Model provides a means to consistently describe data architectures, data standards and information exchanges to bridge the information sharing environment, and provides the governance framework for data policy, data management and data stewardship initiatives to protect the significant investment in data across the DHS components.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The development of the Data Reference Model by the EDMO builds the foundation by which data is understood within and outside of the department. The importance of creating a DRM that enables the data description of data assets, and the information sharing between and across the assets, is fundamental to the long term goal of developing the Information Sharing Environment for DHS.

The EDMO achieves the DHS priorities by developing the framework by which data is understood within the Department, and thereby also providing the capability to share data across all levels of government. It is the contextual definition of the data to be shared, accurately captured in the Data Reference Model that

will ensure that data is understood within and outside of the Department. Without this understanding at all levels of Government, the mission of Homeland Security will be impaired.

Without an Enterprise Data Management Office to address the significant task of building the Data Reference Model for the Homeland Security Enterprise Architecture, the Department will not be able to establish the foundation for the Information Sharing Environment across all levels of Government. For example, without an understanding of the data within the Department concerning the Terrorist Watchlist, providing viable systems to assist in securing the borders against foreign enemies will become increasingly prohibitive. Without a DRM that describes data in mission critical systems at the level for which new services can be quickly stood up, the DHS will be unable to meet the ongoing and evolving needs of securing the borders, screening for terrorists, protecting critical infrastructure and adapting to changing requirements.

**Program Decrease 1: Federal Watchlist Technical Integration**

Strategic Goal(s) & Objective(s): Goal 5- Strengthen and Unify DHS Operations and Management  
Objective 5.1 Strengthen and Unify DHS Operations and  
Management

PPA: Security Activities

Program Decrease: Positions 0 FTE 0 Dollars (\$7,000)

|                        | FY 2007 Actual |     |                 | FY 2008 Enacted |     |                 | FY 2009 Request |     |                 |
|------------------------|----------------|-----|-----------------|-----------------|-----|-----------------|-----------------|-----|-----------------|
|                        | Pos            | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) | Pos             | FTE | Dollars (\$000) |
| Current Services Level |                |     |                 |                 |     |                 | ...             | ... | \$8,840         |
| Program Decrease       |                |     |                 |                 |     |                 | ...             | ... | (\$7,000)       |
| <b>Total Request</b>   | ...            | ... | <b>\$8,330</b>  | ...             | ... | <b>\$8,690</b>  | ...             | ... | <b>\$1,840</b>  |

**Description and justification for program changes:**

The Watch List program is intended to support the sharing of information included within the Watch List data base and accomplish the technical integration information required to interoperably share these data in a secure manner with key DHS and other entities responsible for assuring the safety of our Nation from dangerous people.

The Watch List program will accomplish its intended goals by the end of FY 2008. The FY 2009 funds will be used for operations and maintenance of current system.

**Impact on Performance (Relationship of Increase to Strategic Goals)**

The funds remaining in the Watchlist program account will be utilized to cover costs associated with the operations and maintenance of the database. This should continue to strengthen the sharing of Watchlist data throughout DHS.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Office of the Chief Information Officer  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

For necessary expenses of the Office of the Chief Information Officer, as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), and Department-wide technology investments, [\$295,200,000] \$247,369,000; of which [\$81,000,000] \$86,928,000 shall be available for salaries and expenses; and of which [\$214,200,000] \$160,441,000 shall be available for development and acquisition of information technology equipment, software, services, and related activities for the Department of Homeland Security, to remain available until expended: *Provided*, That none of the funds appropriated shall be used to support or supplement the appropriations provided for the United States Visitor and Immigrant Status Indicator Technology project or the Automated Commercial Environment[: *Provided further*, That the Chief Information Officer shall submit to the Committees on Appropriations of the Senate and the House of Representatives, not more than 60 days after the date of enactment of this Act, an expenditure plan for all information technology projects that: (1) are funded under this heading; or (2) are funded by multiple components of the Department of Homeland Security through reimbursable agreements: *Provided further*, That such expenditure plan shall include each specific project funded, key milestones, all funding sources for each project, details of annual and lifecycle costs, and projected cost savings or cost avoidance to be achieved by the project]. (*Consolidated Appropriations Act, 2008.*)

**B: FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|--|-------------|------------|------------------|
| <b>FY 2007 Actual</b> .....  | <b>84</b>   | <b>65</b>  | <b>\$308,902</b> |
| <b>2008 Enacted</b> .....  | <b>94</b>   | <b>91</b>  | <b>295,200</b>   |
| <b>Adjustments-to-Base</b>   |             |            |                  |
| Transfers to and from other accounts:                                  |             |            |                  |
| Transfer from CIO (HRIT) to the office of the Chief Human Capital..... | ---         | ---        | (17,131)         |
| <b>Total Transfers</b> .....   | <b>---</b>  | <b>---</b> | <b>(17,131)</b>  |
| Increases  |             |            |                  |
| Annualization of prior year part year funding.....                     | ---         | 3          | 300              |
| Annualization of 2008 pay raise.....                                   | ---         | ---        | 164              |
| 2009 pay increase.....   | ---         | ---        | 407              |
| Working Capital Fund.....  | ---         | ---        | 6,316            |
| Non-pay inflation excluding GSA Rent.....                              | ---         | ---        | 5,530            |
| <b>Total Increases</b> .....   | <b>---</b>  | <b>3</b>   | <b>12,717</b>    |
| Decreases  |             |            |                  |
| Management and Technology Efficiencies.....                            | ---         | ---        | (6,282)          |
| Termination of one time construction cost (NCCIPS).....                | ---         | ---        | (35,500)         |
| GSA Rent.....  | ---         | ---        | (1,248)          |
| Reduction in Data Center Development.....                              | ---         | ---        | (12,987)         |
| <b>Total Decreases</b> .....   | <b>---</b>  | <b>---</b> | <b>(56,017)</b>  |
| <b>Total Adjustments-to-Base</b> .....                                 | <b>---</b>  | <b>3</b>   | <b>(60,431)</b>  |
| <b>2009 Current Services</b> .....                                     |             | <b>94</b>  | <b>234,769</b>   |
| <b>Program Changes</b>   |             |            |                  |
| Program Increases/(Decreases)  |             |            |                  |
| Information Security Program.....                                      | ---         | ---        | 3,100            |
| DHS Watchlist and Technical Integration.....                           | ---         | ---        | (7,000)          |
| Homeland Secure Data Network.....                                      | ---         | ---        | 14,000           |
| Enterprise Architecture.....   | ---         | ---        | 500              |
| Enterprise Data Management.....  | ---         | ---        | 2,000            |
| <b>Total Program Changes</b> .....                                     |             | <b>---</b> | <b>12,600</b>    |
| <b>2009 Request</b> .....  |             | <b>94</b>  | <b>247,369</b>   |
| <b>2008 to 2009 Total Change</b> .....                                 |             | <b>3</b>   | <b>(47,831)</b>  |

## C. Summary of Requirements

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Information Officer**  
 Summary of Requirements  
 (Dollars in Thousands)

|  | 2009 Request |           |                  |
|--|--------------|-----------|------------------|
|  | Perm. Pos.   | FTE       | Amount           |
| <b>FY 2007 Actual</b>  | <b>84</b>    | <b>65</b> | <b>\$308,902</b> |
| <b>2008 Enacted</b>  | <b>94</b>    | <b>91</b> | <b>295,200</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |           |                  |
| Transfers  | ---          | ---       | (17,131)         |
| Increases  | ---          | 3         | 11,469           |
| Decreases  | ---          | ---       | (54,769)         |
| Total Adjustments-to-Base  | ---          | 3         | (60,431)         |
| <b>2009 Current Services</b>   | <b>94</b>    | <b>94</b> | <b>234,769</b>   |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | ---          | ---       | 12,600           |
| <b>2009 Total Request</b>  | <b>94</b>    | <b>94</b> | <b>247,369</b>   |
| 2008 to 2009 Total Change  | ---          | 3         | (47,831)         |

| Estimates by Program/Project Activity | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |          |                   | 2009 Program Change |            |                 | 2009 Request |           |                  | 2008 to 2009 Total Change |          |                   |
|---------------------------------------|--------------|-----------|------------------|--------------------------|----------|-------------------|---------------------|------------|-----------------|--------------|-----------|------------------|---------------------------|----------|-------------------|
|                                       | Pos.         | FTE       | Amount           | Pos.                     | FTE      | Amount            | Pos.                | FTE        | Amount          | Pos.         | FTE       | Amount           | Pos.                      | FTE      | Amount            |
| 1 Salaries and Benefits               | 94           | 91        | \$81,000         | ---                      | 3        | \$2,828           | ---                 | ---        | \$ 3,100        | 94           | 94        | \$86,928         | ---                       | 3        | \$5,928           |
| 2 Information Technology Services     | ---          | ---       | 56,200           | ---                      | ---      | (16,255)          | ---                 | ---        | 2,500           | ---          | ---       | 42,445           | ---                       | ---      | (13,755)          |
| 3 Security Activities                 | ---          | ---       | 124,900          | ---                      | ---      | (47,577)          | ---                 | ---        | (7,000)         | ---          | ---       | 70,323           | ---                       | ---      | (54,577)          |
| 4 Wireless Activities                 | ---          | ---       | ---              | ---                      | ---      | ---               | ---                 | ---        | ---             | ---          | ---       | ---              | ---                       | ---      | ---               |
| 5 Homeland Secure Data Network        | ---          | ---       | 33,100           | ---                      | ---      | 573               | ---                 | ---        | 14,000          | ---          | ---       | 47,673           | ---                       | ---      | 14,573            |
| <b>Total</b>                          | <b>94</b>    | <b>91</b> | <b>\$295,200</b> | <b>---</b>               | <b>3</b> | <b>(\$60,431)</b> | <b>---</b>          | <b>---</b> | <b>\$12,600</b> | <b>94</b>    | <b>94</b> | <b>\$247,369</b> | <b>---</b>                | <b>3</b> | <b>(\$47,831)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Information Officer  
Summary of Reimbursable Resources  
(Dollars in Thousands)**

| Collections by Source                        | FY 2007 Actual |      |              | 2008 Revised Estimate |      |                 | 2009 Estimate |      |                 | Increase/Decrease |      |              |
|--|----------------|------|--------------|-----------------------|------|-----------------|---------------|------|-----------------|-------------------|------|--------------|
|  | Pos.           | FTE  | Amount       | Pos.                  | FTE  | Amount          | Pos.          | FTE  | Amount          | Pos.              | FTE  | Amount       |
| Transportation Security Administration       | ---            | ---  | ---          | ---                   | ---  | \$435           | ---           | ---  | \$455           | ---               | ---  | \$20         |
| Federal Law Enforcement Training Center      | ---            | ---  | ---          | ---                   | ---  | \$3             | ---           | ---  | \$3             | ---               | ---  | \$0          |
| U.S. Citizens and Immigration Services       | ---            | ---  | \$250        | ---                   | ---  | \$12            | ---           | ---  | \$15            | ---               | ---  | \$3          |
| Domestic Nuclear Detection Office            | ---            | ---  | \$208        | ---                   | ---  | \$9             | ---           | ---  | \$10            | ---               | ---  | \$1          |
| Federal Protective Services (FPS)            | ---            | ---  | ---          | ---                   | ---  | \$0             | ---           | ---  | \$0             | ---               | ---  | \$0          |
| Office of Information & Analysis (I&A)       | ---            | ---  | ---          | ---                   | ---  | \$2,600         | ---           | ---  | \$2,675         | ---               | ---  | \$75         |
| National Communications Services (NCS)       | ---            | ---  | ---          | ---                   | ---  | \$0             | ---           | ---  | \$0             | ---               | ---  | \$0          |
| DHS Office of the Inspector General          | ---            | ---  | ---          | ---                   | ---  | \$12            | ---           | ---  | \$13            | ---               | ---  | \$1          |
| Office of the Chief Security Officer         | ---            | ---  | ---          | ---                   | ---  | \$15            | ---           | ---  | \$15            | ---               | ---  | \$0          |
| Science and Technology                       | ---            | ---  | ---          | ---                   | ---  | \$26            | ---           | ---  | \$28            | ---               | ---  | \$2          |
| Federal Air Marshall Service                 | ---            | ---  | ---          | ---                   | ---  | \$28            | ---           | ---  | \$30            | ---               | ---  | \$2          |
| Infrastructure Partnership Division          | ---            | ---  | ---          | ---                   | ---  | \$0             | ---           | ---  | \$0             | ---               | ---  | \$0          |
| FEMA   | ---            | ---  | ---          | ---                   | ---  | \$1,561         | ---           | ---  | \$1,640         | ---               | ---  | \$79         |
| Customs and Border Protection                | ---            | ---  | ---          | ---                   | ---  | \$425           | ---           | ---  | \$125           | ---               | ---  | -\$300       |
| Immigration and Customs Enforcement          | ---            | ---  | ---          | ---                   | ---  | \$940           | ---           | ---  | \$979           | ---               | ---  | \$39         |
| National Protection and Programs Directorate | ---            | ---  | ---          | ---                   | ---  | \$1,023         | ---           | ---  | \$1,108         | ---               | ---  | \$85         |
| U.S. Visit                                   | ---            | ---  | ---          | ---                   | ---  | \$8             | ---           | ---  | \$8             | ---               | ---  | \$0          |
| Chief Administrative Officer                 | ---            | ---  | ---          | ---                   | ---  | \$5,000         | ---           | ---  | \$5,250         | ---               | ---  | \$250        |
| Coast Guard                                  | ---            | ---  | ---          | ---                   | ---  | \$525           | ---           | ---  | \$551           | ---               | ---  | \$26         |
| <b>Total Budgetary Resources</b>             | ....           | .... | <b>\$458</b> | ....                  | .... | <b>\$12,622</b> | ....          | .... | <b>\$12,905</b> | ....              | .... | <b>\$283</b> |

| Obligations by Program/Project Activity | FY 2007 Actual |     |            | 2008 Revised Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |            |
|---|----------------|-----|------------|-----------------------|-----|---------------|---------------|-----|---------------|-------------------|-----|------------|
|   | Pos.           | FTE | Amount     | Pos.                  | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount     |
| Salaries and Expenses                   | ---            | --- | \$458      | ---                   | --- | \$12,622      | ---           | --- | \$12,905      | ---               | --- | 283        |
| <b>Total Obligations</b>                | ---            | --- | <b>458</b> | ---                   | --- | <b>12,622</b> | ---           | --- | <b>12,905</b> | ---               | --- | <b>283</b> |

Note: FY2008 Reimbursables have been updated and are shown as projected collections from sources. The increase over FY2008 is due to inflationary factors.

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Information Officer**  
 Summary of Requirements by Object Class  
 (Dollars in Thousands)

| Object Classes  | FY 2007<br>Actual | 2008<br>Enacted  | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation               | \$6,769           | \$8,225          | \$9,861          | \$1,636               |
| 11.3 Other than full-time permanent                   | 433               | 384              | 390              | 6                     |
| 11.5 Other Personnel Compensation                     | 192               | 248              | 255              | 7                     |
| 11.8 Special Service Pay                              | 154               | 2,915            | 2,935            | 20                    |
| 12.1 Benefits   | 1,746             | 5,202            | 5,296            | 94                    |
| 13.0 Benefits - former                                | ---               | ---              | ---              | ---                   |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$9,294</b>    | <b>\$16,974</b>  | <b>\$18,737</b>  | <b>\$1,763</b>        |
| Other Object Classes:                                 |                   |                  |                  |                       |
| 21.0 Travel   | \$204             | \$450            | \$451            | 1                     |
| 22.0 Transportation of things                         | 11                | 25               | 25               | ---                   |
| 23.1 GSA rent   | ---               | 4,503            | 4,568            | 65                    |
| 23.2 Other rent                                       | 1                 | 15               | 15               | ---                   |
| 23.3 Communications, utilities, & other misc. charges | 133               | 24,877           | 24,567           | (310)                 |
| 24.0 Printing and reproduction                        | ---               | 45               | 51               | 6                     |
| 25.1 Advisory and assistance services                 | 137,766           | 141,087          | 92,614           | (48,473)              |
| 25.2 Other services                                   | 481               | 22,115           | 7,374            | (14,741)              |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 141,916           | 140,550          | 40,372           | (100,178)             |
| 25.4 Operation & maintenance of facilities            | ---               | ---              | ---              | ---                   |
| 25.5 Research and development contracts               | ---               | ---              | 400              | 400                   |
| 25.6 Medical care                                     | ---               | ---              | ---              | ---                   |
| 25.7 Operation and maintenance of equipment           | 6,660             | 26,580           | 27,349           | 769                   |
| 25.8 Subsistence and support of persons               | 254               | ---              | ---              | ---                   |
| 26.0 Supplies and materials                           | 214               | 250              | 250              | ---                   |
| 31.0 Equipment  | 11,968            | 15,830           | 30,596           | 14,766                |
| 32.0 Land & structures                                | ---               | ---              | ---              | ---                   |
| 41.0 Grants/Subsidies/Contributions                   | ---               | ---              | ---              | ---                   |
| 42.0 Indemnity  | ---               | ---              | ---              | ---                   |
| 43.0 Interest & dividends                             | ---               | ---              | ---              | ---                   |
| 44.0 Refunds  | ---               | ---              | ---              | ---                   |
| 91.0 Unvouchered                                      | ---               | ---              | ---              | ---                   |
| 99.0 Other  | ---               | ---              | ---              | ---                   |
| <b>Total, Other Object Classes</b>                    | <b>\$299,608</b>  | <b>\$376,326</b> | <b>\$228,632</b> | <b>(\$147,694)</b>    |
| <b>Total, Direct Obligations</b>                      | <b>\$308,902</b>  | <b>\$393,300</b> | <b>\$247,369</b> | <b>(\$145,931)</b>    |
| Unobligated balance, start of year                    | (67,656)          | (98,100)         | ---              | ---                   |
| Unobligated balance, end of year                      | 98,100            | ---              | ---              | ---                   |
| Recoveries of prior year obligations                  | (1,447)           | ---              | ---              | ---                   |
| <b>Total requirements</b>                             | <b>\$337,899</b>  | <b>\$295,200</b> | <b>\$247,369</b> | ---                   |

## F. Permanent Positions by Grade

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Information Officer  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 7              | 7               | 7               | ---                    |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 41             | 43              | 43              | ---                    |
| GS-14                            | 29             | 37              | 37              | ---                    |
| GS-13                            | 6              | 6               | 6               | ---                    |
| GS-12                            | ---            | ---             | ---             | ---                    |
| GS-11                            | ---            | ---             | ---             | ---                    |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | ---            | ---             | ---             | ---                    |
| GS-8                             | ---            | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | ---             | ---                    |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | 1              | 1               | 1               | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>84</b>      | <b>94</b>       | <b>94</b>       | <b>---</b>             |
| Unfilled Positions EOY           | 19             | 3               | ---             | (3)                    |
| Total Perm. Employment EOY       | 65             | 91              | 94              | ---                    |
| <b>FTE</b>                       | <b>65</b>      | <b>91</b>       | <b>94</b>       | <b>3</b>               |
| Headquarters                     | 84             | 94              | 94              | ---                    |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>84</b>      | <b>94</b>       | <b>94</b>       | <b>---</b>             |
| Average ES Salary                | \$ 151,000     | \$ 185,730      | \$ 185,730      | \$ ---                 |
| Average GS Salary                | \$ 110,000     | \$ 135,300      | \$ 135,300      | \$ ---                 |
| Average GS Grade                 | 14.12          | 14.70           | 14.70           | ---                    |

## **G. Capital Investment and Construction Initiative Listing**

\*CIO has no Capital Investment and Construction Initiatives

**H. PPA Budget Justifications**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer  
 Salaries and Expenses  
 Funding Schedule  
 (Dollars in Thousands)**

| <b>PPA: PPA Name</b>                |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>              |  |                        |                         |                         |                                |
| 11.1                                | Perm Positions                             | \$6,763                | \$8,225                 | \$9,861                 | \$1,636                        |
| 11.3                                | Other than perm                            | 310                    | 384                     | 390                     | 6                              |
| 11.5                                | Other per comp                             | 182                    | 248                     | 255                     | 7                              |
| 11.8                                | Spec Srvc Pay                              | 154                    | 1,873                   | 1,873                   | ---                            |
| 12.1                                | Benefits                                   | 1,699                  | 5,202                   | 5,296                   | 94                             |
| 13.0                                | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                | Travel                                     | 183                    | 320                     | 320                     | ---                            |
| 22.0                                | Transportation of things                   | 11                     | 25                      | 25                      | ---                            |
| 23.1                                | GSA rent                                   | ---                    | 1,540                   | 1,571                   | 31                             |
| 23.2                                | Other rent                                 | 1                      | 15                      | 15                      | ---                            |
| 23.3                                | Communication, Utilities, and misc charges | 58                     | 20,400                  | 20,808                  | 408                            |
| 24.0                                | Printing                                   | ---                    | 30                      | 36                      | 6                              |
| 25.1                                | Advisory & Assistance Services             | 31,050                 | 16,933                  | 17,521                  | 588                            |
| 25.2                                | Other Services                             | 475                    | 2,425                   | 4,423                   | 1,998                          |
| 25.3                                | Purchase from Govt. Accts.                 | 34,835                 | 15,012                  | 15,103                  | 91                             |
| 25.4                                | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                | Research & Development                     | ---                    | ---                     | 400                     | 400                            |
| 25.6                                | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                | Operation & maintenance of equipment       | 542                    | 575                     | 587                     | 12                             |
| 25.8                                | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                | Supplies & materials                       | 187                    | 225                     | 225                     | ---                            |
| 31.0                                | Equipment                                  | 1,762                  | 7,568                   | 8,219                   | 651                            |
| 32.0                                | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                                | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Salaries and Expenses</b> |  | <b>\$78,212</b>        | <b>\$81,000</b>         | <b>\$86,928</b>         | <b>\$5,928</b>                 |
| Full Time Equivalents               |  | 65                     | 91                      | 94                      | 3                              |

Note: \$464K and (3) FTEs were transferred to the Office of Emergency Communications in FY2007

**PPA Mission Statement**

A crosscutting program that provides technology-management, shared services, acquisition strategy, executive leadership support, process development, and business transformation to several offices within the DHS Office of the CIO.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$21                   | \$6                            | \$6                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. There is no change from FY2008 to FY2009.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                    | \$1,141                        | \$1,163                 | \$22                           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$22,000 for non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$0                    | \$16                           | \$17                    | \$1                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$1,000 in non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$48,707               | \$15,554                       | \$17,792                | \$2,238                        |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY2009 increase is for non-pay inflation and contractual obligations.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$6                    | \$19,615                       | \$2,876                 | (\$16,739)                     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 change is due to an inflationary increase, and the transfer of HRIT program and funding to the Chief Human Capital Office.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted Budget</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|--------------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$11,326               | \$13,499                       | \$13,769                | \$270                          |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 increase is for non-pay inflation.

|   | <b>2007</b>    | <b>2008</b>           | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|-----------------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$1,663</b> | <b>\$639</b>          | <b>\$977</b>   | <b>\$338</b>        |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The change from FY08 to FY09 is due to an inflationary increase and operations and maintenance of legacy equipment.

|                  | <b>2007</b>     | <b>2008</b>           | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-----------------|-----------------------|----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$10,138</b> | <b>\$5,730</b>        | <b>\$5,845</b> | <b>\$115</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The change from FY08 to FY09 is due to an inflationary increase.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Information Officer**  
**Information Technology Services**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>                          |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                        |  |                        |                         |                         |                                |
| 11.1  | Perm Positions                             | \$6                    | \$0                     | \$0                     | \$0                            |
| 11.3  | Other than perm                            | 123                    | ---                     | ---                     | ---                            |
| 11.5  | Other per comp                             | 10                     | ---                     | ---                     | ---                            |
| 11.8  | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1  | Benefits                                   | 47                     | ---                     | ---                     | ---                            |
| 13.0  | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0  | Travel                                     | 21                     | 6                       | 6                       | ---                            |
| 22.0  | Transportation of things                   | ---                    | ---                     |                         | ---                            |
| 23.1  | GSA rent                                   | ---                    | 1,141                   | 1,163                   | 22                             |
| 23.2  | Other rent                                 | ---                    | ---                     |                         | ---                            |
| 23.3  | Communication, Utilities, and misc charges | ---                    | 16                      | 17                      | 1                              |
| 24.0  | Printing                                   | ---                    | ---                     |                         | ---                            |
| 25.1  | Advisory & Assistance Services             | 48,707                 | 15,554                  | 17,792                  | 2,238                          |
| 25.2  | Other Services                             | 6                      | 19,615                  | 2,876                   | (16,739)                       |
| 25.3  | Purchase from Govt. Accts.                 | 11,326                 | 52,097                  | 13,769                  | (38,328)                       |
| 25.4  | Operation & maintenance of facilities      | ---                    | ---                     |                         | ---                            |
| 25.5  | Research & Development                     | ---                    | ---                     |                         | ---                            |
| 25.6  | Medical care                               | ---                    | ---                     |                         | ---                            |
| 25.7  | Operation & maintenance of equipment       | 1,663                  | 639                     | 977                     | 338                            |
| 25.8  | Subsistence & Support of persons           | ---                    | ---                     |                         | ---                            |
| 26.0  | Supplies & materials                       | 20                     | ---                     |                         | ---                            |
| 31.0  | Equipment                                  | 10,138                 | 5,730                   | 5,845                   | 115                            |
| 32.0  | Land & Structures                          | ---                    | ---                     |                         | ---                            |
| 41.0  | Grants/Subsidies/Contributions             | ---                    | ---                     |                         | ---                            |
| 42.0  | Indemnity                                  | ---                    | ---                     |                         | ---                            |
| 91.0  | Unvouchered                                | ---                    | ---                     |                         | ---                            |
| <b>Total, Information Technology Services</b> |  | <b>\$72,067</b>        | <b>\$94,798</b>         | <b>\$42,445</b>         | <b>(\$52,353)</b>              |
| Full Time Equivalents                         |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

A program which supports development, implementation, and maintenance of a comprehensive and integrated Enterprise Architecture, the information technology framework for the Department's Human Resources System (including MaxHR), geospatial technologies, and information sharing.

**Summary Justification and Explanation of Changes**

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$21                   | \$6                     | \$6                     | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. There is no change from FY2008 to FY2009.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                    | \$1,141                 | \$1,163                 | \$22                           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$22,000 for non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$0                    | \$16                    | \$17                    | \$1                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes an increase of \$1,000 in non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$48,707               | \$15,554                | \$17,792                | \$2,238                        |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY2009 increase is for non-pay inflation and contractual obligations.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$6                    | \$19,615                | \$2,876                 | (\$16,739)                     |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. The FY 2009 change is due to an inflationary increase, and the transfer of HRIT program and funding to the Chief Human Capital Office.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>     | <b>2008 to 2009</b> |
|--|-----------------|-----------------|-----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b>  | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$11,326</b> | <b>\$52,097</b> | <b>\$13,769</b> | <b>(\$38,328)</b>   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY 2009 decrease is due to the use of carryover funding in FY2008 for the Transformation and Systems Consolidation Program (TASC, formerly eMerge), PMO support for various programs, HRIT technical support, and COMSEC DIAS support

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$1,663</b> | <b>\$639</b>   | <b>\$977</b>   | <b>\$338</b>        |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The change from FY08 to FY09 is due to an inflationary increase and operations and maintenance of legacy equipment.

|                  | <b>2007</b>     | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|-----------------|----------------|----------------|---------------------|
|                  | <b>Actual</b>   | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$10,138</b> | <b>\$5,730</b> | <b>\$5,845</b> | <b>\$115</b>        |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The change from FY08 to FY09 is due to an inflationary increase.

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer  
 Security Activities**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>              |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>            |  |                        |                         |                         |                                |
| 11.1                              | Perm Positions                             | \$0                    | \$0                     | \$0                     | \$0                            |
| 11.3                              | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                              | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                              | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                              | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                              | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                              | Travel                                     | ---                    | 90                      | 90                      | ---                            |
| 22.0                              | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                              | GSA rent                                   | ---                    | 1,199                   | 1,199                   | ---                            |
| 23.2                              | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                              | Communication, Utilities, and misc charges | ---                    | 4,168                   | 3,443                   | (725)                          |
| 24.0                              | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                              | Advisory & Assistance Services             | 53,287                 | 104,544                 | 53,164                  | (51,380)                       |
| 25.2                              | Other Services                             | ---                    | 75                      | 75                      | ---                            |
| 25.3                              | Purchase from Govt. Accts.                 | 15,981                 | 32,674                  | 9,820                   | (22,854)                       |
| 25.4                              | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                              | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                              | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                              | Operation & maintenance of equipment       | 162                    | ---                     | ---                     | ---                            |
| 25.8                              | Subsistence & Support of persons           | 254                    | ---                     | ---                     | ---                            |
| 26.0                              | Supplies & materials                       | ---                    | ---                     | ---                     | ---                            |
| 31.0                              | Equipment                                  | ---                    | 2,532                   | 2,532                   | ---                            |
| 32.0                              | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                              | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                              | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                              | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Security Activities</b> |  | <b>\$69,684</b>        | <b>\$145,282</b>        | <b>\$70,323</b>         | <b>(\$74,959)</b>              |
| Full Time Equivalents             |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

A set of programs that provides for the integration and protection of sensitive DHS information.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$0                     | \$0                     | \$0                            |

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$90                    | \$90                    | \$0                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. There is no change from FY2008 to FY2009.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                    | \$1,199                 | \$1,199                 | \$0                            |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. There is no change from FY2008 to FY2009.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$0                    | \$4,168                 | \$3,443                 | (\$725)                        |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. Decrease in FY 09 is due to the phasing out of the Watchlist program.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$53,287               | \$104,544               | \$53,164                | (\$51,380)                     |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The decrease of \$51,380 million in FY 09 is due to Management and Technology efficiencies, one time termination cost for NCCIPS build out, and the phasing out of the Watchlist program.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$0                    | \$75                    | \$75                    | \$0                            |

Other services include report contractual services with non-Federal sources that are not otherwise classified under Object Class 25. There is no change from FY2008 to FY2009.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$15,981               | \$32,674                | \$9,820                 | (\$22,854)                     |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The FY decrease in FY 2009 is due to the phasing out of the Watchlist program, OneNet connectivity to the EDS Data Center, support to Data Center migrations, OneNet Primary NOC, Single Sign-On domain standup, and Adex hosting services

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | \$0                    | \$2,532                 | \$2,532                 | \$0                            |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. There is no change from FY2008 to FY2009.

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Chief Information Officer**  
**Wireless Activities**  
**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>              |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------------------|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>            |  |                        |                         |                         |                                |
| 11.1                              | Perm Positions                             | \$0                    | \$0                     | \$0                     | \$0                            |
| 11.3                              | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                              | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                              | Spec Srvc Pay                              | ---                    | ---                     | ---                     | ---                            |
| 12.1                              | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                              | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                              | Travel                                     | ---                    | ---                     | ---                     | ---                            |
| 22.0                              | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                              | GSA rent                                   | ---                    | ---                     | ---                     | ---                            |
| 23.2                              | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                              | Communication, Utilities, and misc charges | 3                      | ---                     | ---                     | ---                            |
| 24.0                              | Printing                                   | ---                    | ---                     | ---                     | ---                            |
| 25.1                              | Advisory & Assistance Services             | 2,718                  | ---                     | ---                     | ---                            |
| 25.2                              | Other Services                             | ---                    | ---                     | ---                     | ---                            |
| 25.3                              | Purchase from Govt. Accts.                 | 49,169                 | 38,128                  | ---                     | (38,128)                       |
| 25.4                              | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                              | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                              | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                              | Operation & maintenance of equipment       | 4,293                  | ---                     | ---                     | ---                            |
| 25.8                              | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                              | Supplies & materials                       | 7                      | ---                     | ---                     | ---                            |
| 31.0                              | Equipment                                  | 68                     | ---                     | ---                     | ---                            |
| 32.0                              | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                              | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                              | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                              | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Wireless Activities</b> |  | <b>\$56,258</b>        | <b>\$38,128</b>         | <b>\$0</b>              | <b>(\$38,128)</b>              |
| Full Time Equivalents             |  | ---                    | ---                     | ---                     | ---                            |

**Note:** \$18 million transferred to the Office of Emergency Communications in FY2007. Beginning in FY2008, the Wireless Program activities will be transferred to the Office of Emergency Communications along with \$18 million; the remaining \$68.4 million will be transferred to CBP in support of SBInet in FY2008.

**PPA Mission Statement**

A program whose mission it is to ensure the effective operation, management, budgeting, and procurement of all wireless technology department-wide, and the development of policy and wireless program performance metrics and standards for DHS.

|   | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|---------------|----------------|----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Communication, Utilities, and miscellaneous char</b> | <b>\$3</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Advisory and Assistance Services</b> | <b>\$2,718</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government.

|  | <b>2007</b>     | <b>2008</b>     | <b>2009</b>    | <b>2008 to 2009</b> |
|--|-----------------|-----------------|----------------|---------------------|
|  | <b>Actual</b>   | <b>Enacted</b>  | <b>Request</b> | <b>Change</b>       |
| <b>Purchase from Government Accounts</b> | <b>\$49,169</b> | <b>\$38,128</b> | <b>\$0</b>     | <b>(\$38,128)</b>   |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. There is no Wireless program in FY2009, the decrease is associated with carryover funding provided in FY2008 for Spectrum Relocation, legacy O&M for CBP/ICE, NTIA fees, and spectrum management.

|   | <b>2007</b>    | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---|----------------|----------------|----------------|---------------------|
|   | <b>Actual</b>  | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$4,293</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account.

|                                 | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|----------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$7</b>    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

|                  | <b>2007</b>   | <b>2008</b>    | <b>2009</b>    | <b>2008 to 2009</b> |
|------------------|---------------|----------------|----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted</b> | <b>Request</b> | <b>Change</b>       |
| <b>Equipment</b> | <b>\$68</b>   | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract.

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer  
 Homeland Secure Data Network**

**Funding Schedule**

(Dollars in Thousands)

| <b>PPA: PPA Name</b>                       |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                     |  |                        |                         |                         |                                |
| 11.1                                       | Perm Positions                             | \$0                    | \$0                     | \$0                     | \$0                            |
| 11.3                                       | Other than perm                            | ---                    | ---                     | ---                     | ---                            |
| 11.5                                       | Other per comp                             | ---                    | ---                     | ---                     | ---                            |
| 11.8                                       | Spec Srvc Pay                              | ---                    | 1,042                   | 1,062                   | 20                             |
| 12.1                                       | Benefits                                   | ---                    | ---                     | ---                     | ---                            |
| 13.0                                       | Benefits-former                            | ---                    | ---                     | ---                     | ---                            |
| 21.0                                       | Travel                                     | ---                    | 34                      | 35                      | 1                              |
| 22.0                                       | Transportation of things                   | ---                    | ---                     | ---                     | ---                            |
| 23.1                                       | GSA rent                                   | ---                    | 623                     | 635                     | 12                             |
| 23.2                                       | Other rent                                 | ---                    | ---                     | ---                     | ---                            |
| 23.3                                       | Communication, Utilities, and misc charges | 72                     | 293                     | 299                     | 6                              |
| 24.0                                       | Printing                                   | ---                    | 15                      | 15                      | ---                            |
| 25.1                                       | Advisory & Assistance Services             | 2,004                  | 4,056                   | 4,137                   | 81                             |
| 25.2                                       | Other Services                             | ---                    | ---                     | ---                     | ---                            |
| 25.3                                       | Purchase from Govt. Accts.                 | 30,605                 | 2,639                   | 1,680                   | (959)                          |
| 25.4                                       | Operation & maintenance of facilities      | ---                    | ---                     | ---                     | ---                            |
| 25.5                                       | Research & Development                     | ---                    | ---                     | ---                     | ---                            |
| 25.6                                       | Medical care                               | ---                    | ---                     | ---                     | ---                            |
| 25.7                                       | Operation & maintenance of equipment       | ---                    | 25,366                  | 25,785                  | 419                            |
| 25.8                                       | Subsistence & Support of persons           | ---                    | ---                     | ---                     | ---                            |
| 26.0                                       | Supplies & materials                       | ---                    | 25                      | 25                      | ---                            |
| 31.0                                       | Equipment                                  | ---                    | ---                     | 14,000                  | 14,000                         |
| 32.0                                       | Land & Structures                          | ---                    | ---                     | ---                     | ---                            |
| 41.0                                       | Grants/Subsidies/Contributions             | ---                    | ---                     | ---                     | ---                            |
| 42.0                                       | Indemnity                                  | ---                    | ---                     | ---                     | ---                            |
| 91.0                                       | Unvouchered                                | ---                    | ---                     | ---                     | ---                            |
| <b>Total, Homeland Secure Data Network</b> |  | <b>\$32,681</b>        | <b>\$34,092</b>         | <b>\$47,673</b>         | <b>\$13,581</b>                |
| Full Time Equivalents                      |  | ---                    | ---                     | ---                     | ---                            |

**PPA Mission Statement**

A classified wide area network for DHS and its components, with specific and controlled interconnections to the intelligence community and federal law enforcement resources.

**Summary Justification and Explanation of Changes**

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Salaries and Benefits</b> | \$0                    | \$1,042                 | \$1,062                 | \$20                           |

Regular salaries and wages paid directly to persons whose work-years are not reportable to OPM as Federal civilian employees. Payments made for personal services do not represent salaries or wages paid directly to Federal employees. The change for FY 09 represents a 2% increase for compensation.

|               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Travel</b> | \$0                    | \$34                    | \$35                    | \$1                            |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with Federal travel regulations. The FY 09 increase is for non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>GSA rent</b> | \$0                    | \$623                   | \$635                   | \$12                           |

GSA Rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes an increase of \$12,000 for non-pay inflation.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Communication, Utilities, and miscellaneous char</b> | \$72                   | \$293                   | \$299                   | \$6                            |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The increase for FY 09 is for non-pay inflation.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$0                    | \$15                    | \$15                    | \$0                            |

Printing includes all costs for printing and reproduction obtained from the private sector or from other Federal entities.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$2,004                | \$4,056                 | \$4,137                 | \$81                           |

Advisory and assistance services include services acquired by contract from non-Federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the Federal Government. The FY 09 request includes an increase of \$81,000 for non-pay inflation.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$30,605               | \$2,639                 | \$1,680                 | (\$959)                        |

Purchases from Government Accounts include costs for purchases from other Federal Government agencies or accounts that are not otherwise classified. The decrease in FY2009 is due to carryover funding in FY2008 which will be used for O&M

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$0                    | \$25,366                | \$25,785                | \$419                          |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 09 request includes an increase for non-pay inflation.

|   | <b>2007</b>   | <b>2008</b>           | <b>2009</b>     | <b>2008 to 2009</b> |
|---|---------------|-----------------------|-----------------|---------------------|
|   | <b>Actual</b> | <b>Enacted Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Operation &amp; Maintenance of equipment</b> | <b>\$0</b>    | <b>\$25,366</b>       | <b>\$25,785</b> | <b>\$419</b>        |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. The FY 09 request includes an increase for non-pay inflation.

|                                 | <b>2007</b>   | <b>2008</b>           | <b>2009</b>    | <b>2008 to 2009</b> |
|---------------------------------|---------------|-----------------------|----------------|---------------------|
|                                 | <b>Actual</b> | <b>Enacted Budget</b> | <b>Request</b> | <b>Change</b>       |
| <b>Supplies &amp; materials</b> | <b>\$0</b>    | <b>\$25</b>           | <b>\$25</b>    | <b>\$0</b>          |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (c) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. There is no change from FY2008 to FY2009.

|                  | <b>2007</b>   | <b>2008</b>           | <b>2009</b>     | <b>2008 to 2009</b> |
|------------------|---------------|-----------------------|-----------------|---------------------|
|                  | <b>Actual</b> | <b>Enacted Budget</b> | <b>Request</b>  | <b>Change</b>       |
| <b>Equipment</b> | <b>\$0</b>    | <b>\$0</b>            | <b>\$14,000</b> | <b>\$14,000</b>     |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 09 request includes \$12,811,000 for system-wide core infrastructure and site-specific equipment and software refreshment as well as \$1,189,000 for the repair and replacement of aging equipment beyond warranties.

## I. Changes In FTE

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Chief Information Officer  
Changes in Full-Time Equivalents**

|   | FY 2007 | FY 2008 | FY 2009 |
|---|---------|---------|---------|
| Base: Year-end Actual from Prior Year   | 63      | 65      | 91      |
| <b>INCREASES</b>  |         |         |         |
| Increase #1:  |         |         |         |
| Hired staff for Front Office  | 4       |         |         |
| Increase #2:  |         |         |         |
| Hired Business Services Director for ITSO   | 1       |         |         |
| Increase #3:  |         |         |         |
| Additional 7 FTEs needed to augment its Enterprise Business Management Office to increase the CIO's capability to more effectively oversee the management of major Departmental IT acquisitions and E-Gov implementation. |         | 7       |         |
| Increase #4:  |         |         |         |
| Objective to hire additional FTEs to fully staff all approved positions within OCIO   |         | 19      |         |
| Increase #5:  |         |         |         |
| Remaining 3 FTEs from prior year request for 10 FTPs  |         |         | 3       |
| Sub-Total Increases   | 5       | 26      | 3       |
| <b>DECREASES</b>  |         |         |         |
| Decrease #1:  |         |         |         |
| Description:  |         |         |         |
| Transfer of 3 FTP/FTE from Wireless Management Office   | 3       |         |         |
| Decrease #2:  |         |         |         |
| Description:  |         |         |         |
| Decrease #3:  |         |         |         |
| Description:  |         |         |         |
| Sub-Total Decreases   | 3       | 0       | 0       |
| Year-end Actual/Estimated FTEs  | 65      | 91      | 94      |
| Net Change from prior year base to Budget Year Estimate:  | 2       | 26      | 3       |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Chief Information Officer**

FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2008 |
|-----------------------------------|-------------------|--------------------|------------------------|---------------------------------------|
|                                   | AMOUNT            | AMOUNT             | AMOUNT                 | AMOUNT                                |
| Salaries and Expenses             | \$26,922          | \$23,090           | \$26,592               | \$3,502                               |
| Information Technology Services   | 5,722             | 7,760              | 8,937                  | 1,177                                 |
| Security Activities               | 469               | 8,003              | 9,217                  | 1,214                                 |
| Wireless Activities               | 6,035             | ---                | ---                    | ---                                   |
| Homeland Secure Data Network      | 2,030             | 2,792              | 3,215                  | 423                                   |
| <b>Total Working Capital Fund</b> | <b>\$41,178</b>   | <b>\$41,645</b>    | <b>\$47,961</b>        | <b>\$6,316</b>                        |

## **VI. Department Wide Information Technology & E-Gov Initiatives**

### **Department-wide Information Technology Investments**

**DHS Exhibits 300 will be made available to the public at:**  
[http://www.dhs.gov/xabout/budget/gc\\_1172003898016.shtm](http://www.dhs.gov/xabout/budget/gc_1172003898016.shtm)

### **Government-Wide Service Activities**

Expanding E-Government is a major part of the President's objective to use technology to improve how the Federal Government serves you, citizens, businesses, and agencies alike. Government should be citizen-centered, results-oriented, and market-based. These principles have been woven into the five Government-wide reform goals outlined in the President's Management Agenda (PMA): strategic management of human capital, budget and performance integration, competitive sourcing, expanded use of the Internet, and computer resources to provide Government services (Electronic Government, or E-Government) and improved financial management. Effective implementation of E-Government is important in making Government more responsive and cost-effective.

DHS' participation in E-Gov and Lines of Business are as follows:

### **A. Human Resources E-Gov Initiatives**

DHS has an established Human Resources Information Technology (HRIT) program that is managed from the DHS Chief Human Capital Directorate, with oversight and governance coming from the Chief Information Officer (CIO). It is through this program that DHS is coordinating its participation in Government-wide Human Resources E-Gov initiatives and migrating toward E-Gov solutions—where possible. The primary goal of the program is to “reduce the amount of moving parts” centered on supporting Human Resources or “Human Capital,” and where needed, replace some of the moving parts with newer, more flexible parts that work seamlessly together. The mission is focused on streamlining both the technology and the business processes as opposed to just buying more systems. The HRIT program is large and complex, encompassing more than 144 personnel/payroll systems. However, it is successfully tracking on-budget and on-schedule by using some of the following strategies toward operating more *effectively and efficiently*:

- Business Focus and Collaboration
- Leveraged Approach
- Centralized Approach
- Modular Repeatable Processes and Staff Augmentation
- Technology/Enterprise Architecture Collaboration

While this program is far from complete, it already has made excellent progress towards its overall mission of consolidating and modernizing payroll/personnel systems and processes. Eliminating funds for this program will bring a halt to one of the more successful programs that are laying the foundation for the “One DHS” concept. In the end, the disapproval of funds for this program will cost DHS significantly more in terms of time, effort, and money as DHS will continue to struggle with dysfunctional and disjointed systems and processes. By not improving upon these basic workforce management systems and processes, the overall DHS mission will continue to be hindered.

DHS participates in the following Human Resources E-Gov Initiatives. These activities are funded through the DHS Working Capital Fund. Funding algorithms that pull funding from the appropriate DHS Components are described below. As mentioned above, these activities are all coordinated through the DHS HRIT Program.

### **Recruitment One-Stop (USA Jobs)**

**Description of Service:** The Recruitment One-Stop (ROS) initiative is a Government-wide initiative led by the Office of Personnel Management (OPM). All agencies fund their portion of this program, based on employment levels. Regulations contained in 5 CFR Parts 330, 333, and 335 implement section 4 of Public Law 1054-52 and authorizes OPM to charge fees to agencies to pay the cost of providing federal employment information and services.

This program seeks to simplify the process of locating and applying for federal jobs. It delivers a number of new features, including intuitive job searching; concise, understandable, and visually-appealing job announcements; online resume submission; applicant data-mining; and on-line feedback on status and eligibility. USAJOBS Federal Employment Information System delivers state-of-the-art online recruitment services to job seekers, including intuitive job searching, online resume submission, applicant data-mining, and on-line feedback on status and eligibility.

**Managing Partner:** Office of Personnel Management (OPM)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Civilian Equivalent (FTE) divided by total DHS civilian FTE, multiplied by the total estimated cost of the activity. This activity only services civilian personnel, which is why military FTE is not included in the cost allocation methodology.

**FY 2009 Service Fees:** \$503,786

### **E-Training**

**Description of Service:** Creating an E-Training environment that supports development of the federal workforce—currently 1.8 million workers in size—through simplified and one-stop access to high-quality E-Training products and services enhances agency missions. E-Training is working to improve the ability of the Federal Government to attract, retain, manage, and continually educate the highly-skilled professionals needed for a flexible and high-performing government workforce.

#### ***Planned Accomplishments:***

##### **FY 2008 Planned Accomplishments**

- Deploy Stage II

##### **FY 2009 Planned Accomplishments**

- Deploy Stage III

**Managing Partner:** Office of Personnel Management (OPM)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Equivalent (FTE), divided by DHS' total FTE and multiplied by total estimated cost of the activity.

**FY 2009 Service Fees:** \$1,813,598

### **Enterprise HR Integration**

**Description of Service:** Enterprise Human Resources Integration (EHRI) is a collaborative E-Gov initiative designed to transform the way federal HR Specialists and Managers access human resource information, as well as the way federal employees access their personnel file information. When fully implemented, EHRI will replace the paper-based Official Personnel Folder (OPF) with an electronic employee record for all Executive Branch employees, resulting in a comprehensive electronic personnel data repository covering the entire lifecycle of federal employment. In addition to streamlining personnel management actions, EHRI will provide HR managers and specialists with powerful workforce analytic and planning capabilities. Progress to date includes:

- Conversion of USSS, FLETC, and FEMA records is tentatively scheduled for FY 2007
- FY 2007 and beyond will be in a steady state

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Complete 4.0 upgrade to all DHS eOPF customers by FY 2008Q1
- Complete USSS migration to eOPF by FY 2008Q2

#### **FY 2009 Planned Accomplishments**

- The project will be completed in FY 2008.

**Managing Partner:** Office of Personnel Management (OPM)

**Cost Allocation Methodology:** Costs for EHRI's products and services will be recovered by EHRI from all agencies on an equitable basis related to the size and usage of each participating agency. Charges to each agency will be established by distributing total EHRI costs to all clients on the basis of the number of OPFs or on the basis of actual cost, depending on the service. Usage audits will occur at OPM's discretion—but will occur at least annually—and will be used to make adjustments to cost recovery through the Interagency Agreement (IAA). EHRI will notify DHS of their revised annual costs within DHS' annual cycle *at least* 90 days prior to completion of the cycle. Billing will be done annually, in advance, using DHS' Agency Location Code (ALC) via the Department of Treasury's Inter-Governmental Payment and Collection system (IPAC). Any optional services provided to DHS will be billed on a cost-recovery basis at the time the service request is signed by both EHRI and DHS.

**FY 2009 Service Fees:** \$3,780,400

## **Human Resources Line of Business**

**Description of Service:** Human Resources Line of Business (HRLoB) is one of nine lines of business supporting the PMA. Its aim is to identify opportunities to reduce the cost of government and improve services to citizens through business performance improvements. This initiative directly supports the mission of consolidation and modernization of the DHS-wide HRIT systems through standardization and consolidation of common business functions as supported by the IT systems. By reducing the number of duplicate systems and processes, DHS will greatly reduce future costs. Future cost avoidance will be associated with error corrections and rework related to non-integrated data exchanges and duplicate work across redundant systems.

In April 2005, OPM established the Multi-Agency Executive Strategy Committee (MAESC) and its subcommittees to continue the efforts of the interagency task force of the previous year. Since then, the MAESC has led the HRLoB initiative through the following achievements:

- Development of the first-ever end-to-end depiction of federal HR business processes, as reflected in the HRLoB Business Reference Model (BRM) (December 2004)
- Validation of the first-ever Government-wide set of detailed business, technical, and data requirements as outlined in the HRLoB Core Requirements for Shared Service Centers (November 2005)
- Evaluation, selection and announcement of the five Shared Service Centers (SSCs) (August 2005)
- Development of the HRLoB Data Model (DM) (February 2006)
- Revised and updated the HRLoB business processes and published the HRLoB Business Reference Model (BRM) version 2 (January 2006)
- Development of the HRLoB Performance Model (PM) (June 2006)
- Development of the HRLoB Target Requirements for the Shared Service Centers (November 2005)

The HRLoB is a cross-agency initiative that will have a marked impact on every federal employee. The collaborative nature of the HRLoB effort has been reflected in the achievement of each accomplishment. OPM recognizes the importance of continuing to reach out to MAESC partner agencies and the Federal Government in the interest of achieving the vision of the HRLoB.

The HRLoB initiative has developed a comprehensive concept of operations and service delivery model to guide this transformational effort. The graphic below depicts, at a high level, the HRLoB Shared Services Delivery Model with the core and non-core processes, their placement relative to the agencies and shared service centers, and the supporting architectural artifacts.

### ***Planned Accomplishments:***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- Execute all necessary MOU/IAs and complete funding transfers as required.
- Improve strategic management of human capital
- Achieve operational efficiencies
- Increase cost savings/avoidance
- Improve customer service

**Managing Partner:** Office of Personnel Management (OPM)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Civilian Equivalent (FTE), divided by DHS' total Civilian FTE and multiplied by the total estimated cost of the activity. This activity only benefits civilian personnel; therefore, military FTE is not included in the cost allocation methodology.

**FY 2009 Agency Contribution:** \$260,870

## **E-Payroll**

**Description of Service:** The E-Payroll Initiative is consolidating 26 Executive Branch federal payroll providers, standardizing payroll policies and procedures, and simplifying and integrating payroll, human resources, and finance functions.

Moreover, the E-Payroll effort is transforming the current federal payroll service delivery environment into one that achieves the President's five management agenda initiatives:

- Strategic management of human capital
- Competitive sourcing
- Improved financial management
- Expanded electronic Government
- Budget and performance integration

E-Payroll is part of a larger integrated approach to human capital management. This initiative is leading efforts to establish payroll policies and procedures that will be uniform and both easy to understand and easy to administer. Government-wide E-Payroll system solutions are "best in class" in terms of overall costs and ease of administration while delivering high-quality service. The E-Payroll Initiative advanced the E-Government agenda by creating greater efficiencies in federal payroll processing.

Payroll has been identified as one of the core business processes within the Human Resources Line of Business (HRLoB), and as such E-Payroll is now part of that larger initiative. The E-Payroll Providers furnish core payroll services to the HRLoB Shared Service Centers identified on the HRLoB Partners page.

**Managing Partner:** Office of Personnel Management (OPM)

**Cost Allocation Methodology:** Allocation methodology assumes the total cost times the transaction percentage, which is the components percentage of the population serviced. For FY 2008, the PeopleSoft modernization, (EmpowHR) is assumed rolled out to all DHS. Total NFC costs assume Legacy costs: payroll/ reporting system (\$133/person for all DHS), Epic ((\$2/person) only for USSS and OIG,) and T&A (\$1/person) only for USSS and OIG. It also assumes EmpowHR O&M, rolled out to all DHS except USSS and OIG (\$75/person).

**FY 2009 Service Fees:** \$19,617,328

## **B. Financial Management E-Gov Initiatives**

DHS has an established Resource Management Transformation Office (RMTO) that is managed from the DHS Chief Financial Officer Directorate, with oversight and governance from the CIO. It is through this program that DHS is coordinating its participation in Government-wide Financial Management E-Gov initiatives and migrating toward E-Gov solutions, where possible. DHS' Resource Management Transformation Office (RMTO) plans, develops, and coordinates the appropriate budgetary, contractual, and policy activities necessary to transform DHS resource management infrastructures, systems, and resources into a cohesive system. RMTO is responsible for DHS Representation on the FMLoB and overseeing the implementation of E-Travel Initiative within the department. RMTO's strategic goals are centered on the implementation of a DHS-wide CFO Act-compliant environment and the migration toward a fully-integrated resource management infrastructure that utilizes the services provided by our E-Travel Partner.

RMTO activities will focus on transforming organizations, services, business processes, systems, and people so that distinctions among service providers will be erased in steps, resulting in a single environment focused on services and processes rather than organizations and systems. This includes conducting efforts to align services, processes, data, skills, and performance measures of individual service providers with the standards being established by the FMLoB.

DHS participates in the following Financial Management e-Gov Initiatives. These activities may be funded through the DHS Chief Financial Officer Directorate, or through the DHS Working Capital Fund. Where the Working Capital fund is utilized, funding algorithms that pull funding from the appropriate components of DHS are described below. As previously mentioned, all of these activities are coordinated through the Resource Management Transformation Office (RMTO).

### **Financial Management Line of Business**

*Description of Service:* The Financial Management Line of Business (FMLoB) task force has set goals out to define, analyze, and implement options that will enhance cost savings in the financial management systems, provide for standardization of business processes and data models, promote seamless data exchange between federal agencies, and strengthen internal controls through integration of core financial and subsidiary systems. The FMLoB task group's current objective is to improve the cost, quality, and performance of financial management (FM) reducing the number of noncompliant systems by leveraging common standards, shared service solutions, and implementing other Government-wide reforms that foster efficiencies in federal financial operations.

#### ***Planned Accomplishments:***

##### **FY 2008 Planned Accomplishments**

- Phase III - Complete target performance measures
- Phase III - Update migration Planning Guidance
- Phase III - Develop standard business processes, business objects/rules and data objects for select core FM functions

### **FY 2009 Planned Accomplishments**

- PMO Studies, for example, concept of operations etc.
- Continue Migration Planning and Migration of agency systems to SSPs
- Continue to develop standard business processes, interfaces, objects/rules and data objects for select core FM functions
- Review and update Service Assessment Guide, Monitor agency metrics reports
- Continue to Monitor and update Common Government Wide Accounting Codes

**Managing Partner:** Office of Management and Budget (OMB)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each participating Component's adjusted total budget, divided by DHS' adjusted total budget (excluding grant funding) and multiplied by total estimated cost of the activity.

**FY 2009 Agency Contribution:** \$142,857

### **E-Travel**

**Description of Service:** This activity provides a Government-wide, web-based service that applies world-class travel management practices to consolidate federal travel, minimize cost, and produce superior customer satisfaction. From travel planning and authorization to reimbursement, the E-Travel Initiative will leverage administrative, financial, and information technology best practices to realize significant cost savings and improved employee productivity.

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Begin deployment of ICE-DRO CENTIX & CBP (Q1 2008)
- Execute successful transition to new Travel Management Center for I&A, OPS, DNDO, DHS HQ, S&T, NPPD and OHA
- Fully deploy OHA, I&A and OPS
- Begin deployment of TSA
- Fully deploy ICE-DRO CENTIX on schedule, May 2008
- Begin deployment of USCG, NPP and DHS HQ
- Fully deploy TSA/FAMS/DNDO and CBP on schedule; all travel transactions for components (reservations and voucher processing) processed through ETS

#### **FY 2009 Planned Accomplishments**

- Fully deploy S&T, NPP and DHS HQ on schedule
- Begin deployments of FEMA & USCIS
- Fully deploy USCG

**Managing Partner:** General Services Administration

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Equivalent (FTE), divided by DHS' total FTE and multiplied by total estimated cost of the activity.

**FY 2009 Service Fees:** \$2,876,070

## **Budget Formulation and Execution LoB**

**Description of Service:** The Budget Formulation and Execution LoB will focus on building a “budget of the future,” employing standards and technologies for electronic information exchange to link budget, execution, performance, and financial information throughout all phases of the annual budget formulation and execution cycle. This LoB will identify opportunities for common solutions and automated tools to enhance agency and central budget processes; provide the Federal Government with enhanced capabilities for analyzing budget, performance, and financial information; and promote integration and standardize the exchange of information between budget formulation, execution, financial management, and performance measurement systems and activities across Government. The programmatic goals of Budget Formulation and Execution LoB are as follows:

- Improve the efficiency and effectiveness of agency and central processes for formulating and executing the Federal Budget.
- Improve the integration and standardized exchange of budget formulation, execution, planning, performance measurement, and financial management information and activities across Government.
- Improve capabilities for analyzing budget, execution, planning, performance, and financial information in support of decision making.
- Enhance capabilities for aligning programs and their outputs and outcomes with budget levels and actual costs to institutionalize budget and performance integration.
- Enhance the effectiveness of the federal budgeting workforce.

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Test-pilot BFEM using three components for 2010 CJ submission (Large, Fee-Based, and Small)

#### **FY 2009 Planned Accomplishments**

- Implement BFEM DHS-wide by 2011 CJ submission – October FY 2009

**Managing Partner:** Department of Education

**Cost Allocation Methodology:** Funded by Department of Homeland Security Chief Financial Officer

**FY 2009 Agency Contribution:** \$95,000

## **C. E-Gov Services**

E-Gov services are focused on supporting the Government-to-Business initiative. These initiatives are committed to help businesses interact efficiently and effectively with the Federal Government. Each helps reduce burden on businesses, provide one-stop access to information, and enable digital communication using the language of E-Business (XML). Businesses have the ability to access information about laws and regulations and relevant forms needed to comply with federal requirements for their business.

Aligned with the President’s 2004 National Health Information Technology Strategy, the Consolidated Health Informatics (CHI) Initiative has adopted health data standards to allow health information to be shared securely across government agencies and healthcare organizations. E-Gov has become a single vendor registration area

that makes it easier to do business with the Federal Government and a community platform for the Intra-Governmental Transfers—the latter of which poses a significant governmental accounting challenge.

E-Gov allows citizens to easily access and participate in the rulemaking process. It also has improved the accessibility to—and quality of—the rulemaking process for individuals, businesses, and other government entities while streamlining and increasing the efficiency of internal agency processes.

### **Business Gateway**

***Description of Service:*** Business Gateway reduces the burden on businesses by making it easy to find, understand, and comply with relevant laws and regulations at all levels of government. The Business Gateway is the cross-agency portal for businesses that integrate the content and functionality of multiple federal business websites (e.g. Business.gov, Businesslaw.gov, SBA.gov). Business values derived from Business Gateway are necessary to support the integration of 22 Agencies for our business stakeholders by providing a centralized service to consolidate regulatory and compliance information. The one-stop portal supports the DHS mission by making compliance information easily-accessible to the DHS business community. One example of this initiative’s success came in a recent customer satisfaction report, showing DHS customers in need of compliance information found each visit to Business.gov saved them 12 labor hours, on average.

Business.gov helps DHS support the “One DHS” approach and functions as a key interface to our business stakeholders in the areas of transportation, immigration, cyber-security, cargo, emergency management, screening, law enforcement and border protection. Due to the value-based service provided by SBA, DHS will continue to look to Business.gov to provide business compliance and regulatory information to businesses supporting the DHS mission. The goals of Business Gateway are as follows:

- Develop a catalog of federal forms for Business.gov
- Expand harmonized miner reporting (Mine.gov) to include additional federal agencies and additional states
- Transition the Business Gateway portal into the federal cross-agency portal for businesses, integrating the content and functionality of SBA.gov, BusinessLaw.gov, Business.gov, and related sites into the comprehensive site Business.gov

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- The Business Gateway Team is focused on continual improvement to the business.gov site. During FY 2008, three updates (or releases) are planned.
- Q1 release will focus on stronger ties to state and local government compliance resources.
- Q3 release will focus on “Green” governmental resources for businesses.
- Q4 release is in the planning stages and will be determined later.
- In addition, with the implementation of the Content Management System, Business.gov will evolve throughout the year with rebuilt and improved site layout and content based on user feedback and new content partnerships. With three usability tests planned for the year, there will be several opportunities for users to help shape the “look and feel” of Business.gov and provide feedback on the usefulness of the content. Also during FY 2008, the initiative will develop a Web 2.0 strategy and begin implementing features and concepts consistent with this shift in user interaction.

- The Business Gateway team will continue to conduct maintenance and operations activities for Business.gov to:
  - Implement appropriate security patches
  - Complete the migration to open source software (e.g. JBoss and Alfresco, etc.) and continue implementing upgrades as appropriate
  - Implement new search tools
  - Test disaster recovery plans
  - Update certification and accreditation documentation for the site and resolve identified vulnerabilities
- During FY 2008, the Program Management Office (PMO) will continue day-to-day operations that support the Advisory Group and Governance Boards. The PMO staff will ensure a timely response to all regular and periodic reporting requirements imposed by SBA, OMB, Congress, and other stakeholders.
- The PMO will focus on managing several acquisitions during FY 2008:
  - Hosting provider – Through FY 2008, the Business Gateway Initiative will continue relying on in-house hosting services within SBA. As SBA evaluates long term hosting requirements, there is a possibility SBA will pursue an enterprise hosting contract that might involve both Business.gov and Forms.gov. The Business Gateway Team will continue to participate in SBA’s efforts and revise acquisition plan accordingly to obtain the best service at the lowest cost.
  - PMO support – The contract for PMO support (including product strategy, content development, and data harmonization support) is in its second option year, and there will be a decision in Q4 on the level of support needed for the third option year of the contract.
  - Development/Maintenance – The contract for development/ maintenance is in its first year, and there will be a decision in Q4 on the level of support needed for the second option year of the contract.
  - Marketing and Outreach – The contract for marketing and outreach is in its first year, and there will be a decision in Q4 on the level of support needed for the second option year of the contract.
  - Customer Service – The Business Gateway Initiative currently leverages customer service email support from the USA Services Initiative. During FY 2008, the PMO will evaluate if this arrangement continues to meet the initiative’s needs, or if different services are needed.
- Ongoing financial management activities aimed at acquiring funding from partner agencies (e.g. processing Memoranda of Understanding) will begin within the first quarter of the fiscal year and continue until all funds are received.
- Data harmonization activities involve reducing burden on businesses. This effort is integrated closely with the principles of the Paperwork Reduction Act and the general requirement to reduce burden on the public. For Business Gateway, this means partnering with federal agencies to identify and facilitate process streamlining that will result in fewer burdens on businesses. During FY 2008, data harmonization efforts will include:
  - Continuing to work with the Department of Interior on the Single Source Coal Reporting project
  - Continuing to work with NASA to identify burden reduction opportunities
  - Working to identify other agencies to partner with to reduce burden on businesses
- The Business Gateway team is working to build on recent public relations and press successes by:
  - Increasing awareness of Business.gov as the official link of the Federal Government through the use of proven, cutting-edge communication vehicles accessed by the small business community
  - Increasing new and returning visitors by implementing strategic Web marketing techniques
  - Supporting content and promotional partnerships with federal agencies
  - Establishing partnerships with state and local governments to develop content for Business.gov and communicate benefits of site
  - Improving internal stakeholder relationships and obtaining buy-in at SBA

- Forms.gov is planning four updates—one per quarter during FY 2008—that will complement the functionality of Business.gov.
  - Q1 Release: Citizen facing portion of the Forms.gov website will convert to JBoss, an open-source application server software package
  - Q2 Release: Administrative (back end) side of the website will convert to JBoss
  - Q3 Release: Enhancements resulting from customer service scores and comments
  - Q4 Release: Modifications to public-facing capabilities of Forms.gov will reflect input from the usability research

### **FY 2009 Planned Accomplishments**

- By FY 2009, the Business Gateway Initiative will complete several significant improvements to Business.gov, enhancing both content and functionality. The Business Gateway team will have completed a series of infrastructure changes to bring the operations and maintenance costs of Business.gov and Forms.gov down dramatically. These steps will position Business Gateway to transition from a development initiative to an operational program. Using the new Content Management System developed in FY 2008, Business Gateway will continue to bring new content and features to Business.gov in response to our continual research into user feedback and website utilization.

***Managing Partner:*** Small Business Administration (SBA)

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is pro-rata share based on the percent of each participating Component's adjusted total budget divided by DHS' adjusted total budget (excluding grant funding), multiplied by total estimated cost of the activity.

***FY 2009 Agency Contribution:*** \$108,146

### **E-Rulemaking**

***Description of Service:*** E-Rulemaking is a collaborative, interagency initiative designed to establish a common, automated, and integrated approach to managing the Federal Government's rulemaking function. The activity consolidates rulemaking systems at the various departments and agencies, and is centrally managed through a Web-based environment offering such features as one-stop access, search capabilities, and public commenting. E-Rulemaking activities include:

- Expanding public understanding of the rulemaking process
- Improving the quality of federal rulemaking decisions
- Increasing the amount, breadth, and ease of citizen and intergovernmental participation in rulemaking
- Administering *Regulations.gov*, a cross-agency, front-end Web application that posts and allows comments on proposed federal agency rules
- Writing memoranda to the President's Management Council (PMC), directing agencies to include a link to *Regulations.gov* on agency homepages and in the synopsis of the notice of any regulatory action requesting public comment
- Posting the dockets for the Department of Housing and Urban Development, USDA Animal and Plant Health Inspection Service, a portion of the Department of Homeland Security, and Office of Personnel Management rulemaking on EPA's on-line system as a proof-of-concept.

### ***Planned Accomplishments:***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- Consolidate existing agency e-docket systems with EPA's system, including USDA and HUD
- Post HUD and USDA/APHIS dockets on EPA's on-line system as a proof-of-concept
- Develop and deploy the federal-wide docket management system
- Initiate Business Process Reengineering of rulemaking process

***Managing Partner:*** Environmental Protection Agency (EPA)

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is a pro-rata share based on the percent of each participating Component's adjusted total budget, divided by DHS' adjusted total budget (excluding grant funding) and multiplied by total estimated cost of the activity.

***FY 2009 Service Fees:*** \$636,017

#### **GovBenefits.gov**

***Description of Service:*** The GovBenefits.gov website provides a single point of access for citizens to locate and determine eligibility for government benefits and services. The site now offers links to 234 benefits programs, representing \$1.3 trillion in annual benefits. The benefits are as follows:

- Identify the services provided by the GovBenefits.gov site and the PMO for agencies and citizens. GovBenefits.gov assists agencies in communicating value of initiative to internal stakeholders.
- GovBenefits.gov allows people to make choices for themselves and their families by providing a one-stop website – [www.GovBenefits.gov](http://www.GovBenefits.gov) – for access to information on more than 1,000 government benefit and assistance programs. GovBenefits.gov was launched in April 2002 and features an easy-to-use online screening tool to help individuals or caseworkers promptly determine potential eligibility for benefit programs. In addition, users are guided to a list of benefits they may be eligible to receive. For convenience, program descriptions and contact information are provided for each benefit program.
- More than 80 million people receive government benefits through hundreds of federal domestic assistance programs and federally-funded programs managed by state and local governments.

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- **Improve service to citizens:** Continue to define and provide increased ease-of-use of the site for citizens and partner constituents.
  - To improve the usability of GovBenefits.gov, as well as implementing research/data-based enhancements gathered from:
- Visitor feedback and site metrics
- "Foresee" customer satisfaction results and recommendations
- Usability testing and/or expert studies
  - Implement Customized Connection(s) with partners or affiliates to expand site content and ensure easier access for citizens to government benefit information.
  - Ensure that benefit program information includes a logical "next step" for potential applicants.

- **Expand content on GovBenefits.gov:** Seek out new programs that fit within the mission of GovBenefits.gov to provide more information to citizens and ensure that the set of benefit programs on GovBenefits.gov is as thorough as possible.
  - Add programs for U.S. territories
  - Identify state-administered programs funded through federal grants, where feasible
  - Further enable states and federal partners to use CMS to manage content
- **Gain additional awareness and utilization of the site:** Increase awareness and utilization of GovBenefits.gov among the public, beneficiary community, and government agencies to more effectively accomplish the mission of the program.
  - Actively promote GovBenefits.gov to the general public through the use of direct outreach campaigns.
  - Implement targeted outreach programs to benefit advocates to expand promotion of the site, and its use, to their communities of interest.
- **Maintain compliance with government and IT policies, standards, and best practices**
  - Maintain full compliance with relevant federal capital planning and IT management polices, security and privacy policies, regulations, and appropriate industry best practices.
  - Ensure that all applications, hardware, and software are kept updated to adhere to all security and system performance best practices.
- **Reduce program administrative costs, where feasible**
  - Review budget line items with the partnership to identify areas for potential cost reductions, where such cost reductions will not decrease or adversely affect the services provided to citizens as described in the mission of GovBenefits.gov.
- **Develop a new funding model for FY 2010**
  - Identify metrics to quantify value of the initiative to citizens and agencies.
  - Based on the results of 6.1, develop a new funding strategy for FY 2010.

**FY 2009 Planned Accomplishments:**

- In FY 2009, GovBenefits.gov will continue to meet its goal of improving service to citizens by conducting a benefit program review and benefit audit. The milestones, measures and metrics will be discussed in detail and finalized by the GovBenefits.gov Governance Board in FY 2008.
- In FY 2009, GovBenefits.gov will establish the funding levels of participating agencies for 2011. The milestones, measures and metrics will be discussed in detail and finalized by the GovBenefits.gov Governance Board in FY 2008.

**Managing Partner:** Department of Labor

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Civilian Equivalent (FTE), divided by DHS' total Civilian FTE and multiplied by total estimated cost of the activity. This activity only benefits civilian personnel; therefore, military FTE is not included in the cost allocation methodology.

**FY 2009 Service Fees:** \$138,789

## **E-Gov Integrated Acquisition Environment**

**Description of Service:** The Integrated Acquisition Environment activity is a secure business environment that facilitates and supports cost-effective acquisition of goods and services in support of mission performance. The goals for the Integrated Acquisition Environment activity are as follows:

- Create a simpler, common, integrated business process for buyers and sellers that promote competition, transparency and integrity
- Increase data sharing to enable better business decisions in procurement, logistics, and payment and performance assessment
- Take a unified approach to obtaining modern tools to leverage investment costs for business related processes
- Deploy a single point of registration and validation of supplier data accessed by all agencies
- Implement a central point for consolidated collection and access of statistical and management information related to Government acquisitions
- Implement a directory of contracts to simplify selection and facilitate leverage of Government buying
- Develop a standard glossary and vocabulary to facilitate exchange of data between (and within) agencies
- Transform intra-governmental ordering and billing to enable universal electronic processes, reduce payment and collection problems, and enable swift and accurate revenue and expense elimination processes for preparing consolidated financial statements

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Deploy a single point of registration and validation of supplier data accessed by all agencies via the Business Partner Network (BPN) and its related applications.
- Implement a central point for consolidated collection and access of statistical and management information related to government acquisitions via the Federal Procurement Data System (FPDS) and other Acquisition Information Reporting (AIR) tools.
- Implement a directory of Government-wide Acquisition Contracts (GWAC) and Multiple Agency Contracts (MAC) to simplify selection and facilitate leverage of Government buying.

#### **FY 2009 Planned Accomplishments**

- Develop a standard glossary and vocabulary to facilitate the exchange of data between (and within) agencies.
- Transform intra-governmental ordering and billing to enable universal electronic processes, reduce payment and collection problems, and enable swift and accurate revenue and expense elimination processes for preparing consolidated financial statements via the Intra-Governmental Transaction Exchange (IGTE).

**Managing Partner:** General Service Administration

**Cost Allocation Methodology:** The cost allocation methodology is a pro-rata share based on the percent of each component's measurement of three contract acquisition variables, divided by the total sum of all component measurements of the same three variables and multiplied by total estimated cost of the activity. The three contract acquisition variables measured for each component is as follows: (1) The number of

personnel providing contractor support, (2) The number of contracts processed, and (3) The dollar volume of contracts processed.

*FY 2009 Service Fees:* \$2,270,519

#### **D. Other E-Gov Initiatives and Lines of Business**

The goal of E-Gov Initiatives and Lines of Business (LoB) is to build new partnerships among levels of government. In turn, these partnerships help to empower state and local governments to deliver citizen services more effectively. One of the E-Gov initiatives allows federal grant customers who can find and apply for grants through a single, online portal—thus making it easier for potential recipients not only to obtain information about federal grants, but also to submit applications for those grants. E-Gov initiatives also help citizens and members of the emergency management community at the local, tribal, state, and federal levels by improving public safety response through more effective and efficient interoperable data communications. E-Gov initiatives also serve as a unified point of access to disaster preparedness, mitigation, response, and recovery information.

These initiatives provide federal and state agencies with single a point of access to map-related data enabling the sharing of existing data to maximize geospatial investments to leverage resources and reduce redundancies. They have also minimized the burden for obtaining services online for businesses, the public and the Government by providing a secure infrastructure for online transactions and eliminating the need for separate processes to verify identity and electronic signatures.

Lines of Business help to identify the opportunities for IT infrastructure consolidation and optimization and help to develop Government-wide common solutions. The Federal Government's information systems security program improves agency mission objectives through a comprehensive set of risk-based, cost-effective controls and measures that adequately protect information contained in Federal Government information systems.

#### **Grants Management Line of Business**

*Description of Service:* The Grants Management Line of Business (GMLoB) is a Government-wide solution to support end-to-end grants management activities that promote citizen access, customer service, and agency financial and technical stewardship.

The objective of this initiative is to establish common target architecture approaches, best practices, and business process and system solutions in grants management. GMLoB plans to support consortiums as points of consolidation for Grants Management.

The scope of the GMLoB is to be a full-circle business process for grants, from application intake through closeout of the award and financial payout. Also, GMLoB will provide federal assistance funding for competitive and non-competitive awards. Those eligible for awards include state and local governments, members of the academic community, private and non-profit organizations, and individuals.

GMLoB seeks to improve the grants decision-making process by making it more efficient and clear. The system will improve access to grants-related programs and financial information and enhance the ability to report on award-related accomplishments. GMLoB will also improve the monitoring and tracking process of grants, post-award.

Expected constituent and citizen benefits include improved service and time, cost, and resource savings. GMLoB will improve service to constituents and citizens by standardizing and streamlining Government-wide grants business processes. GMLoB will reduce grantee administrative burden by providing grantees with online forms and filing of post-award reports. Grantees will save time through online filing and save costs through paper reduction and reduced postage costs. Project objectives include:

- Improving customer access and efficiency of submission process
- Improving decision-making
- Integrating with Financial Management processes
- Improving efficiency of reporting procedures in order to increase usable information content
- Optimizing post-award and closeout actions

***Planned Accomplishments:***

**FY 2008 and FY 2009 Planned Accomplishments**

- Execute all necessary MOU/IAs and complete funding transfers as required
- Submit FIT GAP cost analysis
- Maintain the PMO and ensure effective management by project manager(s)
- Secure contractor services to support PMO activities
- Support GMLoB activities through communications, development of reporting and analytic tools, and information gathering and analyses

***Managing Partners:***

- National Science Foundation (NSF)
- Department of Health and Human Services (HHS)

***Cost Allocation Methodology:*** The cost allocation methodology is a pro-rata share based on the percent of each organization element grant funding, divided by DHS' total grant funding and multiplied by total estimated cost of the activity.

***FY 2009 Agency Contribution:*** \$59,316

**Grants.gov**

***Description of Service:*** Grants.gov creates a single portal for all federal grant customers to find, apply, and manage grants online. The Grants.gov “storefront” provides electronic functionality for applicant’s grantees, and reduces the paper-based processes that currently hamper the federal grants environment. The initiative is designed to reduce existing inefficiencies, meet E-Gov goals, and provide benefits to both citizens and the Government. Specifically, the initiative enables the government to meet many of the streamlining activities required by Public Law (PL) 106-107, Federal Financial Assistance Management Improvement Act, and called for in the PMA—such as deploying a unified search/find capability for grant opportunities, standard data sets, and a common mechanism and processes for applying for federal grants funds.

The benefits of this program will include, but not be limited to:

- Standardizing grant information, application packages, and processes for finding and applying for federal grants
- Simplifying and streamlining the federal grants process by eliminating the need to navigate complex processes to find and apply for federal grants
- Creating an easy-to-use process by registering once to apply for as many federal agencies and grant programs as needed with just one secure login
- Enhancing the grant application process to save applicants costs, time and hassle; thereby eliminating the need to expend resources, time, postage and reproduction costs associated with traditional paper-based grant applications
- Reduced training costs related to learning multiple, disparate grant application systems and processes resulting in a more-intuitive approach to research and find federal grant opportunities
- Providing a secure and reliable source to apply for federal grants. This will include validating grant applicants via a three-step registration process which authenticates every user through a Credential Provider

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Establish and strengthen grant community communications with Grants.gov.
- Ensure quality of technical system conversion, development, and deployment.
- Implement data standardization, conversion, development and clearance of forms with OMB, GPC and GEB.
- Maintain continuous and improved processing times via systems operations and maintenance.
- Enhance Grants.gov program operations through standard operating procedures, communication management, earned value management and return on investment.
- Execute all necessary MOU/IAs and complete funding transfers as required.

#### **FY 2009 Planned Accomplishments**

- Continue outreach, training and ramp-up activities with agencies and applicants.
- Continue rollout of system-to-system functionality with the applicant community.
- Merge the back-end of Grants.gov Find and Apply into one system.
- Post all competitive discretionary grant application packages quarterly on Grants.gov to match posted opportunities.
- Execute all necessary MOU/IAs and complete funding transfers as required.

***Managing Partner:*** Department of Health and Human Services (HHS)

***Cost Allocation Methodology:*** The cost allocation methodology is a pro-rata share based on the percent of each organization element grant funding, divided by DHS' total grant funding and multiplied by total estimated cost of the activity.

***FY 2009 Agency Contribution:*** \$517,763

## **E-Authentication**

**Description of Service:** The E-Authentication activity was implemented to minimize the burden on obtaining services online for businesses, the public and government by providing a secure infrastructure for online transactions and eliminating the need for separate processes to verify identity and electronic signatures. (Another goal of the E-Authentication Initiative is to provide trusted and secure standards-based authentication architecture to support the 24 Government-wide E-Gov initiatives.) E-Authentication's distributed architecture will also allow citizens and businesses to use non-government issued credentials to conduct transactions with the government.

Successful implementation of E-Authentication will produce numerous benefits for the public and the Federal Government. Citizens and businesses will have a secure, easy-to-use, and consistent method of proving identity to the government and will be spared the burden of having to keep track of multiple sets of registration information. Federal agencies will be able to reduce authentication system development and acquisition costs and reallocate labor resources previously used to develop such systems.

### ***Planned Accomplishments:***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- E-Authentication Solutions and HSPD-12 MSO are both merging under the new GSA Office for Identity Solutions (OIS) as of January 1, 2008. As part of this merger, E-Authentication Solutions will continue to manage the U.S. E-Authentication Identity Federation.
- E-Authentication Solutions expects to have successfully transferred to a fee-for-service business model in FY 2008.
- E-Authentication Solutions is issuing a solicitation for Federated Identity Credential Services (FIDCS) and a separate solicitation for Integration Services to expand the E-Authentication services available to federal agencies in FY 2008.
- After merging into the Office for Identity Solutions (OIS), E-Authentication Solutions will focus on the continued provision of e-authentication services to Agency customers and the management of the U.S. E-Authentication Identity Federation.

**Managing Partner:** General Service Administration (GSA)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's Full Time Equivalent (FTE), divided by DHS' total FTE and multiplied by total estimated cost of the activity.

**FY 2009 Service Fees:** \$583,100

## **E-Gov Disaster Management**

*Description of Service:* The Disaster Management (DM) E-Gov Initiative was selected for implementation under the E-Government program as part of the President's Management Council Agenda. It is subject to OMB direction that these E-Gov programs are developed in the context of recent management reforms, including revisions to the Paperwork Reduction Act (PRA), the Clinger-Cohen Act, the Government Performance and Results Act (GPRA), the Chief Financial Officers (CFO) Act, and OMB Circulars A-130 and A-11 and A-76. These legislative and policy mandates emphasize the need for federal agencies to significantly improve their business and management processes.

The extension of existing DM E-Gov services and capabilities will flow through existing DHS capabilities for the ongoing delivery of services to similar stakeholders requiring comparable services. The goal throughout this project is to provide a seamless transition of service and mitigate risk of interruption of that service. In providing a unified and integrated system, the Disaster Management stakeholder community will see:

- Enhanced information sharing
- Improved access to shared services
- Reduction of message conflict
- Advanced security access via cooperation with the E-Authentication initiative

This program is currently in a very mature state and is categorized as being Operations & Maintenance. The program has already made excellent progress towards its overall mission for improving the nation's information sharing capabilities within the emergency management community—including first responders. The foundation and pillar of the mission has been to establish and maintain a seamless channel of knowledge and information for disaster-related services pre-, mid-, and post-disaster—either man-made or natural. This has been accomplished by the program's information portal DisasterHelp.gov.

The DM Program will continue to coordinate with practitioner communities providing and supporting Emergency/Disaster Preparedness, Response, and Management services that have identified the critical need for information sharing standards. These information sharing standards will govern or support interoperable communications between personnel and systems across the local, tribal, state, federal, and non-governmental organizations of different disciplines which provide these services.

It is imperative that information-sharing standards be expanded for use during incidents, based on the variety of emergency responders who need to communicate and share data through fax, phone, or the Internet. These methods of communication often cause redundancies in management activities due to unintended cross-over of communication and misunderstanding and do not support one-to-many communications (multiple addressing). Current communication processes are time-consuming and inefficient; however, systems supporting these activities are also diverse and often proprietary.

Within the context of the Disaster Management E-Gov Initiative, support will be provided to define, perform, and apply a process. This process will identify, research, define, and facilitate the development of data standards that will lead to a set of public standards. It is expected that these standards will be authenticated, published, and used for improved governance surrounding incident response and other data communications between personnel and systems across the local, tribal, state, federal, and non-governmental organizations of different disciplines providing incident response and emergency management services.

The intent here is to provide practitioner-driven messaging standards which users may adopt and implement. The implemented standards will allow users to rapidly and efficiently share emergency response information between diverse and proprietary systems and organizations supporting large-scale (as well as every day) incidents and events. Wherever possible, standards definitions will leverage and build upon other existing efforts such as Global Justice XML Data Model (GJXDM) and National Incident Management System (NIMS).

It is imperative that the standards work continues as it aligns to the DHS mission for the continued development of the DHS Data Reference Model (DRM) in alignment with the OMB FEA. Simultaneously, integration with HLS EA must be coordinated to advance the management of enterprise data as a valued asset for improving performance and supporting decision-making. This involves the continued liaison with the Federal CIO Council, Data Architecture Subcommittee (DAS), and the HLS EA development team and EAB/EACOE governance process. Through this work, continued support will enable information data reuse and sharing across the enterprise via standard description and discovery of common and reusable data to achieve cost avoidance.

This work will support consensus building across the enterprise, which is facilitated through the Enterprise Data Management Office/Data Management Working Group, the DRM Focus Group for Component representation, and subject matter experts (SMEs) in coordination with the HLS EA team. Support will be provided to ensure Critical Data Assets and Data Standards are cataloged for visibility and alignment within the HLS EA, as well as working through the National Information Exchange Model (NIEM) as an integral part of the DHS DRM to support specific information exchange opportunities.

Eliminating all funds for this program will bring a halt to one of the more successful programs that are laying the foundation for the continuous improvement toward information-sharing within DHS and with both private and public external partners. In the end, disapproval will cost DHS and its federal, state and local stakeholders significantly more in terms of effort and money as it will continue to struggle with its dysfunctional and disjointed systems and processes for sharing information. Without these basic communication capabilities and interoperable systems and processes, the overall DHS mission will continue to be hindered.

Through this work, continued support will enable information data reuse and information sharing across the enterprise via standard description and discovery of common (and reusable) data to achieve cost avoidance.

### ***Planned Accomplishments:***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- Develop an FY 2008 Program Management Plan and Spend Plan to comply with FY 2008 First Quarter OMB Milestones.
- Integration of Federal Government disaster assistance services through the DAIP that will enable state and local governments as well as individuals to better access the broad scope of recovery assistance information.
- Consolidate homeland security coordination and information sharing portals utilized jointly by state and local governments, the private sector, and citizen stakeholders and federal partners.
- Consolidate Web content to more easily access information on cross-cutting national initiatives that FEMA manages for the benefit of federal departments and agencies and the American people such as the National Exercise Program, National Training Program, lessons learned and corrective action platforms,

grant programs, and FEMA's role in coordinating the federal response and recovery efforts during disasters.

- Improve FEMA's capability to quickly and consistently provide counsel to field operations concerning federal disaster response and recovery services.
- Develop a plan to provide an enterprise alerts and warning capability to DHS components in FY 2008.
- Document FEMA requirements for emergency management data messaging standards and provide to S&T.
- Provide continuing support for initiatives that have achieved full operational capability.
- Identify cost savings and perform analysis to evaluate the costs of alternative ways to accomplish functional objectives of Disaster Management Interoperability Services (DMIS) and Open Platform for Emergency Networks (OPEN).
- Host public discussion groups, forums, panels, lectures, and workshops to support and enhance the effectiveness of individuals engaged in emergency or disaster management.
- Facilitate development of practitioner-driven standards for exchanging data messages within the emergency response community. This initiative will also support standards development for both FEMA's NIMS and IPAWS programs.
- Provide a unified point of access to disaster preparedness, mitigation, response, and recovery information for citizens and members of the emergency management community at the local, tribal, state, and federal levels.
- Leverage the FEMA.gov site to further serve consumers of disaster preparedness, mitigation, response, and recovery information.
- Provide citizens and members of the emergency management community at various levels with specific disaster-related information including situation reports, emergency and disaster declarations, and related news.
- Host "other language" equivalents of disaster preparedness, response and recovery portions of FEMA sites.
- Coordinate with partners and cross-referencing their websites will increase awareness and understanding of the roles dozens of other agencies have in disaster response and management. This will extend the concepts of the National Response Framework to the level of the general public and help correct misconceptions of FEMA's roles and responsibilities.
- Align initiatives with the Disaster Assistance Improvement Plan (DAIP) through the information it disseminates on its websites and through integration of its websites with FEMA's disaster assistance call centers.
- Provide a multi-channel, self-service portal populated with real-time information from FEMA's and partner agency call centers and help desks to provide citizens with superb customer service while freeing-up staff to focus on core tasks and responsibilities.

***Managing Partner:*** Department of Homeland Security (DHS)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component's level of participation in Disaster Management, divided by the total sum of all Component levels of participation in Disaster Management and multiplied by total estimated cost of the activity. Levels of participation include measuring the active participation of 16 elements of Disaster Management defined by Disaster Management E-Gov Initiative Program Office, EP&R/FEMA. The 16 elements of Disaster Management are:

1. Transportation
2. Communications
3. Public works and engineering
4. Firefighting/incident command system
5. Information and planning
6. Mass care
7. Resource support
8. Health and medical services
9. Search and rescue
10. Hazardous materials
11. Food
12. Energy
13. Warnings and alerts
14. Research and development
15. Emergency/domestic preparedness
16. Disaster relief

The 16 elements are the cost drivers for each Component's assessment. Because many Components are involved in various activities at different levels of participation, the cost for this activity is fairly uniform across the Components.

**FY 2009 Agency Contribution:** \$12,270,000

## **SAFECOM**

Description of Service: SAFECOM is a communications program within DHS' Office for Interoperability and Compatibility (OIC). With its federal partners, SAFECOM provides research, development, testing and evaluation, guidance, tools, and templates on communications-related issues to local, tribal, state, and federal emergency response agencies. OIC is managed by the Science and Technology Directorate.

As an emergency responder-driven program, SAFECOM is working with existing federal communications initiatives and key emergency response stakeholders to address the need to develop better technologies and processes for the multi-jurisdictional and cross-disciplinary coordination of existing systems and future networks. SAFECOM harnesses diverse federal resources in service of the emergency response community.

The tragic events of 9/11 underscored the critical importance of effective emergency responder communication systems. The lack of emergency response interoperability is a long-standing, complex, and

costly problem, with many impediments to overcome. (Interoperability is the ability of emergency response agencies to communicate via radio communication systems or exchange data on demand in real time—when needed and when authorized.)

While several government programs have made great strides in this area, much of this work has been disconnected and fragmented. In an effort to coordinate the various federal initiatives, the SAFECOM program was established by the Office of Management and Budget (OMB) and approved by the President's Management Council (PMC) as a high priority E-Gov initiative.

SAFECOM functions as the key federal coordinator for promoting and providing support to local, tribal, state, and federal public safety agencies for the improvement of public safety response through more effective and efficient interoperable wireless communications. As a public safety practitioner-driven program, SAFECOM is working with existing federal communications initiatives and key public safety stakeholders to improve processes for the cross-jurisdictional and cross-disciplinary coordination of existing systems and future networks. Through the development of the Public Safety Communications Statement of Requirements (SoR) and the Public Safety Architecture Framework (PSAF), SAFECOM is providing the public safety community and federal agencies guidance on new technologies to achieve communications interoperability. Program objectives include:

- **Baseline National Assessment:** SAFECOM is currently developing a National Interoperability Baseline to quantify the current state of public safety communications interoperability across the nation. This baseline will measure future improvements made through local, state, and federal public safety communications initiatives.
- **Public Safety Architecture Framework:** A Public Safety Architecture Framework will be published which will function as a living document that will be updated as required.
- **Wireless Investments:** SAFECOM will develop a federal process for reporting wireless investments to SAFECOM.
- **Interoperability Standards:** SAFECOM will continue to support and accelerate development of standards enabling multi-jurisdictional and multi-disciplinary interoperability.
- **Test and Evaluation:** SAFECOM will test and evaluate existing communications equipment and bridging technologies to ensure that public safety investments match vendor statements and user needs. These efforts will result in short-term and long-term cost saving among all levels of government and industry by coordinating existing test and evaluation efforts and promoting standard methodologies that yield consistent and comparable results.

### *Planned Accomplishments:*

#### **FY 2008 Planned Accomplishments**

- Review, evaluate, and provide feedback on preliminary Statewide Interoperable Communications Plans (SCIPs) submitted in accordance with the Homeland Security Grant Program (HSGP) and the Public Safety Interoperable Communications (PSIC) Grant Program.
- Assist states and territories in developing and submitting final SCIPs submitted in accordance with the HSGP and the PSIC Grant Program.
- Complete the review and approval of SCIPs submitted in accordance with the HSGP and the PSIC Grant Program.
- Complete the National Communications Baseline Assessment, which is designed to evaluate interoperable emergency communications needs and existing capabilities of local, state, tribal, and

federal government agencies, as well as non-governmental and private sector organizations with emergency response missions.

- Update and deliver the annual SAFECOM grant guidance document to help maximize the efficiency in which public safety communications-related funds are allocated and spent.

#### **FY 2009 Planned Accomplishments**

- Update and deliver the annual SAFECOM grant guidance document to help maximize the efficiency in which public safety communications-related funds are allocated and spent.
- Provide guidance and support to the Office of Emergency Communications as it conducts follow-up Statewide planning evaluation activities.
- Provide guidance and support to the Office of Emergency Communications in its delivery of statewide and tactical technical assistance to state, local and tribal governments and first responder organizations.

**Managing Partner:** Department of Homeland Security (DHS)

**Cost Allocation Methodology:** Funded by the Office for Interoperability and Compatibility (OIC) in the Science and Technology Directorate of DHS.

**FY 2009 Agency Contribution:** \$5,179,112

#### **Information Systems Security LoB**

**Description of Service:** The Federal Government's information systems security program enables agency mission objectives through a comprehensive and consistently implemented set of risk-based, cost-effective controls and measures that adequately protect information contained in Federal Government information systems.

OMB designated DHS/NCSD as program manager for Information Systems Security (ISS LoB). This initiative will hire contract personnel for the management office, establish an Implementation Governing Board, and disseminate migration guidelines to customer agencies. The ISS LOB promotes more-consistent security management processes across federal agencies. It also identifies opportunities and solutions to strengthen the ability of all agencies to identify and defend against threats, correct vulnerabilities, and manage risk. This program supports the PMA for improved management/performance of federal agencies, FISMA mandates, National Strategy to Secure Cyber Space and HSPD-7. The following are key program objectives of ISS LoB:

- Identify problems and propose solutions to strengthen the ability of all agencies to identify and manage information security risks.
- Create improved, consistent, and measurable information security processes and controls across Government.
- Achieve savings or cost-avoidance through reduced duplication and economies of scale.

## *Planned Accomplishments*

### **FY 2008 Planned Accomplishments:**

- Establish a multi-vendor contract vehicle for information systems security tools or capabilities.
- Review and evaluate agencies as Certified Internet Access Providers in support of the Trusted Internet Connection (TIC) initiative. (OMB M-08-05).
- Fully implement Shared Service Centers for FISMA Reporting and Security Awareness Training.
- Evaluate and recommend agencies as Shared Service Centers for Certification & Accreditation (C&A) providers.

### **FY 2009 Planned Accomplishments:**

- Review and evaluate agencies as Shared Service Centers for role-based training.
- Establish Shared Service Centers for Tier 2 Situational Awareness/Incident Response (SAIR) capabilities.
- Fully implement Shared Service Centers for C&A.
- Establish a multi-vendor contract vehicle for C&A capability.

**Managing Partner:** Department of Homeland Security (DHS)

**Cost Allocation Methodology:** Funded by Program Office within the Preparedness Directorate of DHS.

**FY 2009 Agency Contribution:** \$2,000,000

## **IT Infrastructure LoB**

**Description of Service:** This Line of Business (LoB) is in the planning stages, as it was just established. The first goal of the IT Infrastructure LoB is to establish a contract for developing infrastructure best practices. DHS has an established enterprise program—the Infrastructure Transformation Program (ITP)—that manages the transformation, consolidation and optimization of infrastructure services across DHS.

The ITP is a Level 1 Program (greater than \$50 million and critical to the Department), established in FY 2004 as part of ongoing efforts to optimize DHS' infrastructure and increase the Department's effectiveness and efficiency. The initiative is led by the Office of Chief Information Officer (OCIO), with each project led by a Component acting as a Steward. The ITP Operations Fund will offset increased operations and maintenance charges incurred while transforming and migrating six major sensitive-but-unclassified data networks; consolidating component legacy data centers; and centralizing email, video, and help desk services.

Key components of the "One Infrastructure" vision include establishing a single DHS network and email system, consolidating data and operations centers and help desks, and increasing collaborative capabilities in support of mission goals and objectives. The DHS IT infrastructure will serve as the technical platform from which classified and unclassified IT services are provided to the mission components and end-user communities. The DHS IT infrastructure will be standards-based, scalable, maintainable, robust, secure, and reliable.

FY 2006 and FY 2007 ITP investments resulted in new network and video service operational costs that will run concurrently with the operational costs of legacy IT infrastructures. This funding will partially support full-time operations and maintenance of the Department's enterprise-wide IT infrastructure and video operation services.

The approach aims to achieve an enterprise-wide IT infrastructure by leveraging existing capabilities within the Components. Projects were selected on the basis for achieving greater efficiency and improving the overall effectiveness of DHS programs supported by this infrastructure.

Optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure. IT infrastructure optimization case studies also demonstrate agencies could improve IT service levels and, when relieved of the burden of managing these non-core functions, can concentrate more on mission priorities and results. The project objectives are as follows:

- Create an infrastructure that enables interoperability of functions across agencies and programs
- Optimize the infrastructure to enable collaboration within and across agencies, sectors, and government levels
- Recapitalize efficiencies realized from infrastructure investments to support the agency mission

### ***Planned Accomplishments***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- Define DHS Enterprise Architecture technical targets for portals, MS Vista OS and Networks (LAN). Continue network consolidation to OneNet in the WAN environment.
  - Award the Networx task order.
  - Continue transitioning sites under network operations control by the DHS network services steward, and integrate five Component entities to the OneNet network service nodes.
- Continue data center consolidation.
  - Establish DHS Component legacy data center migration plans to the Department's two consolidated data center capabilities.
  - Complete the data center migrations from four legacy data center locations.
- Further implement DHS Management Directive MD 0007.1, Information Technology Integration and Management, with respect to IT infrastructure portfolio management acquisition review for alignment with Administration, Congressional and agency priorities.
- Establish governance around enterprise configuration management
- The Department will take advantage of opportunities to incorporate cost-savings and efficiencies as the operating construct continues to mature and stabilize.

***Managing Partner:*** General Services Administration (GSA)

***Cost Allocation Methodology:*** Funded by the DHS CIO

***FY 2009 Agency Contribution:*** \$0

***FY 2009 Service Fees:*** \$0

## **Geospatial LoB**

**Description of Service:** The Geospatial LoB (GLOB) was designed to identify opportunities for optimizing and consolidating federal geospatial-related investments to reduce the cost of government and improve services to citizens. Cross-agency coordination of geospatial activities is still lacking in some areas and is needed to help identify, consolidate, or eliminate redundant investments that may exist. Establishing the GLOB is likely to result in a more coordinated approach to producing, maintaining, and using geospatial data, and will ensure sustainable participation from federal partners to establish a collaborative model for geospatial-related activities and investments. The project objectives are as follows:

- Facilitate intergovernmental collaboration for geospatial-related activities and investments across all sectors and levels of government.
  - To improve governance processes and results in alignment with common geospatial solutions
  - To identify, evaluate and implement common geospatial services, processes and best practices
  - To enhance coordination across geospatial community stakeholders
- Create optimized and standardized common geospatial functions, services, and processes that are responsive to customers.
  - To implement guidance provided through the FEA Geospatial Profile
  - To adopt, deploy and promote effective use of geospatial interoperability standards
  - To establish an LoB-wide business architecture for common functions associated with geospatial information
- Enable cost-efficient acquisition, processing, and access to geospatial data and information.

### ***Planned Accomplishments***

To date, the GLOB effort lacks tangible accomplishments that support DHS' mission. Current GLOB plans for FY 2008 and FY 2009 are unlikely to result in outcomes that will make a significant contribution to the homeland security geospatial mission, either. Consequently, the only FY 2008 and FY 2009 accomplishments that DHS anticipates are for GLOB to complete the transfer of funds required by OMB Passback guidance to the managing partner.

#### **FY 2008 Planned Accomplishment:**

- Complete transfer of funding to managing partner
  - Scheduled Date: June 1, 2008
  - Amount: \$63,860

#### **FY 2009 Planned Accomplishment:**

- Complete transfer of funding to managing partner
  - Scheduled Date: June 1, 2009
  - Amount: \$62,000

**Managing Partner:** Department of Interior (DOI)

**Cost Allocation Methodology:** Funded by DHS CIO

**FY 2009 Agency Contribution:** \$62,000

## **Integrated Acquisition Environment – Loans and Grants**

**Description of Service:** The Federal Funding Accountability and Transparency Act of 2006 (FFATA) requires OMB to “ensure the existence and operation of a single searchable website, accessible by the public at no cost to access” that includes information on each federal award. The law specifically requires a unique identifier for the entity receiving the award and of the parent entity of the recipient, should the entity be owned by another entity. Since contracts (and some grants) already require Data Universal Numbering System (DUNS) numbers, a decision was made to leverage this to cover loans and the remainder of the grants. This will allow those areas to feed information into the FFATA portal. The Integrated Acquisition Environment (IAE) currently has a contract with Dun and Bradstreet (D&B) that has been expanded for this purpose. OMB initiated funding requests for each agency to reimburse IAE for this additional cost.

The IAE – Loans and Grants funding line is in support of the FFATA for the relationship with D&B and DUNS support services. In addition to provision of DUNS numbers, D&B is now providing business and linkage data seamlessly, and the business arrangement supports the quality of data by real-time updates. Agencies will leverage linkages to corporate organizations based on parental and subsidiary relationships.

Each Contributing Agency shall obligate and provide funding in the amount determined for that agency’s share of the project as identified by OMB. Meanwhile, the IAE Program Management Office shall execute any interagency funding agreements necessary to cover the cost of participating in the initiative, and ensure administration of the D&B contract.

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- Deploy a single point of registration and validation of supplier data accessed by all agencies via the Business Partner Network (BPN) and its related applications.
- Implement a central point for consolidated collection and access of statistical and management information related to government acquisitions via the Federal Procurement Data System (FPDS) and other Acquisition Information Reporting (AIR) tools.
- Implement a directory of Government-wide Acquisition Contracts (GWAC) and Multiple Agency Contracts (MAC) to simplify selection and facilitate leverage of Government buying.

#### **FY 2009 Planned Accomplishments**

- Develop a standard glossary and vocabulary to facilitate exchange of data between and within agencies.
- Transform intra-governmental ordering and billing to enable universal electronic processes, reduce payment and collection problems, and enable swift and accurate revenue and expense elimination processes for preparing consolidated financial statements via the Intra-Governmental Transaction Exchange (IGTE).

**Managing Partner:** General Services Administration (GSA)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component’s Full Time Equivalent (FTE), divided by DHS’ total FTE and multiplied by total estimated cost of the activity.

**FY 2009 Agency Contribution:** \$189,973

## **Disaster Assistance Improvement Plan**

**Description of Service:** Disaster Assistance Improvement Plan (DAIP) is a Government-wide single portal for disaster victims to submit electronic applications for assistance, as directed by *Executive Order: Improving Assistance for Disaster Victims* (August 29, 2006). This FEMA-led initiative is currently referred to as the “Disaster Assistance Improvement Plan” and includes 14 other federal agencies and departments. The focus of the current plan is to provide application services following major disaster declarations to homeowners and renters, most of which are typically referred to SBA for a loan.

### ***Planned Accomplishments:***

#### **FY 2008 Planned Accomplishments**

- **Phase 1 - Systems Information and Analysis Milestones:**
  - Establish weekly Working Group Meeting
  - Initial Partnering Agency TIM and Survey
- **Phase 2 - Requirements and Technical Design Milestones:**
  - Each Agency will provide DAIP their Funding Plan
- **Phase 3 - Design and Development Milestones:**
  - Have each agency conduct a project kick-off meeting
  - Complete Inter-Agency Agreements (IAA) and Memoranda of Understandings (MOU) between FEMA and partnering agencies
  - Complete the initial security assessment
  - Agency transfer of DAIP Funds to FEMA
  - Complete Agency Program Business Rules
  - Develop the Interface Control Document (ICD)
  - Complete prototype data exchange
  - Update agency content on GovBenefits

#### **FY 2009 Planned Accomplishments**

- **Phase 3 - Design and Development Milestones:**
  - Complete system testing
  - Complete disaster recovery testing
  - Complete Inter-Agency Security Agreement (ISA) and Certification and Accreditation (C&A)
  - Ensure the full deployment to partnering agencies with qualified, federally-administered programs
- **Phase 4 - Operations and Maintenance Milestones:**
  - Create GovBenefits Link on Agency’s Website
  - Manage Findings Report from agencies that have programs administered at the state and local

**Managing Partner:** Department of Homeland Security (DHS) - Federal Emergency Management Agency (FEMA)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each Component’s Full Time Civilian Equivalent (FTE), divided by total DHS civilian FTE and multiplied by the total estimated cost of the activity.

**FY 2009 Agency Contribution:** \$204,160

## **Federal Health Architecture LoB**

**Description of Service:** The Federal Health Architecture (FHA) was established as an eGov Line of Business in response to *The President's Management Agenda* calling for increased efficiency and effectiveness in government operations. The FHA is responsible for:

- Leveraging federal expertise in creating a federal framework that would be derived from a national health IT infrastructure.
- Supporting federal activities in the development and adoption of health IT standards.
- Ensuring that federal agencies can seamlessly exchange health data between and among themselves, with state, local and tribal governments, and with private sector healthcare organizations.

FHA contributes to the President's health IT plan through:

- **Input:** A coordinated federal voice and collaboration on national health IT solutions
- **Implementation:** Providing implementation and planning guidance to federal agencies for standards-compliant health IT investments in support of interoperability
- **Accountability:** Ensure accountability for health IT activities in the federal space to advance interoperability

### ***Planned Accomplishments:***

#### **FY 2008 and FY 2009 Planned Accomplishments**

- To facilitate federal cross-agency participation in the development of a nationwide health information network.
- To develop a use case for the deployment of EHRs for usage in emergency response situations.
- To coordinate standards adoption activities between HITPC and FHA.
- To facilitate adoption of HITSP standards by agencies.

**Managing Partner:** Health and Human Services

**Cost Allocation Methodology:** N\A

**FY 2009 Agency Contribution:** \$0

**FY 2009 Service Fees:** \$0

# Department of Homeland Security

*Office of the Chief Information Officer*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**Office of the Chief Information Officer**

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## **A. Mission and Description of the Office of the Chief Information Officer**

The Department of Homeland Security (DHS) Office of the Chief Information Officer (CIO), in collaboration with the DHS Chief Information Officer Council, is responsible for implementing the necessary programs to align the Information Technology (IT) organization, including all of the systems and infrastructure, to support the missions and activities across the Department.

Under the leadership of the CIO, IT will enable the transformation of the Department into a performance based and integrated organization by providing effective technologies and systems. This transformation will align information-delivery resources into appropriate functions to achieve DHS' missions. To that end, the CIO and the CIO Council are committed to providing the following:

- A secure means of sharing appropriate information to all internal and external stakeholders
- A set of advanced tools that enables the DHS workforce to rapidly and efficiently communicate, process, retrieve, deliver, and share information
- A single, DHS-wide IT infrastructure environment that is reliable, scalable, flexible, maintainable, and secure
- A clear set of performance metrics and efficient business processes
- IT standards and frameworks that provide for integration
- A single, consistent IT governance model
- Continued Improvements in cyber security
- A mature and fully detailed Enterprise Architecture
- The alignment of acquisition for IT and IT services to the department's goals

## **B. Major Activities and Key Strategic Goals**

### **Major Activities**

The Office of the Chief Information Officer provides a myriad of Information Technology related services and support throughout the Department of Homeland Security. The CIO program is divided into five major subprograms as follows:

#### **Salaries and Expenses**

Salaries and Expenses is a crosscutting program that provides technology management, shared services, acquisition strategy and executive leadership support to all offices within the CIO.

#### **Department-wide Technology Investments**

**Information Technology Services** – A program that supports development, implementation, and maintenance of a comprehensive and integrated Enterprise Architecture, and the integration of the following: the information technology framework for the Department's Human Resources System; geospatial technologies; and information sharing.

**Security Activities** – A set of programs that provide for the integration and protection of sensitive and collateral DHS information.

**Homeland Secure Data Network (HSDN)** – HSDN provides the primary means for data and information exchange, messaging, and collaboration with specific and controlled interconnections to the intelligence community and federal law enforcement resources at a SECRET-classified level within the civil side of Federal government for DHS Component Organizations, Federal, and State and Local Government.

The following is a list of FY2007 Accomplishments, FY2008 Planned Accomplishments and FY2009 Projected Accomplishments:

### **FY2007 Accomplishments:**

#### **Salaries and Expenses**

- 88% of FISMA systems received valid Authority to Operate (ATO) letters
- Closed 363 of 438 “Core Financial Systems” audit findings
- Implemented Department Wide Security Ops Capability; since then DHS has responded to 731 potential security events
- Consolidated IT support for unclassified, Secret, and Top Secret LANs into a single vendor to improve service delivery and cost efficiency.
- Supported the migration of CBP ACE SR/SAT, DHS Enterprise Service Bus, and CBP Disaster Recovery systems into Stennis Data Center

#### **Information Technology Services**

- Implemented MD 0007.1 for DHS IT Acquisitions, by establishing a process and a checklist of questions for component submission. Established a review team to analyze acquisition plans, SOWs, and the checklist for each acquisition. Ensured that OCIO Direct Reports were direct participants in the analyses
  - \$3.2B of Eagle purchase requests were reviewed, achieving an improvement of 72% in alignment with the DHS Enterprise Architecture and portfolios
  - The IT Acquisition review process re-directed \$500M of acquisitions into the Eagle contracting vehicles.
- Continued the enterprise implementation of the Department-wide Smart Buy enterprise license agreement for access to Geographic Information System (GIS) software/training, saving DHS approximately \$8.26M, or 66%, over General Services Administration (GSA) list pricing. This exceeded the plan target of 55% savings over GSA Schedule.
- Target Architecture completed or being set through EA reviewed procurements for 91% of the potential DHS Enterprise Architecture, including setting targets for 14 of 22 critical areas designated by the DHS CIO, in all 169 TRM categories had target standards or products set during FY07.
- Improved operational data sharing effectiveness within the Department by increasing to eight; the number of active users of the National Information Exchange Model, including NPPD, CBP, US-VISIT, S&T (DM) and GMO.
- Deployed an integrated enterprise toolset similar to the Rice/Chertoff Dashboard that includes: program management, capital planning, enterprise architecture, hosting, engineering, and security services
- Established IT Budget Review framework and process. Implemented MD 0007.1 for the DHS IT Budget by providing IT instructions for the FY09-13 DHS Resource Allocation Plan (RAP)

Integrated Planning Guidance, implementing modifications to the Investment Management System (IMS) to collect portfolio and system cost information, and providing IT Budget instructions to components.

- Implemented Application Authentication for: the Secretary's Priority Tracker; the Homeland Secure Information Network (HSIN), DHS' primary authentication service enabling E-authentication; and for the FedBridge capability for the Department. Disaster Management transition from Stafford to Mount Weather complete. Successfully implement Disasterhelp.gov integration with E-authentication, meeting the OMB milestone
- Removed 67 of the 87 Investments OMB placed on the FY08 Watch List

### **Wireless Activities/Security Activities**

- Converted 58% of the Department's networks to DHS standards technology and fully migrated 53% to DHS OneNet; including the full transition of 317 sites for ICE, 129 sites for CIS, and 1,330 sites for CBP
- Established a primary NOC and brought the SOC to Full Operating Capability (FOC)
- Completed construction of Stennis Phase II space comprising approximately 26,000 square feet of additional raised floor space; including an area designed to physical security standards required for classified processing.
- Achieved migration of CBP ACE SR/SAT, and CBP Disaster Recovery systems into Stennis Data Center Phase I space occupying approximately 24,000 square feet
- Installed and configured the Stennis Internet/Extranet Gateway

### **Homeland Secure Data Network**

- Implemented a solution to bridge both HSIN-S and HSDN networks together for IP secure video teleconferencing purposes
- Finalized the Homeland Security Data Center Services Migration Strategy and migrated the disaster recovery HSDN data center to the Stennis Data Center
- Established the Fair Lakes Homeland Secure Data Network (HSDN) as the first Trust Zone customer
- Developed and deployed an HSDN Secure Video Teleconferencing (SVTC) capability

### **FY2008 Planned Accomplishments:**

#### **Salaries and Expenses**

- Maintain full FISMA compliance for each of 700+ systems in the Department's inventory
- Retire all financial systems security weaknesses
- Complete a rigorous review and analysis of the standards, products and services contained in the Technical Reference Model to ensure they comply with the Security Architecture
- Ensure capability readiness and migrate legacy data center systems to the two (2) DHS Data Centers

#### **Information Technology Services**

- Migrate 85% of DHS enterprise to Environmental Systems Research Institute (ESRI) SmartBuy investment, realizing cost savings for the Department of over \$4M
- Stand up initial geospatial data warehouse capability at the DHS Enterprise Architecture and DHS' National Center for Critical Information Processing and Storage (NCCIPS) Data Center at Stennis, Mississippi; supporting mission critical programs including the Infrastructure Information Collection Program, the National Biological Integration System, the National

Operations Center Common Operating Picture, and the FEMA National Response Coordinating Council, avoiding costs through sharing of a common geospatial infrastructure

- Establish Target Architectures for 20 mission critical areas
- Transition departmental portals to the next generation in order to improve performance and integrate Single Sign On for user authentication
- Issue Smartcards to DHS employees in the National Capitol Region (approximately 5,500)
- Set DHS enterprise technology architecture for Single Sign On (SSO)
- 100% of IT Portfolios Managers will directly contribute Portfolio analysis to the budget, acquisition, and investment review process
- 100% of DHS Portfolios have Identified IT EA targets, justification, and policy crafted supporting position

### **Security Activities**

- Move all remaining Components to OneNet with centrally managed Network Services with enterprise-wide NOC/SOC services
- Establish a secondary NOC/SOC
- Complete Component migrations to MS Exchange
- Establish disaster recovery capability between the two (2) DHS Data Centers

### **Homeland Secure Data Network**

- Establish and maintain periodic HSDN program self-assessment and evaluation through the DHS established Operational Analysis periodic review and reporting process, for identifying areas for improvements in costs and operational efficiencies and effectiveness
- Establish support for the mission requirements of DHS component organizations and its homeland security partners staying abreast of and identifying applicable advancing information and applied technologies capable of improving data gathering, fusion, analysis, intelligence gathering and dissemination at a SECRET-classified level

### **FY2009 Projected Accomplishments:**

#### **Salaries and Expenses**

- Maintain full FISMA compliance for each of 700+ systems in the Department's inventory
- Implement a standardized operational review methodology to ensure compliance with network and technical guidance
- Enhance the web-hosting environment to optimize delivery of critical services by utilizing distributed content/application delivery capabilities
- Fully deploy an Internet Protocol Version 6.0 (IPv6)-compliant network infrastructure

#### **Information Technology Services**

- Migrate 95% of DHS enterprise to Environmental Systems Research Institute (ESRI) SmartBuy investment, realizing cost savings for the Department of over \$4.25M
- Build upon FY2008 accomplishments in establishing the DHS geospatial data warehouse capability at the NCCIPS, integrating and supporting geospatial activities of USVISIT, DNDO, and other geospatially-based DHS mission systems, such as SBInet.
- Enhance COP capability to support mission needs. Expand COP access to FEMA, State, Local and Tribal Partners
- Reduce the number of unique products and services in the TRM by 10%
- Complete, by the end of FY2009, 25% of the transition to the DHS target architecture
- Deploy the DHS enterprise solution for SSO for six (6) major applications.

- Implement the use of SmartCards to enable two and three-factor logical access
- Align 100% of IT investments within priority portfolios to targets
- Develop the initial data asset inventory baseline, using segment architectures, to allow for use of this baseline in the IT Investment Review process. This allows data to drive the alignment of the systems that support the mission within the Enterprise Architecture.
- Continued development of the DRM portion of the Enterprise Architecture. The deliverable is the Data Reference Model 3.0 (to be completed by September 2009).
- Continued development and support of the National Information Exchange Model (NIEM) as a standard for information exchange for the Department, including specific DHS information exchanges. .
- Transition all current voice communications using secure telephone unit (STU) IIIs and secure telecommunication equipment (STEs) to the new and enhanced cryptographic systems; this entails over 10,000 secure phones

### **Security Activities**

- Maintain existing NOC/SOC capability
- Maintain Internet and Extranet Gateways
- Update and maintain Infrastructure Information Repository (IIR)
- Support transition to IPv6
- Migrate legacy data centers to the two (2) DHS Data Centers

### **Homeland Secure Data Network**

- Complete critical refreshment of one third of the established system-wide core infrastructure and site-specific aging HSDN equipment
- Complete annual Operational Analysis periodic review and reporting process, for identifying areas for improvements in costs and operational efficiencies and effectiveness

### **Key Strategic Goals**

To ensure the right people have the necessary information at the correct time, the Chief Information Officer has established the following five (5) strategic objectives:

1. Improve project management and alignment of budget and Enterprise Architecture;
2. Improve infrastructure and consolidation;
3. Continue cyber security improvements;
4. Continue to align acquisitions for IT and IT services to the department's goals
5. Transition projects into actions and operations; and
6. Improve information sharing and data collaboration/integration

### **C. Resources Requested and Performance Impact**

The CIO requests 94 positions, 94 FTE and \$247.369 million for the FY 2009 Budget. The total adjustment-to-base is a decrease of \$60.431 million and 0 FTEs. This adjustment-to-base includes a pay and non-pay inflationary increase of \$2.828 million for Salaries and Expenses and \$.573 million for HSDN. A net decrease of \$16.255 million for Information Technology Services; due in large part to the transfer of the Human Resources IT program to the office of the Chief Human Capital. A current services reduction of \$47.577 million in Security Activities secondary to the termination of a one time construction cost for NCCIPS and a reduction in base funding for the Data Center Development program. CIO requests a net increase of \$12.600 million for the following program changes in the FY2009 Budget:

- A decrease of \$7.000 million in base funding for the Watchlist Technical Integration program
- An increase of \$.500 million in recurring base funding for Enterprise Architecture
- The creation of a new program, Enterprise Data Management, with a base funding of \$2.000 million for FY2009
- The consolidation of base funding and existing programs, Solutions Engineering and Enterprise Portal, into the Enterprise Application Delivery program to maximize efficiencies and cost savings
- An increase of \$3.100 million for the Information Security Program to improve IT configuration management monitoring, improve financial system security, upgrade information security operations and support full FISMA compliance for all DHS systems. These funds will also provide financial audit and remediation support efforts, as well as transition costs to relocate the FISMA compliance tool suite
- An increase of \$14.000 million for the Homeland Secure Data Network for system-wide core infrastructure and site-specific equipment and software refreshments

### **D. How the Office of the Chief Information Officer Programs and Their Performance Goals Align to and Support the DHS Goals and Objectives.**

The following list of programs with their performance goals are followed by the DHS goals and objective they support.

Offices of the Chief Information Officer – The Department of Homeland Security components and stakeholders have information technology leadership and guidance enabling them to efficiently and effectively achieve their vision, mission, and goals.

Goal 5- Strengthen and Unify DHS Operations and Management

Objective 5.1 Strengthen and Unify DHS Operations and Management

**E. Performance Based Budget Highlights by Program 1**

For each major program, the performance goal, alignment to DHS goals and objectives, total dollars and FTE, and main performance measure/s are shown below. For many of the programs, more performance information may be found on the OMB web site [Expectmore.gov](http://Expectmore.gov) (program names may differ slightly from those used in this document).

|  |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Program: Office of the Chief Information Officer</b>  |           |           |           |           |           |           |
| <b>Performance Goal:</b> The Department of Homeland Security components and stakeholders have world class information technology leadership and guidance enabling them to efficiently and effectively achieve their vision, mission and goals. |           |           |           |           |           |           |
| Objective 3.1 Fixed Critical Infrastructure and Key Assets– 28.5% allocation   |           |           |           |           |           |           |
| Objective 5.1 Strengthen and Unify DHS Operations and Management- 71.5% allocation   |           |           |           |           |           |           |
| <b>Fiscal Year:</b>  | FY 2004   | FY 2005   | FY 2006   | FY 2007   | FY 2008   | FY 2009   |
| <b>\$ Thousands</b>  | \$265,047 | \$275,270 | \$254,740 | \$330,549 | \$295,200 | \$247,369 |
| <b>FTE</b>   | None      | 82        | 63        | 84        | 91        | 94        |

**Performance Plan Measures**

|   |          |         |         |         |         |         |
|---|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percent of major IT projects that are within 10% of cost/schedule/performance objectives.   |          |         |         |         |         |         |
| <b>Description of Measure:</b> This measure gauges the percent of major IT investments that are on schedule, on cost, and delivering their planned performance. These indicators are the industry accepted critical factors for assessing project management effectiveness, and ultimately the success of IT investments. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | Baseline | 70%     | 85%     | 80%     | 90%     | 90%     |
| <b>Actual:</b>  | 52%      | 81%     | 78%     | 50%     | N/A     | N/A     |

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1 In this section, FY 2007 is based on Revised Enacted vice Actual Obligations.

**F. Digest Tables by Future Year Homeland Security Program (FYHSP)**

| DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM<br>(dollars in thousands) |               |                |                |                |                 |                |  |                 |                 |               |               |                 |
|--|---------------|----------------|----------------|----------------|-----------------|----------------|--|-----------------|-----------------|---------------|---------------|-----------------|
| Budget Activity  | FY2007 Actual |                | FY2008 Enacted |                | FY2009 Estimate |                | Increase (+) or Decrease (-) For FY 2009 |                 |                 |               |               |                 |
|  |               |                |                |                |                 |                | Total Changes                            |                 | Program Changes |               | Other Changes |                 |
|  | FTE           | AMOUNT         | FTE            | AMOUNT         | FTE             | AMOUNT         | FTE                                      | AMOUNT          | FTE             | AMOUNT        | FTE           | AMOUNT          |
| <b>Office of the Chief Information Officer</b>   | <b>68</b>     | <b>327,366</b> | <b>91</b>      | <b>295,200</b> | <b>94</b>       | <b>247,369</b> | <b>3</b>                                 | <b>(47,831)</b> | ....            | <b>12,600</b> | <b>3</b>      | <b>(60,431)</b> |
| Salaries and Expenses  | 68            | 78,676         | 91             | 81,000         | 94              | 86,928         | 3  | 5,928           | ....            | 3,100         | 3             | 2,828           |
| Information Technology Services  |               | 72,067         |                | 56,200         |                 | 42,445         |  | (13,755)        |                 | 2,500         |               | (16,255)        |
| Security Activities  |               | 69,684         |                | 124,900        |                 | 70,323         |  | (54,577)        |                 | (7,000)       |               | (47,577)        |
| Wireless Technology Activities   |               | 74,258         |                | ....           |                 | ....           |  | ....            |                 | ....          |               | ....            |
| Homeland Secure Data Network   |               | 32,681         |                | 33,100         |                 | 47,673         |  | 14,573          |                 | 14,000        |               | 573             |
| Unobligated budget expiring  |               |                |                |                |                 |                |  |                 |                 |               |               |                 |
| <b>Subtotal, Budget Authority (All Sources)</b>  | <b>68</b>     | <b>327,366</b> | <b>91</b>      | <b>295,200</b> | <b>94</b>       | <b>247,369</b> | <b>3</b>                                 | <b>(47,831)</b> | ....            | <b>12,600</b> | <b>3</b>      | <b>(60,431)</b> |
| <b>Less Adjustments for Other Funding Sources:</b>   | (3)           | (18,464)       |                |                |                 |                |  |                 |                 |               |               |                 |
| <b>Total enacted appropriations and budget estimates</b>                                   | <b>65</b>     | <b>308,902</b> | <b>91</b>      | <b>295,200</b> | <b>94</b>       | <b>247,369</b> | <b>3</b>                                 | <b>(47,831)</b> | ....            | <b>12,600</b> | <b>3</b>      | <b>(60,431)</b> |

*\*\$18.464 million and (3) FTEs were transferred out in FY2007 to the Office of Emergency Communications*

# Department of Homeland Security

*Departmental Management and Operations*  
*Office of the Federal Coordinator for Gulf Coast Rebuilding*

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Fiscal Year 2009  
Congressional Justification

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# Budget Request and Supporting Information

## Departmental Management and Operations Office of the Federal Coordinator for Gulf Coast Rebuilding

### I. Appropriation Overview

#### **A. Mission Statement for the Gulf Coast Rebuilding Office:**

The President created the Gulf Coast Rebuilding Office and designated a Coordinator of Federal support for the recovery and rebuilding of the Gulf Coast Region by Executive Order 13390 on November 1, 2005. The Coordinator is responsible for working with Federal, State and local officials to identify the priority needs for long-term rebuilding; communicating those needs to the decision makers in Washington, DC; and advising the President on the most effective, integrated and fiscally responsible Federal strategies for support of Gulf Coast recovery.

#### **B. Budget Activities:**

The Office of the Federal Coordinator for Gulf Coast Rebuilding coordinates the long-term Federal rebuilding efforts by working with State and local officials to focus on a set of prioritized, integrated and long-term initiatives to rebuild the region, such as: restoring long-term safety and security, renewing economic activity, and revitalizing communities.

#### **C. Budget Request Summary:**

For the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Department is requesting \$291,000. This is a decrease of \$2.409 million from the FY 2008 Enacted level of \$2.700 million.

## II. Summary of FY 2009 Budget Estimates by Organization

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Federal Coordinator for Gulf Coast Rebuilding**  
 Summary of FY 2009 Budget Estimates by Office  
 (Dollars in Thousands)

| Program/Project Activity                                     | FY 2007<br>Actual |                | FY 2008<br>Enacted |                | FY 2009<br>Request |              | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                  |
|--|-------------------|----------------|--------------------|----------------|--------------------|--------------|--|------------------|-----------------|------------------|
|  | FTE               | AMOUNT         | FTE                | AMOUNT         | FTE                | AMOUNT       | Total Changes                            |                  | Program Changes |                  |
|  |                   |                |                    |                |                    |              | FTE                                      | AMOUNT           | FTE             | AMOUNT           |
| Office of the Federal Coordinator for Gulf Coast Rebuilding  | 9                 | \$2,317        | 14                 | \$2,700        | 2                  | \$291        | (12)                                     | (\$2,409)        | (12)            | (\$2,409)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>9</b>          | <b>\$2,317</b> | <b>14</b>          | <b>\$2,700</b> | <b>2</b>           | <b>\$291</b> | <b>(12)</b>                              | <b>(\$2,409)</b> | <b>(12)</b>     | <b>(\$2,409)</b> |
|  |                   |                |                    |                |                    |              |  |                  |                 |                  |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>9</b>          | <b>\$2,317</b> | <b>14</b>          | <b>\$2,700</b> | <b>2</b>           | <b>\$291</b> | <b>(12)</b>                              | <b>(\$2,409)</b> | <b>(12)</b>     | <b>(\$2,409)</b> |

### III. Current Services Program Description by Organization

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding  
Program Performance Justification  
(Dollars in thousands)**

#### OFFICE OF THE FEDERAL COORDINATOR FOR GULF COAST REBUILDING

|                              | Perm<br>Pos | FTE       | Amount       |
|------------------------------|-------------|-----------|--------------|
| <b>2007 Actual</b>           | <b>14</b>   | <b>9</b>  | <b>2,317</b> |
| <b>2008 Enacted</b>          | <b>14</b>   | <b>14</b> | <b>2,700</b> |
| 2008 Adjustments-to-Base     | 0           | 0         | 0            |
| <b>2009 Current Services</b> | <b>14</b>   | <b>14</b> | <b>2,700</b> |
| 2008 Program Change          | 0           | (12)      | (2,409)      |
| <b>2009 Request</b>          | <b>14</b>   | <b>2</b>  | <b>291</b>   |
| Total Change 2008-2009       | 0           | (12)      | (2,409)      |

The Office of the Federal Coordinator for Gulf Coast Rebuilding requests \$291,000 for this activity. This is a decrease of \$2.409 million from the FY 2008 Enacted appropriation of \$2.700 million. This office was established by Executive Order 13390 on November 1, 2005 consistent with applicable law, and shall terminate three years from the date of this order on October 31, 2008.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The Office of the Federal Coordinator for Gulf Coast Rebuilding (OFC) coordinates the long-term Federal rebuilding efforts by working with Federal, State and local officials to focus on a set of prioritized, integrated and long-term initiatives to rebuild the region, such as: restoring long-term safety and security, renewing economic activity, and revitalizing communities.

The Coordinator is responsible for working with the Federal, State and local officials to identify the priority needs for long-term rebuilding; communicating those needs to the decision makers in Washington, DC; and advising the President on the most effective integrated and fiscally responsible Federal strategies for support of Gulf Coast recovery.

The President created the Gulf Coast Rebuilding Office and designated a Coordinator of Federal support for the recovery and rebuilding of the Gulf Coast Region by Executive Order 13390 on November 1, 2005. Since the 2005 hurricanes, Louisiana has stressed that its top priority is rebuilding and strengthening its hurricane protection system. OFC has worked with all partners, including the Corps of Engineers, to ensure that this is accomplished. To date, the President has worked with Congress to secure more than \$7.0 billion for repair and restoration of floodwalls and levees and has committed to seeking up to \$5.8 billion in additional funding in the FY 2009 President's Budget for greater New Orleans hurricane protection. In addition, OFC worked with the Louisiana delegation and other members of Congress, consistent with Administration policy priorities, to ensure that Louisiana

and other Gulf States received a share of oil and gas drilling royalties, which are, in Louisiana, dedicated to hurricane protection.

**IV. Program Justification of Changes**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Federal Coordinator for Gulf Coast Rebuilding  
 Justification of Program Changes  
 (Dollars in Thousands)**

**Program Decrease 1:**                    Termination of Office

Program Decrease:    Positions   0      FTE  (12)     Dollars  (\$2,409) 

|                        | FY 2007 Actual |          |                 | FY 2008 Enacted |           |                 | FY 2009 Request |          |                 |
|------------------------|----------------|----------|-----------------|-----------------|-----------|-----------------|-----------------|----------|-----------------|
|                        | Pos            | FTE      | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level |                |          |                 |                 |           |                 | 14              | 14       | \$2,700         |
| Program Decrease       |                |          |                 |                 |           |                 | 0               | (12)     | (2,409)         |
| <b>Total Request</b>   | <b>14</b>      | <b>9</b> | <b>\$2,317</b>  | <b>14</b>       | <b>14</b> | <b>\$2,700</b>  | <b>14</b>       | <b>2</b> | <b>\$291</b>    |

Description of Item

The Office of the Federal Coordinator for Gulf Coast Rebuilding will be terminated effective October 31, 2008, consistent with Executive Order 13390. This office is requesting a reduction of \$2.409 million in FY 2009.

## **V. Exhibits and Other Supporting Materials**

### **A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding  
Justification of Proposed Changes  
Appropriation Language**

For necessary expenses of the Office of the Federal Coordinator for Gulf Coast Rebuilding, ~~[\$2,700,000]~~**\$291,000**[:Provided, That \$1,000,000 shall not be available for obligation until the Committees on Appropriations of the Senate and the House of Representatives receive an expenditure plan for fiscal year 2008. (Consolidated Appropriations Act, 2008)].

**Explanation:**

The proposed change to this legislative language reflects the termination of this office by Executive Order 13390 on October 31, 2008.

**B. FY 2008 to FY 2009 Budget Change**

**Department of Homeland Security  
 Departmental Management and Operations  
 Office of the Federal Coordinator for Gulf Coast Rebuilding  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)**

|  | <u>Pos.</u> | <u>FTE</u>  | <u>Amount</u>    |
|--|-------------|-------------|------------------|
| <b>FY 2007 Actual.....</b>                       | <b>14</b>   | <b>9</b>    | <b>\$2,317</b>   |
| <b>2008 Enacted.....</b>                         | <b>14</b>   | <b>14</b>   | <b>\$2,700</b>   |
| <br>   |             |             |                  |
| <b>2009 Current Services.....</b>                | <b>14</b>   | <b>14</b>   | <b>\$2,700</b>   |
| <br>   |             |             |                  |
| <b>Program Changes</b>                           |             |             |                  |
| Program Decreases                                |             |             |                  |
| Termination of Office Effective October 31, 2008 | ---         | (12)        | (2,409)          |
| <b>Total Program Changes.....</b>                | <b>---</b>  | <b>(12)</b> | <b>(\$2,409)</b> |
| <br>   |             |             |                  |
| <b>2009 Request.....</b>                         | <b>14</b>   | <b>2</b>    | <b>\$291</b>     |
| <br>   |             |             |                  |
| <b>2008 to 2009 Total Change.....</b>            | <b>---</b>  | <b>(12)</b> | <b>(\$2,409)</b> |

## C. Summary of Requirements

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Federal Coordinator for Gulf Coast Rebuilding**  
 Summary of Requirements  
 (Dollars in Thousands)

|                              | 2009 Request |      |         |
|------------------------------|--------------|------|---------|
|                              | Perm. Pos.   | FTE  | Amount  |
| <b>FY 2007 Actual</b>        | 14           | 9    | \$2,317 |
| <b>2008 Enacted</b>          | 14           | 14   | \$2,700 |
| <b>2009 Current Services</b> | 14           | 14   | \$2,700 |
| Program Changes              | ---          | (12) | (2,409) |
| <b>2009 Total Request</b>    | 14           | 2    | \$291   |
| 2008 to 2009 Total Change    | ---          | (12) | (2,409) |

| Estimates by Program/Project Activity                       | 2008 Enacted |           |                | 2009 Program Change |             |                  | 2009 Request |          |              | 2008 to 2009 Total Change |             |                  |
|---|--------------|-----------|----------------|---------------------|-------------|------------------|--------------|----------|--------------|---------------------------|-------------|------------------|
|   | Pos.         | FTE       | Amount         | Pos.                | FTE         | Amount           | Pos.         | FTE      | Amount       | Pos.                      | FTE         | Amount           |
| Office of the Federal Coordinator for Gulf Coast Rebuilding | 14           | 14        | \$2,700        | ---                 | (12)        | (\$2,409)        | 14           | 2        | \$291        | ---                       | (12)        | (\$2,409)        |
| <b>Total</b>  | <b>14</b>    | <b>14</b> | <b>\$2,700</b> | <b>---</b>          | <b>(12)</b> | <b>(\$2,409)</b> | <b>14</b>    | <b>2</b> | <b>\$291</b> | <b>---</b>                | <b>(12)</b> | <b>(\$2,409)</b> |

**D. Summary of Reimbursable Resources**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding**

**NOT APPLICABLE**

**E. Summary of Requirements by Object Class**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding**

Please refer to Exhibit H on page 13 for the Summary of Requirements by Object Class for the Office of the Federal Coordinator for Gulf Coast Rebuilding.

## F. Permanent Positions by Grade

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 3              | 3               | 3               | ---                    |
| GS-15                            | 3              | 3               | 4               | 1                      |
| GS-14                            | 2              | 2               | 2               | ---                    |
| GS-13                            | 3              | 3               | 2               | (1)                    |
| GS-12                            | 1              | 1               | 1               | ---                    |
| GS-9                             | 1              | 1               | 1               | ---                    |
| GS-6                             | 1              | 1               | 1               | ---                    |
| <b>Total Permanent Positions</b> | <b>14</b>      | <b>14</b>       | <b>14</b>       | <b>---</b>             |
| Unfilled Positions EOY           | 1              | ---             | ---             | ---                    |
| Total Perm. Employment EOY       | 13             | 14              | ---             | (14)                   |
| <b>FTE</b>                       | <b>9</b>       | <b>14</b>       | <b>2</b>        | <b>(12)</b>            |
| Headquarters                     | 14             | 14              | 14              | ---                    |
| U.S. Field                       |                |                 |                 | ---                    |
| Foreign Field                    |                |                 |                 | ---                    |
| <b>Total Permanent Positions</b> | <b>14</b>      | <b>14</b>       | <b>14</b>       | <b>---</b>             |
| <b>Average ES Salary</b>         | \$156,783      | \$161,487       | \$166,322       | \$4,835                |
| <b>Average GS Salary</b>         | \$77,076       | \$78,152        | \$80,497        | \$2,345                |
| <b>Average GS Grade</b>          | 13             | 13              | 13              | ---                    |

**G. Capital Investment and Construction Initiative Listing**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding**

**NOT APPLICABLE**

**H. Object Class Budget Justifications**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding  
Funding Schedule  
(dollars in thousands)**

| <b>Office of the Federal Coordinator for Gulf Coast Rebuilding</b> |                                | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|--------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>   |                                |                        |                         |                         |                                |
| 11.1   | Perm Positions                 | \$588                  | \$157                   | \$16                    | (\$141)                        |
| 11.3   | Other than perm                | 536                    | 1,352                   | 140                     | (1,212)                        |
| 11.5   | Other per comp                 | 23                     | 15                      | 5                       | (10)                           |
| 12.1   | Benefits                       | 276                    | 401                     | 38                      | (363)                          |
| 21.0   | Travel                         | 148                    | 150                     | 10                      | (140)                          |
| 23.2   | Other rent                     | 418                    | 427                     | 37                      | (390)                          |
| 25.1   | Advisory & Assistance Services | 31                     | 45                      | 16                      | (29)                           |
| 25.2   | Other Services                 | 0                      | 9                       | 2                       | (7)                            |
| 25.3   | Purchase from Govt. Accts.     | 204                    | 115                     | 25                      | (90)                           |
| 25.6   | Medical Care                   | 0                      | 2                       | 0                       | (2)                            |
| 26.0   | Supplies & materials           | 30                     | 14                      | 1                       | (13)                           |
| 31.0   | Equipment                      | 63                     | 13                      | 1                       | (12)                           |
|  | <b>Total</b>                   | <b>\$2,317</b>         | <b>\$2,700</b>          | <b>\$291</b>            | <b>(\$2,409)</b>               |
| Full Time Equivalents  |                                | 9                      | 14                      | 2                       | (12)                           |

**Mission Statement**

The Office of the Federal Coordinator for Gulf Coast Rebuilding coordinates the long-term Federal rebuilding efforts by working with Federal, State, and local officials to focus on a set of prioritized, integrated and long-term initiatives to rebuild the region such as restoring long-term safety and security, renewing economic activity and revitalizing communities.

Liasse between Federal, State, and local officials and advise the President and his senior leadership on the most effective, integrated, and fiscally responsible Federal strategies for supporting a full and vibrant recovery.

This office was established by Executive Order 13390 on November 1, 2005, consistent with applicable law, and shall terminate three years from the date of this order on October 31, 2008.

**Summary Justification and Explanation of Changes**

|                           | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>All Object Classes</b> | <b>\$2,317</b>         | <b>\$2,700</b>          | <b>\$291</b>            | <b>(\$2,409)</b>               |

The Office of the Federal Coordinator for Gulf Coast Rebuilding has requested \$291,000 for FY 2009, a decrease of \$2.409M from the FY 2008 Enacted level of \$2.700M. This office will be closed at the end of the first month in FY 2009.

## I. Changes in Full-Time Equivalents

**Department of Homeland Security**  
**Departmental Management and Operations**  
**Office of the Federal Coordinator for Gulf Coast Rebuilding**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 9       | 9       | 14      |
| <b>INCREASE</b>  |         |         |         |
| Increase #1: Additional FTE are provided as a result of annualization as well as conversion of contractors to Federal employees.   |         | 5       |         |
| Sub-Total Increases  | 0       | 5       | 0       |
| <b>DECREASE</b>  |         |         |         |
| Decrease #1: This office was established by Executive Order 13390 on November 1, 2005 consistent with applicable law, and shall terminate three years from the date of this order on October 31, 2008. |         |         | (12)    |
| Sub-Total Decreases  | 0       | 0       | (12)    |
| Year-end Actual/Estimated FTEs   | 9       | 14      | 2       |
| Net Change from prior year base to Budget Year Estimate:   | 0       | 5       | (12)    |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security  
Departmental Management and Operations  
Office of the Federal Coordinator for Gulf Coast Rebuilding  
FY 2009 Schedule of Working Capital Fund by Program/Project Activity  
(Dollars in Thousands)**

| Program/Project Activity                                       | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2009 |
|--|-------------------|------------------------|------------------------|---------------------------------------|
|  | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| Office of the Federal Coordinator for Gulf Coast<br>Rebuilding | \$145             | \$97                   | \$25                   | (\$72)                                |
| <b>Total Working Capital Fund</b>                              | <b>\$145</b>      | <b>\$97</b>            | <b>\$25</b>            | <b>(\$72)</b>                         |

# Department of Homeland Security

*Departmental Management and Operations*  
*Office of the Federal Coordinator for Gulf Coast Rebuilding*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

# FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT

## Office of the Federal Coordinator for Gulf Coast Rebuilding

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#### A. Mission and Description of the Office of the Federal Coordinator for Gulf Coast Rebuilding

The Office of the Federal Coordinator for Gulf Coast Rebuilding (OFCGCR) supports the Department of Homeland Security (DHS) by facilitating the development of a long-term plan for rebuilding the region devastated by Hurricanes Katrina and Rita. The President created the Gulf Coast Rebuilding Office and designated a Coordinator of Federal support for the recovery and rebuilding of the Gulf Coast Region by Executive Order 13390 on November 1, 2005.

The overarching mission of the Federal Coordinator is to identify the priority of needs for long-term rebuilding by working with the people on the ground, including State and local officials; communicate those realities to the decision makers in Washington; and advise the President and his senior leadership on the most effective, integrated, and fiscally responsible Federal strategies for supporting a full and vibrant recovery. In particular, OFCGCR is responsible for managing information flows, requests for actions, and discussions regarding the Federal response with Congress, state and local governments, the private sector and community leaders.

#### B. Major Activities and Key Strategic Issues

In FY 2007, the Office of the Federal Coordinator for Gulf Coast Rebuilding worked with other government agencies, including the Department of Housing and Urban Development, the Federal Emergency Management Agency, the Small Business Administration, and the Department of Commerce to coordinate assistance to individuals affected by Hurricanes Katrina and Rita. In FY 2008 and 2009, the OFCGCR will continue to advocate for long-term Federal rebuilding efforts in the affected areas. OFCGCR will continue to work with state and local officials to focus on a set of prioritized, integrated and long-term initiatives to rebuild the region, including the restoration of long-term safety and security, the renewal of economic activity, and the revitalization of communities.

#### C. Resources Requested and Performance Impact

For the Office of the Federal Coordinator for Gulf Coast Rebuilding, the Department is requesting \$291,000. This is a decrease of \$2.409 million from the FY 2008 Enacted level of \$2.700 million. This office will be closed at the end of the first month in FY 2009.

#### D. How OFCGCR Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.

The Office of the Federal Coordinator for Gulf Coast Rebuilding (OFCGCR) coordinates Federal, state, and local efforts to rebuild the region devastated by Hurricanes Katrina and Rita. OFCGCR supports the following DHS goal.

**Goal Five:** Strengthen and Unify DHS Operations and Management.

E. Performance Based Budget Highlights by Program <sup>1</sup>

Because it is part of Departmental Management and Operations, the OFCGCR FYHSP performance goal, performance measures, budget, and FTE are:

|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| <b>Program: Office of the Federal Coordinator for Gulf Coast Rebuilding</b>  |         |         |         |         |         |         |
| <b>Performance Goal:</b> Liaise between Federal, State, and local officials and advise the President and his senior leadership on the most effective, integrated, and fiscally responsible Federal strategies for supporting a full and vibrant recovery |         |         |         |         |         |         |
| <b>Objective 5.1</b> Strengthen and Unify DHS Operations and Management- 71.5% allocation  |         |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>\$ Thousands</b>  | \$0     | \$0     | \$0     | \$3,000 | \$2,700 | \$291   |
| <b>FTE</b>   | 0       | 0       | 0       | 14      | 14      | 2       |

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<sup>1</sup> In this section, FY 2007 is based on revised enacted vice actual obligations.

**F. Digest Tables by FYHSP Programs**

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**

(dollars in thousands)

| Budget Activity   | FY2007<br>Actual |        | FY2008<br>Enacted |        | FY2009<br>President's Budget |        | Increase (+) or Decrease (-) For FY 2009 |         |                 |         |               |        |
|---|------------------|--------|-------------------|--------|------------------------------|--------|--|---------|-----------------|---------|---------------|--------|
|   |                  |        |                   |        |                              |        | Total Changes                            |         | Program Changes |         | Other Changes |        |
|   | FTE              | AMOUNT | FTE               | AMOUNT | FTE                          | AMOUNT | FTE                                      | AMOUNT  | FTE             | AMOUNT  | FTE           | AMOUNT |
| <b>BUDGET<br/>ACTIVITY<br/>1. Office of the<br/>Federal Coordinator<br/>for Gulf Coast<br/>Rebuilding</b> | 9                | 2,317  | 14                | 2,700  | 2                            | 291    | (12)                                     | (2,409) | (12)            | (2,409) | 0             | 0      |
| <b>Subtotal, Budget<br/>Authority (All<br/>Sources)</b>   | 9                | 2,317  | 14                | 2,700  | 2                            | 291    | (12)                                     | (2,409) | (12)            | (2,409) | 0             | 0      |
| <b>Less Adjustments for<br/>Other Funding<br/>Sources:</b>  |                  |        |                   |        |                              |        |  |         |                 |         |               |        |
| <b>Total enacted<br/>appropriations and<br/>budget estimates</b>  | 9                | 2,317  | 14                | 2,700  | 2                            | 291    | (12)                                     | (2,409) | (12)            | (2,409) | 0             | 0      |

# Department of Homeland Security

## *Analysis and Operations*

### *Analysis and Operations Appropriation*

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Fiscal Year 2009

Congressional Justification Overview

**i: Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security**  
**Analysis and Operations \*/**  
 Summary of FY 2009 Budget Estimates by Appropriation  
 Total Appropriations  
 (Dollars in Thousands)

| Budget Activity   | FY 2007<br>Actual <sup>2</sup> |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|---|--------------------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|   |                                |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|   | FTE                            | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Analysis and Operations <sup>1</sup>                                    | 341                            | \$300,000        | 518                | \$306,000        | 594                | \$333,521        | 76                                       | \$27,521        | 38              | \$21,195        | 38                  | \$6,326        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>            | <b>341</b>                     | <b>\$300,000</b> | <b>518</b>         | <b>\$306,000</b> | <b>594</b>         | <b>\$333,521</b> | <b>76</b>                                | <b>\$27,521</b> | <b>38</b>       | <b>\$21,195</b> | <b>38</b>           | <b>\$6,326</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                     |                                |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
| Rescission of Prior Year funding pursuant to P.L. 110-161. <sup>3</sup> |                                |                  |                    | \$[8,700]        |                    |                  |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                 | <b>341</b>                     | <b>\$300,000</b> | <b>518</b>         | <b>\$306,000</b> | <b>594</b>         | <b>\$333,521</b> | <b>76</b>                                | <b>\$27,521</b> | <b>38</b>       | <b>\$21,195</b> | <b>38</b>           | <b>\$6,326</b> |

<sup>1</sup> -- A portion of the funding is classified.

<sup>2</sup> FY 2007 includes FY 2006 Carryover funds of \$24M.

<sup>3</sup> The FY 2008 enacted level, net of the \$8.7million rescission enacted in P.L. 110-161 is \$297 million.

## ii: Homeland and Non-Homeland Allocation

**Department of Homeland Security**  
**Analysis and Operations \*/**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | 2007<br>Actuals <sup>2</sup> |                |              |            |            |                | 2008<br>Enacted |                |              |            |            |                | 2009<br>Request |                |              |            |            |                |
|---|------------------------------|----------------|--------------|------------|------------|----------------|-----------------|----------------|--------------|------------|------------|----------------|-----------------|----------------|--------------|------------|------------|----------------|
|   | Homeland                     |                | Non-Homeland |            | Total      |                | Homeland        |                | Non-Homeland |            | Total      |                | Homeland        |                | Non-Homeland |            | Total      |                |
|   | FTE                          | Amount         | FTE          | Amount     | FTE        | Amount         | FTE             | Amount         | FTE          | Amount     | FTE        | Amount         | FTE             | Amount         | FTE          | Amount     | FTE        | Amount         |
| Analysis and Operations <sup>1</sup>                                    | 341                          | \$300,000      | ---          | ---        | 341        | \$300,000      | 518             | \$306,000      | ---          | ---        | 518        | \$306,000      | 594             | \$333,521      | ---          | ---        | 594        | \$333,521      |
| Rescission of Prior Year funding pursuant to P.L. 110-161. <sup>3</sup> |                              |                |              |            |            |                |                 | [\$8,700]      |              |            |            | [\$8,700]      |                 |                |              |            |            |                |
| <b>Total Direct Appropriations and Budget Estimates</b>                 | <b>341</b>                   | <b>300,000</b> | <b>---</b>   | <b>---</b> | <b>341</b> | <b>300,000</b> | <b>518</b>      | <b>306,000</b> | <b>---</b>   | <b>---</b> | <b>518</b> | <b>306,000</b> | <b>594</b>      | <b>333,521</b> | <b>---</b>   | <b>---</b> | <b>594</b> | <b>333,521</b> |

<sup>1</sup> -- A portion of the funding is classified.

<sup>2</sup> FY 2007 includes FY 2006 Carryover funds of \$24M.

<sup>3</sup> The FY 2008 enacted level, net of the \$8.7million rescission enacted in P.L. 110-161 is \$297 million.

**iii. Status of Congressionally Requested Studies, Reports, and Evaluation**

**Department of Homeland Security  
Analysis and Operations**

| <b>Fiscal Year</b> | <b>Due Date</b> | <b>Reference/Citation</b>            | <b>Requirement</b>  | <b>Status</b>  |
|--------------------|-----------------|--------------------------------------|---|--|
| 2007               | 11/15/2007      | House Report 109-476, Title I, p. 20 | The Committee notes that understanding the threats facing the Nation is essential for prudent budgeting of scarce resources, and directs IA to continue providing the Committee quarterly threat briefings.   | The Senate Appropriations Committee brief is schedule for January 31, 2008. The House Appropriations Committee To Be Determined.   |
| 2007               | 7/1/2007        | House Report 110-60, Title I, p. 181 | The Committee directs the Department's Chief Intelligence Officer to provide a quarterly update on the progress establishing State and local fusion centers, including the number and locations of operational facilities; the number of Department of Homeland Security employees located at these facilities; the privacy protections policies of each facility, civil rights, and civil liberties standards; and the number and location of local law enforcement agents approved to receive and review classified intelligence information. | The first report will be submitted to the Committee by January 31, 2008. The remaining quarterly reports are schedule to be submitted to Committee 45 days after close of each quarter.                          |
| 2007               | 4/4/2007        | House Report 109-476, Title I, p. 20 | The Committee expects IA to expend unobligated personnel resources on recruitment and training, including fellowships and other tools deemed necessary and to report to the Committee bi-annually on its efforts.   | The first report is currently being routed through Departmental clearances and anticipates submitting to Committee February 2008. The remaining bi-annually report to Committee submission date To Be Determine. |

|      |           |                               |   |  |
|------|-----------|-------------------------------|---|--|
| 2008 | 3/26/2008 | House Report 2764, Division E | The Committee expects the Department to effectively manage security risks associated with the 2010 Vancouver Olympic and Paralympic Games, and direct the Secretary to submit a report as described in section 552 of the Senate bill to the House and Senate Committees listed in that section.  | The report will be submitted to the Committee on March 26, 2008.               |
| 2008 | 2/29/2008 | House Report 2764, Division E | The Committee includes a statutory restriction on the obligations of funds for operation of either the National Immigration Information Sharing Operation (NIISO) or the National Applications Office (NAO) until the Secretary certifies these program comply with all existing laws, including all applicable privacy and civil liberties standards, with the certification reviewed by the Government Accountability Office (GAO). Further, the Under Secretary for Intelligence and Analysis is required to submit the Standard Operating Procedure documents for these programs to the Committees on Appropriations no later than 60 days after the enactment of this Act. | The report will be submitted to the Committee on February 2008.                |
| 2008 | 5/31/2008 | House Report 2764, Division E | The Committee directs the Under Secretary for Intelligence and Analysis, in coordination with the Director of National Intelligence, is directed to develop a Homeland Security Intelligence Estimate, as required in the House report.   | The report will be submitted to the Committee May 2008.                        |
| 2008 |           | House Report 2764, Division E | The Committee directs the Department to provide monthly budget execution and obligations reports, by program, project, and activity, on the classified resources made available by this Act, as required in the Senate report.  | The report will be submitted to Committee within 45 days at end of each month. |

|      |  |                                  |  |   |
|------|--|----------------------------------|--|---|
| 2008 |  | House Report 2764,<br>Division E | The Committee directs the Under Secretary for Intelligence and Analysis to provide the Committees on Appropriations an expenditure plan for the Office of Intelligence and Analysis, as proposed by the Senate. That report is to include an analysis of all new requirements enacted in the 9/11 Act, as well as the estimated costs and available resources to implement those requirements in fiscal year 2008 and subsequent fiscal years. | The report will be submitted to Committee May 2008. |
|------|--|----------------------------------|--|---|

**Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security  
Analysis and Operations**

**Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity  
(Dollars in Thousands)**

| Budget Activity                |                            |                  |   |                 |
|--------------------------------|----------------------------|------------------|---|-----------------|
|                                | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | FY 2009 Request |
|                                | Fiscal Year                | Amount           | Amount                                      | Amount          |
| and Operations 1/              | N/A                        | N/A              | N/A   | \$333,521       |
| ct Authorization/Appropriation |                            |                  |   | \$333,521       |

-161 for intelligence activities only.

# Department of Homeland Security

## *Analysis and Operations*

### *Analysis and Operations Appropriation*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## ANALYSIS AND OPERATIONS

### I. Appropriation Overview

#### **A. Mission Statement for Analysis and Operations:**

The Analysis and Operations appropriation provides the resources for the Office of Intelligence and Analysis and the Office of Operations Coordination that enable the critical support necessary to ensure the protection of American lives, economy and property by improving the analysis and sharing of threat information. Specific protective measures and countermeasures necessary to support this mission are developed with input from Federal, State, local and private partners.

#### **B. Budget Activities:**

*Office of Intelligence and Analysis (I&A)* – I&A is responsible for the Department’s intelligence and information gathering and sharing capabilities for and among all components of DHS. As a member of the U.S. Intelligence Community (IC), I&A is the nexus between the nation’s intelligence apparatus and DHS components. I&A ensures that information is gathered from all relevant DHS field operations and that this information is shared with the IC to produce accurate, timely and actionable analytical intelligence products and services for DHS stakeholders. The Under Secretary for Intelligence and Analysis (USIA) leads I&A, and is also the Department’s Chief Intelligence Officer (CINT) responsible for managing the entire DHS Intelligence Enterprise.

*Office of Operations Coordination (OPS)* – The mission of the Office of Operations Coordination is to integrate DHS and interagency operations and planning to prevent, protect, respond to and recover from terrorist threats attacks or threats from other man-made/natural disasters. OPS disseminates threat information, maintains and disseminates domestic situational awareness, performs incident management and operational coordination among all DHS components, Federal, state, local, tribal, private sector and international partners’ to facilitate a coordinated and efficient effort to secure the Homeland against all threats and hazards.

#### **C. Budget Request Summary:**

Analysis and Operations requests 621 positions, 594 FTE, and \$333,521,000 for FY 2009. The total adjustments-to-base is 38 FTE and \$6,326,000. The program increases include 65 positions, 38 FTE, and \$21,195,000.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

**Department of Homeland Security**  
**Analysis and Operations**  
**Analysis and Operations**  
 Summary of FY 2009 Budget Estimates by Program/Project Activity  
 (Dollars in Thousands)

| Program/Project Activity  | FY 2007<br>Actual <sup>2</sup> |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|---|--------------------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|   |                                |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|   | FTE                            | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Analysis and Operations <sup>1</sup>                                    | 341                            | \$300,000        | 518                | \$306,000        | 594                | \$333,521        | 76                                       | \$27,521        | 38              | 21,195          | 38                  | \$6,326        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b>            | <b>341</b>                     | <b>\$300,000</b> | <b>518</b>         | <b>\$306,000</b> | <b>594</b>         | <b>\$333,521</b> | <b>76</b>                                | <b>\$27,521</b> | <b>38</b>       | <b>\$21,195</b> | <b>38</b>           | <b>\$6,326</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>                     |                                |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
| Rescission of Prior Year funding pursuant to P.L. 110-161. <sup>3</sup> |                                |                  |                    | [8,700]          |                    |                  |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>                 | <b>341</b>                     | <b>\$300,000</b> | <b>518</b>         | <b>\$306,000</b> | <b>594</b>         | <b>\$333,521</b> | <b>76</b>                                | <b>\$27,521</b> | <b>38</b>       | <b>\$21,195</b> | <b>38</b>           | <b>\$6,326</b> |

<sup>1</sup> -- A portion of the funding is classified.

<sup>2</sup> FY 2007 includes FY 2006 Carryover funds of \$24M.

<sup>3</sup> The FY 2008 enacted level, net of the \$8.7million rescission enacted in P.L. 110-161 is \$297 million.

### **III. Current Services Program Description by PPA**

[Reference classified Analysis and Operations Annex]

#### **IV. Program Justification of Changes**

[Reference classified Analysis and Operations Annex]

**V. Exhibits and Other Supporting Materials**

**A. Justification of Proposed Legislative Language**

**Department of Homeland Security  
Analysis and Operations  
Justification of Proposed Changes in Appropriation Name  
Appropriation Language**

For necessary expenses for information analysis and operations coordination activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), [\$306,00,000,] [to remain available until September 30, 2009] **\$333,521,000**, of which not to exceed \$5,000 shall be for official reception and representation expenses; *[Provided, That of the amounts made available under this heading in Public Law 109-295, \$8,700,000 are rescinded]; and of which \$220,621,000 shall remain available until September 30, 2010.* (Department of Homeland Security Appropriations Act, 2008.).

B. FY 2008 to FY 2009 Budget Change

**Department of Homeland Security**  
**Analysis and Operations \*/**  
**Analysis and Operations**  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>FY 2007 Actual .....</b>                                   | <b>373</b>  | <b>341</b> | <b>\$275,888</b> |
| <b>2008 Enacted.....</b>                                      | <b>546</b>  | <b>518</b> | <b>306,000</b>   |
| <b>Adjustments-to-Base</b>                                    |             |            |                  |
| <b>Increases</b>  |             |            |                  |
| Annualization of prior year part year funding.....            | ---         | 28         | 3,710            |
| Annualization of 2008 pay raise.....                          | ---         | ---        | 580              |
| 2009 pay increase.....  | ---         | ---        | 1,443            |
| GSA Rent.....   | ---         | ---        | 1,378            |
| Non-pay inflation excluding GSA Rent.....                     | ---         | ---        | 5,078            |
| Contractor to FTE Conversion                                  | 10          | 10         | 1,192            |
| <b>Total Increases.....</b>                                   | <b>10</b>   | <b>38</b>  | <b>13,381</b>    |
| <b>Decreases</b>  |             |            |                  |
| Cost Savings realized from Converting Contractors to FTE..... | ---         | ---        | (1,930)          |
| Management and Technology Efficiencies.....                   | ---         | ---        | (5,125)          |
| <b>Total Decreases.....</b>                                   | <b>---</b>  | <b>---</b> | <b>(7,055)</b>   |
| <b>Total Adjustments-to-Base.....</b>                         | <b>10</b>   | <b>38</b>  | <b>6,326</b>     |
| <b>2009 Current Services.....</b>                             | <b>556</b>  | <b>556</b> | <b>312,326</b>   |
| <b>Program Changes</b>  |             |            |                  |
| Program Increases/(Decreases)                                 |             |            |                  |
| Analysis and Operations.....                                  | 65          | 38         | 21,195           |
| <b>Total Program Changes.....</b>                             | <b>65</b>   | <b>38</b>  | <b>21,195</b>    |
| <b>2009 Request.....</b>                                      | <b>621</b>  | <b>594</b> | <b>333,521</b>   |
| <b>2008 to 2009 Total Change.....</b>                         | <b>75</b>   | <b>76</b>  | <b>27,521</b>    |

\*/ -- A portion of the funding is classified.

### C. Summary of Requirements

**Department of Homeland Security  
Analysis and Operations  
Analysis and Operations  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |            |                |
|--|--------------|------------|----------------|
|  | Perm. Pos.   | FTE        | Amount         |
| <b>FY 2007 Actual</b>  |              | 341        | \$275,888      |
| <b>2008 Enacted<sup>2</sup></b>  |              | 518        | 306,000        |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |            |                |
| Transfers  | ---          | ---        | ---            |
| Increases  | 10           | 38         | 13,381         |
| Decreases  | ---          | ---        | (7,055)        |
| Total Adjustments-to-Base  |              | 38         | 6,326          |
| <b>2009 Current Services</b>   |              | 556        | 312,326        |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              | 38         | 21,195         |
| <b>2009 Total Request</b>  |              | <b>594</b> | <b>333,521</b> |
| 2008 to 2009 Total Change  |              | 76         | 27,521         |

| Estimates by Program/Project Activity | 2008 Enacted |           |                  | 2009 Adjustments-to-Base |           |                | 2009 Program Change |           |                 | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                 |
|---------------------------------------|--------------|-----------|------------------|--------------------------|-----------|----------------|---------------------|-----------|-----------------|--------------|------------|------------------|---------------------------|-----------|-----------------|
|                                       | Pos.         | FTE       | Amount           | Pos.                     | FTE       | Amount         | Pos.                | FTE       | Amount          | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount          |
| 1 Analysis and Operations             | 546          | 26        | \$306,000        | 10                       | 38        | \$6,326        | 65                  | 38        | \$ 21,195       | 621          | 594        | \$333,521        | 75                        | 76        | \$27,521        |
| <b>Total</b>                          | <b>546</b>   | <b>26</b> | <b>\$306,000</b> | <b>10</b>                | <b>38</b> | <b>\$6,326</b> | <b>65</b>           | <b>38</b> | <b>\$21,195</b> | <b>621</b>   | <b>594</b> | <b>\$333,521</b> | <b>75</b>                 | <b>76</b> | <b>\$27,521</b> |

<sup>1</sup> -- A portion of the funding is classified.

<sup>2</sup> The FY 2008 enacted level, net of the \$8.7 million rescission enacted in P.L. 110-161 is \$297 million.

**D. Summary of Reimbursable Resources**

[Reference classified Analysis and Operations Annex]

**E. Summary of Requirements By Object Class**  
**Department of Homeland Security**  
**Analysis and Operations \*/**  
**Analysis and Operations**  
Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes                                      | FY 2007<br>Actual | 2008<br>President's Budget | 2009<br>Request  | 2008 - 2009<br>Change |
|---|-------------------|----------------------------|------------------|-----------------------|
| 11.1 Total FTE & personnel compensation             | \$34,373          | \$52,117                   | \$59,307         | \$7,190               |
| 11.3 Other than full-time permanent                 | 391               | 569                        | 943              | 374                   |
| 11.5 Other Personnel Compensation                   | 211               | 331                        | 630              | 299                   |
| 11.6 Overtime                                       | 128               | 185                        | 437              | 252                   |
| 11.7 Awards   | 405               | 404                        | 726              | 322                   |
| 12.1 Benefits                                       | 9,406             | 12,740                     | 14,640           | 1,900                 |
| <b>Total, Personnel Comp. &amp; Benefits</b>        | <b>\$44,914</b>   | <b>\$66,346</b>            | <b>\$76,683</b>  | <b>\$10,337</b>       |
| Other Object Classes:                               |                   |                            |                  |                       |
| 21.0 Travel   | 1,964             | 3,003                      | 3,381            | 378                   |
| 22.0 Transportation of things/Shipping              | 156               | 460                        | 472              | 12                    |
| 23.1 GSA rent                                       | 6,949             | 8,816                      | 10,195           | 1,379                 |
| 23.2 Other rent/rental of space                     | 387               | 710                        | 788              | 78                    |
| 23.7 Equipment Rental/Lease                         | 137               | 137                        | 164              | 27                    |
| 24.0 Printing and reproduction                      | 8                 | 8                          | 8                | ---                   |
| 25.1 Advisory and assistance services               | 163,289           | 154,749                    | 150,701          | (4,048)               |
| 25.2 Other services/Misc. Service Contracts         | 15,027            | 15,477                     | 15,941           | 464                   |
| 25.3 Purchases of goods & svcs. from Gov't accounts | 54,094            | 54,540                     | 54,650           | 110                   |
| 25.4 Operation & maintenance of facilities          | 1,804             | 1,336                      | 1,376            | 40                    |
| 25.7 Operation and maintenance of equipment         | 26,879            | 14,256                     | 14,438           | 182                   |
| 26.0 Supplies and materials                         | 1,300             | 1,335                      | 1,431            | 96                    |
| 26.1 Subscriptions                                  | 34                | 30                         | 32               | 2                     |
| 31.0 Equipment                                      | 9,440             | 7,871                      | 3,262            | (4,609)               |
| <b>Total, Other Object Classes</b>                  | <b>\$281,468</b>  | <b>\$262,728</b>           | <b>\$256,839</b> | <b>(\$5,889)</b>      |
| <b>Total, Direct Obligations</b>                    | <b>\$326,382</b>  | <b>\$329,074</b>           | <b>\$333,522</b> | <b>\$4,448</b>        |
| Unobligated balance, start of year                  | (49,962)          | (23,074)                   | ---              |                       |
| Unobligated balance, end of year                    | 33,243            | ---                        | ---              |                       |
| Recoveries of prior year obligations                | (2,000)           | ---                        | ---              |                       |
| <b>Total requirements</b>                           | <b>\$307,663</b>  | <b>\$306,000</b>           | <b>\$333,522</b> |                       |

\*/ -- A portion of the funding is classified.

## F. Permanent Positions by Grade

### Department of Homeland Security Analysis and Operations \*/ Analysis and Operations Permanent Positions by Grade

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 18             | 25              | 34              | 9                      |
| Total, EX                        | ---            | ---             | ---             | ---                    |
| GS-15                            | 82             | 103             | 115             | 12                     |
| GS-14                            | 148            | 232             | 244             | 12                     |
| GS-13                            | 52             | 74              | 87              | 13                     |
| GS-12                            | 50             | 68              | 82              | 14                     |
| GS-11                            | 20             | 40              | 47              | 7                      |
| GS-10                            | ---            | ---             | ---             | ---                    |
| GS-9                             | 2              | 4               | 11              | 7                      |
| GS-8                             | 1              | ---             | ---             | ---                    |
| GS-7                             | ---            | ---             | 1               | 1                      |
| GS-6                             | ---            | ---             | ---             | ---                    |
| GS-5                             | ---            | ---             | ---             | ---                    |
| GS-4                             | ---            | ---             | ---             | ---                    |
| GS-3                             | ---            | ---             | ---             | ---                    |
| GS-2                             | ---            | ---             | ---             | ---                    |
| Other Graded Positions           | ---            | ---             | ---             | ---                    |
| Ungraded Positions               | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>373</b>     | <b>546</b>      | <b>621</b>      | <b>75</b>              |
| Unfilled Positions EOY           | ---            | 46              | 44              | (2)                    |
| Total Perm. Employment EOY       | ---            | 363             | 396             | 33                     |
| <b>FTE</b>                       | <b>341</b>     | <b>518</b>      | <b>594</b>      | <b>76</b>              |
| Headquarters                     | 373            | 546             | 621             | 75                     |
| U.S. Field                       | ---            | ---             | ---             | ---                    |
| Foreign Field                    | ---            | ---             | ---             | ---                    |
| <b>Total Permanent Positions</b> | <b>373</b>     | <b>546</b>      | <b>621</b>      | <b>75</b>              |
| <b>Average ES Salary</b>         | \$ 145,000     | \$ 155,686      | \$ 159,607      | \$ 3,921               |
| <b>Average GS Salary</b>         | \$ 100,531     | \$ 101,619      | \$ 103,468      | \$ 1,849               |
| <b>Average GS Grade</b>          | 14.00          | 14.00           | 14.00           | ---                    |

\*/ -- A portion of the funding is classified.

**G. Capital Investment and Construction Initiative Listing**

[Not Applicable]

## **H. PPA Budget Justifications**

[Reference Classified Analysis and Operations Annex]

## I. Changes In FTE

**Department of Homeland Security**  
**Analysis and Operations \*/**  
**Analysis and Operations**  
Changes in Full-Time Equivalents

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year                    | 328     | 465     | 518     |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:   |         |         |         |
| Description:   |         |         |         |
| Sub-Total Increases                                      | 137     | 53      | 76      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Description:   |         |         |         |
| Sub-Total Decreases                                      | 0       | 0       | 0       |
| Year-end Actual/Estimated FTEs                           | 465     | 518     | 594     |
| Net Change from prior year base to Budget Year Estimate: |         |         |         |

**J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

**Department of Homeland Security**

**Analysis and Operations \*/**

**Analysis and Operations**

**FY 2009 Schedule of Working Capital Fund by Program/Project Activity**

(Dollars in Thousands)

| Program/Project Activity          | FY 2007<br>Actual | FY 2008<br>Enacted | FY 2009<br>Anticipated | Increase /<br>Decrease for<br>FY 2008 |
|-----------------------------------|-------------------|--------------------|------------------------|---------------------------------------|
|                                   | AMOUNT            | AMOUNT             | AMOUNT                 | AMOUNT                                |
| Analysis and Operations           | \$38,725          | \$37,015           | \$38,833               | \$1,818                               |
| <b>Total Working Capital Fund</b> | <b>\$38,725</b>   | <b>\$37,015</b>    | <b>\$38,833</b>        | <b>\$1,818</b>                        |

\*/ -- A portion of the funding is classified.

**i. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Office of Inspector General**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007             |                  | FY 2008              |                  | FY 2009    |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                |                     |                   |
|--|---------------------|------------------|----------------------|------------------|------------|------------------|--|------------------|-----------------|----------------|---------------------|-------------------|
|  | Actual <sup>1</sup> |                  | Enacted <sup>2</sup> |                  | Request    |                  | Total Changes                            |                  | Program Changes |                | Adjustments-to-Base |                   |
|  | FTE                 | AMOUNT           | FTE                  | AMOUNT           | FTE        | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT         | FTE                 | AMOUNT            |
| Audit, Inspections and Investigations Program                | 550                 | \$103,526        | 551                  | \$108,711        | 577        | \$101,023        | 26                                       | (\$7,688)        | 25              | \$6,400        | 1                   | (\$14,088)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>550</b>          | <b>103,526</b>   | <b>551</b>           | <b>108,711</b>   | <b>577</b> | <b>101,023</b>   | <b>26</b>                                | <b>(7,688)</b>   | <b>25</b>       | <b>6,400</b>   | <b>1</b>            | <b>(14,088)</b>   |
| Recission of prior year unobligated balance per P.L. 110-61  |                     |                  |                      | (32)             |            |                  |  |                  |                 |                |                     |                   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>550</b>          | <b>\$103,526</b> | <b>551</b>           | <b>\$108,679</b> | <b>577</b> | <b>\$101,023</b> | <b>26</b>                                | <b>(\$7,688)</b> | <b>25</b>       | <b>\$6,400</b> | <b>1</b>            | <b>(\$14,088)</b> |

<sup>1</sup> Includes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

**ii: Homeland and Non-Homeland Allocation**

**Department of Homeland Security**  
**Office of Inspector General**  
 Homeland and Non-Homeland Allocation by Program/Project Activity  
 (Dollars in Thousands)

| Budget Activity   | 2007<br>Actual <sup>1</sup> |        |              |           |       |           | 2008<br>Enacted <sup>2</sup> |        |              |           |       |           | 2009<br>Request |        |              |           |       |           |
|---|-----------------------------|--------|--------------|-----------|-------|-----------|------------------------------|--------|--------------|-----------|-------|-----------|-----------------|--------|--------------|-----------|-------|-----------|
|   | Homeland                    |        | Non-Homeland |           | Total |           | Homeland                     |        | Non-Homeland |           | Total |           | Homeland        |        | Non-Homeland |           | Total |           |
|   | FTE                         | Amount | FTE          | Amount    | FTE   | Amount    | FTE                          | Amount | FTE          | Amount    | FTE   | Amount    | FTE             | Amount | FTE          | Amount    | FTE   | Amount    |
| <b>Appropriation 1</b>                                  |                             |        |              |           |       |           |                              |        |              |           |       |           |                 |        |              |           |       |           |
| Audit, Inspections and Investigations Program           | ---                         | \$0    | 550          | \$103,526 | 550   | \$103,526 | ---                          | \$0    | 551          | \$108,711 | 551   | \$108,711 | ---             | \$0    | 577          | \$101,023 | 577   | \$101,023 |
| <b>Total Direct Appropriations and Budget Estimates</b> | ---                         | \$0    | 550          | \$103,526 | 550   | \$103,526 | ---                          | \$0    | 551          | \$108,711 | 551   | \$108,711 | ---             | \$0    | 577          | \$101,023 | 577   | \$101,023 |

iii. Status of Congressionally Requested Studies, Reports, and Evaluation

**Department of Homeland Security  
Office of Inspector General**

| Fiscal Year | Due Date  | Reference/Citation                     | Requirement   | Status |
|-------------|-----------|--|---|--------|
| 2008        | 4/1/2008  | P.L. 110-161                           | <p>Requires the IG to investigate Coast Guard's (CG) role in the M/V Cosco Busan oil spill in San Francisco Bay on November 7,2007, including the difficulties faced when ships transit ports in heavy fog; proper standard operating procedures watchstanders at the vessel traffic services San Francisco control center should follow when observing a ship to be on a course that may lead to a collision or allision; whether the Unified Command effectively managed the resources available to CG related to containment and remediation of the spill; whether the rapid response plan for the treatment of marine resources, wildlife and fisheries required by the Oil Pollution Act of 1990 was followed and was adequate to guide this aspect of the response; and whether the Area Response Plan contains provisions adequate to guide the response to a spill of the type encountered in this allision, and whether these provisions were followed during the response to this incident. The investigation should specifically address unacceptable delays in the reporting of information to local authorities the day of the incident, the impact of those delays on the response</p> <p>and the adequacy of CG's initial investigation of the allision. In addition, the investigation should review CG's initial investigation of the allision. In addition, the investigation should review CG's existing emergency response capabilities in San Francisco Bay and make recommendations regarding needed improvements and should include whether recent reorganizations at CG contributed to any response delays. The conferees direct the IG to submit a report no later than April 1,2008, setting forth the conclusions of this investigation.</p> |        |
| 2008        | 5/26/2008 | Senate Report 110-84                   | <p>In fiscal year 2007, the Committee received a Government Accountability Office [GAO] Report (GAO-07-529) which reviewed U.S. Customs and Border Protection [CBP] revenue oversight. The Committee learned CBP needs to improve workforce planning and accountability. The Committee includes \$1,200,000 for the Inspector General to conduct CBP revenue oversight.</p>   |        |
| 2008        | 5/26/2008 | P.L. 110-161                           | <p>Requires the IG to investigate Federal Management Agency's (FEMA) policies and processes regarding formaldehyde in trailers purchased by the agency to house disaster victims. The IG shall investigate the process used by FEMA to collect and respond to health and safety concerns of trailer occupants; whether FEMA adequately notified occupants of potential health and safety concerns; and whether FEMA has proper controls in and processes in place to deal with health and safety concerns of those living in trailers following disasters. The IG is to report its findings to the Committees on Appropriations, including any recommendations.</p>   |        |
| 2008        | 5/26/2008 | P.L. 110-161 (originated as SR 110-84) | <p>The Senate Report 110-84 directs the IG to evaluate the Department's FOIA program, staffing levels, and the adequacy of resources to determine if the program can be operated in a more efficient and cost effective manner at the department and component level. The Senate report requested that the IG conduct the FOIA evaluation, but the Committees on Appropriations believe a GAO evaluation is more appropriate to allow DHS' FOIA program to be compared with other executive branch agency FOIA programs.</p>  |        |
| 2008        | 5/26/2008 | P.L. 110-161                           | <p>The 2007 Continuing Resolution continued the government-wide provision prohibiting an executive branch agency from producing any prepackaged news story intended for broadcast or distribution in the United States, unless the prepackaged news story contains clear notification that the story was produced and funded by the Federal government. Given the recent revelation of a staged press conference in FEMA, the Inspector General is directed to audit DHS' compliance with this provision.</p>   |        |

|      |           |              |  |  |
|------|-----------|--------------|--|--|
| 2008 | 5/26/2008 | P.L. 110-161 | Requires the IG to report on the vulnerabilities that exist to our aviation system if the Secure Flight program does not screen against the full terrorism watch list. The Committees on Appropriations are concerned that, even with the Secure Flight program, the Transportation Security Administration plans to continue to screen passenger names against only a subset of the full terrorist watch list.  |  |
| 2008 | 5/26/2008 | P.L. 110-161 | Requires the IG to review departmental contracts awarded thorough other than full and open competition. Also, the appropriations bill includes a new provision proposed by the House prohibiting the obligation of funds to the Office of Secretary and Executive Management, the Office of the Under Secretary for Management, and the Office of the Chief Financial Officer for grants or contracts awarded by any means other than full and open competition. Certain exceptions apply. The amended bill requires the IG to review Departmental contracts awarded noncompetitively and report on the results. |  |

**iv: Schedule of Authorized/Unauthorized Appropriations by PPA**

**Department of Homeland Security**

**Office of Inspector General**

Schedule of Authorized/Unauthorized Appropriations by Program Project/Activity

(Dollars in Thousands)

| Budget Activity                                 |                            |                  |   |                  |
|---|----------------------------|------------------|---|------------------|
|   | Last Year of Authorization | Authorized Level | Appropriation in Last Year of Authorization | FY 2009 Request  |
|   | Fiscal Year                | Amount           | Amount                                      | Amount           |
| Audit, Inspections and Investigations Program   | N/A                        | N/A              | N/A   | \$101,023        |
| <b>Total Direct Authorization/Appropriation</b> | N/A                        | N/A              | N/A   | <b>\$101,023</b> |

# Department of Homeland Security

*Office of Inspector General*

*Audit, Inspections and Investigations Program*

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Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## OFFICE OF INSPECTOR GENERAL AUDIT, INSPECTIONS AND INVESTIGATIONS PROGRAM

### I. Appropriation Overview

The DHS Office of Inspector General (OIG) was established by the *Homeland Security Act 2002* (P.L. 107-296), by amendment to the *Inspector General Act of 1978*. The Inspector General (IG) has a dual reporting responsibility, to the Secretary of Homeland Security and to the Congress. The OIG serves as an independent and objective inspection, audit, and investigative body to promote economy, efficiency, and effectiveness in DHS programs and operations, and to prevent and detect fraud, waste, and abuse in such programs and operations. For FY 2009, the OIG is requesting, 602 positions, 577 full time equivalent (FTE) and \$101.0 million. The request includes 1 FTE and \$1.9 million for adjustments-to-base, and a program increase of 25 FTE and \$6.4 million.

### A. Mission Statement for the Office of Inspector General:

The IG is responsible for conducting and supervising audits, investigations, and inspections relating to the programs and operations of the Department. The OIG examines, evaluates and, where necessary, critiques these operations and activities, recommending ways for the Department to carry out its responsibilities in the most economical, efficient, and effective manner possible.

In addition, the OIG is responsible for the oversight of the management and expenditures of all contracts, grants, and governmental operations related to the on-going hurricane relief efforts. This oversight is to be accomplished through internal control reviews and contract audits to ensure appropriate control and use of disaster assistance funding. The OIG will ensure this oversight encompasses an aggressive and on-going audit and investigative effort designed to identify and address fraud, waste, and abuse as early as possible. The OIG will also coordinate audit activities of other inspector generals, who oversee funds transferred to their respective departments and agencies by FEMA to aid in disaster relief assistance.

### B. Budget Activities:

**Audit, Inspections and Investigations Program** - The OIG has one budget activity which consists of the following components:

*Executive Office:* This office consists of the IG, the Deputy IG, a congressional liaison and media affairs officer, an executive assistant, and support staff. It provides executive leadership to the OIG with 6 FTE employees.

*Office of Counsel to the Inspector General:* The Office of Counsel to the IG provides legal advice to the IG; supports audits, inspections, and investigations by ensuring that applicable laws and regulations

are followed; is the OIG's designated ethics office; manages the OIG's *Freedom of Information Act* and *Privacy Act* responsibilities; and furnishes attorney services for the issuance and enforcement of OIG subpoenas, *False Claims Act* and *Civil Monetary Penalty Act* claims, as well as suspension and debarment actions. The office has 12 FTEs.

*Office of Audits:* The Office of Audits conducts and coordinates audits and program evaluations of the management and financial operations of DHS. Auditors examine the methods employed by agencies, bureaus, grantees, and contractors in carrying out essential programs or activities. Audits evaluate whether established goals and objectives are achieved and resources are used economically and efficiently; whether intended and realized results are consistent with laws, regulations, and good business practice; and whether financial accountability and the reliability of financial statements are ensured. The office has 146 FTEs.

*Office of Emergency Management:* The Office of Emergency Management (formerly the Office Disaster Assistance Oversight) provides an aggressive and ongoing audit and investigative effort designed to ensure that disaster relief funds are being spent appropriately, while identifying fraud, waste, and abuse as early as possible. There are 40 to 60 Presidential disaster declarations each year and hundreds of open disasters. The office will continue its proactive and aggressive disaster oversight activities working with DHS/FEMA to ensure accountability and identify and resolve potential problems before they occur. The office will focus on internal controls, grant and contract audits, performance reviews, congressional requests, and special projects covering all FEMA programs and operations. The office coordinates with other Federal Inspector General Offices, meets with state and local officials on audit and investigative matters, and advises contractors and grantees on compliance requirements. The office has 75 FTEs supplemented by temporary and term employees as needed to cover disaster surges, including a continued presence in the gulf coast area.

*Office of Inspections:* The Office of Inspections compliments the work of the OIG by providing quick reviews of those DHS programs and operations that are of pressing interest to Department managers, the Congress, or the IG. The Office of Inspections' reviews crosscut all DHS programs and operations. This office has 41 FTEs.

*Office of Information Technology:* The Office of Information Technology conducts audits and evaluations of DHS' information management, cyber infrastructure, and systems integration activities. The office reviews the cost effectiveness of acquisitions, implementation, and management of major systems, and telecommunications networks across DHS. In addition, it evaluates the systems and related architectures of DHS to ensure they are effective, efficient, and implemented according to applicable policies, standards, and procedures. The office also assesses DHS' information security program as mandated by the *Federal Information Security Management Act (FISMA)*. This office has 42 FTEs.

*Office of Investigations:* The Office of Investigations conducts investigations into allegations of criminal, civil, and administrative misconduct involving DHS employees, contractors, and grantees. This office examines specific allegations, reports, or other information indicating possible violations of laws or regulations. Additionally, it monitors the investigative activity of the Department's various internal affairs offices. This office has 188 FTEs, of which approximately 25 are currently dedicated to the work generated by Hurricanes Katrina and Rita. This office also has 19 temporary employees dedicated to Gulf Coast hurricane recovery operations.

*Office of Administration:* The Office of Administration provides critical administrative support functions, including OIG strategic planning; development and implementation of administrative directives; the OIG's information and office automation systems; budget formulation and execution; correspondence; printing, and distribution of OIG reports; and oversight of the personnel, procurement, travel, and accounting services provided to the OIG, on a reimbursable basis, by the Bureau of Public Debt. The office also prepares the OIG's annual performance plans and the Semiannual Reports to the Congress. This office has 41 FTEs.

**C. Budget Request Summary:**

The OIG is requesting 602 positions, 577 FTE and \$101.023 million for FY 2009. The program increases include 50 positions, 25 FTE and \$6.4 million. The adjustments-to-base are for 1 FTE and \$1.9 million.

**II-A. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Office of Inspector General**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actual <sup>1</sup> |                 | FY 2008<br>Enacted <sup>2</sup> |                 | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                |                 |                |                     |                |
|--|--------------------------------|-----------------|---------------------------------|-----------------|--------------------|------------------|--|----------------|-----------------|----------------|---------------------|----------------|
|  |                                |                 |                                 |                 |                    |                  | Total Changes                            |                | Program Changes |                | Adjustments-to-Base |                |
|  | FTE                            | AMOUNT          | FTE                             | AMOUNT          | FTE                | AMOUNT           | FTE                                      | AMOUNT         | FTE             | AMOUNT         | FTE                 | AMOUNT         |
| Audit, Inspections and Investigations Program                | 550                            | \$85,120        | 551                             | \$92,711        | 577                | \$101,023        | 26                                       | \$8,312        | 25              | \$6,400        | 1                   | \$1,912        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>550</b>                     | <b>85,120</b>   | <b>551</b>                      | <b>92,711</b>   | <b>577</b>         | <b>101,023</b>   | <b>26</b>                                | <b>8,312</b>   | <b>25</b>       | <b>6,400</b>   | <b>1</b>            | <b>1,912</b>   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>550</b>                     | <b>\$85,120</b> | <b>551</b>                      | <b>\$92,711</b> | <b>577</b>         | <b>\$101,023</b> | <b>26</b>                                | <b>\$8,312</b> | <b>25</b>       | <b>\$6,400</b> | <b>1</b>            | <b>\$1,912</b> |

<sup>1</sup> Excludes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup> Excludes the \$16.0M transfer from the Disaster Relief Fund and rescission of prior-year unobligated balances.

**II-B. Summary of FY 2009 Budget Estimates by Appropriation**

**Department of Homeland Security  
Office of Inspector General**  
Summary of FY 2009 Budget Estimates by Appropriation  
Total Appropriations  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actual <sup>1</sup> |                  | FY 2008<br>Enacted <sup>2</sup> |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                  |                 |                |                     |                   |
|--|--------------------------------|------------------|---------------------------------|------------------|--------------------|------------------|--|------------------|-----------------|----------------|---------------------|-------------------|
|  |                                |                  |                                 |                  |                    |                  | Total Changes                            |                  | Program Changes |                | Adjustments-to-Base |                   |
|  | FTE                            | AMOUNT           | FTE                             | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT           | FTE             | AMOUNT         | FTE                 | AMOUNT            |
| Audit, Inspections and Investigations Program                | 550                            | \$103,526        | 551                             | \$108,711        | 577                | \$101,023        | 26                                       | (\$7,688)        | 25              | \$6,400        | 1                   | (\$14,088)        |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>550</b>                     | <b>103,526</b>   | <b>551</b>                      | <b>108,711</b>   | <b>577</b>         | <b>101,023</b>   | <b>26</b>                                | <b>(7,688)</b>   | <b>25</b>       | <b>6,400</b>   | <b>1</b>            | <b>(14,088)</b>   |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>550</b>                     | <b>\$103,526</b> | <b>551</b>                      | <b>\$108,711</b> | <b>577</b>         | <b>\$101,023</b> | <b>26</b>                                | <b>(\$7,688)</b> | <b>25</b>       | <b>\$6,400</b> | <b>1</b>            | <b>(\$14,088)</b> |

<sup>1</sup> Includes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup> Includes the \$16.0M transfer from the Disaster Relief Fund.

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Office of Inspector General**  
**Audit, Inspections and Investigations Program**  
**Program Performance Justification**

(Dollars in thousands)

#### PPA: AUDIT, INSPECTIONS AND INVESTIGATIONS PROGRAM

|                                       | Perm |     |           |
|---------------------------------------|------|-----|-----------|
|                                       | Pos  | FTE | Amount    |
| 2007 Actual <sup>1</sup>              | 519  | 550 | \$103,526 |
| 2008 Enacted <sup>2</sup>             | 552  | 551 | 108,711   |
| 2009 Adjustments-to-Base <sup>3</sup> | 0    | 1   | (14,088)  |
| 2009 Current Services                 | 552  | 552 | 94,623    |
| 2009 Program Change                   | 50   | 25  | 6,400     |
| 2009 Request                          | 602  | 577 | 101,023   |
| Total Change 2008-2009                | 50   | 26  | (7,688)   |

1 Includes actual obligations associated with the transfer and the supplemental transfers from the Disaster Relief Fund.

2 Includes the \$16.0 million transfer from the Disaster Relief Fund. Technical correction for number of positions.

3 Includes an adjustment for the \$16.0 million transfer from the Disaster Relief Fund for FY 2008. Technical correction for number of positions.

For FY 2009, the Office of Inspector General requests \$101.0 million for this activity. This is a decrease of \$7.656 million over FY 2008 for pay and non-pay inflation, adjustments-to-base, an adjustment for a non-recurring transfer from the Disaster Relief Fund (\$16.0M), as well as a program increase. The requested resources, \$6.4 million, will provide additional staff: to increase OIG oversight of DHS preparedness programs, through audits of preparedness grant programs, science and technology programs, and department-wide programs that establish the Department's baseline preparedness efforts; and to strengthen OIG oversight of DHS border security and enforcement programs through a proactive program of audits and on-going oversight of the policies, and initiatives and funds to secure the nation's borders.

#### **CURRENT SERVICES PROGRAM DESCRIPTION:**

The OIG's key legislated responsibilities are to:

- Promote economy, efficiency, and effectiveness in the management of the Department's programs and supporting operations;
- Conduct and supervise audits, investigations, and reviews relating to the Agency's programs and support operations;
- Detect and prevent fraud, waste, and abuse;
- Review existing and proposed legislation and regulations and make appropriate recommendations;
- Maintain effective working relationships with other federal, state, and local governmental agencies, and non-governmental entities regarding the mandated duties of the IG;

- Inform the Secretary of the DHS and the Congress of serious problems and recommend corrective actions and implementation measures;
- Comply with the audit standards of the Comptroller General of the Government Accountability Office (GAO); avoid duplication of GAO activities; and
- Report violations of federal criminal law to the U.S. Attorney General.

Anticipated FY 2009 performance is described below.

- Audit - Barring any increases in our current services level, Office of Audits' plans include issuing 42 program and financial audits during FY 2008. OIG anticipates that this will include a carryover of 12 program audits into FY 2009. The OIG will continue to work closely with DHS management and congressional oversight committees to identify potential audit work that will promote the economy, efficiency, and effectiveness of departmental programs and operations.
- Office of Emergency Management Oversight (EMO) – The Office of Emergency Management Oversight (formerly the Office of Disaster Assistance Oversight) provides an aggressive and ongoing audit and investigative effort designed to ensure that disaster relief funds are being spent appropriately, while identifying fraud, waste, and abuse as early as possible. There are 40 to 60 Presidential disaster declarations each year and hundreds of open disasters. The office will continue its proactive and aggressive disaster oversight activities working with DHS/FEMA to ensure accountability, and identify and resolve potential problems before they occur. The office will focus on internal controls, grant and contract audits, performance reviews, congressional requests, and special projects covering all FEMA programs and operations. The office coordinates with other Federal Inspector General Offices, meets with state and local officials on audit and investigative matters, and advises contractors and grantees on compliance requirements.
- Information Technology (IT) - In FY 2009, OIG's IT office will continue to evaluate the Department's progress in establishing a cost-effective and secure information technology infrastructure. Specifically, IT will assess the progress DHS is making in consolidating its myriad networks and implementing a standard IT platform across the Department. In addition, IT will evaluate the effectiveness of DHS' strategies and tools for sharing intelligence information with key stakeholders in the intelligence community; DHS' programs to protect privacy; and, DHS' efforts to implement a border security system and modernize its disaster management and its maritime command and control systems. Furthermore, IT will conduct a series of reviews addressing the security aspects of wireless networks and devices, consolidated data centers, and the US-Visit and Secure Flight programs. Finally, the IT office will assess DHS efforts to address significant deficiencies identified in the IT security program by ensuring that progress is made in developing components' plans of action and milestones; ensuring that security policies and procedures are implemented Department-wide; and ensuring that all systems are adequately certified and accredited.
- Office of Inspections (ISP) - ISP emphasizes reviews of DHS operations involving intelligence information management, science and technology, and overseas operations. In addition, ISP oversees DHS compliance with E.O. 12333 (intelligence on U.S. persons) and reports quarterly to the President's Intelligence Oversight Board. With respect to

intelligence information management, ISP will review the Homeland Security Infrastructure Threat and Risk Analysis Center and state and local intelligence fusion centers. Regarding science and technology, ISP will examine the Science and Technology Directorate programs that relate to the Homeland Security Policy Institute, advanced research projects, and research and development in aviation. ISP's overseas efforts will include an assessment of visa security issues and a detailed examination of the extent that DHS' overseas operations are coordinated. In addition to these specialty areas ISP will coordinate with other federal agencies having cognizance for public sectors under the Emergency Support Functions of the National Response Plan; for example, DHS' work with the Department of Energy regarding the petroleum and national gas sub-sector. ISP will review DHS' efforts to coordinate preparedness grants, assess DHS' grant oversight capacity, and examine the effectiveness of the pre-disaster mitigation grant program. In addition, ISP will continue to monitor the Port Security, Urban Area Security Initiative, Critical Infrastructure, and Buffer Zone Protection Plan grant programs.

- Investigations – Investigations will continue to work to protect the integrity of the U.S. Department of Homeland Security (DHS) by vigorously investigating the most serious criminal, civil, and administrative allegations involving DHS personnel, programs, and operations.

In FY 2009, the DHS OIG Office of Investigations, Inspection Division will conduct internal inspections of the following OIG offices: the Tucson Field Office including the Yuma sub-office, the Dallas Field Office, the Houston Field Office including the McAllen RAC office and the Del Rio and Laredo sub offices, the Washington DC Field Office, and the Special Investigations Division.

In addition to maintaining effective liaison with the various internal affairs components within DHS, the OIG Office of Investigations, Inspection Division will continue to exercise our authorized oversight function by reviewing the inspection divisions of the following DHS components: the United States Secret Service, Inspection Division; the Transportation Security Division, Office of Internal Affairs and Program Review; and the U.S. Customs and Border Protection, Office of Internal Affairs.

The office will continue to support the Hurricane Katrina Task Force (HKTF) by increasing the FEMA investigative caseloads of our recently established offices in Baton Rouge, LA, Biloxi, MS, and Hattiesburg, MS, which are staffed primarily by temporary investigators.

#### IV. Program Justification of Changes

**Department of Homeland Security  
Office of Inspector General (OIG)  
Audit, Inspections and Investigations Program  
Justification of Program Changes**

Program Increase: Personnel Support

Strategic Goal(s) & Objective(s): 5.0 - Strengthen and Unify DHS Operations and Management  
PPA: Audit, Inspections and Investigations

Program Increase: Positions 50 FTE 25 Dollars \$6,400,000

#### Funding Profile

|                        | FY 2007 Actual <sup>1</sup> |            |                  | FY 2008 Enacted <sup>2</sup> |            |                  | FY 2009 Request |            |                  |
|------------------------|-----------------------------|------------|------------------|------------------------------|------------|------------------|-----------------|------------|------------------|
|                        | Pos                         | FTE        | Dollars (\$000)  | Pos                          | FTE        | Dollars (\$000)  | Pos             | FTE        | Dollars (\$000)  |
| Current Services Level |                             |            |                  |                              |            |                  | 552             | 552        | 94,623           |
| Program Increase       |                             |            |                  |                              |            |                  | 50              | 25         | 6,400            |
| <b>Total Request</b>   | <b>516</b>                  | <b>550</b> | <b>\$103,526</b> | <b>552</b>                   | <b>551</b> | <b>\$108,679</b> | <b>602</b>      | <b>577</b> | <b>\$101,023</b> |

<sup>1</sup> Includes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup> Includes the \$16.0 million transfer from the Disaster Relief Fund. Technical correction for number of positions.

#### Description of Item

The OIG focus initially shifted from the disaster programs to other priority areas when DHS was created. In the wake of Hurricane Katrina, and other subsequent natural disasters, OIG needed to redirect resources from the Office of Audits to create an Office of Emergency Management Oversight. The requested resources will provide additional staff to increase OIG oversight of DHS preparedness programs, through audits of preparedness grant programs, science and technology programs, and department-wide programs that establish the Department's baseline preparedness efforts; and to strengthen OIG oversight of DHS border security and enforcement programs through a proactive program of audits and on-going oversight of the policies, and initiatives and funds to secure the nation's borders.

#### Justification

**Audit** - The Nation's preparedness lies in its ability to have in place sufficient personnel and equipment to organize and manage the Nation's capability to prevent, protect against, respond to, and recover from significant threats or events. By answering fundamental questions within each of the Department's components, programs, and functional areas, the OIG will try to determine how well the Department is performing; and will be able to recommend ways to improve the efficiency and effectiveness of the Department's operations.

The OIG's role to assist the Department in its efforts to implement effective preparedness programs and to ensure adequate systems and controls are in place is most critical in the Department overcoming the challenge that it has in obtaining an opinion on its financial statements. There are

numerous material weaknesses and to move forward, OIG will work with the Department to prepare well-developed and comprehensive corrective action plans to address these known internal control weaknesses.

The Department's ability to control the Nation's borders and counter the illegal immigration operations requires OIG oversight. As policies and initiatives are approved and funded, the OIG will examine the efficiency and effectiveness of the program controls and systems. We have monitored the initiation of the SBInet program and provided a risk advisory with recommendations to address observed weaknesses in the program. Other components share border security responsibilities and are necessarily part of a comprehensive solution to border and immigration control. Our borders need to become less porous, and our policy and practice of managing immigration need to comply with established standards.

As for the numerous border security efforts, ICE leads plans to improve the apprehension, detention and removal of illegal aliens – which requires coordination efforts across DHS, as well as collaboration with the Department of Justice and other agencies that share responsibility for this function. USCIS has plans for streamlining benefits processes and expanding the E-Verify program. OIG plans to use the requested resources to review the plans, practices, and outcomes related to these efforts to ensure that they are effective in securing our borders and enforcing border control laws and regulations. The OIG also plans to measure the Department's progress in meeting these initiatives and their impact on border control. Without a full complement of staff working on the Department's overall border control initiatives and related procurement policies, the Department could easily lose control of these key national programs.

As the Secretary and Congress develop policies to tighten the borders, the Department must also have an acquisition management infrastructure in place that allows effective oversight of the complex, large dollar procurements critical to its mission. OIG has identified significant risks and vulnerabilities that might threaten the integrity of DHS operations. In general, DHS needs to have more comprehensive acquisition guidance and oversight for the components. Three specific vulnerable areas are the adherence to ethical conduct, overall contract program management, and general procurement management (e.g., many components reported that their lack of staffing prevents proper planning and limits their ability to monitor contractor performance). There is a critical need for the OIG's independent reviews of the Department's management of acquisition programs, as well as its contractor administration processes.

Also, as the Department has been given authority to deviate from normal acquisition processes and take advantage of legislated funding for a wide-range of research and development initiatives, the OIG will verify where and how these funds are being expended, what is being delivered for the amounts expended, and whether program managers are complying with established guidelines.

Additional staff will enable OIG to provide oversight of the Department's major acquisition programs related to border control; enforcement of immigration laws and regulations; the contracts assisting in the management of detained or apprehended illegal immigrants; and the money appropriated to affect immigration control, border security, and port surveillance. Programs and initiatives like the SBI, US-VISIT, the equipping and training of the 3,000 additional border agents, to counter narcotics and smuggling operations, as well as to control immigration, and to secure the borders need immediate and constant oversight and scrutiny.

The OIG also needs to enhance its financial management and assurance audit groups to ensure that the Department is taking necessary corrective actions to improve its financial reporting and other identified weaknesses related to its preparedness and border control and enforcement programs.

The Department awards billions of dollars to state and local governments, as well as research institutes to improve the Nation's preparedness posture and understand the threats facing us. The OIG's role is to assist the Department in its efforts to implement effective preparedness programs by ensuring adequate systems and controls are in place to assess the performance of these programs and that funds are spent as intended. To that end, we have identified several federal assistance programs that have the potential for duplicating DHS grant programs. Our reports state that some states lack the ability to effectively manage and monitor grants funds, or demonstrate the ability to measure improvements in preparedness. The OIG needs to further report on the performance of the Department's preparedness and science and technology grant programs and the expenditures of program funds by the Department and its grantees. The Department awarded over \$2.6 billion for preparedness, which included funds for grants to states and local governments for equipment, training, exercises, and various other measures designed to increase the level of security across the Nation and that amount will likely continue to grow. As grant funds are expended, it is imperative that the Department and its stakeholders are assured that the funds were expended as intended on the preparedness of our Nation's first responders and others.

The Department also manages science and technology preparedness programs that are intended to provide the next generation of detection devices and counter measurers through the Department's work with and funding of university and industry based researchers. In FY 2007, the Department deployed over 880 radiation portal monitors at land and seaports; inspected over 442 million visitors, and removed a record of 189,670 illegal aliens from our country. However, further audit coverage is needed in this area to provide independent assessment of the Department's progress and the effectiveness of these cooperative relationships, and oversight of the funds spent.

The requested resources will ensure that Department-wide programs and initiatives like the National Response Plan, cyber-security, intelligence sharing, networking with state and local governments, and the connectivity and communications capability of DHS operations centers will proceed with external validation and scrutiny.

### **Impact on Performance**

As mentioned above, the additional staff in the financial management and assurance groups will enable OIG to provide oversight of the Department's efforts to improve its financial reporting and correct other program weaknesses identified in our reports that is sufficient to meet requirements. The OIG will also be able to fully review the Department's systems and internal controls over financial reporting and follow-up on over 1,000 open recommendations that our office and others have issued to the Department concerning these and other programs.

The additional staff will conduct several new audits (of varying complexity), covering several aspects of immigration and border control. OIG needs to continue review of CBP's SBInet and Coast Guard's Deepwater acquisition processes. These audits will include review of: our national infrastructure protection and transportation security programs; the funding and eventual implementation plans for 3,000 more Border Patrol agents, the Western Hemisphere Travel Initiative, and USCIS' employment Eligibility Verification program.

In addition to this, the application and security of biometric data obtained through US-VISIT and how the components and intelligence elements use this data needs critical analysis. Plus, continued review and evaluation of the policies and procedures associated with the apprehension, detention, and removal of illegal immigrants will increase as these policies change, are legislated, or become controversial through implementation.

The Department and its components will need to think globally about the impact of policy changes on funding, material, and personnel requirements across the organization. The requested staffing level will enable OIG to review the policies, track the money, and critically review the implementation of the immigration and border operations. In turn, this facilitates an independent assessment of these programs to provide assurance that the Department's resources are being used efficiently and effectively.

The OIG will conduct audits of cross component initiatives such as, interoperable commoditization and intelligence sharing, and a follow-on audit to our audit of the National Response Plan.

The audit coverage that the OIG provides helps first-responders to get the money needed to prepare their equipment and facilities, urban areas to get the assistance to prepare for accidents or incidents and enables state homeland security offices to support their communities.

The requested staffing level will also enable OIG to assess whether by 2011 the Department's work in the science and technology area will result in the development and deployment of a fully integrated decision making tool to support surveillance, detection, and incident characterization and decision support system as outlined in the Secretary's FY 2008 – 2012 planning guidance.

Because OIG is able to audit Department-wide programs and review the Department's cross-component initiatives and policies such as intelligence sharing, networking with state and local governments, and science and technology initiatives, OIG ensures the effectiveness and integrity of the Department's ability to deal with the day-to-day issue of cyber-security, the detection of explosives and narcotics, and general ability to secure the Nation's borders, as well as the critical facilities making up our Nation's infrastructure.

Overall, in the Audit area, the additional personnel will allow the IG to better assess the Department's ability to prevent, respond, and recover from terrorist attacks and to prepare, respond, and recover from disasters by:

- Providing oversight and timely recommendations for improving DHS management and operations in a greater number of acquisition programs;
- Getting involved and influencing management direction and positive change in the early phases of new DHS programs and initiatives;
- Providing continuous monitoring and evaluation of programs;
- Providing a more timely response to requests for reviews on issues brought forth from Congress, and reducing the impact these requests have on the planned audits;
- Developing more in-depth research and background into the audit areas, developing more effective recommendations for the auditees and management;
- Monitoring recommendations to audit findings, reporting auditee achievements, and ensuring adequate response to needed program internal controls;
- Ensuring more comprehensive audit follow-up for high-risk programs.

With respect to the impact of our reports, we have been able to document a significant level of success in developing recommendations that are accepted by Departmental management.

### **Emergency Management Oversight**

In FY 2005, and shortly after Hurricane Katrina, the Congress passed legislation that provided over \$63 billion to DHS for disaster relief, including \$15 million for the DHS-OIG to oversee the management and expenditure of those funds. The circumstances created by Hurricanes Katrina and Rita, provided an unprecedented opportunity for fraud and mismanagement, and some estimate that the cost to recover from the storm and rebuilding of the affected areas could reach \$200 billion or more. It is our mission to prevent fraud, waste and abuse in this and other unforeseen recovery efforts.

In the face of these unprecedented disasters, and to address any future disasters and/or acts of terrorism, we have established an Office of Emergency Management Oversight (EMO) within the OIG. We have reallocated 75 permanent positions to that office. While it is true that our work on Katrina recovery will diminish after the next couple of years, it is critical we maintain sufficient staff and funding to manage and investigate fraud of future disasters. OIG now has an office that will be prepared to respond to the next catastrophic disaster, whether it is an earthquake or terrorist attack. In addition, we are reviewing FEMA programs and operations. We are overseeing the closeout of hundreds of open disasters, and will review the 40 to 60 disasters that the President declares each year. We also review FEMA's efforts to prepare for the next catastrophic disaster, its reform efforts, and its assimilation of preparedness functions.

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

**Department of Homeland Security  
Office of Inspector General  
Justification of Proposed Changes in Salaries and Expenses  
Appropriation Language**

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), [\$92,711,000] *\$101,023,000*, of which not to exceed \$150,000 may be used for certain confidential operational expenses, including the payment of informants, to be expended at the direction of the Inspector General [.] **of which not to exceed \$1,000 shall be for official reception and representation expenses.** (*Department of Homeland Security Appropriations Act, [2008] 2009.*)

#### **Explanation of Changes:**

Changes allow up to \$1,000 to be used for official reception and representation expenses.

## B: FY 2008 to FY 2009 Budget Change

**Department of Homeland Security**  
**Office of Inspector General**  
 Audit, Inspections and Investigations Program  
 FY 2008 to FY 2009 Budget Change  
 (Dollars in Thousands)

|   | <u>Pos.</u> | <u>FTE</u> | <u>Amount</u>    |
|---|-------------|------------|------------------|
| <b>2007 Actual</b> <sup>1</sup> .....                     | <b>516</b>  | <b>550</b> | <b>\$103,526</b> |
| <b>2008 Enacted</b> <sup>2</sup> .....                    | <b>552</b>  | <b>551</b> | <b>108,711</b>   |
| <b>Adjustments-to-Base</b>                                |             |            |                  |
| Increases   |             |            |                  |
| Annualization of prior year part year funding.....        |             | 1          | 180              |
| Annualization of 2008 pay raise.....                      |             |            | 573              |
| GSA rent.....   |             |            | 185              |
| Non-pay inflation (excluding GSA rent).....               |             |            | 495              |
| 2009 pay increase.....                                    |             |            | 1,425            |
| <b>Total Increases</b> .....                              | <b>---</b>  | <b>1</b>   | <b>2,858</b>     |
| Decreases   |             |            |                  |
| Non-recurring transfer from the Disaster Relief Fund..... |             |            | (16,000)         |
| Management and Technology Efficiencies.....               |             |            | (746)            |
| Termination of one-time costs.....                        |             |            | (200)            |
| <b>Total Adjustments-to-Base</b> .....                    | <b>---</b>  | <b>1</b>   | <b>(14,088)</b>  |
| <b>2009 Current Services</b> .....                        | <b>552</b>  | <b>552</b> | <b>94,623</b>    |
| <b>Program Changes</b>                                    |             |            |                  |
| Program Increases   |             |            |                  |
| Personnel Support.....                                    | 50          | 25         | 6,400            |
| <b>Total Program Changes</b> .....                        | <b>50</b>   | <b>25</b>  | <b>6,400</b>     |
| <b>2009 Request</b> .....                                 | <b>602</b>  | <b>577</b> | <b>101,023</b>   |
| <b>2008 to 2009 Total Change</b> .....                    | <b>50</b>   | <b>26</b>  | <b>(7,688)</b>   |

<sup>1/</sup> Includes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2/</sup> Includes the \$16.0M transfer from the Disaster Relief Fund. Technical correction for number of positions.

**C: Summary of Requirements**

**Department of Homeland Security  
Office of Inspector General  
Audit, Inspections and Investigations Program  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |            |                  |
|--|--------------|------------|------------------|
|  | Perm. Pos.   | FTE        | Amount           |
| <b>2007 Actual<sup>1</sup></b>   | <b>516</b>   | <b>550</b> | <b>\$103,526</b> |
| <b>2008 Enacted<sup>2</sup></b>  | <b>552</b>   | <b>551</b> | <b>108,711</b>   |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |            |                  |
| Increases  |              | 1          | 2,858            |
| Decreases  |              |            | (16,946)         |
| <b>Total Adjustments-to-Base</b>   | <b>---</b>   | <b>1</b>   | <b>(14,088)</b>  |
| <b>2009 Current Services</b>   | <b>552</b>   | <b>552</b> | <b>94,623</b>    |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     | 50           | 25         | 6,400            |
| <b>2009 Total Request</b>  | <b>602</b>   | <b>577</b> | <b>101,023</b>   |
| 2008 to 2009 Total Change  | 50           | 26         | (7,688)          |

| Estimates by Program/Project Activity         | 2008 Enacted |            |                  | 2009 Adjustments-to-Base |          |                   | 2009 Program Change |           |                | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                  |
|---|--------------|------------|------------------|--------------------------|----------|-------------------|---------------------|-----------|----------------|--------------|------------|------------------|---------------------------|-----------|------------------|
|   | Pos.         | FTE        | Amount           | Pos.                     | FTE      | Amount            | Pos.                | FTE       | Amount         | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount           |
| Audit, Inspections and Investigations Program | 552          | 551        | 108,711          | ---                      | 1        | (14,088)          | 50                  | 25        | 6,400          | 602          | 577        | 101,023          | 50                        | 26        | (7,688)          |
| <b>Total</b>                                  | <b>552</b>   | <b>551</b> | <b>\$108,711</b> | <b>---</b>               | <b>1</b> | <b>(\$14,088)</b> | <b>50</b>           | <b>25</b> | <b>\$6,400</b> | <b>602</b>   | <b>577</b> | <b>\$101,023</b> | <b>50</b>                 | <b>26</b> | <b>(\$7,688)</b> |

<sup>1</sup> Includes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup> Includes the \$16.0M transfer from the Disaster Relief Fund. Technical correction for number of positions.

## D: Summary of Reimbursable Resources

**Department of Homeland Security**  
**Office of Inspector General**  
 Audit, Inspections and Investigations Program  
 Summary of Reimbursable Resources  
 (Dollars in Thousands)

| Collections by Source                       | FY 2007 Actual |     |               | 2008 Revised Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |             |
|---|----------------|-----|---------------|-----------------------|-----|---------------|---------------|-----|---------------|-------------------|-----|-------------|
|   | Pos.           | FTE | Amount        | Pos.                  | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount      |
| DHS CFO (CFO Audit)                         |                |     | \$13,777      |                       |     | \$18,000      |               |     | \$18,000      | ---               | --- | \$0         |
| Reimbursement PCIE/ECIE training conference |                |     |               |                       |     | 50            |               |     |               | ---               | --- | (50)        |
| <b>Total Budgetary Resources</b>            | ---            | --- | <b>13,777</b> | ---                   | --- | <b>18,050</b> | ---           | --- | <b>18,000</b> | ---               | --- | <b>(50)</b> |

| Obligations by Program/Project Activity       | FY 2007 Actual |     |               | 2008 Revised Estimate |     |               | 2009 Estimate |     |               | Increase/Decrease |     |             |
|---|----------------|-----|---------------|-----------------------|-----|---------------|---------------|-----|---------------|-------------------|-----|-------------|
|   | Pos.           | FTE | Amount        | Pos.                  | FTE | Amount        | Pos.          | FTE | Amount        | Pos.              | FTE | Amount      |
| Audit, Inspections and Investigations Program |                |     | \$13,777      |                       |     | \$18,050      |               |     | \$18,000      | ---               | --- | \$ (50)     |
|   |                |     |               |                       |     |               |               |     |               | ---               | --- | ---         |
| <b>Total Obligations</b>                      | ---            | --- | <b>13,777</b> | ---                   | --- | <b>18,050</b> | ---           | --- | <b>18,000</b> | ---               | --- | <b>(50)</b> |

**E: Summary of Requirements by Object Class**

**Department of Homeland Security**  
**Office of Inspector General**  
**Audit, Inspections and Investigations Program**

Summary of Requirements by Object Class  
(Dollars in Thousands)

| Object Classes   | 2007<br>Actual    | 2008<br>Enacted   | 2009<br>Request   | 2008 - 2009<br>Change |
|--|-------------------|-------------------|-------------------|-----------------------|
| 11.1 Total FTE & personnel compensation  | \$ 45,923         | \$ 50,766         | \$ 45,120         | \$ (5,646)            |
| 11.3 Other than full-time permanent  | 2,597             | 3,766             | 1,858             | (1,908)               |
| 11.5 Other Personnel Compensation  | 4,558             | 5,546             | 5,061             | (485)                 |
| 11.8 Special Service Pay   | 97                | 0                 |                   | 0                     |
| 12.1 Benefits  | 15,982            | 17,681            | 15,586            | (2,095)               |
| 13.0 Benefits to Former Employees  | 130               |                   |                   | 0                     |
| <b>Total, Personnel Comp. &amp; Benefits</b>                                   | <b>69,287</b>     | <b>\$77,759</b>   | <b>\$67,625</b>   | <b>(\$10,134)</b>     |
| Other Object Classes:  |                   |                   |                   |                       |
| 21.0 Travel  | 4,973             | 4,829             | 3,258             | (1,571)               |
| 22.0 Transportation of things  | 101               | 74                | 65                | (9)                   |
| 23.1 GSA rent  | 7,629             | 8,760             | 8,945             | 185                   |
| 23.2 Other rent  | 362               | 352               | 144               | (208)                 |
| 23.3 Communications, utilities, & other misc. charges                          | 2,789             | 2,681             | 2,629             | (52)                  |
| 24.0 Printing and reproduction   | 7                 | 204               | 204               | 0                     |
| 25.1 Advisory and assistance services  | 5,916             | 11,812            | 5,277             | (6,535)               |
| 25.2 Other services  | 680               | 1,235             | 1,044             | (191)                 |
| 25.3 Purchases of goods & svcs. from Gov't accounts                            | 7,488             | 7,828             | 7,089             | (739)                 |
| 25.4 Operation and maintenance of facilities                                   | 240               | 134               | 135               | 1                     |
| 25.7 Operation and maintenance of equipment                                    | 330               | 323               | 324               | 1                     |
| 26.0 Supplies and materials  | 694               | 549               | 479               | (70)                  |
| 31.0 Equipment   | 2,759             | 3,749             | 3,655             | (94)                  |
| 32.0 Land & structures   | 138               |                   |                   | 0                     |
| 42.0 Indemnity   | 4                 |                   |                   | 0                     |
| 43.0 Interest and dividends  | 59                |                   |                   |                       |
| 91.0 Unvouchered   | 70                | 150               | 150               | 0                     |
| <b>Total, Other Object Classes</b>   | <b>\$ 34,239</b>  | <b>\$ 42,680</b>  | <b>\$ 33,398</b>  | <b>(\$9,282)</b>      |
| <b>Total, Direct Obligations</b>   | <b>\$ 103,526</b> | <b>\$ 120,439</b> | <b>\$ 101,023</b> | <b>(\$19,416)</b>     |
| Unobligated balance, start of year   | (9,390)           | (10,728)          | 0                 | 10,728                |
| Adjustments for Other Funding Sources:<br>Transfer from the DRF (P.L. 109-295) | (13,500)          | 0                 | 0                 | 0                     |
| Adjustments for Other Funding Sources:<br>Supplemental (P.L. 110-028)          | (4,000)           | 0                 | 0                 | 0                     |
| Adjustments for Other Funding Sources:<br>Transfer from the DRF (pending)      |                   | (16,000)          |                   | 16,000                |
| Unobligated balance, end of year   | 10,728            | 0                 | 0                 | 0                     |
| Recoveries of prior year obligations   | (2,244)           | (1,000)           | 0                 | 1,000                 |
| <b>Total requirements</b>  | <b>\$ 85,120</b>  | <b>\$ 92,711</b>  | <b>\$ 101,023</b> | <b>\$ 8,312</b>       |

## F: Permanent Positions by Grade

**Department of Homeland Security  
Office of Inspector General  
Audit, Inspections and Investigations Program  
Permanent Positions by Grade**

| Grades and Salary Ranges         | FY 2007    | FY 2008              | FY 2009    | 2008 to 2009 |
|----------------------------------|------------|----------------------|------------|--------------|
|                                  | Actual     | Enacted <sup>1</sup> | Request    | Change       |
|                                  | Pos.       | Pos.                 | Pos.       | Total        |
| Total, SES                       | 12         | 12                   | 12         | ---          |
| Total, EX                        | 1          | 1                    | 1          | ---          |
| GS-15                            | 55         | 55                   | 57         | 2            |
| GS-14                            | 105        | 105                  | 108        | 3            |
| GS-13                            | 198        | 201                  | 205        | 4            |
| GS-12                            | 77         | 77                   | 85         | 8            |
| GS-11                            | 27         | 27                   | 35         | 8            |
| GS-10                            | ---        | ---                  | ---        | ---          |
| GS-9                             | 43         | 44                   | 57         | 13           |
| GS-8                             | 1          | 1                    | 1          | ---          |
| GS-7                             | 23         | 23                   | 35         | 12           |
| GS-6                             | 3          | 3                    | 3          | ---          |
| GS-5                             | 2          | 2                    | 2          | ---          |
| GS-4                             | 1          | 1                    | 1          | ---          |
| GS-3                             | ---        | ---                  | ---        | ---          |
| GS-2                             | ---        | ---                  | ---        | ---          |
| Other Graded Positions           | ---        | ---                  | ---        | ---          |
| Ungraded Positions               | ---        | ---                  | ---        | ---          |
| <b>Total Permanent Positions</b> | <b>548</b> | <b>552</b>           | <b>602</b> | <b>50</b>    |
| Unfilled Positions EOY           | 29         | ---                  | ---        | ---          |
| Total Perm. Employment EOY       | 519        | 552                  | 602        | 50           |
| <b>FTE EOY</b>                   | <b>550</b> | <b>551</b>           | <b>577</b> | <b>26</b>    |
| Headquarters                     | 238        | 240                  | 280        | 40           |
| U.S. Field                       | 310        | 312                  | 322        | 10           |
| Foreign Field                    | ---        | ---                  | ---        | ---          |
| <b>Total Permanent Positions</b> | <b>548</b> | <b>552</b>           | <b>602</b> | <b>50</b>    |
| <b>Average ES Salary</b>         | \$ 153,736 | \$ 158,194           | \$ 162,782 | \$ 4,588     |
| <b>Average GS Salary</b>         | \$ 82,470  | \$ 85,294            | \$ 85,813  | \$ 519       |
| <b>Average GS Grade</b>          | 13.30      | 13.30                | 13.30      | ---          |

<sup>1</sup> Technical correction.

**G. Capital Investment and Construction Initiative Listing**

**OFFICE OF INSPECTOR GENERAL  
Salaries and Expenses**

**NOT APPLICABLE**

**H: Audit, Inspections and Investigations Program Budget Justifications**

**Department of Homeland Security  
OFFICE OF INSPECTOR GENERAL  
Audit, Inspections and Investigations Program  
Funding Schedule  
(Dollars in Thousands)**

|   |  | 2007                      | 2008                       | 2009             | 2008 to 2009    |
|---|--|---------------------------|----------------------------|------------------|-----------------|
| <b>PPA: Audit, Inspections and Investigations Program</b> |  | <b>Actual<sup>1</sup></b> | <b>Enacted<sup>2</sup></b> | <b>Request</b>   | <b>Change</b>   |
| <b>Object Classes:</b>                                    |  |                           |                            |                  |                 |
| 11.1  | Perm Positions   | \$ 40,387                 | \$ 40,267                  | \$45,120         | \$ 4,853        |
| 11.3  | Other than perm  | 420                       | 876                        | 1,858            | 982             |
| 11.5  | Other per comp   | 4,103                     | 4,787                      | 5,061            | 274             |
| 11.8  | Special Srvc Pay   |                           |                            |                  |                 |
| 12.1  | Benefits   | 14,107                    | 14,262                     | 15,586           | 1,324           |
| 13.0  | Benefits - former  | 130                       | 0                          | 0                |                 |
| 21.0  | Travel   | 3,393                     | 2,995                      | 3,258            | 263             |
| 22.0  | Transportation of things                                     | 43                        | 60                         | 65               | 5               |
| 23.1  | GSA rent   | 7,454                     | 8,760                      | 8,945            | 185             |
| 23.2  | Other rent   | (33)                      | 337                        | 144              | (193)           |
| 23.3  | Communication, Utilities, and misc charges                   | 2,690                     | 2,477                      | 2,629            | 152             |
| 24.0  | Printing   | 6                         | 194                        | 204              | 10              |
| 25.1  | Advisory & Assistance Services                               | 2,727                     | 5,023                      | 5,277            | 254             |
| 25.2  | Other Services   | 358                       | 989                        | 1,044            | 55              |
| 25.3  | Purchase from Govt. Accts.                                   | 5,722                     | 7,431                      | 7,089            | (342)           |
| 25.4  | Operation & maintenance of facilities                        | 240                       | 128                        | 135              | 7               |
| 25.7  | Operation & maintenance of equipment                         | 312                       | 309                        | 324              | 15              |
| 26.0  | Supplies & materials   | 534                       | 439                        | 479              | 40              |
| 31.0  | Equipment  | 2,290                     | 3,227                      | 3,655            | 428             |
| 32.0  | Land & Structures  | 137                       |                            |                  |                 |
| 42.0  | Indemnity  | 4                         |                            |                  |                 |
| 43.0  | Interest and dividends                                       | 26                        |                            |                  |                 |
| 91.0  | Unvouchered  | 70                        | 150                        | 150              |                 |
|   | <b>Total, Audits, Inspections and Investigations Program</b> | <b>\$ 85,120</b>          | <b>\$ 92,711</b>           | <b>\$101,023</b> | <b>\$ 8,312</b> |
|   | Full Time Equivalent   | 550                       | 551                        | 577              | 26              |

<sup>1</sup> Excludes actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup> Excludes the \$16.0M transfer from the Disaster Relief Fund.

**Audit, Inspections & Investigations Program Mission Statement**

The IG is responsible for conducting and supervising audits, investigations, and inspections relating to the programs and operations of the Department. The OIG examines, evaluates and, where necessary, critiques these operations and activities, recommending ways for the department to carry out its responsibilities in the most economical, efficient, and effective manner possible.

### Summary Justification and Explanation of Changes

|                              | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Salaries and Benefits</b> | \$59,017       | \$60,192        | \$67,625        | \$7,433                |

Salaries and Benefits includes costs for 577 FTEs. The FY 2009 request includes increases of \$1,425,000 toward the proposed January 2009 2.9 percent increase in personnel compensation, \$573,000 in annualization of the FY 2008 pay raise, \$156,000 annualization of prior year part-year funding, and \$5,279,000 in program increases.

|               | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------|----------------|-----------------|-----------------|------------------------|
| <b>Travel</b> | \$3,393        | \$2,995         | \$3,258         | \$263                  |

Travel includes all costs of transportation of persons, subsistence of travelers, an incidental travel expenses in accordance with federal travel regulations. The FY 2009 request includes increases of \$64,000 in non-pay inflation, \$9,000 in annualization, and \$190,000 in program increases.

|                                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|---------------------------------|----------------|-----------------|-----------------|------------------------|
| <b>Transportation of Things</b> | \$43           | \$60            | \$65            | \$5                    |

Transportation of things includes all costs of the care of such things while in process of being transported, and other services incident to the transportation of things. The FY 2009 request includes increases of \$1,000 in non-pay inflation and \$4,000 in program increases.

|                 | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-----------------|----------------|-----------------|-----------------|------------------------|
| <b>GSA rent</b> | \$7,454        | \$8,760         | \$8,945         | \$185                  |

GSA rent includes all payments to General Services Administration (GSA) for rental of space and rent related services. The FY 2009 request includes \$185,000 in non-pay inflation.

|                   | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|-------------------|----------------|-----------------|-----------------|------------------------|
| <b>Other Rent</b> | (\$33)         | \$337           | \$144           | (\$193)                |

Other rent includes all payments to a non-federal source for rental space, land and structures. The FY 2009 request includes an increase of \$7,000 in non-pay inflation and a decrease of \$200,000 in termination of non-recrurals.

|  | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|--|----------------|-----------------|-----------------|------------------------|
| <b>Communication, Utilities, and Misc. Charges</b> | \$2,690        | \$2,477         | \$2,629         | \$152                  |

Communications, utilities, and miscellaneous charges include all payments for rental or lease of information technology equipment and services, postal services and rentals, and utility services. The FY 2009 request includes increases of \$52,000 in non-pay inflation, \$1,000 in annualization, and \$99,000 in program increases.

|                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Printing</b> | \$6                    | \$194                   | \$204                   | \$10                           |

Printing includes all costs for printing and reproduction obtained from the private sector or from other federal entities. The FY 2009 request includes increases of \$4,000 in non-pay inflation and \$6,000 in program increases.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Advisory and Assistance Services</b> | \$2,727                | \$5,023                 | \$5,277                 | \$254                          |

Advisory and assistance services include services acquired by contract from non-federal sources (that is the private sector, foreign governments, State and local governments, tribes, etc.) as well as from other units within the federal government. The FY 2009 request includes increases of \$103,000 in non-pay inflation and \$151,000 in program increases.

|                       | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-----------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Other Services</b> | \$358                  | \$989                   | \$1,044                 | \$55                           |

Other services include contractual services with non-federal sources that are not otherwise classified under Object Class 25. The FY 2009 request includes increases of \$20,000 in non-pay inflation, \$5,000 in annualization, and \$30,000 in program increases.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Purchase from Government Accounts</b> | \$5,722                | \$7,431                 | \$7,089                 | (\$342)                        |

Purchases from Government Accounts include costs for purchases from other federal government agencies or accounts that are not otherwise classified. The FY 2009 request includes increases of \$154,000 in non-pay inflation and \$250,000 in program increases. The FY 2009 request includes \$746,000 in management efficiencies.

|  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; maintenance of facilities</b> | \$ 240                 | \$ 128                  | \$ 135                  | \$7                            |

Operation and maintenance of facilities include all payments for the operation and maintenance of facilities when done by contract with the private sector or another federal government account. The FY 2009 request increases of \$3,000 in non-pay inflation and \$4,000 in program increases.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Operation &amp; Maintenance of equipment</b> | \$312                  | \$309                   | \$324                   | \$15                           |

Operation and maintenance of equipment includes costs for operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another federal government account. The FY 2009 request includes increases of \$6,000 in non-pay inflation and \$9,000 in program increases.

|                                 | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Supplies &amp; materials</b> | \$534                  | \$439                   | \$479                   | \$40                           |

Supplies and materials are defined as commodities that are (a) ordinarily consumed or expended within one year after they are put into use, (b) converted in the process of construction or manufacture, (c) used to form a minor part of equipment or property, or (d) other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. The FY 2009 request includes increases of \$9,000 in non-pay inflation, \$3,000 in annualization, and \$28,000 in program increases.

|                  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Equipment</b> | \$2,290                | \$3,227                 | \$3,655                 | \$428                          |

Equipment includes all costs for the purchases of personal property of a durable nature or the initial installation of equipment when performed under contract. The FY 2009 request includes increases of \$72,000 in non-pay inflation, \$6,000 in annualization, and \$350,000 in program increases.

|                              | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Land &amp; Structures</b> | \$137                  | \$0                     | \$0                     | \$0                            |

Land and structures includes the costs for land and interests in land, buildings and other structures, roads, additions to buildings, nonstructural (or resource) improvements such as fences and landscaping, and fixed equipment additions and replacements when acquired under contract or by capital lease. The FY 2009 request does not include an increase of over the FY 2008 level.

|   | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Insurance Claims and Indemnities</b> | \$ 4                   | \$0                     | \$0                     | \$0                            |

Insurance claims and indemnities includes benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. The FY 2009 request does not include an increase over the FY 2008 level.

|                               | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|-------------------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Interest and Dividends</b> | \$ 26                  | \$ -                    | \$ -                    | \$ -                           |

Interest and dividends includes payments to creditors for the use of moneys loaned, deposited, overpaid, or otherwise made available. Includes payment for interest charges associated with payroll adjustments, to include Thrift Savings Plan interest payments. The FY 2009 request does not include an increase over the FY 2008 level.

|                    | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|--------------------|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Unvouchered</b> | \$70                   | \$150                   | \$150                   | \$0                            |

Unvouchered includes expenditures made lawfully for confidential purposes, including authorized payments made by law enforcement personnel to informants, which are not subject to detailed vouchering or reporting. The FY 2009 request does not include an increase of over the FY 2008 level.

**I: Changes in Full-Time Equivalents**

**Department of Homeland Security  
Office of Inspector General  
Audit, Inspections and Investigations Program  
Changes in Full-Time Equivalents**

|  | FY 2007 | FY 2008 | FY 2009 |
|--|---------|---------|---------|
| Base: Year-end Actual from Prior Year  | 510     | 550     | 551     |
| <b>INCREASES</b>   |         |         |         |
| Increase #1:   |         |         |         |
| Description: Efforts to fill vacancies   | 11      | 36      | 25      |
| Increase #2:   |         |         |         |
| Description: Misclassification of CORE/DAE employees by NFC FY 2007                          | 40      |         |         |
| Increase #3:   |         |         |         |
| Description: Annualization of prior year   |         | 5       | 1       |
| Subtotal, Increases  | 51      | 41      | 26      |
| <b>DECREASES</b>   |         |         |         |
| Decrease #1:   |         |         |         |
| Description: Technical adjustment for misclassification of CORE/DAE employees by NFC FY 2006 | -11     |         |         |
| Decrease #2:   |         |         |         |
| Description: Technical adjustment for misclassification of CORE/DAE employees by NFC FY 2007 |         | -40     |         |
| Subtotal, Decreases  | -11     | -40     | 0       |
| Year-end Enacted/Actual FTEs   | 550     | 551     | 577     |
| Net Change from prior year base to Budget Year Estimate:                                     | 51      | 41      | 26      |

## J. FY 2009 Schedule of Working Capital Fund by Program/Project Activity

### Department of Homeland Security

### Office of Inspector General

### Audit, Inspections and Investigations Program

#### FY 2009 Schedule of Working Capital Fund by Program/Project Activity

(Dollars in Thousands)

| Program/Project Activity                      | FY 2007<br>Actual | FY 2008<br>Anticipated | FY 2009<br>Anticipated | Increase /<br>Decrease for FY<br>2009 |
|---|-------------------|------------------------|------------------------|---------------------------------------|
|   | AMOUNT            | AMOUNT                 | AMOUNT                 | AMOUNT                                |
| Audit, Inspections and Investigations Program | \$567             | \$868                  | \$883                  | \$15                                  |
| <b>Total Working Capital Fund</b>             | <b>\$567</b>      | <b>\$868</b>           | <b>\$883</b>           | <b>\$15</b>                           |

# Department of Homeland Security

*Office of Inspector General*

*Audit, Inspections and Investigations Program*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 OMB BUDGET REQUEST STRATEGIC CONTEXT**

**Office of Inspector General**

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## A. Mission and Description of the Office of Inspector General

*The Homeland Security Act of 2002* provided for the establishment of the Office of Inspector General (OIG) to ensure independent and objective audits, inspections, and investigations of the operations of the Department of Homeland Security (DHS).

An Inspector General (IG), who is appointed by the President and confirmed by the Senate, reports directly to both the Secretary of DHS and the Congress. Barring narrow and exceptional circumstances, the IG may inspect, audit, or investigate anyone in the Department, or any program or operation of the Department. To ensure the IG's independence and objectivity, the OIG has its own budget, contracting, and personnel authority, separate from that of the Department. Such authority enhances the OIG's ability to promote economy, efficiency, and effectiveness within the Department, and to prevent and detect fraud, waste, and abuse in the Department's programs and operations.

Specifically, the OIG's key legislated responsibilities are to:

- Promote economy, efficiency, and effectiveness in the management of the Department's programs and supporting operations;
- Conduct and supervise audits, investigations, and inspections relating to the Department's programs and support operations;
- Detect and prevent fraud, waste, and abuse;
- Review existing and proposed legislation and regulations and make appropriate recommendations;
- Maintain effective working relationships with other federal, state, and local governmental agencies, and non-governmental entities regarding the mandated duties of the OIG's;
- Inform the Secretary of the DHS and the Congress of serious problems and recommend corrective actions and implementation strategies;
- Comply with the audit standards of the Comptroller General of the Government Accountability Office (GAO); avoid duplication of GAO activities; and
- Report violations of federal criminal law to the U.S. Attorney General.

For FY 2009, the OIG is requesting 577 full-time equivalents (FTEs). Of these FTEs, approximately 47% will be located in the Washington, D.C. headquarters office. The remainder will be located in 26 field offices in the following locations: Atlanta, Boston, Buffalo, Jersey City/New York, Marlton/Philadelphia, Northern Virginia (Washington Field Office), Orlando, Miami, San Juan, St. Thomas, Chicago, Detroit, Denton/Dallas, Houston, McAllen, El Paso, Del Rio, Laredo, Yuma, Tucson, El Centro, San Diego, El Segundo/Los Angeles, Oakland/San Francisco, Seattle and Bellingham. In addition, we have temporary field offices dedicated to Gulf Coast hurricane recovery oversight operations.

Approximately 63% of OIG employees in FY 2009 will be policy or program professional staff, including auditors, management and program analysts, and information technology experts; approximately 28% of OIG employees are criminal investigators. The remaining employees are senior executives, attorneys, management and administrative staff, and clerical employees.

## B. Major Activities and Key Strategic Issues

In the FY 2007 report of management challenges, the OIG identified the following as the most serious management challenges facing DHS:

- Catastrophic disaster response and recovery;
- Acquisition and contract management;
- Grants management;
- Financial management;
- Information technology management;
- Infrastructure protection;
- Border security;
- Transportation security;
- Trade operations and security.

Keeping with the priorities of both the Secretary and the Congress, the OIG will also focus attention on DHS' "non-homeland" missions. Particular attention will be given to the Coast Guard's "non-homeland" mission, as mandated by the *Homeland Security Act*, and to disaster response and recovery activities.

These programs and functions are not an all-inclusive inventory of the Department's activities. Rather, they represent those activities that are the core of the Department's mission and strategic objectives. By answering certain fundamental questions within each of these program and functional areas, the OIG will determine how well the Department is performing and will be able to recommend ways to improve the efficacy of the Department's programs and operations.

During FY 2007, the OIG completed significant audit, inspection, and investigative work to promote the economy, efficiency, and effectiveness of DHS programs and operations. Similar accomplishments are anticipated through FY 2009. (Additional information regarding planned accomplishments for FY 2008 is available in the FY 2008 Annual Performance Plan, located at [http://www.dhs.gov/xoig/assets/OIG\\_APP\\_FY08.pdf](http://www.dhs.gov/xoig/assets/OIG_APP_FY08.pdf). Some of our accomplishments for FY 2007 are listed below:

- The OIG issued 79 management reports (audits and inspections) and 22 financial assistance grant reports. The OIG processed 206 reports on DHS programs that were issued by other organizations. As a result of these efforts, \$86 million of questioned costs were identified, of which \$18 million were determined to be unsupported. In addition, \$28 million of funds that could be put to better use were identified.
- The OIG is most pleased with the positive response our reports have received from Departmental management. This is demonstrated by the fact that through the end of FY 2007, DHS management has concurred with 91% of the recommendations we made.
- In the investigative area, the OIG closed 1,052 investigations and issued 1,006 reports. OIG investigations resulted in 598 arrests, 596 indictments, 393 convictions, and 35 personnel actions. OIG investigators closed 1,052 investigations and 14,161 complaints. Additionally, investigative recoveries, fines, restitutions, and cost savings totaled \$45 million.

OIG has a dual reporting responsibility, to the Congress as well as to the Secretary. During the reporting period, OIG continued its active engagement with Congress through numerous meetings, briefings, and dialogues with members and staff of the Department's authorizing and appropriations committees and subcommittees on a range of issues relating to our work and that of the DHS. The IG's statements for the record and the reports cited in the congressional testimony are available on the OIG website at [www.dhs.gov](http://www.dhs.gov).

### C. Resources Requested and Performance Impact

*Current Services* – Anticipated FY 2009 performance is described below.

- Office of Audits - Barring any increases in our current services level, Office of Audits' plans include issuing 42 program and financial audits during FY 2008. We anticipate that this will include a carryover of 12 program audits into FY 2009. The OIG will continue to work closely with DHS management and congressional oversight committees to identify potential audit work that will promote the economy, efficiency, and effectiveness of departmental programs and operations.
- Office of Emergency Management Oversight (EMO) – The Office of Emergency Management Oversight (formerly the Office of Disaster Assistance Oversight) provides an aggressive and ongoing audit and investigative effort designed to ensure that disaster relief funds are being spent appropriately, while identifying fraud, waste, and abuse as early as possible. There are 40 to 60 Presidential disaster declarations each year and hundreds of open disasters. The office will continue its proactive and aggressive disaster oversight activities working with DHS/FEMA to ensure accountability, and identify and resolve potential problems before they occur. The office will focus on internal controls, grant and contract audits, performance reviews, congressional requests, and special projects covering all FEMA programs and operations. The office coordinates with other Federal Inspector General Offices, meets with state and local officials on audit and investigative matters, and advises contractors and grantees on compliance requirements.
- Information Technology (IT) - In FY 2009, OIG's IT office will continue to evaluate the Department's progress in establishing a cost-effective and secure information technology infrastructure. Specifically, IT will assess the progress DHS is making in consolidating its myriad networks and implementing a standard IT platform across the Department. In addition, IT will evaluate the effectiveness of DHS' strategies and tools for sharing intelligence information with key stakeholders in the intelligence community; DHS' programs to protect privacy; and, DHS' efforts to implement a border security system and modernize its disaster management and its maritime command and control systems. Furthermore, IT will conduct a series of reviews addressing the security aspects of wireless networks and devices, consolidated data centers, and the US-VISIT and Secure Flight programs. Finally, the IT office will assess DHS efforts to address significant deficiencies identified in the IT security program by ensuring that progress is made in developing components' plans of action and milestones; ensuring that security policies and procedures are implemented Department-wide; and ensuring that all systems are adequately certified and accredited.

- Office of Inspections (ISP) - ISP emphasizes reviews of DHS operations involving intelligence information management, science and technology, and overseas operations. In addition, ISP oversees DHS compliance with E.O. 12333 (intelligence on US persons) and reports quarterly to the President's Intelligence Oversight Board. With respect to intelligence information management, ISP will review the Homeland Security Infrastructure Threat and Risk Analysis Center and state and local intelligence fusion centers. Regarding science and technology, ISP will examine the Science and Technology Directorate programs that relate to the Homeland Security Policy Institute, advanced research projects, and research and development in aviation. ISP's overseas efforts will include an assessment of visa security issues and a detailed examination of the extent that DHS' overseas operations are coordinated. In addition to these specialty areas, ISP will coordinate with other federal agencies having cognizance for public sectors under the Emergency Support Functions of the National Response Plan; for example, DHS' work with the Department of Energy regarding the petroleum and national gas sub-sector. ISP will review DHS' efforts to coordinate preparedness grants, assess DHS' grant oversight capacity, and examine the effectiveness of the pre-disaster mitigation grant program. In addition, ISP will continue to monitor the Port Security, Urban Area Security Initiative, Critical Infrastructure, and Buffer Zone Protection Plan grant programs.
- Investigations – Investigations will continue to work to protect the integrity of the U.S. Department of Homeland Security (DHS) by vigorously investigating the most serious criminal, civil, and administrative allegations involving DHS personnel, programs, and operations.

In FY 2009, the DHS OIG Office of Investigations, Inspection Division will conduct internal inspections of the following OIG offices: the Tucson Field Office including the Yuma sub-office, the Dallas Field Office, the Houston Field Office including the McAllen RAC office and the Del Rio and Laredo sub offices, the Washington DC Field Office, and the Special Investigations Division.

In addition to maintaining effective liaison with the various internal affairs components within DHS, the OIG Inspection Division will continue to exercise our authorized oversight function by reviewing the inspection divisions of the following DHS components: the United States Secret Service, Inspection Division; the Transportation Security Division, Office of Internal Affairs and Program Review; and the U.S. Customs and Border Protection, Office of Internal Affairs.

The office will continue to support the Hurricane Katrina Task Force (HKTF) by increasing the FEMA investigative caseloads of our recently established offices in Baton Rouge, LA, Biloxi, MS, and Hattiesburg, MS, which are staffed primarily by temporary investigators.

***Increments over current service level*** – When DHS was created, the OIG focus initially shifted from the disaster programs to other priority areas. In the wake of Hurricane Katrina, and other subsequent natural disasters, OIG redirected resources to create an Office of Emergency Management Oversight. Because of this shift, the OIG needs additional funding to continue to provide program oversight for Preparedness, Science and Technology, and Border Security and Enforcement programs. The requested increase of 50 positions, 25 FTE, and \$6.4 million will provide additional staff to support OIG audit oversight over both DHS preparedness programs and DHS border security and enforcement

programs, through audits of preparedness grant programs, science and technology programs, department-wide programs that establish the Department's baseline preparedness efforts, as well as audits and on-going oversight of the policies, and initiatives and funds to secure the Nation's borders.

### *Justification*

**Audit** - The Nation's preparedness lies in its ability to have in place sufficient personnel and equipment to organize and manage the Nation's capability to prevent, protect against, respond to, and recover from significant threats or events. By answering fundamental questions within each of the Department's components, programs, and functional areas, the OIG will try to determine how well the Department is performing; and will be able to recommend ways to improve the efficiency and effectiveness of the Department's operations.

The OIG's role to assist the Department in its efforts to implement effective preparedness programs and to ensure adequate systems and controls are in place is most critical in the Department overcoming the challenge that it has in obtaining an opinion on its financial statements. There are numerous material weaknesses and to move forward, OIG will work with the Department to prepare well-developed and comprehensive corrective action plans to address these known internal control weaknesses.

The Department's ability to control the Nation's borders and counter the illegal immigration operations requires OIG oversight. As policies and initiatives are approved and funded, the OIG will examine the efficiency and effectiveness of the program controls and systems. We have monitored the initiation of the SBInet program and provided a risk advisory with recommendations to address observed weaknesses in the program. Other components share border security responsibilities and are necessarily part of a comprehensive solution to border and immigration control. Our borders need to become less porous, and our policy and practice of managing immigration need to comply with established standards.

As for the numerous border security efforts, ICE leads plans to improve the apprehension, detention and removal of illegal aliens – which requires coordination efforts across DHS, as well as collaboration with the Department of Justice and other agencies that share responsibility for this function. USCIS has plans for streamlining benefits processes and expanding the E-Verify program. OIG plans to use the requested resources to review the plans, practices, and outcomes related to these efforts to ensure that they are effective in securing our borders and enforcing border control laws and regulations. The OIG also plans to measure the Department's progress in meeting these initiatives and their impact on border control. Without a full complement of staff working on the Department's overall border control initiatives and related procurement policies, the Department could easily lose control of these key national programs.

As the Secretary and Congress develop policies to tighten the borders, the Department must also have an acquisition management infrastructure in place that allows effective oversight of the complex, large dollar procurements critical to its mission. OIG has identified significant risks and vulnerabilities that might threaten the integrity of DHS operations. In general, DHS needs to have more comprehensive acquisition guidance and oversight for the components. Three specific vulnerable areas are the adherence to ethical conduct, overall contract program management, and general procurement management (e.g., many components reported that their lack of staffing prevents proper planning and

limits their ability to monitor contractor performance). There is a critical need for the OIG's independent reviews of the Department's management of acquisition programs, as well as its contractor administration processes.

Also, as the Department has been given authority to deviate from normal acquisition processes and take advantage of legislated funding for a wide-range of research and development initiatives, the OIG will verify where and how these funds are being expended, what is being delivered for the amounts expended, and whether program managers are complying with established guidelines.

Additional staff will enable OIG to provide oversight of the Department's major acquisition programs related to border control; enforcement of immigration laws and regulations; the contracts assisting in the management of detained or apprehended illegal immigrants; and the money appropriated to affect immigration control, border security, and port surveillance. Programs and initiatives like the SBI, US-VISIT, the equipping and training of the 3,000 additional border agents, to counter narcotics and smuggling operations, as well as to control immigration, and to secure the borders need immediate and constant oversight and scrutiny.

The OIG also needs to enhance its financial management and assurance audit groups to ensure that the Department is taking necessary corrective actions to improve its financial reporting and other identified weaknesses related to its preparedness and border control and enforcement programs.

The Department awards billions of dollars to state and local governments, as well as research institutes to improve the Nation's preparedness posture and understand the threats facing us. The OIG's role is to assist the Department in its efforts to implement effective preparedness programs by ensuring adequate systems and controls are in place to assess the performance of these programs and that funds are spent as intended. To that end, we have identified several federal assistance programs that have the potential for duplicating DHS grant programs. Our reports state that some states lack the ability to effectively manage and monitor grants funds, or demonstrate the ability to measure improvements in preparedness. The OIG needs to further report on the performance of the Department's preparedness and science and technology grant programs and the expenditures of program funds by the Department and its grantees. The Department awarded over \$2.6 billion for preparedness, which included funds for grants to states and local governments for equipment, training, exercises, and various other measures designed to increase the level of security across the Nation and that amount will likely continue to grow. As grant funds are expended, it is imperative that the Department and its stakeholders are assured that the funds were expended as intended on the preparedness of our Nation's first responders and others.

The Department also manages science and technology preparedness programs that are intended to provide the next generation of detection devices and counter measurers through the Department's work with and funding of university and industry based researchers. In FY 2007, the Department deployed over 880 radiation portal monitors at land and seaports; inspected over 442 million visitors, and removed a record of 189,670 illegal aliens from our country. However, further audit coverage is needed in this area to provide independent assessment of the Department's progress and the effectiveness of these cooperative relationships, and oversight of the funds spent.

The requested resources will ensure that Department-wide programs and initiatives like the National Response Plan, cyber-security, intelligence sharing, networking with state and local governments, and the connectivity and communications capability of DHS operations centers will proceed with external validation and scrutiny.

## **Impact on Performance (Relationship of Increase to Strategic Goals)**

As mentioned above, the additional staff in the financial management and assurance groups will enable OIG to provide oversight of the Department's efforts to improve its financial reporting and correct other program weaknesses identified in our reports that is sufficient to meet requirements. The OIG will also be able to fully review the Department's systems and internal controls over financial reporting and follow-up on over 1,000 open recommendations that our office and others have issued to the Department concerning these and other programs.

The additional staff will conduct several new audits (of varying complexity), covering several aspects of immigration and border control. OIG needs to continue review of CBP's SBInet and Coast Guard's Deepwater acquisition processes. These audits will include review of: our national infrastructure protection and transportation security programs; the funding and eventual implementation plans for 3,000 more Border Patrol agents, the Western Hemisphere Travel Initiative, and USCIS' employment Eligibility Verification program.

In addition to this, the application and security of biometric data obtained through US-VISIT and how the components and intelligence elements use this data needs critical analysis. Plus, continued review and evaluation of the policies and procedures associated with the apprehension, detention, and removal of illegal immigrants will increase as these policies change, are legislated, or become controversial through implementation.

The Department and its components will need to think globally about the impact of policy changes on funding, material, and personnel requirements across the organization. The requested staffing level will enable OIG to review the policies, track the money, and critically review the implementation of the immigration and border operations. In turn, this facilitates an independent assessment of these programs to provide assurance that the Department's resources are being used efficiently and effectively.

The OIG will conduct audits of cross component initiatives such as, interoperable commoditization and intelligence sharing, and a follow-on audit to our audit of the National Response Plan.

The audit coverage that the OIG provides helps first-responders to get the money needed to prepare their equipment and facilities, urban areas to get the assistance to prepare for accidents or incidents and enables state homeland security offices to support their communities.

The requested staffing level will also enable OIG to assess whether by 2011 the Department's work in the science and technology area will result in the development and deployment of a fully integrated decision making tool to support surveillance, detection, and incident characterization and decision support system as outlined in the Secretary's FY 2008 – 2012 planning guidance.

Because OIG is able to audit Department-wide programs and review the Department's cross-component initiatives and policies such as intelligence sharing, networking with state and local governments, and science and technology initiatives, OIG ensures the effectiveness and integrity of the Department's ability to deal with the day-to-day issue of cyber-security, the detection of explosives and narcotics, and general ability to secure the Nation's borders, as well as the critical facilities making up our Nation's infrastructure.

Overall, in the Audit area, the additional personnel will allow the IG to better assess the Department's ability to prevent, respond, and recover from terrorist attacks and to prepare, respond, and recover from disasters by:

- Providing oversight and timely recommendations for improving DHS management and operations in a greater number of acquisition programs;
- Getting involved and influencing management direction and positive change in the early phases of new DHS programs and initiatives;
- Providing continuous monitoring and evaluation of programs;
- Providing a more timely response to requests for reviews on issues brought forth from Congress, and reducing the impact these requests have on the planned audits;
- Developing more in-depth research and background into the audit areas, developing more effective recommendations for the auditees and management;
- Monitoring recommendations to audit findings, reporting auditee achievements, and ensuring adequate response to needed program internal controls;
- Ensuring more comprehensive audit follow-up for high-risk programs.

With respect to the impact of our reports, we have been able to document a significant level of success in developing recommendations that are accepted by Departmental management.

#### D. How OIG Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives

The OIG program, and its performance goals are reflected below, followed by the DHS strategic goal and objective that the OIG program supports.

Audit, Inspections and Investigations Program – Add value to the DHS programs and operations; ensure integrity of the DHS programs and operations; and enable the OIG to deliver quality products and services.

#### **Goal 5 – Strengthen and Unify DHS Operations and Management**

E. Performance Based Budget Highlights by Program

For the FYHSP program, the performance goal, performance measure, budget including allocation of non-programmatic overhead, and FTE are:

| <b>Program: Audit, Inspections and Investigations Program</b>  |          |          |          |           |                      |           |
|--|----------|----------|----------|-----------|----------------------|-----------|
| <b>Performance Goal:</b> Add value to the DHS programs and operations; ensure integrity of the DHS programs and operations; and enable the OIG to deliver quality products and services. |          |          |          |           |                      |           |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005  | FY 2006  | FY 2007   | FY 2008 <sup>1</sup> | FY 2009   |
| <b>\$ Thousands</b>  | \$80,318 | \$97,317 | \$84,187 | \$102,685 | \$108,679            | \$101,023 |
| <b>FTE</b>   | 457      | 502      | 540      | 545       | 551                  | 577       |

<sup>1</sup> Includes rescission of prior year unobligated balance per P.L. 110-61.

|   |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Number of management reports (audits and inspections) issued during the reporting period.   |         |         |         |         |         |         |
| <b>Description of Measure:</b> The IG Act requires the OIG to audit programs for fraud, waste, and abuse. The Act also requires the review of programs for activities designed to promote economy, efficiency, and effectiveness. The criteria used to select programs for audit include: statutory and regulatory requirements; adequacy of internal control systems; newness; changed conditions; potential dollar magnitude; etc. Where appropriate, OIG audit and inspection reports include recommendations which if accepted and implemented, will improve the respective program. The OIG tracks all draft audit or inspection reports and the recommendations that are issued in those reports. |         |         |         |         |         |         |
| <b>Fiscal Year:</b>   | FY 2004 | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>  | None    | None    | 58      | 60      | 60      | 71      |
| <b>Actual:</b>  | None    | 58      | 62      | 79      | N/A     | N/A     |

|  |          |         |         |         |         |         |
|--|----------|---------|---------|---------|---------|---------|
| <b>Measure:</b> Percentage of recommendations made by the Office of Inspector General (OIG) that are accepted by the Department of Homeland Security.  |          |         |         |         |         |         |
| <b>Description of Measure:</b> The Inspector General Act of 1978, as amended, requires the OIG to audit programs for fraud, waste, and abuse. The Act also requires the review of programs for activities designed to promote economy, efficiency, and effectiveness. The criteria used to select programs for audit include: statutory and regulatory requirements; adequacy of internal control systems; newness; changed conditions; potential dollar magnitude; etc. Where appropriate, OIG audit and inspection reports include recommendations which, if accepted and implemented, will improve the respective program. The OIG tracks the recommendations that are issued until they have been implemented. |          |         |         |         |         |         |
| <b>Fiscal Year:</b>  | FY 2004  | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
| <b>Target:</b>   | Baseline | 75%     | 79%     | 85%     | 85%     | 85%     |
| <b>Actual:</b>   | 92%      | 93%     | 91%     | 91%     | N/A     | N/A     |

F. Digest Tables by FYHSP Program

**DIGEST OF FY 2009 BUDGET ESTIMATES BY ACTIVITY AND FYHSP PROGRAM**  
(dollars in thousands)

| Budget Activity   | FY2007<br>Actual <sup>2</sup> |                | FY2008<br>Enacted <sup>2</sup> |                | FY2009<br>Request |                | Increase (+) or Decrease (-) For FY 2009 |              |                 |              |               |              |
|---|-------------------------------|----------------|--------------------------------|----------------|-------------------|----------------|--|--------------|-----------------|--------------|---------------|--------------|
|   |                               |                |                                |                |                   |                | Total Changes                            |              | Program Changes |              | Other Changes |              |
|   | FTE                           | AMOUNT         | FTE                            | AMOUNT         | FTE               | AMOUNT         | FTE                                      | AMOUNT       | FTE             | AMOUNT       | FTE           | AMOUNT       |
| <b>BUDGET<br/>ACTIVITY<br/>1. Audit,<br/>Inspections and<br/>Investigations</b> | <b>550</b>                    | <b>103,526</b> | <b>551</b>                     | <b>108,711</b> | <b>577</b>        | <b>101,023</b> | <b>26</b>                                | <b>8,312</b> | <b>25</b>       | <b>6,400</b> | <b>1</b>      | <b>1,912</b> |
| Unobligated<br>budget expiring  |                               |                |                                |                |                   |                |  |              |                 |              |               |              |
| <b>Subtotal, Budget<br/>Authority (All<br/>Sources)</b>                         | <b>550</b>                    | <b>103,526</b> | <b>551</b>                     | <b>108,711</b> | <b>577</b>        | <b>101,023</b> | <b>26</b>                                | <b>8,312</b> | <b>25</b>       | <b>6,400</b> | <b>1</b>      | <b>1,912</b> |
| <b>Less prior year<br/>rescission per<br/>P.L. 110-61</b>                       |                               |                |                                | (32)           |                   |                |  |              |                 |              |               |              |
| <b>Net enacted<br/>appropriations<br/>and budget<br/>estimates</b>              | <b>550</b>                    | <b>103,526</b> | <b>551</b>                     | <b>108,679</b> | <b>577</b>        | <b>101,023</b> | <b>26</b>                                | <b>8,312</b> | <b>25</b>       | <b>6,400</b> | <b>1</b>      | <b>1,912</b> |

<sup>1</sup>Includes the actual obligations associated with the transfer and supplemental transfers from the Disaster Relief Fund.

<sup>2</sup>Includes the \$16.0M transfer from the Disaster Relief Fund.

# Department of Homeland Security

## *Working Capital Fund*

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Fiscal Year 2009  
Strategic Context  
Congressional Justification

**FY 2009 PRESIDENT’S BUDGET REQUEST STRATEGIC CONTEXT**

**Working Capital Fund**

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## I. WORKING CAPITAL FUND FY 2009 BUDGET

### **A. Mission and Description of the Working Capital Fund (WCF)**

To provide cost-effective support services throughout DHS, the WCF provides a mechanism for shared service costs to be distributed and recouped, and facilitates the delivery and oversight of shared services.

The WCF supports selected services, activities, and programs that benefit more than one DHS organizational component. Furthermore, the WCF supports the funding for government-wide initiatives as well as DHS crosscutting initiatives approved by OMB and Congress. The goal of the Under Secretary for Management is to maintain and operate a fund that promotes economy, efficiency, and accountability and to apply best practices from the public and private sectors for improving organizational performance, operational efficiencies, and ensure full cost recovery of goods and services for selected DHS agency-wide programs, activities, and services.

The current structure and operation of the WCF are not fully aligned with these goals.

In late FY 2007, the Department of Homeland Security initiated a comprehensive review of the WCF with the intention of improving the operation of the fund and delivery of administrative services. The first phase of this process is a study conducted by the Department's Chief Financial Officer. This study reviewed the WCF's current authority governance, functions, organization and staffing, business processes, activity portfolio and cost allocation methodologies. Comparable funds in several other Departments were also examined. Based on the recommendations of this study, the Department is proposing a new General Provision to make the WCF permanent, to permit maintenance of reasonable operating reserves, and to establish reprogramming thresholds. The study also recommends other improvements in a number of areas, including governance of the Fund, to achieve greater transparency, effectiveness, and efficiency. While the Department is pursuing implementation of some of these improvements consistent with existing authority, the proposed General Provision is critical to reengineer the WCF as an effective financial management tool and implement all of the recommendations.

### **B. Major Activities and Key Strategic Issues**

The key WCF activities are organized under the five activity categories listed below:

#### **Fee for Service Activity**

DHS WCF activity managers provide or coordinate delivery of a specific service or benefit to DHS components. The benefit/cost for providing the WCF activity is tangible and is directly linked to a component's use of services or products. These activities may include subscription-type services such as providing access to electronic services, for example the Library of Congress' FEDLINK. These WCF activities earn revenue from the provision of services, and have characteristics typical of a business enterprise. The costs for operating the "business" are reimbursed by billing customers for the provision of goods and services, through rates that are pre-approved by the CFO and reviewed by component customers. Each fee for service activity is expected to recover its operational costs, usually at a much lower cost as the components benefit from economies of scale. Examples include IT services, human resource services, procurement operations, and financial management services.

### **Tri-Bureau Service Activity**

The WCF Tri-Bureau Service activity supports selected administrative services provided by and to Immigration and Customs Enforcement (ICE), U.S. Citizenship and Immigration Services (USCIS), and Customs and Border Protection (CBP). These services include human resources, and IT services supplied by DOJ.

### **Government-Wide Service Activity**

Government-wide activities are Administration sponsored initiatives that are managed by a designated Federal department. Other departments are assessed for the cost of supporting the activity. The activities should also provide a direct benefit to participating components. Examples include the government-wide E-Government initiatives related to the President's Management Agenda.

### **DHS Crosscutting Activity**

The DHS crosscutting activities are department-wide programs managed by a single office that yield some benefit, such as accounting and bankcard services, to all DHS components. The actual costs of the programs are recouped by redistributing the costs to the components based on their share of the discretionary budget, staffing or some other fair and equitable pro-rata basis. Examples are the Ready Campaign and CPO Shared Reporting.

### **WCF Management Activity**

The WCF Management Activity includes funding for the staff that develops WCF policy and procedures, formulates and executes the WCF budget and resolves disputes between activity managers and customers.

## **C. Resources Requested and Performance Impact Summary**

The DHS WCF operating requirements for FY 2009 are estimated to be 342 FTEs and \$523,372,708 in reimbursable authority. This is an increase of \$47,878,505 and 19 FTEs over the FY 2008 Congressional Justification level. The total adjustments-to-base in FY 2009 is \$6,248,400 for pay raises and non-pay inflation.

In FY 2009, the WCF will continue most services and activities from FY 2008 and add three e-Government initiatives. The FY 2009 increase is attributable to program increases of \$28,805,020 approved for Fee for Services Activities; \$10,014,242 for Government-wide Activities; \$2,601,537 for Tri-Bureau Activities; \$262,196 for DHS Cross-Cutting Activities; \$209,305 for WCF Management and a \$6,248,400 base adjustment.

- **Fee for Service Activity; Base Adjustments: \$4,547,141 and Program Changes: \$28,805,020 and 11 additional FTEs over 2008**
  - GSA Rent; \$26,756,609 – The additional requested resources will provide DHS with the additional space needed for Gulf Coast Recovery Office, Science and Technology,

Operations Coordination and Intelligence Analysis and National Protection and Preparedness Directorate.

- Fedlink (Consolidated Subscription); The 1 additional FTE provides support for the expansion of the Libraries and Information Services.
- Financial Statement Audit; \$605,222 – The FY2009 amount includes an increase in contract costs and OIG travel oversight cost for audit services.
- Financial Management - Headquarters; \$128,135 and 9 additional FTEs – The requested increase supports the expansion of financial management support services to the Office of Health Affairs (OHA) and the conversion of key contractor positions to FTE.
- NFC Payroll and Reporting; \$1,019,538 - The FY2009 request includes O&M costs for NFC payroll and EmpowHR personnel systems. The funding increase will support of deployment of EmpowHR to additional DHS components (FEMA, PLETC, ICE, and CIS) in FY 2009.
- HQ Human Capital Services; \$342,311- The HQ Service center will continue to provide the full range of personnel operational support to DHS HQ components (excluding the OIG) and eventually expand that service through functional integration to other DHS components. In FY 2009, the estimated HQ population is 3,500-4,000.
- DHS Executive Leadership Development; \$41,400 – The increase includes support services cost for one (1) additional FTE to assist the Program Manager in conducting three concurrent SES Candidate Development Program (CDP) classes.
- Flexible Spending Plan; \$376,000 - The FY2009 The FY2009 request reflects the funding required to support the administrative fees associated with increased employee participation in flexible spending account programs
- DHS HQ Employee Assistance Program; \$12,264 - The increase in funding will allow DHS to provide an increased level of services to employees and their families, enabling them to achieve and maintain balance in their lives, thereby maximizing work performance, job satisfaction and morale
- NCR IT Services; \$7,368,282 - The requested funding is needed to provide for 500 new additional seats approved for the USM for managed IT services (e.g., desktop PCs, LAN service, telephone, E-mail, etc.). The offices under the USM requesting additional personnel will bear the increase in cost assessments. The increase in funding will adequately provide IT services to the offices and ensure continuity in operations.
- Program Offsets - \$7,725,454 in Fee for Service Activities are due to work load reduction.
  - -\$2,156,895 Financial Management (Finance and Accounting Shared Services)
  - -\$4,564,138 Internal Control Audit
  - -\$851,721 Software Enterprise Licenses – Microsoft
  - -\$152,700 Board of Contract Appeals
  - -\$119,287 Procurement Operations

- **Tri-Bureau Service Activity; Base Adjustments: \$1,129,165 and Program Changes: \$2,601,537 over 2008**
  - Tri-Bureau HR Services; \$989,899 - In FY 2009, a program increase is requested to support increased ICE staffing requirements for interior enforcement. The increased funding in FY 2009 will allow CBP to provide the required human resources support to ICE.
  - IT Services DOJ Data Center Services; \$1,611,638 - In FY 2009, an increase will help coordinate and oversee the delivery of IT data center services to DHS Components (ICE, US Visit, CIS, CBP, and HQ/CIO) currently using DOJ facilities.
- **Government-Wide Mandated Service Activity; Base Adjustments: \$276,409 and Program Changes: \$10,014,242 and 3 additional FTEs over 2008**
  - USAJOBS (Recruitment One-Stop); \$677,608 – The increase includes USAJOBS DHS-wide access cost. Beginning in FY 2009, OPM intends to charge for processing announcements for civilian competitive service, excepted service, and Executive Resource Service vacancies.
  - E-Training; \$6,217,841 and 3 additional FTEs – In FY 2009, the increase is due to the costs associated with the identification and implementation of a Learning Management System (LMS) to support DHS on-line learning and planned migration of legacy systems to the DHS LMS. DHS completed an Advanced Distributed Learning (ADL) Study identifying current e-learning, video-teleconferencing and satellite delivered training capability within the Department. DHS has also developed an architecture and implementation plan for improving ADL within DHS and for developing a DHS Headquarters Learning Management System (LMS).
  - Enterprise HR Integration; \$1,307,293- The increase includes the cost for consolidation efforts and implementation of modern HR systems with new functionality that will ultimately reduce operational costs.
  - e-Travel, \$566,657 - This activity provides a government-wide web based service that applies travel management best practices, and minimizes cost. From travel planning and authorization to reimbursement, the e-Travel will leverage administrative, financial and information technology best practices to realize significant cost savings and improved employee productivity
  - Case Management Line of Business \$515,000 – OMB restated this activity in FY 2009. The Case Management Line of Business (CM LoB) defines case management as activities associated with the collections, qualification, analysis, and use of information either for law enforcement purposes, to protect against acts of terrorism, or to defend the government (including its officers and agents) against legal challenges. A case represents the collection of information coalescing around one or more subjects of official interest to a case manager (e.g. an intelligence analyst, an investigative agent, or a Federal attorney). Automated case management systems are employed to facilitate the identification, organization, storage, workflow, and communication of case-related information. The CM LoB is working to

standardize case management solutions used in the Federal Government. Specific goals of the CM LoB include:

- Developing a common solutions architecture enabling case management data to be shared efficiently within and across agencies;
  - Improving effectiveness and efficiency of investigation and litigation case management business processes;
  - Identifying common case management processes across components and agencies to drive process standardization and system consolidation;
  - Addressing immediate and long-term case management needs and opportunities in the Federal case management community; and
  - Provide guidance for future case management investments across the Federal Government.
- E-Gov Integrated Acquisition Environment; \$503,299 – The FY 2009 request includes an increase related to the increase in DHS procurement activity.
  - e-Gov Benefits, \$238,885 - The GovBenefits.gov activity provides a single point of access for citizens to locate and determine eligibility for government benefits and services. The site now offers links to 234 benefits programs, representing \$1.3 trillion in annual benefits.
  - Geospatial LoB; \$63,860 – Geospatial LoB will further refine the opportunities for optimizing and consolidating Federal geospatial-related investments to reduce the cost of government and, at the same time, improve services to citizens. Cross-agency coordination of geospatial activities can identify, consolidate, and reduce or eliminate redundant geospatial investments. Developing the Geospatial Line of Business (LoB) will result in a more coordinated approach to producing, maintaining, and using geospatial data, and will ensure sustainable participation from Federal partners to establish a collaborative model for geospatial-related activities and investments.
  - IT Infrastructure Line of Business (ITLOB); \$160,000 - The IT Infrastructure LoB will identify the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within agencies and/or across agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure. IT infrastructure consolidation and optimization case studies also demonstrate agencies could improve IT service levels and, when relieved of the burden of managing these non-core functions, can concentrate more on mission priorities and results.
  - Budget Formulation and Execution (BFELoB); \$95,000 - The focus of the Budget Formulation and Execution Line of Business (BFE LoB) is to build a “budget of the future” by promoting information sharing across government agency budget offices and building a “community of practice.” With this collaboration, the budget community can start to identify best practices for all aspects of budget formulation and execution. The BFE LoB strives to find solutions that link budget formulation, execution, planning, performance, and financial information. Areas of particular interest include technology, budget performance

integration, data collection and tracking, financial management integration, and human capital.

- Program Offsets - \$331,201 in Government-Wide Mandated Activities are due to reductions by OMB in the e-government amounts:
  - -\$326,854 Business Gateway
  - -\$4,130 Human Resources Line of Business
  - -\$217 e-Authentication
- **DHS Crosscutting Activity; \$262,196 and Program Changes of 3 additional FTEs over 2008**
  - DHS Crosscutting Activities are requesting \$262,196 in adjustments and 3 additional FTE for CPO Shared Reporting for FY 2009.
- **WCF Management Activity; Base Adjustments: \$33,489 and Program Changes: \$209,305 and 2 additional FTEs over 2008**

The increase includes \$209,305 in support of 2 additional FTEs and \$33,489 in inflation. DHS WCF requests additional funding for the WCF operations for technical support of the new IT Revolving fund, existing and expanding WCF activities. This will enable the WCF to provide ensure compliance with Congressional guidance and provide oversight to the increased number of WCF activities approved for the WCF. The WCF will continue to improve cost methodologies in determining customer assessments for products and services received.

#### **Program Assessment Rating Tool (PART) Results:**

**Not applicabile to the Working Capital Fund.**

#### **D. How Working Capital Fund Programs and Their Performance Goals Align to and Support the DHS Strategic Plan Objectives.**

Strategic Plan Objective 7.4: Improve the efficiency and effectiveness of the Department, ensuring taxpayers get value for their tax dollar.

The WCF supports this objective through business processes designed to provide centralized administrative services at a fair and equitable cost to organizations within DHS, as well as to maximize customer satisfaction, utilization of resources and the benefits derived from the WCF.

#### **E. Performance Based Budget Highlights by Program**

One of the major deficiencies identified in the recent WCF Study is the lack of meaningful performance measures. During the 2010 Planning and Budgeting process, OCFO will work with the activity managers to develop a performance management system to align WCF operations with overall Fund objectives, This would include: 1) establishing goals/objectives, 2) defining “the critical few” metrics that drive operations to achieve these goals/objectives, 3) developing a process to capture and analyze performance data (based on existing systems initially), and 4)

establishing a formal performance review and corrective action process in conjunction with the enhanced WCF governance procedures.

The resultant performance management system will capture two broad perspectives on Fund performance: service performance and administrative performance. Service performance data will capture metrics such as return on investment and other economic or qualitative ratios specific to the provision of an individual service. Administrative performance will track measures such as timeliness of assessments and reports, accuracy of reporting, consistency of methodology. Dual perspectives on the performance of Fund will significantly improve transparency and accountability and re-establish credibility with customers and stakeholders.

**F. Digest Tables by FYHSP Programs**

**Working Capital Fund  
Summary of FY 2009 Budget Estimates by WCF Activity**  
(Dollars in Thousands)

| Budget Activity  | FY 2007<br>Actual |                  | FY 2008<br>Enacted |                  | FY 2009<br>Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|--|-------------------|------------------|--------------------|------------------|--------------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|  |                   |                  |                    |                  |                    |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|  | FTE               | AMOUNT           | FTE                | AMOUNT           | FTE                | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Fee for Service Activity                                     | 270               | \$345,965        | 311                | \$378,208        | 322                | 411,560          | 11                                       | \$33,352        | 11              | \$28,805        | ---                 | \$4,547        |
| Tri-Bureau Service Activity                                  | ---               | 62,052           | 2                  | 56,329           | 2                  | 60,060           | ---                                      | 3,731           | ---             | 2,602           | ---                 | \$1,129        |
| Government-wide Mandated Service Activity                    | ---               | 23,785           | 3                  | 26,802           | 6                  | 37,093           | 3  | 10,291          | 3               | 10,014          | ---                 | \$276          |
| DHS Crosscutting Activity                                    | 2                 | 8,104            | 1                  | 13,117           | 4                  | 13,380           | 3  | 262             | 3               | ---             | ---                 | \$262          |
| WCF Management Activity                                      | 6                 | 900              | 6                  | 1,037            | 8                  | 1,280            | 2  | 243             | 2               | 209             | ---                 | \$33           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>278</b>        | <b>\$440,806</b> | <b>323</b>         | <b>\$475,494</b> | <b>342</b>         | <b>\$523,373</b> | <b>19</b>                                | <b>\$47,879</b> | <b>19</b>       | <b>\$41,630</b> | <b>0</b>            | <b>\$6,248</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
|  |                   |                  |                    |                  |                    |                  |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>278</b>        | <b>\$440,806</b> | <b>323</b>         | <b>\$475,494</b> | <b>342</b>         | <b>\$523,373</b> | <b>19</b>                                | <b>\$47,879</b> | <b>19</b>       | <b>\$41,630</b> | <b>0</b>            | <b>\$6,248</b> |

# Department of Homeland Security

## *Working Capital Fund*



Fiscal Year 2009  
Congressional Justification

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# BUDGET REQUEST AND SUPPORTING INFORMATION

## Working Capital Fund

### I. Working Capital Fund Overview

#### A. Mission Statement for the Working Capital Fund (WCF):

To provide cost-effective support services throughout DHS, the WCF provides a mechanism for shared service costs to be distributed and recouped, and facilitates the delivery and oversight of shared services.

The WCF supports selected services, activities, and programs that benefit more than one DHS organizational component. Furthermore, the WCF supports the funding for government-wide initiatives as well as DHS crosscutting initiatives approved by OMB and Congress. The goal of the Under Secretary for Management is to maintain and operate a fund that promotes economy, efficiency, and accountability and to apply best practices from the public and private sectors for improving organizational performance, operational efficiencies, and ensure full cost recovery of goods and services for selected DHS agency-wide programs, activities, and services.

The current structure and operation of the WCF are not fully aligned with these goals.

In late FY 2007, the Department of Homeland Security initiated a comprehensive review of the WCF with the intention of improving the operation of the fund and delivery of administrative services. The first phase of this process is a study conducted by the Department's Chief Financial Officer. This study reviewed the WCF's current authority governance, functions, organization and staffing, business processes, activity portfolio and cost allocation methodologies. Comparable funds in several other Departments were also examined. Based on the recommendations of this study, the Department is proposing a new General Provision to make the WCF permanent, to permit maintenance of reasonable operating reserves, and to establish reprogramming thresholds. The study also recommends other improvements in a number of areas, including governance of the Fund, to achieve greater transparency, effectiveness, and efficiency. While the Department is pursuing implementation of some of these improvements consistent with existing authority, the proposed General Provision is critical to reengineer the WCF as an effective financial management tool and implement all of the recommendations.

#### B. Budget Activities:

The key WCF activities are organized under the five activity categories listed below:

##### Fee for Service Activity

DHS WCF activity managers provide or coordinate delivery of a specific service or benefit to DHS components. The benefit/cost for providing the WCF activity is tangible and is directly linked to a

component's use of services or products. These activities may include subscription-type services such as providing access to electronic services, for example the Library of Congress' FEDLINK. These WCF activities earn revenue from the provision of services, and have characteristics typical of a business enterprise. The costs for operating the "business" are reimbursed by billing customers for the provision of goods and services, through rates that are pre-approved by the CFO and reviewed by component customers. Each fee for service activity is expected to recover its operational costs, usually at a much lower cost as the components benefit from economies of scale. Examples include: IT services, human resource services, procurement operations, and financial management services.

### **Tri-Bureau Service Activity**

The WCF Tri-Bureau Service activity supports selected administrative services provided by and to Immigration and Customs Enforcement (ICE), U.S. Citizenship and Immigration Services (USCIS), and Customs and Border Protection (CBP). These services include human resources, and IT services supplied by DOJ.

### **Government-Wide Service Activity**

Government-wide activities are Administration sponsored initiatives that are managed by a designated Federal department, to improve overall government performance. Other departments are assessed for the cost of supporting the activity. The activities should also provide a direct benefit to participating components. Examples include the government-wide E-Government initiatives related to the President's Management Agenda.

### **DHS Crosscutting Activity**

The DHS crosscutting activities are department-wide programs managed by a single office that yield some benefit, such as Strategic Sourcing, to all DHS components. The actual costs of the programs are recouped by redistributing the costs to the components based on their share of the discretionary budget, staffing or some other fair and equitable pro-rata basis.

### **WCF Management Activity**

The WCF Management Activity includes funding for the staff that develops WCF policy and procedures, formulates and executes the WCF budget and negotiates issues between activity managers and customers.

## **C. Budget Request Summary:**

The DHS WCF operating requirements for FY 2009 are estimated to be 342 FTEs and \$523,372,708 in reimbursable authority. This is an increase of \$47,878,505 and 19 FTEs over the FY 2008 Congressional Justification level. The total adjustments-to-base in FY 2009 is \$6,248,400 for pay raises and non-pay inflation.

In FY 2009, the WCF will continue most services and activities from FY 2008 and add three e-Government initiatives. The FY 2009 increase is attributable to program increases of \$28,805,020 approved for Fee for Services Activities; \$10,014,242 for Government-wide Activities; \$2,601,537 for Tri-Bureau Activities; \$262,196 for DHS Cross-Cutting Activities; \$209,305 for WCF Management and a \$6,248,400 base adjustment.

- **Fee for Service Activity; Base Adjustments: \$4,547,141 and Program Changes: \$28,805,020 and 11 additional FTE over 2008**
  - GSA Rent; \$26,756,609 – The additional requested resources will provide DHS with the additional space needed for Science and Technology, Operations Coordination and Intelligence Analysis and National Protection and Preparedness Directorate.
  - Fedlink (Consolidated Subscription); 1 additional FTE – The 1 additional FTE is required to support the expansion of the Libraries and Information Services.
  - Financial Statement Audit; \$605,222 – The FY2009 amount includes an increase in contract costs and OIG travel oversight cost for audit services.
  - Financial Management - Headquarters; \$128,135 and 9 additional FTEs – The requested increase supports the expansion of financial management support services to the Office of Health Affairs (OHA) and the conversion of key contractor positions to FTE.
  - NFC Payroll and Reporting; \$1,019,538 - The FY2009 request includes O&M costs for NFC payroll and EmpowHR personnel systems. The funding increase will support deployment of EmpowHR to additional DHS components (FEMA, FLETC, ICE, and CIS) in FY 2009.
  - HQ Human Capital Services; \$342,311- The HQ Service center will continue to provide the full range of personnel operational support to DHS HQ components (excluding the OIG) and eventually expand that service through functional integration to other DHS components. In FY 2009, the estimated HQ population is 3,500-4,000.
  - DHS Executive Leadership Development; \$41,400 – The increase includes support services cost for one (1) additional FTE to assist the Program Manager in conducting three concurrent SES Candidate Development Program (CDP) classes.
  - Flexible Spending Plan; \$376,000 - The FY2009 request reflects the funding required to support the administrative fees associated with increased employee participation in flexible spending account programs.
  - DHS HQ Employee Assistance Program; \$12,264 - The increase in funding will allow DHS to provide an increased level of services to employees and their families, enabling them to achieve and maintain balance in their lives, thereby maximizing work performance, job satisfaction and morale.
  - NCR IT Services; \$7,368,282 - The requested funding is needed to provide for 500 new additional seats approved for the USM in FY08 for managed IT services (e.g., desktop PCs, LAN service, telephone, E-mail, etc.). The offices under the USM requesting additional personnel will bear the increase in cost assessments. The increase in funding will adequately provide IT services to the offices and ensure continuity in operations.
  - Program Offsets - \$7,725,454 in Fee for Service Activities are due to work load reduction.
    - -\$2,156,895 Financial Management (Finance and Accounting Shared Services)
    - -\$4,564,138 Internal Control Audit
    - -\$851,721 Software Enterprise Licenses – Microsoft

- -\$152,700 Board of Contract Appeals

- **Tri-Bureau Service Activity; Base Adjustments: \$1,129,165 and Program Changes: \$2,601,537 over 2008**

- Tri-Bureau HR Services; \$989,899 - In FY 2009, a program increase is requested due to increased ICE staffing requirements for interior enforcement. The increased funding in FY 2009 will allow CBP to provide the required human resources support to ICE.
- IT Services DOJ Data Center Services; \$1,611,638 - The FY 2009 increase will help coordinate and oversee the delivery of IT data center services to DHS Components (ICE, US Visit, CIS, CBP, and HQ/CIO) currently using DOJ facilities.

- **Government-Wide Mandated Service Activity; Base Adjustments: \$276,409 and Program Changes: \$10,014,242 and 3 additional FTE over 2008**

- USAJOBS (Recruitment One-Stop); \$677,608 – The increase includes USAJOBS DHS-wide access cost. Beginning in FY 2009, OPM intends to charge for processing announcements for civilian competitive service, excepted service, and Executive Resource Service vacancies.
- E-Training; \$6,217,841 and 3 additional FTE – The increase in FY 2009 is due to the costs associated with the identification and implementation of a Learning Management System (LMS) to support DHS on-line learning and planned migration of legacy systems to the DHS LMS. DHS completed an Advanced Distributed Learning (ADL) Study identifying current e-learning, video-conferencing and satellite delivered training capability within the Department. DHS has also developed an architecture and implementation plan for improving ADL within DHS and for developing a DHS Headquarters Learning Management System (LMS).
- Enterprise HR Integration; \$1,307,293- The increase includes the cost for consolidation efforts and implementation of modern HR systems with new functionality that will ultimately reduce operational costs.
- e-Travel; \$566,657 - This activity provides a government-wide web based service that applies travel management best practices and minimizes cost. From travel planning and authorization to reimbursement, the e-Travel will leverage administrative, financial and information technology best practices to realize significant cost savings and improved employee productivity.
- Case Management Line of Business; \$515,000 – OMB reinstated this activity in FY 2009. The Case Management Line of Business (CM LoB) defines case management as activities associated with the collections, qualification, analysis, and use of information either for law enforcement purposes, to protect against acts of terrorism, or to defend the government (including its officers and agents) against legal challenges. A case represents the collection of information coalescing around one or more subjects of official interest to a case manager (e.g. an intelligence analyst, an investigative agent, or a Federal attorney). Automated case management systems are employed to facilitate the identification, organization, storage, workflow, and communication of case-related information. The CM LoB is working to

standardize case management solutions used in the Federal Government.

Specific goals of the CM LoB include:

- Developing a common solutions architecture enabling case management data to be shared efficiently within and across agencies;
- Improving effectiveness and efficiency of investigation and litigation case management business processes;
- Identifying common case management processes across components and agencies to drive process standardization and system consolidation;
- Addressing immediate and long-term case management needs and opportunities in the Federal case management community; and
- Provide guidance for future case management investments across the Federal Government.
  - E-Gov Integrated Acquisition Environment; \$503,299 – The FY 2009 request includes an increase related to the increase in DHS procurement activity.
  - e-Gov Benefits; \$238,885 – e-GovBenefits.gov activity provides a single point of access for citizens to locate and determine eligibility for government benefits and services. The site now offers links to 234 benefits programs, representing \$1.3 trillion in annual benefits.
  - Geospatial LoB; \$63,860 – Geospatial LoB will further refine the opportunities for optimizing and consolidating Federal geospatial-related investments to reduce the cost to the government and, at the same time, improve services to citizens. Cross-agency coordination of geospatial activities can identify, consolidate, and reduce or eliminate redundant geospatial investments. Developing the Geospatial Line of Business (LoB) will result in a more coordinated approach to producing, maintaining, and using geospatial data, and will ensure sustainable participation from Federal partners to establish a collaborative model for geospatial-related activities and investments.
  - IT Infrastructure Line of Business (IT LoB); \$160,000 -The IT Infrastructure LoB will identify the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within agencies and/or across agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure. IT infrastructure consolidation and optimization case studies also demonstrate how agencies could improve IT service levels and, when relieved of the burden of managing these non-core functions, can concentrate more on mission priorities and results.

- Budget Formulation and Execution (BFELoB); \$95,000 - The focus of the Budget Formulation and Execution Line of Business (BFE LoB) is to build a “budget of the future” by promoting information sharing across government agency budget offices and building a “community of practice.” With this collaboration, the budget community can start to identify best practices for all aspects of budget formulation and execution. The BFE LoB strives to find solutions that link budget formulation, execution, planning, performance, and financial information. Areas of particular interest include technology, budget performance integration, data collection and tracking, financial management integration, and human capital.
- Program Offsets; - \$331,201 in Government-Wide Mandated Activities are due to reductions by OMB in the e-government amounts:
  - -\$326,854 Business Gateway
  - -\$ 4,130 Human Resources Line of Business
  - -\$ 217 e-Authentication
- **DHS Crosscutting Activity; \$262,196 and Program Changes of 3 additional FTEs over 2008**

DHS Crosscutting Activities are requesting \$262,196 in adjustments and 3 additional FTEs for CPO Shared Reporting for FY 2009.

- **WCF Management Activity; Base Adjustments: \$33,489 and Program Changes: \$209,305 and 2 additional FTE over 2008**

The increase includes \$209,305 in support of 2 additional FTE. DHS WCF requests additional funding for the WCF operations for existing and expanding WCF activities. This will enable the WCF to ensure compliance with Congressional guidance and provide oversight to the increased number of WCF activities approved for the WCF. The WCF will continue to improve cost methodologies in determining customer assessments for products and services received.

## II. Summary of FY 2009 Budget Estimates by Program/Project Activity (PPA)

### i. Summary of FY 2009 Budget Estimates by Appropriation

**Department of Homeland Security**  
**Working Capital Fund**  
 Summary of FY 2009 Budget Estimates by WCF Activity  
 (Dollars in Thousands)

| Budget Activity  | FY 2007 Actual |                  | FY 2008 Enacted |                  | FY 2009 Request |                  | Increase (+) or Decrease (-) For FY 2009 |                 |                 |                 |                     |                |
|--|----------------|------------------|-----------------|------------------|-----------------|------------------|--|-----------------|-----------------|-----------------|---------------------|----------------|
|  |                |                  |                 |                  |                 |                  | Total Changes                            |                 | Program Changes |                 | Adjustments-to-Base |                |
|  | FTE            | AMOUNT           | FTE             | AMOUNT           | FTE             | AMOUNT           | FTE                                      | AMOUNT          | FTE             | AMOUNT          | FTE                 | AMOUNT         |
| Fee for Service Activity                                     | 270            | \$345,965        | 311             | \$378,208        | 322             | 411,560          | 11                                       | \$33,352        | 11              | \$28,805        | 0                   | \$4,547        |
| Tri-Bureau Service Activity                                  | 0              | 62,052           | 2               | 56,329           | 2               | 60,060           | 0  | 3,731           | 0               | 2,602           | 0                   | \$1,129        |
| Government-wide Mandated Service Activity                    | 0              | 23,785           | 3               | 26,802           | 6               | 37,093           | 3  | 10,291          | 3               | 10,014          | 0                   | \$276          |
| DHS Crosscutting Activity                                    | 2              | 8,104            | 1               | 13,117           | 4               | 13,380           | 3  | 262             | 3               | 0               | 0                   | \$262          |
| WCF Management Activity                                      | 6              | 900              | 6               | 1,037            | 8               | 1,280            | 2  | 243             | 2               | 209             | 0                   | \$33           |
| <b>Subtotal, Enacted Appropriations and Budget Estimates</b> | <b>278</b>     | <b>\$440,806</b> | <b>323</b>      | <b>\$475,494</b> | <b>342</b>      | <b>\$523,373</b> | <b>19</b>                                | <b>\$47,879</b> | <b>19</b>       | <b>\$41,630</b> | <b>0</b>            | <b>\$6,248</b> |
| <b>Less: Adjustments for Other Funding Sources:</b>          |                |                  |                 |                  |                 |                  |  |                 |                 |                 |                     |                |
|  |                |                  |                 |                  |                 |                  |  |                 |                 |                 |                     |                |
|  |                |                  |                 |                  |                 |                  |  |                 |                 |                 |                     |                |
| <b>Net, Enacted Appropriations and Budget Estimates</b>      | <b>278</b>     | <b>\$440,806</b> | <b>323</b>      | <b>\$475,494</b> | <b>342</b>      | <b>\$523,373</b> | <b>19</b>                                | <b>\$47,879</b> | <b>19</b>       | <b>\$41,630</b> | <b>0</b>            | <b>\$6,248</b> |

### III. Current Services Program Description by PPA

**Department of Homeland Security**  
**Working Capital Fund**  
**Program Performance Justification**  
(Dollars in thousands)

PPA: Fee for Service Activities

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b>  |
|------------------------------|---------------------|------------|----------------|
| <b>2007 Actual</b>           | <b>270</b>          | <b>270</b> | <b>345,965</b> |
| <b>2008 Enacted</b>          | <b>311</b>          | <b>311</b> | <b>378,208</b> |
| 2009 Adjustments-to-Base     | ...                 | ...        | 4,547          |
| <b>2009 Current Services</b> | <b>311</b>          | <b>311</b> | <b>382,755</b> |
| Program Change               | 11                  | 11         | 28,805         |
| <b>2009 Request</b>          | <b>322</b>          | <b>322</b> | <b>411,560</b> |
| Total Change 2008-2009       | 11                  | 11         | 33,352         |

Working Capital Fund requests \$411.56 million for Fee for Service activities. This is an increase of \$33.4 million and 11 FTE over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

***FEE FOR SERVICE ACTIVITY***

**GSA Rent – Fee for Service Activity**

**Description of Service:** The Office of the Chief Administrative Officer (CAO) is responsible for the determination and allocation of rent for DHS entities in the National Capital Region. Specifically, this applies to those offices occupying space under CAO managed Occupancy Agreements (OAs) with GSA. CAO primarily serves Departmental Management, NPPD, OHA, A & O, and S & T in this capacity.

All CAO managed OAs and rent are typically formalized through GSA. Whenever possible, client agencies are located in existing government-owned space. If suitable space in the government inventory is not available, GSA acquires leased space in privately owned buildings. GSA charges rent to over 100 federal agencies, which is deposited into the Federal Buildings Fund and used to operate the government's buildings and pay rent to the private sector for leased space.

The GSA OAs cite rent and space data for each site and will include, where applicable, fees for Federal Protective Services, overtime utilities, antenna charges and other rent related fees.

CAO tracks and manages space and charges each DHS organization rent for the space they occupy and a share of the common spaces.

***Cost Allocation Methodology:*** Annual rent bills are derived by determining the aggregate rent for all CAO managed spaces, knowing the total square footage of all space and dividing that into the total aggregate rent to come up with an aggregate rent rate. This rent rate is then applied to an organization's occupied and shared space to determine that organization's annual rent. All non-rent costs (mainly salaries and benefits for FTEs, CAFM software and related IT) are included in the aggregate rent and are therefore shared by all customers according to their occupied space. Space measurements are accomplished by using floor plan drawings and outlining each occupied area.

***Full Time Equivalent (FTE):*** This activity requires 5 FTEs.

### **FEDLINK (Library of Congress) – Fee for Service Activity**

***Description of Service:*** FEDLINK is an "Ask a Librarian" initiative which is a cooperative federal library project implemented and funded by the DHS Management Directorate. The project expands library services to workforce desktops using interactive chat, email or phone. Librarians from 25 federal agencies (including DHS staff librarians) answer questions, search databases and send materials directly to DHS staff, detailees, and contractors.

***Cost Allocation Methodology:*** The cost allocation methodology is the unit contract costs multiplied by the number of users each component requested.

***Full Time Equivalent (FTE):*** This activity requires 4 FTEs.

### **Financial Management (Finance & Accounting Shared Services) – Fee for Service Activity**

***Description of Service:*** The Office of the DHS Chief Financial Officer (CFO) gives authorization for financial systems in the Department of Homeland Security and sponsors, sets policy, and manages the development, implementation, operation and maintenance of the departmental financial management systems and related business processes. The CFO has determined that it is in the best interest of the Department to obtain selected financial management services from the Office of Financial Management, U.S. Immigration and Customs Enforcement, hereafter referred to as ICE OFM and FLETC, on a reimbursable basis. ICE OFM and FLETC will provide financial management services in support of the following components:

- ICE OFM
  - Departmental Operations, including the immediate offices of the Secretary, the Directorate for Management, etc.
  - Directorate for Science and Technology
  - NPPD
  - U.S. Citizenship and Immigration Services
- FLETC OFM
  - Directorate for Operations Coordination and Intelligence and Analysis

ICE OFM will formulate and disseminate financial management policies, procedures, standards and maintain overarching internal controls in conjunction with the DHS CFO. The DHS CFO and ICE OFM will assist DHS HQ components in the implementation, if needed. The activities with respect to this function include:

- Oversee the development and maintenance of OFM policies, standards, and procedures for serviced groups to ensure compliance, uniformity, and consistency with Federal Financial and Accounting regulations, guidelines, rules, and standards.
- Create and submit updates to be posted on the OFM intranet website.
- Ensure necessary continuation of operations plans are prepared, viable, and in place in the event of required use.
- Monitor, adjust, and execute shared services agreements including the development/refinement of cost methodologies.
- Channel customer service requirements to service owners through formalized meetings, memorandums, issues papers, and other communication mechanisms.
- Establish points-of-contacts to support customer liaison and service requirements, and participate in customer meetings.
- Conduct periodic reviews of internal business practices to identify means in order to improve operations in terms of effectiveness and efficiency.
- Create new Federal Financial Management System transaction codes and process changes to the general ledger.
- Manage travel card services by processing new travel card applications; establishing hierarchies, maintaining user profiles, handling disputes, increasing limits, replacing cards, and contacting delinquent card holders.

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is based on the historical cost of providing seven categories of financial support to each participating component. The seven categories of financial support services include the following: (1) financial reports, (2) obligations and payment processing, (3) system usage, (4) receipts, (5) payroll, (6) overhead, and (7) travel and cash management services.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **Financial Statement Audit – Fee for Service Activity**

***Description of Service:*** The DHS IG awards a contract to an independent CPA firm to perform a financial statement audit functions. The costs include travel and incidental costs associated with the performance of the audit as permitted by the contract maintained by the Office of the Inspector General (OIG) as the Contracting Officer’s Technical Representative (COTR). Award will be made under a GSA schedule contract.

The Financial Statement Auditor is selected through contracting procedures by the OIG (with the Bureau of Public Debt (BPD) acting as the procurement office) and must stay independent from the DHS components that are being audited. The auditor selected commences work immediately and entrance conferences are held within a short time after award of the financial statement audit contract.

The Office of the Chief Financial Officer (CFO) coordinates and prepares the DHS consolidated financial statements and in this role acts as primary liaison for the auditors. All DHS departmental CFOs coordinate with the Director of Financial Management in the preparation of financial statements and completion of the audit.

The Office of the Inspector General became the COTR in FY 2005. The WCF funds will be used to support the departmental financial statement audits with the OIG having the following responsibilities:

- Contracting with an independent public accounting firm to perform the FY 2008 DHS financial statement audit.
- Providing oversight of the contract auditor
- Providing estimated cost information that allows the OCFO to properly budget for audit costs
- Notify the OCFO of any potential cost overruns and the related reasons
- Review and approve invoices for payment. The OIG charges no fee to the WCF for these services.

***Cost Allocation Methodology:*** The cost allocation methodology is the sum of the estimated auditor's billable hours multiplied by the hourly rate plus travel and incidental costs.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **Internal Audit - Fee for Service Activity**

***Description of Service:*** The contract includes time and materials for internal control audit services with the auditor providing the services and billing for hours worked at billing rates commensurate with the audit position being billed. The costs include travel and incidental costs associated with the performance of the audit as permitted by the contract maintained by the OIG as the COTR. Award will be made under a GSA schedule contract.

The Internal Control Auditor is selected through contracting procedures by the OIG (with the Bureau of Public Debt (BPD) acting as the procurement office) and must stay independent from the DHS components that are being audited. The auditor selected commences work immediately and entrance conferences are held within a short time after award of the financial statement audit contract.

The Office of the Chief Financial Officer (CFO) coordinates the assessment process to support management's assertion and in this role acts as primary liaison for the auditors. All DHS departmental CFOs coordinate with the Director of Financial Management in the preparation of and completion of the internal audit.

***Cost Allocation Methodology:*** The cost allocation methodology is the estimated auditor's billable hours per component multiplied by the hourly rate plus travel and incidental costs.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

## **Financial Management – Fee for Service Activity**

**Description of Service:** The Department of Homeland Security, Under Secretary for Management (US/M) provides financial management support to Departmental Management and Operations. Services include budget formulation and execution of the Departmental Management and Operations appropriation, which is comprised of four separate appropriations including: the Offices of the Secretary and Executive Management Offices (OSEM); the Under Secretary for Management (US/M); the Chief Financial Officer and the Chief Information Officer. The Executive Management Offices are independent offices that report directly to the Secretary and operate without financial management personnel. These offices rely on the Department Operations Branch (DOB) for financial management and budget support. It is estimated that the DOB processes approximately 100 to 150 procurement requests per month. Procurement requests may vary in complexity and dollar value, ranging from \$25 to over \$1 million for one request. This funding provides the personnel and materials to perform the following budget execution activities:

- Processing of Procurement Requests
- Commitment and Obligation of Funds
- Processing of Travel Authorizations and Vouchers
- Reconciling a Centrally Billed Travel Account
- Set up and Coordination of Purchase Cards
- Periodic Purchase Card reporting and review
- Invoice Processing and Certification
- Review and Accuracy of Financial Data
- Reconciliation of accounting records and financial data in FFMS
- Development of Status of Funds Reporting
- Financial Reporting as required or needed for special requests
- Periodic review of Payroll data to ensure accurate reporting

**Cost Allocation Methodology:** The cost allocation methodology is a pro-rata share based on the percent of each office within Departmental Operations' adjusted total budget divided by the total Departmental Operations' adjusted total budget multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires 13 FTE.

## **Bankcard Program - Fee for Service Activity**

**Description of Service:** As part of the GSA SmartPay contract, DHS entered into a tailored task order with US Bank on June 25, 2003, for purchase card services. Under this task order, US Bank will be the sole provider of purchase cards for all organization elements within DHS. The inherent nature of purchase cards under the GSA SmartPay contract is issued to individual employees of an organization but are billed and paid centrally, or at the corporate level using each independent agency's funding string(s). Individual cardholders are not responsible for payment to the bank.

DHS has selected the U. S. Coast Guard (USCG) as the servicing agent to provide for a centralized invoicing and payment system for components within DHS. The Finance Center (FINCEN) has developed and implemented a system that supports the receipt of daily invoices for all of DHS from

US Bank. This system assures payment of those invoices within one business day of receipt, and provides transmission of an electronic file containing transaction data to each component's accounting system.

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is based on the percent of each component's number of Bankcard transactions processed divided by the total number of Bankcard transactions processed for all participating components multiplied by total estimated cost of the activity.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **Treasury Information Executive Repository (TIER) – Fee for Service Activity**

***Description of Service:*** The DHS CFO's office is responsible for creating the Department-wide financial statements. As part of this process, two software packages are used to process the work. These two products are the Treasury Information Executive Repository (TIER) and CFO Vision Software. The CFO's office has established procedures and guidance for the components to use. The DHS use of TIER and CFO Vision has benefited the entire Department by the cost and time savings involved in being able to produce financial statements in a timely manner. This has been a huge benefit especially with the accelerated timeframes for producing the Performance and Accountability Report (PAR).

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is average cost equally distributed to the organization element.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **National Finance Center (NFC) Payroll/Services and Reporting – Fee for Service Activity**

***Description of Service:*** The NFC Payroll provides DHS with payroll/processing and reporting support. In addition, NFC provides the components specific services. The components are already paying into the WCF for these services. Therefore, administering the costs of these services through the WCF will provide for greater efficiencies through centralized management. In addition, any changes in payroll requirements would be coordinated directly between Human Capital Business Systems (HCBS) staff and the NFC, on behalf of the components.

| <b>COST AREA</b>  | <b>COST DRIVER</b>      |
|---|-------------------------|
| Postage-Earnings and Leave and Personal Benefits Statements | Pieces of mail          |
| Treasury FMS Postage Charges for Single Address Checks      | Checks mailed           |
| USDA OIG Oversight of Non-USDA Payroll Processing           | Avg # of employees paid |
| Payroll Operations Branch Support                           | Avg # of employees paid |
| Tax Reporting   | Avg # of employees paid |
| Payroll Policy Support                                      | Avg # of employees paid |
| e-Pay Policy Support  | Avg # of employees paid |
| Benefits Reconciliation and Liaison Area                    | Avg # of employees paid |
| Payroll Accounting  | Avg # of employees paid |
| Certification   | Avg # of employees paid |
| Debt Management   | Receivables established |
| Data Center Operations (Other than FOCUS)                   | Avg # of employees paid |
| Payroll/Personnel Baseline Services                         | Avg # of employees paid |
| Ad-Hoc reporting (based on CPU Minutes used)                | CPU Minutes             |

*Note: The last 4 items are the most expensive “unit cost” items.*

**Cost Allocation Methodology:** The cost allocation methodology is based on the component’s average number of employees paid.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **HQ Human Capital Services -Fee for Service Activity**

**Description of Service:** Recruitment and hiring services have been provided to HQ through Customs and Border Protection (CBP) via a contract with Booz, Allen, Hamilton (BAH). The purpose of this contract and the HTRT was to assist HQ in “ramping up” staff to meet business requirements. Since the formation of the DHS structure, the bulk of HQ personnel needs have been in-sourced to CBP’s Human Resources Management Division. The vast majority of these services were, in turn, outsourced to a private firm tasked with assisting in the heavy workload associated with the ramp-up of HQ organizations. Over this past year, for example, the prior contractor received and reviewed over 15,000 applications for employment with DHS HQ organizations. In the last year alone, the contractor managed over 1300 staffing and classification request, resulting in over 600 DHS HQ positions being

filled within the established 45-day timeline established by OPM. HC Operations will continue its emphasis on “ramping up” and responding to staffing/hiring needs and filling service gaps; however, the goal in FY 2009 is the continuing expansion of the service strategy from its current primary emphasis on hiring to a more robust, full-service human capital organization (which includes providing more personnel staffing support).

The HC Services team provides coordination and oversight support for outsourced services supporting HQ Human Capital operational needs. The team ensures that the personnel processes for HQ’s managers/employees and service providers (excluding the OIG), runs efficiently and effectively. Examples of services provided include: Staffing and Recruitment; Position Classification/Position Management; Performance Management; Payroll and Personnel Action Processing; Employee and Labor Relations Support; Retirements and Benefits Support; Time and Attendance Support.

The HC Services Team will provide: *coordinated and prioritized services* to all DHS customers; will ensure timely and effective recruitment of staff; effectively manage the “on-board” staffing process (which includes security clearances and collaboration with the Personnel Security Office), quality personnel staffing services; and, efficient and effective facilitation of staff exiting out of DHS HQ. Performance measures of effectiveness and customer satisfaction surveys will be developed and utilized to gauge our ability to service DHS customers.

***Cost Allocation Methodology:*** The cost allocation methodology is a pro-rata share based on the percent of each component’s number of FTE divided by the total number of participating component’s FTE multiplied by total estimated cost of the activity.

***Full Time Equivalent:*** This activity requires 4 FTEs.

### **Human Capital Business Systems (HCBS) – Fee for Service Activity**

***Description of Service:*** The mission of the HCBS is to design, develop, acquire, implement, maintain and support DHS enterprise-wide HC business systems. The system capabilities meet the requirements specified by the user-community and provide services in a timely, user-sensitive and cost-effective manner.

As an example of the HCBS enterprise approach, two enterprise systems have been acquired; a PeopleSoft HRMS and a web based Time and Attendance system. Both systems are hosted at the National Finance Center (NFC) which already supports the DHS payroll system.<sup>1</sup> This yields a DHS leveraged cost effective approach where three integrated systems are supported by one service provider. The HCBS unit managed the acquisition process utilizing component participation through requirements gathering and vendor negotiations. In the past, several individual government entities purchased these systems “on their own”, but none have been able to match the competitive pricing that DHS secured via the HCBS enterprise approach.

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<sup>1</sup> Please note that O&M costs for the PeopleSoft HRMS are included in the NFC Payroll/Reporting section and are charged only to TSA and Coast Guard in FY 2008. It has not yet been determined which additional Component’s will wish to participate in and fund this NFC modernized system.

HCBS continues its enterprise acquisition strategies on behalf of all of DHS components, avoiding considerable duplicative costs if DHS components proceed independently. In addition to the T&A system mentioned above, this includes additional enterprise HR services and applications; web-based Performance Management (or “e-Performance”); Employee/Labor Relations Case tracking; the Reward

system for market-based pay analysis; Pay Tools/Utilities to assist with new pay cluster and band determinations; and an e-Classification/e-Recruitment enterprise system, to name a few. In each case the components are supported by the HCBS unit in a collaborative and leveraged approach.

As this program focuses on reengineering human capital management and implementing information technology and associated business processes for the HC community, the composition of the HCBS team reflects the need for expertise in several areas, including: strategic planning; human capital business reengineering; business planning and requirements and integrated product development; system integration; data management; system security; and software development. Specifically, the HCBS will provide services and support such as: payroll conversion; personnel/payroll liaison; advocacy for the component business interests and system changes; management of e-Gov initiatives such as e-OPF and e-Training; supplemental training and end-user support; reporting and analysis; and NFC reimbursable process. In addition, the office will administer other CHCO programs, such as Worker’s and Unemployment Compensation, Flexible Spending Accounts, and Employee Express<sup>2</sup>, that will benefit all of the DHS organization or a group of specific components, such as HQ.

In addition, HCBS will also provide oversight of the DHS e-Training initiative. One Program manager was hired in FY 2005 to oversee the DHS Headquarters (HQ) Learning Management System (LMS) – which, (in addition to the Government-wide “e-Gov” initiative), is included in the CIO’s WCF budget, and ensures that Learning Management training objectives are met. Oversight responsibility includes LMS, ensuring courses align with strategic goals, and working with components to align their e-learning activities.

***Benefit to the Customer:*** HCBS’ services provide a strong value proposition for components. Instead of each component taking an individual approach, challenged by limited resources and competing initiatives, the HCBS offers a leveraged approach where it shares its resources and expertise towards deploying and managing enterprise solutions in collaboration and to the benefit of the components. The role of the HCBS unit supports the enterprise perspective by capitalizing on lessons learned and industry best-practices to benefit the entire department. This type of centralized and collaborative approach with components has proven to be successful and cost-effective for other Federal agencies.

HCBS is able to assist components by providing an efficient means of acquiring technical services, contractual support, and subject matter experts (SME) with rare skills that are difficult to obtain through hiring. Specifically, the HCBS Team helps with: requirements development; system design; market surveys; software demonstrations; contract sourcing, evaluation, vendor negotiation, and administration; hosting selection and management; application software maintenance; security and Privacy Act compliance; user application training; and project management. Components can leverage

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<sup>2</sup> We understand that functionality in NFC’s Personal Page is duplicated in Employee Express, however, Employee Express has interactive voice response functionality required by employees who have no access to computers. We are working with our Components to determine a shutdown schedule for Employee Express, where possible.

this HCBS' expertise and departmental buying power benefiting from competitive pricing that DHS has been able to negotiate through its enterprise acquisition strategies. The HCBS unit further supports the components by taking all enterprise solutions through the entire DHS approval process including Certification and Accreditation, Privacy Impact Assessment, Enterprise Architecture Review, Technology Insertion and Investment Review Processes required of all applications under a given program. This saves the components precious time and expense as the HCBS team will complete all needed approval processes at the department level.

A specific example of HCBS services benefiting a component is being done for the U.S. Coast Guard (USCG). USCG converted to the NFC Payroll/Reporting System at the end of FY 2006, as did the Transportation Security Administration (TSA). HCBS staff will be assisting with configuration, deployment and maintenance support for EmpowHR (the new modernized front-end system) and their conversion for WebTA (the new modernized time and attendance system). HCBS staff will also be leading the development and implementation of NFC required business changes to support new Human Capital Operational Plan (HCOP) pay and performance programs and, ultimately, planning for the within-grade buyout process. In essence, HCBS will be the largest source of NFC knowledge supporting these two components post conversion.

HCBS has prioritized and coordinated services from NFC, including direct HCBS interface with NFC for faster and more efficient customer service. NFC is required to deal with one point of contact for each customer – and DHS is now one customer. It is to our (business) advantage to help NFC help us by providing a centralized customer service center.

Below is a more detailed description of enterprise HR applications and services that will help to answer some of the “What are we getting for our money?” and “What does this do for me?” questions that we have received.

- e-Performance: To support the new performance management process, a Web-based tool powered by SoftScape, Inc. has been selected by DHS to assist employees and managers in their enhanced performance management responsibilities. SoftScape, which will be integrated into overall HCOP program changes, is a commercial performance management application that is used by 1.7 million customers in 42 countries, including several big name corporate, state, and local clients. Among its many features, the system offers the advantage of Web-based workflow to facilitate performance management processes such as:
  - Interactive Goal Planning and Communication, allowing both employees and their supervisors to participate in the goal development process and to automatically link organizational goals to individual or team/unit performance plans.
  - On-Line Journaling, facilitating better record keeping of employee accomplishments throughout the performance year. Both the supervisor and the employee will have access to this feature.
  - Self Assessment, providing an opportunity for employees to complete an assessment of their own accomplishments for consideration by their supervisor at year's end.
  - Peer review and manager feedback, accommodating subordinate input to supervisory performance reviews and facilitating the selection of peer review teams (i.e., customers, coworkers) as additional input sources for both employee and supervisor performance reviews.

- Embedded Competencies, facilitating development and coaching discussions throughout the performance year.

Use of an automated performance management tool will provide significant advantages in the department's efforts to monitor the administration of the new performance management system. For example, the automated system will provide real time status information on supervisory completion of goal planning and assessment activities.

- WebTA: The new Web-based time and attendance system, called WebTA, was recently selected as the DHS enterprise standard and will eventually be used across the department. Some of the planned features of the time and attendance tool—and their benefits to employees and supervisors—will include:
  - A Web-based system replacing workstation-based systems that are currently only accessible to designated timekeepers. Employees will be able to input time themselves, from any location with Internet access.
  - Paperless leave requests eliminating the need for paper-based leave request/authorization forms. Automated workflow will assist in routing and processing employee leave requests.
  - Built-in calendaring functions allowing supervisors to view requested and approved leave time at a glance and to assist in leave planning for peak holiday periods.
  - Automated leave transfer capability.
- e-Payroll: At the time of the department's formation, payroll services for DHS employees were handled by eight different payroll providers. During the past three years and working in conjunction with an Office of Personnel Management sponsored e-Payroll initiative, DHS has made significant progress in consolidating payroll operations. Currently, there are only two remaining payroll providers for DHS: The National Finance Center (our target end state payroll provider) and the department of Transportation (which currently services TSA and Coast Guard). Through this conversion, TSA and Coast Guard are also availing themselves to new human resources processing capabilities, which are based on PeopleSoft commercial software. PeopleSoft commercial software was also chosen as a new DHS standard and will eventually be phased to all DHS components.

The benefits of these payroll and HR processing changes, while largely transparent to employees, provides the department with an important single source of payroll and HR information. Payroll consolidation is also an imperative precursor for the HCOP program, as many of our policy changes, like new occupational clusters and new pay bands, will have profound impact on the HR and payroll processing systems. It is highly preferable to work these system changes with one payroll provider, rather than many.

- e-Recruitment: A variety of recruitment systems are currently in use by DHS components. As part of the effort to consolidate and modernize the HR systems, the DHS HCBS unit will lead an effort to consolidate towards an automated DHS enterprise solution that can contribute to material improvements in the overall hiring process. Automated and paperless hiring systems are excellent tools that can support:
  - Human Capital Management and Workforce Planning

- Maximizing the size and quality of candidate pools for positions at all levels of the Department
- Providing selecting officials with the best-qualified candidates in the minimum time
- Applicant tracking
- Evaluating candidate characteristics and diversity
- Entry on Duty processing
- Meeting or exceeding the 45-day hiring model under the President's Management Agenda
- Dramatically decreasing the time and effort of the applicant and selection process
- Achieving these outcomes with overall efficiency and the least expenditure of resources
- Applicant database mining
- Seamless movement of job seekers to agency automated recruitment system

The use of an automated recruitment solution is necessary to meet mission critical needs of the Department. Technology-enabled recruitment can deliver both time savings and improved results. E-Recruitment is a broad term that encompasses the five major components of the hiring/recruitment process:

1. Workforce Planning: Demand planning; supply planning
  2. Requisitioning: Job descriptions; approval workflow; job posting
  3. Candidate Acquisition: Referral management; candidate application; candidate screening/assessment; candidate marketing; candidate scoring/search
  4. Applicant Tracking: Applicant workflow; communications/correspondence management; interview management; background checking/drug screening; "on-boarding"
  5. Reporting/Analytics: Regulatory reporting; standard reporting/analytics; advanced analytics
- REWARD<sup>™</sup> : A suite of globally accessible compensation management applications that automates all aspects of compensation administration and pay delivery. Hosted by Watson Wyatt, REWARD is used in managing compensation programs. The Reward Suite is used to build and maintain compensation structures and broad bands, determine job levels by assessing internal job values and the competitive market, price jobs from REWARD's survey data warehouse, manage compensation survey data, market-price jobs and evaluate pay practices and link pay to performance.
  - HSLRB Tracking System: Web-based system used to track the status of labor relations cases that are presented before Homeland Security Labor Relations Board (HSLRB).
  - Pay Tools/Utilities: Web-based custom applications that are designed to provide support for HR specialists in setting pay, determining eligibility for pay, and other pay-related transactions. These tools will be based on the new pay rules and regulations.
  - e-OPF: Replaces the paper Official Personnel Folder (OPF) with an electronic Official Personnel Folder (e-OPF). Like the current paper folder, the e-OPF will encompass employees' entire Federal work histories. The e-OPF will comply with all OPM record-keeping guidelines and protections. In addition, employees will realize significant benefits with the e-OPF, including:
    - Secure online access via the Internet. Official records will be electronically protected and backed up, and security controls will far exceed current manual paper handling processes. Strict adherence to privacy rules via a multi-level user security structure. The system provides an audit trail of who accessed and when.

- Immediate access to the folder and the information it contains. Employees will be able to view or print their e-OPF online, at home, or at work to check their personnel file information or verify its accuracy. Employees will receive automatic email notification when documents are added or changes are made to their e-OPF.

***Cost Allocation Methodology:*** DHS population serviced assumes billing based on the "average number of employees paid" - which is consistent with NFC billing).

It is important to note that for HRIT Systems; only those components that are benefiting from specific systems are being charged in the year that they benefit – i.e., some components systems may be rolled out in FY 2008.

***Full Time Equivalent:*** This activity requires 24 FTE.

### **Flexible Spending Accounts (FSA) Administrative Costs – Fee for Service Activity**

***Description of Service:*** FSAs are employee-funded accounts that used by the employee account holder to pay for medical expenses that are tax deductible, but not reimbursed by any other source, as well as eligible dependent care costs. Contributions to the accounts come from an employee's pre-taxed salary; the Government does not make a contribution. There is a fee that is paid to the administrator of these accounts. The law now requires that agencies pay these fees on behalf of their employees.

The costs for this program are charged back based on actual invoices received in October and March of each calendar year. The March bill assesses a fee for employees of record as of January 1 of the calendar year. The October bill makes an adjustment for any new employees who have entered the program since January 1. The October bill is generally small, but it is not received in time to be paid out of the appropriation for the year in which the cost was incurred. The Human Capital Business Office will manage the invoicing process with the FSA provider and charge the direct cost of the fees to the component based upon actual invoices received from the vendor.

Generally, the Department saves enough money in reduced payroll tax to cover administrative fees. We believe administering the costs of these services through the WCF will provide for greater efficiencies through centralized management.

***Cost Allocation Methodology:*** The allocation methodology for the component assumes the total cost times the transaction % - which is the component's percentage of the population serviced (FTEs).

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **DHS Executive Leadership Development – Fee for Service Activity**

***Description of Service:*** A well executed Executive Leadership Program is a key element in sustaining a "One DHS" culture. Developing and delivering the leadership curriculum in FY 2008 supported both the DHS Strategic Plan -- Goal 7: Organizational Excellence; Objective 7.3, and the Human Capital Strategic Plan. These efforts were addressed in Congressional testimony. For FY 2009, at a minimum the Executive Leadership Curriculum will consist of two DHS-wide leadership development activities:

- **Secretary’s Senior Leadership Conference;**
- **Senior Executive Service Candidate Development Program (SES-CDP).**

**The Secretary’s Senior Leadership Conference** is important as change management starts with top leadership. The purpose of this conference is to:

- Provide an opportunity for the Secretary to meet with DHS executives and for those executives to interact with each other;
- Broaden the perspective of DHS leadership by actively creating a forum for in-depth dialogue and discussion for cross-cutting Departmental issues;
- Allow executives to learn about both key DHS-wide and component-specific strategic and tactical initiatives for the coming year, which is predicated on strategic linkage of resources, performance and results;
- Provide perspective from the White House, Congress, and others on issues important to DHS.

**The DHS Senior Executive Service Candidate Development Program** serves as a corner stone for sustaining a corporate leadership identity (i.e., creating a “One DHS” culture) – as directed in the DHS Strategic Plan; contributes to meeting our succession planning goals; and creates a high-quality, SES leadership cadre. It is also a critical element in sustaining a “Green” under the President’s Management Agenda’s Human Capital Scorecard. Most cabinet level agencies have a corporate level succession planning program.

Recent workforce analysis focusing on DHS’ top leadership positions, indicates that over a third of this leadership cadre is eligible to retire or will be within two years. A formal succession planning program ensures that emerging leadership needs and critical competency gaps are adequately addressed.

This centralized program is intended to complement and enhance the strengths of existing component Leadership development initiatives across the Department and further facilitate **succession planning** opportunities. The SES CDP will use the DHS Leadership Competency Framework to guide the competency development process. The staff person implementing the SES CDP will collaborate with components to identify participant competency gaps and to identify courses and development opportunities to address those gaps. An independent contractor will provide a formal assessment process for selecting participants, an assessment instrument for identifying participant development needs, and program consultation.

A key component of this program is the opportunity for participants to take advantage of developmental/rotational opportunities in other DHS components, thereby increasing participant’s “corporate” DHS knowledge and experience. In addition, components benefit from these rotational assignments by having a senior staff person working with them on real issues and offering different perspectives and/or business experiences. One of the goals of this program is for these candidates to be selected by OPM into the DHS SES corps. We ultimately seek to foster the development of a senior executive corps that operates with a DHS perspective in addition to a component perspective on critical issues.

***Cost Allocation Methodology:*** The costs are allocated based on the percentage of SES slots a component has relative to the total DHS SES (or SES equivalent) population excluding military. Allocation methodology for the components, assume the total cost times the transaction percentage -

which is the component's percentage of the population serviced.

**Full Time Equivalent:** This activity requires 2 FTE.

### **HQ Executive Leadership Development/General Workforce Training — Fee for Service Activity**

**Description of Service:** The HQ ELDP provides executive level training to close potential competency gaps in our DHS Headquarters leadership. It supports both the DHS Strategic Plan – Goal 7: “Organizational Excellence”; Objective 7.3, and the Human Capital Plan Goal: Exhibit Human Capital Excellence by fostering a “One DHS” organizational climate. Programs to support Executive Leadership are provided through the following programs: The Treasury Executive Institute (TEI); the SES Forum; and, the Individual Executive Development Training and General HQ Workforce training. In addition to TEI and the SES forum, training opportunities could include attending courses in the Management Development Center (Shepardstown, WVA) or the Federal Executive Institute.

**Cost Allocation Methodology:** The allocation methodology for the components is the total cost divided by the population serviced.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **HQ Employee Assistance Program (EAP) — Fee for Service Activity**

**Description of Service:** The EAP program includes short term counseling for employees and family members, critical incident stress debriefing, peer support programs, short term counseling, management consultations, information and referral to community resources for mental health providers, mental health education training, and peer trauma team support. Early interventions may prevent or minimize long term emotional stress reactions of trauma victims and their families/colleagues. EAP assistance enables employees to achieve and maintain balance in their lives, increasing job performance, satisfaction, and morale. The development of a Peer Support Program will enhance management's ability to provide assistance in traumatic and critical incidents – both on the local level to our employees and on the national level to our employees and the public.

The EAP program is in support of DHS' Guiding Principle to Develop Human Capital and Strategic Objective 7.3: To ensure effective recruitment, development, compensation, succession management and leadership of a diverse workforce to provide optimal service at a reasonable cost. The EAP is mandated under 5 U.S.C. 7904, 42 U.S.C. 290dd-1(a), and 42 U.S.C. 290ee-1(a).

The EAP deals with a wide range of personal problems of employees that can adversely affect job performance, conduct or attendance. The EAP offers confidential, professional, short-term counseling to employees and their families who are experiencing, or are affected by, personal or behavioral problems including but not limited to alcoholism, drug abuse, job stress, family problems and mental health problems. EAP services include but are not limited to short term counseling, consultations with management, information concerning community resources and referral to such resources, health education, training, and response to traumatic incidents such as shootings, line of duty deaths and terrorist attacks. The EAP is designed to provide assistance to employees to enable them to achieve

and maintain balance in their lives, thereby maximizing work performance, job satisfaction and morale. A Peer Support Program conducted under the auspices of the EAP will provide management with an additional resource for critical incident response.

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is the total cost of the EAP program divided by the population serviced – HQ – 3,244 FTE, which includes the Office of Inspector General. Allocation methodology for the components assumes the total cost times the transaction percentage - which is the components percentage of the population serviced.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **CIO/DHS Infrastructure Transformation Program – Fee for Service Activity**

***Description of Service:*** The DHS Consolidated IT Infrastructure serves the majority of the 180,000 employees who transferred into the new Department on March 1, 2003. Since the IT infrastructure provides the foundation for effective operations of DHS systems and applications, including information sharing across components, a reliable and robust infrastructure is critical to the success of the DHS mission. From a business perspective, the goal of the IT infrastructure transformation is for the Department to be able to share data from any point in DHS to any decision maker.

The program seeks to create a robust platform on which to quickly launch new capabilities. For example, the newly combined component supports 15 separate targeting systems, 14 alerts and warnings systems, and a handful of identification and credentialing systems. Moreover, DHS runs 15 data centers, six wide area networks, and multiple local area networks with overlapping system circuitry. The data centers contain over 12,000 servers. Contrasting acquisition strategies and IT infrastructure policies among components further complicate the DHS environment.

The Infrastructure Transformation Office (ITO) has been chartered by the CIO Council and resides within the Office of the CIO. The office is led by a Director and a CIO Council member executive sponsor and is supported by a senior executive steering group of CIOs, which is staffed by a team of technical experts hired by the Department HQ from the components, several components working group members, and contractor support. The project is broken down into the following four “areas”:

**Operations Center:** Each component currently employs its own helpdesk, network operations centers and security operations centers. The objective of this project team is to establish and implement one centrally managed, collocated DHS Integrated Help Desk/Network Operations Center/Security Operations Center that supports the entire DHS IT Infrastructure. These functions will ensure that user problems are identified, tracked and solved expeditiously, that the network is continuously monitored and maintained in an operational status, and that the IT infrastructure remains secure.

**Data Center:** DHS runs 15 data centers in the current environment. The objective of this team is to reduce the number of data centers down to no more than a handful as appropriate. The project team seeks to increase the efficiency and cost effectiveness of DHS data centers through first co-locating data centers and centralizing data center services, and then consolidating systems onto fewer platforms. DHS data centers will be implemented with the same standard configuration and will be mirrored for redundancy, fail over, and load balancing.

**Network:** DHS has identified six wide area networks and a multitude of local area networks. DHS must move toward a single, reliable, scalable, secure, and survivable data communications network (wide and local area networks) to support IT users as they employ mission and business-critical systems and applications to gather, transmit, store, secure, query, and retrieve the data required for them to do their jobs. The project team is in the process of streamlining and standardizing the network environment, minimizing the amount of redundant infrastructure and will develop a department-wide network topology with centralized processes and procedures. The network infrastructure will provide a transport mechanism allowing full interoperability within DHS to be accomplished in alignment with existing requirements.

**Desktop & Collaboration:** DHS supports various operating systems, desktops, and collaborative tools in its current desktop environments. Through this investment, DHS will deploy and manage a common desktop and collaborative environment. Users will conduct business using standard terminal devices and collaboration tools within a centrally managed infrastructure based on the foundation of one network. The standardized desktop and collaboration environment will provide interoperability as well as a stable foundation for incorporating new requirements and for providing regular upgrades and technology refreshments. The collaboration tools will provide DHS with a capability that will allow any DHS employee to communicate with any other DHS employee from any workstation or telephone that is part of the enterprise.

**Cost Allocation Methodology:** The cost allocation methodology is based on the direct contribution percentage of each component to the FY2009 OMB-300 Consolidated Infrastructure investment.

**Full Time Equivalent (FTE):** This activity requires 10 FTE to oversee the design, operations and deployment of the new desktop, operations centers and data center functions.

### **National Capital Region Infrastructure Operations (NCRIO) – Fee for Service Activity**

**Description of Service:** The NCRIO will serve the majority of DHS Headquarters users for network, email, internet, intranet, and telecom infrastructure, as well as all end user desktop computing, telecom, and wireless services. NCRIO's Program Management Office (PMO) coordinates management and deployment of infrastructure resources along with build-out of new facilities and provides continuous operations, help desk, vendor management, financial management, and technology evaluation. Working with Directorate CIOs, NCRIO will ensure effective customer service, performance management and measurement for continuous availability of all critical infrastructure services along with vendor effectiveness and accountability. The WCF for the NCA IT Infrastructure includes expenditures for data (network), voice (phone) and video (VTC) support for users in DHS HQ, BTS Office of the Under Secretary and the Office of the Inspector General.

**Cost Allocation Methodology:** The FY09 WCF submission is allocated among the four participating organizational components, USM, Under Secretary for Preparedness, S&T, and Operations Coordination. & Intel and Analysis as agreed upon in the Memorandum of Understanding for Shared Services Allocations. The MOU separates the NCAIO costs into service categories, which further allocate the costs by specifically agreed upon algorithms. For the purposes of meeting budget submission timelines some proxies to the MOU were made, i.e. seat counts were based on personnel projections as opposed to the count of end-user desktops and laptops. These proxies will be replaced

by actual costing information throughout 9FY09 on a quarterly basis and each participating organizational component's costs will be adjusted.

**Full Time Equivalent (FTE):** This activity requires 9 FTE.

### **Software Enterprise Licenses – Fee for Service Activity**

**Description of Service:** A standard and consistent DHS process provided by a centralized tool will facilitate compliance and oversight responsibilities of the Chief Information Security Officer (CISO) and the Office of Inspector General. The Department continues to pursue opportunities to benefit from economies of scale, moving from component or office specific software licenses to larger enterprise licenses for common services.

**Microsoft:** The account provides for the funding and management of the Microsoft Enterprise Agreement awarded June 2003, which provides enterprise access to the Microsoft suite of products. The products include the software needed for both the individual desktop, laptop, and server platforms, such MSOffice, MSProject, MSViso, MS Advanced Server, etc. This agreement is utilized by all of DHS. The request reflects the contractual obligations of each of the components.

**Cost Allocation Methodology:** The cost allocation methodology is the unit contract costs multiplied by the number of sites or licenses each component requested.

**Full Time Equivalent (FTE):** This activity requires 1 FTE to facilitate compliance and oversight responsibilities of the various software licenses.

### **Procurement Operations – Fee for Service Activity**

**Description of Service:** The DHS Office of Procurement Operations (OPO) provides full service acquisition support to the Office of the Secretary, the Undersecretary for Management, Science and Technology, U.S. Citizenship and Immigration Services, and the US Visit Program Office. In addition, the OPO provides acquisition services for department-wide acquisition initiatives identified by both the Chief Information Officer and the various commodity councils within DHS. Services provided include acquisition planning, training, execution, and administrative services.

**Cost Allocation Methodology:** The cost allocation methodology for this WCF activity is based on 1.86% of the obligated dollars of contracts under \$50,000.

**Full Time Equivalent (FTE):** This activity requires 250 FTE in FY 2009.

### **Board of Contract Appeals - Fee for Service Activity**

**Description of Service:** The Federal Acquisition Regulation (FAR) requires that DHS establish a venue to hear and resolve contractor disputes, protests, and other issues within its jurisdiction related to DHS contractual matters. After analyzing the pros and cons to establishing a DHS Board of Contract Appeals, DHS determined establishing an interagency agreement with the Department of Transportation was the most cost effective way to provide these services.

The customer is provided a professional venue that provides both the contractor and the neutral forum to resolve contractor disputes and protests. Standards for timeliness and quality of services are defined in the FAR. This activity is an established venue with a long track record of professional services. The component does not have to establish an interagency agreement for these services and DHS provides the initial good faith outlay.

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component’s FTE divided by the total FTE multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requests no FTE or funding in FY 2009.

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PPA: Tri-Bureau Services Activities

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>62,052</b> |
| <b>2008 Enacted</b>          | <b>2</b>            | <b>2</b>   | <b>56,329</b> |
| 2009 Adjustments-to-Base     | 0                   | 0          | 1,129         |
| <b>2009 Current Services</b> | <b>2</b>            | <b>2</b>   | <b>57,458</b> |
| 2009 Program Change          | 0                   | 0          | 2,602         |
| <b>2009 Request</b>          | <b>2</b>            | <b>2</b>   | <b>60,060</b> |
| Total Change 2008-2009       | 0                   | 0          | 3,731         |

Working Capital Fund requests \$60.06 million for Tri-Bureau Services which is an increase of \$3.7 million from FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

*Tri-Bureau Services Activities*

**Tri-Bureau Human Resources Shared Services – Tri-Bureau Service Activity**

**Description of Service:** Customs and Border Protection provides human capital operations services to two additional DHS offices: Immigration and Customs Enforcement (ICE) and U.S. Citizenship and Immigration Services (USCIS). This shared service agreement is also known as "Tri-Bureau HR Services" and has as an underlying objective of shared services to ensure the most efficient and effective use of HR management resources through process improvement and automation. CBP is providing services related to hiring, staffing and classification of positions. In addition they maintain and support records management.

CHCO will ensure coordination, collaboration and communication among and between all Tri-Bureau customers and service providers.

Keeping this activity in the CHCO WCF moves DHS another step closer to “functional integration” and further promotes a “One DHS” corporate culture.

***Cost Allocation Methodology:*** The cost allocation is based on the FTE population serviced and the amount of work provided to each agency serviced. The cost allocation methodology is a pro-rata share based on the percent of each component’s FTE divided by the total number of participating components’ FTE multiplied by total estimated cost of the activity.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **IT Services from Department of Justice (DOJ) – Tri-Bureau Service Activity**

***Description of Service:*** The Department of Justice (DOJ) MOU Working Group was formed to perform an analysis that will clarify IT services that DHS requires from DOJ and the associated costs. The working group assists in defining the specific IT service requirements of each component currently using DOJ as the provider ICE, CBP, USCIS, and HQ. The Tri-Bureau components are legacy DOJ agencies. The working group is also preparing migration plans to transfer services to DHS over time.

DOJ provides the following IT services:

- **Data Center Services** - provide application hosting OS/390 platform for over 40 applications; application hosting on AIX Unix platform for over 25 applications; housing of DHS servers; and separate raised-floor computer room space and utilities.
- **Data Networks Wan Services** – provide Justice consolidated Network and FTS-2001 data services including long-distance voice and calling card services; Metropolitan Area Network; Data circuit ordering services; and secure messaging services.
- **Voice Networks WASP Services** - provide the Washington Area Switch Program that provides voice services to the Washington Metropolitan area.
- **JUST Message Switch** - provide the Justice Telecommunications Communications System (JUST) access to the National Crime Information Center (NCIC) and state and local law enforcement data for Federal Law Enforcement Agencies.
- **Web/Internet Services** – provide Internal and External Communications.

***Cost Allocation Methodology:*** The cost allocation methodology is based on the actual usage as determined by Department of Justice.

***Full Time Equivalent (FTE):*** This activity requires 2 FTE.

PPA: Government-Wide Mandated Services Activities

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>0</b>            | <b>0</b>   | <b>23,785</b> |
| <b>2008 Enacted</b>          | <b>3</b>            | <b>3</b>   | <b>26,802</b> |
| 2009 Adjustments-to-Base     | 0                   | 0          | 276           |
| <b>2009 Current Services</b> | <b>3</b>            | <b>3</b>   | <b>27,078</b> |
| 2009 Program Change          | 3                   | 3          | 10,014        |
| <b>2009 Request</b>          | <b>6</b>            | <b>6</b>   | <b>37,093</b> |
| Total Change 2008-2009       | 3                   | 3          | 10,291        |

Working Capital Fund requests \$37.09 million for Government-Wide Mandated Services. This is an increase of \$10.3 million and 3 FTE over FY 2008.

**CURRENT SERVICES PROGRAM DESCRIPTION:**

***GOVERNMENT-WIDE MANDATED SERVICE ACTIVITY***

**Interagency Council Funding - Government-wide Service activity**

**Description of Service:** GSA provides oversight and administers the Interagency Council funds in consultation with the Chief Financial Officers Council, the Chief Information Officers Council, the Federal Acquisition Council and the Chief Human Capital Officers Council.

- **Chief Financial Officers (CFO) Council Funding Supports the Following Activities:**
  - Federal Audit Clearing House (FAC)
  - Grants Streamlining
- **Chief Information Officers (CIO) Council Funding Supports the Following Activities:**
  - A \$2 million contract to support the Portfolio Management Office for the ongoing E-government initiatives efforts.
  - Federal Enterprise Architecture (FEA) — the FEA PMO will continue their efforts to identify and develop collaboration and consolidation opportunities across Federal agencies in support of the President’s Management Agenda initiatives.
- **Federal Acquisition Council (FAC) Funding Request Supports the Following Activities:**
  - The Federal Competitive Sourcing Database (FCSD) is intended to facilitate comprehensive, consistent, and timely reporting of government actions related to competitive sourcing.
  - Acquisition Workforce Competency Development and Training - Agencies use the Acquisition Career Management Information System (ACMIS) database which provides workforce training data and OPM data to make strategic workforce decisions affect the agency training and certification requirements.
  - Government-wide Performance Measures for Socio-Economic Goals - Small business success is currently measured by meeting established statutory goals.
  - Procurement Center Representatives (PCRs) Online - In order to obtain the appropriate level of contributory review, and move the procurement along in a timely fashion, it would facilitate the

requirement if the agencies and SBA used an online workload tool.

- The Service Acquisition Reform Act (SARA), Acquisition Advisory Panel and Report to Congress - Section 1423 of SARA requires the Administrator of OMB/OFPP to establish an advisory panel of recognized experts in acquisition law and policy to review laws and regulations regarding the use of commercial practices, performance-based contracting, the performance of acquisition functions across agency lines of responsibility, and the use of Government-wide contracts.
- Acquisition Center of Excellence - SARA mandates the development and maintenance of a Center of Excellence in Contracting for Services.

- **Chief Human Capital Officers Council (CHCO) Funding Request Supports the Following Activities:**

- CHCO Website - A critical component in advancing the government-wide goals of this management innovation will be the development and maintenance of a high-quality, component rich Web content delivery system. The creation of this site will establish the World Wide Web identity of the CHCO Council and provide a vehicle for sharing and exchanging information of interest to the Federal human resource management community. The system also will provide a forum for the exchange of information among members of the Council in both a public and private manner.

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is pro-rata share based on the percent of each participating component's adjusted total budget divided by DHS's total adjusted budget (excluding grant funding) multiplied by the total estimated cost of the activity.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **Recruitment One-Stop-Government-wide Service activity**

***Description of Service:*** The Recruitment One-Stop (ROS) initiative is a Government-wide initiative led by the Office of Personnel Management (OPM). All agencies fund their portion of this program (based on employment levels). Regulations contained in 5 CFR Parts 330, 333, and 335 implement section 4 of Public Law 1054-52 and authorizes OPM to charge fees to agencies to pay the cost of providing Federal employment information and services.

This program seeks to simplify the process of locating and applying for Federal jobs. It delivers a number of new job seeker focused features including intuitive job searching; clean, concise, understandable and attractive job announcements; on-line resume submission; applicant data-mining; and on-line feedback on status and eligibility. USAJOBS Federal Employment Information System delivers state-of-the-art on-line recruitment services to job seekers including intuitive job searching, on-line resume submission, applicant data-mining, and on-line feedback on status and eligibility.

***Managing Partner:*** OPM

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Full Time Civilian Equivalent (FTE) divided by total DHS

civilian FTE multiplied by the total estimated cost of the activity. This activity only benefits civilian personnel; therefore, military FTE is not included in the cost allocation methodology.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **e-Training – Government-Wide Service Activity**

**Description of Service:** Creating a premier e-Training environment that supports development of the federal workforce through simplified and one-stop access to high quality e-training products and services advances the accomplishment of agency missions. Government-wide accomplishments derived from this activity are:

- Over 220,000 registered users and over 195,000 course completions to date
- Variable training costs have been reduced to less than a penny per student
- Launched IT security courses mapped to GISRA and NIST requirements
- Launched Module 3 which includes initial establishment of IT Communities of Practice (COP)/Knowledge Domain through the IT Workforce Development Roadmap; e- mentoring; upgraded performance support tools; and initial standardized reports.

**Managing Partner:** OPM

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Full Time Equivalent (FTE) divided by DHS's total FTE multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires 6 FTEs.

### **Enterprise HR Integration – Government-Wide Service Activity**

**Description of Service:** EHRI is a collaborative e-Government initiative designed to transform the way Federal HR Specialists and Managers access human resource information and the way all Federal employees access their personnel file information. When fully implemented, EHRI will replace the current paper based Official Personnel Folder (OPF) with an electronic employee record for all Executive Branch employees, resulting in a comprehensive electronic personnel data repository covering the entire life cycle of Federal employment. In addition to streamlining personnel management actions, EHRI will provide HR managers and specialists with powerful workforce analytic and planning capabilities. Progress to date includes:

- Conversion of USSS, FLETC, and FEMA records was scheduled for FY 2007.
- FY 2007 and beyond will be in a steady state.

**Managing Partner:** OPM

**Cost Allocation Methodology** Costs for EHRI's products and services will be recovered by EHRI from all agencies on an equitable basis related to the size and usage of each participating agency. Charges to each agency will be established by distributing total EHRI costs to all clients on the basis of

the number of OPFs or on the basis of actual cost, depending on the service. Usage audits will occur at OPM's discretion, but at least annually, and will be used to make adjustments to cost recovery through the Interagency Agreement (IAA). EHRI will notify DHS of their revised annual costs within DHS's annual cycle, at least 90 days prior to completion of the cycle. Billing will be done annually, in advance, using DHS' Agency Location Code (ALC) via the Department of Treasury's Inter-Governmental Payment and Collection system (IPAC). Any optional services provided to DHS will be billed on a cost recovery basis at the time the service request is signed by both EHRI and DHS.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **Business Gateway - Government Wide Service Activity**

**Description of Service:** Business Gateway reduces the burden on businesses by making it easy to find, understand, and comply with relevant laws and regulations at all levels of government. The Business Gateway will be the cross agency portal for businesses that integrates the content and functionality of number of federal business web sites (e.g., business.gov, businesslaw.gov, sba.gov). The goals of Business Gateway are as follows:

- Develop a catalog of federal forms for Business.gov.
- Expand harmonized miner reporting (Mine.gov) to include additional federal agencies and additional states.
- Develop the Business Gateway portal into the Federal cross-agency portal for businesses, integrating the content and functionality of SBA.gov, BusinessLaw.gov, Business.gov and related sites into one comprehensive site: business.gov.

**Managing Partner:** Small Business Administration (SBA)

**Cost Allocation Methodology:** The cost allocation methodology for this activity is pro-rata share based on the percent of each participating component's adjusted total budget divided by DHS's total adjusted budget (excluding grant funding) multiplied by the total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **e-Rulemaking - Government Wide Service Activity**

**Description of Service:** e-rulemaking is a collaborative, inter-agency activity whose purpose is to establish a common, automated and integrated approach to managing the federal government's rulemaking function. The activity consolidates rulemaking systems at the various departments and agencies and is centrally managed through a web-based environment offering such as one-stop access, search capabilities, and public commenting. e-rulemaking activities include:

- Establish and staff an e-Rulemaking Program Office to implement the Initiative, participate on an inter-agency advisory board comprised of federal agencies, and establish work groups to address projects and tasks essential to the successful execution of the initiative.
- Conduct meetings for the purpose of collaborating with other federal agencies to enhance the Initiative.

- Facilitate an effort under the Advisory Board to develop a cost reimbursement formula for Agencies to support, migrate, and operate and maintain the Module 2 system.
- Coordinate and ensure participating and partner members have an opportunity to review project management documentation, including Exhibit 300 of OMB Circular A-11, work breakdown structure, project plans, and statements of work.
- Execute interagency agreements to affect DHS' transfer of funds.

**Managing Partner:** Environmental Protection Agency

**Cost Allocation Methodology:** The cost allocation methodology for this activity is pro-rata share based on the percent of each participating component's adjusted total budget divided by DHS's total adjusted budget (excluding grant funding) multiplied by the total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **Case Management Line of Business – Government Wide Service Activity**

**Description of Service:** Case Management Line of Business is one of the lines of business supporting the President's Management Agenda goal to expand Electronic Government. The goal of the effort is to identify opportunities to reduce the cost of government and improve services to citizens through business performance improvements.

**Managing Partner:** Department of Justice

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Law Enforcement Full Time Equivalent (FTE) divided by DHS's total Law Enforcement FTE multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **e-Grants – Government Wide Service Activity**

**Description of Service:** e-Grants create a single portal for all federal grant customers to find, apply and manage grants on-line. The Grants.gov Storefront provides electronic functionality for applicant's grantees, and reduces the paper-based processes that currently challenge the Federal grants environment. The initiative is designed to reduce existing inefficiencies, meet e-Gov goals, and provide benefits to both citizens and the government. Specifically, the initiative enables the government to meet many of the streamlining activities required by Public Law (PL) 106-107, Federal Financial Assistance Management Improvement Act, and called in the President's Management Agenda, such as deploying a unified search/find capability for grant opportunities, standard data sets, and a common mechanism and processes for applying for Federal grants funds.

**Managing Partner:** Department of Health and Human Services

**Cost Allocation Methodology:** The cost allocation methodology is a pro-rata share based on the percent of each organization element grant funding divided by DHS' total grant funding multiplied by

total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **e-Authentication – Government-Wide Service Activity**

**Description of Service:** The e-Authentication activity was implemented to minimize the burden on businesses, the public and government when obtaining services on-line by providing a secure infrastructure for on-line transactions, eliminating the need for separate processes for the verification of identity and electronic signatures. The goal of the e-Authentication Initiative is to provide trusted and secure standards-based authentication architecture to support the 24 government-wide e-government initiatives. This approach will provide a uniform process for establishing electronic identity and eliminate the need for each initiative to develop a redundant solution for the verification of identity and electronic signatures. e-Authentication's distributed architecture will also allow citizens and businesses to use non-government issued credentials to conduct transactions with the government.

Successful implementation of e-Authentication will produce numerous benefits for the public and the federal government. Citizens and businesses will have a secure, easy-to-use and consistent method of proving identity to the government and will be spared the burden of having to keep track of multiple sets of registration information. Federal agencies will be able to reduce authentication system development and acquisition costs and reallocate labor resources previously used to develop such systems.

**Managing Partner:** General Service Administration

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Full Time Equivalent (FTE) divided by DHS' total FTE multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

### **Human Resources Line of Business (HRLOB) – Government-Wide Service Activity**

**Description of Service:** HRLOB is one of the lines of business supporting the President's Management Agenda. Interagency teams will examine business and information technology data and best practices for each line of business – financial, human resources, grants, health, and case management systems. The goal of the effort is to identify opportunities to reduce the cost of government and improve services to citizens through business performance improvements.

**Managing Partner:** Office of Personnel Management

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Full Time Civilian Equivalent (FTE) divided by DHS's total Civilian FTE multiplied by the total estimated cost of the activity. This activity only benefits civilian personnel; therefore, military FTE is not included in the cost allocation methodology.

**Full Time Equivalent (FTE):** This activity requires no FTE.

## **e-Gov Benefits – Government Wide Service Activity**

**Description of Service:** The GovBenefits.gov activity provides a single point of access for citizens to locate and determine eligibility for government benefits and services. The site now offers links to 234 benefits programs, representing \$1.3 trillion in annual benefits. Program benefits are as follows:

- A partner room, with instructions on how to become a partner of e-GovBenefits and presentations about the project available to download.
- A press room, with general information, press releases and biographies of the management team.
- These enhancement goals to GovBenefits.gov are a direct response to citizen feedback that has been received about the site.

**Managing Partner:** Department of Labor

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's Full Time Civilian Equivalent (FTE) divided by DHS' total Civilian FTE multiplied by total estimated cost of the activity. This activity only benefits civilian personnel; therefore, military FTE is not included in the cost allocation methodology.

**Full Time Equivalent (FTE):** This activity requires no FTE.

## **Financial Management Line of Business (FMLOB) – Government-Wide Service Activity**

**Description of Service:** The FMLOB task force has set goals out to define, analyze, and implement options that will enhance cost savings in the financial management systems; provide for standardization of business processes and data models; promote seamless data exchange between Federal agencies; and strengthen internal controls through integration of core financial and subsidiary systems. The FMLOB task group's current objective is to evaluate alternatives and recommend overall strategy for: financial management enterprise architecture, standardization of business processes and data models, and business efficiencies in acquisition and delivery.

**Managing Partner:** Office of Management and Budget

**Cost Allocation Methodology:** The cost allocation methodology for this activity is pro-rata share based on the percent of each participating component's adjusted total budget divided by DHS's total adjusted budget (excluding grant funding) multiplied by the total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

## **e-Gov Integrated Acquisition Environment – Government Wide Service Activity**

**Description of Service:** The Integrated Acquisition Environment activity is a secure business environment that facilitates and supports cost-effective acquisition of goods and services in support of mission performance. The goals for the Integrated Acquisition Environment activity are as follows:

- Create a simpler, common, integrated business process for buyers and sellers that promote competition, transparency and integrity.

- Increase data sharing to enable better business decisions in procurement, logistics, and payment and performance assessment.
- Take a unified approach to obtaining modern tools to leverage investment costs for business related processes.

### **Program Objectives**

- Deploy a single point of registration and validation of supplier data accessed by all agencies.
- Implement a central point for consolidated collection and access of statistical and management information related to government acquisitions.
- Implement a directory of contracts to simplify selection and facilitate leverage of Government buying.
- Develop a standard glossary and vocabulary to facilitate exchange of data between and within agencies.
- Transform intra-governmental ordering and billing to enable universal electronic processes, reduce payment and collection problems, and enable swift and accurate revenue and expense elimination processes for preparing consolidated financial statements.

***Managing Partner:*** General Service Administration

***Cost Allocation Methodology:*** The cost allocation methodology is a pro-rata share based on the percent of each component's measurement of three contract acquisition variables divided by the total sum of all component measurements of the same three variables multiplied by total estimated cost of the activity. The three contract acquisition variables measured for each component's is as follows: (1) the number of personnel providing contractor support, (2) number of contracts processed and (3) the dollar volume of contracts processed.

***Full Time Equivalent (FTE):*** This activity requires no FTE.

### **e-Gov Disaster Management – Government Wide Service Activity**

***Description of Service:*** Disaster Management is part of the e-Gov Act of 2002, Title II, and Section 214 "Enhancing Crisis Management Through Advanced Information Technology" and is described in OMB M-03-18, "Implementation Guidance for the e-Government Act of 2002." This initiative, which will support disaster assistance and "all hazards" response, is a joint effort involving 10 other federal agencies that support disaster management. This initiative also supports many of the goals of the Initial National Response Plan dated October 2003.

The scope of the project covers all federal agencies that are involved in disaster recovery, as well as state, local and tribal disaster recovery organizations and individuals. The value of this program is its contribution to improving disaster preparedness and its potential to reduce property damage and loss of life. The initiative has the following goals:

- Goal 1: An easy to use, unified point of access to Disaster Management knowledge and services.
- Goal 2: Accelerated and improved quality of disaster mitigation and response.

**Scope:** The result of the initiative is a set of disaster services and information exchange delivery mechanisms that meet the nation’s disaster planning and response needs. The three pillars of the Disaster Management initiative are:

- DisasterHelp.gov – A consolidated portal that provides disaster-related information and collaboration tools for the emergency management community.
- DMIS – A core incident management tool set and shared services for information exchange.
- Interoperability Standards –Interoperability standards to reduce costs and operational complexity to simplify the software interfaces needed to interact with many sources and dissemination systems.

**Managing Partner:** DHS / Chief Information Officer (CIO) / Science & Technology (S&T).

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component’s level of participation in Disaster Management divided by the total sum of all component levels of participation in Disaster Management multiplied by total estimated cost of the activity. Levels of participation include measuring the active participation of sixteen elements of Disaster Management defined by Disaster Management e-Government Initiative Program Office, EP&R/FEMA. The sixteen elements of Disaster Management include the following: (1) transportation, (2) communications, (3) public works and engineering, (4) firefighting/incident command system, (5)information and planning, (6) mass care, (7) resource support, (8) health and medical services, (9) search and rescue, (10) hazardous materials, (11) food, (12) energy, (13) warnings and alerts, (14) research and development, (15) emergency/domestic preparedness, and (16) disaster relief. The sixteen elements are the cost drivers for each component’s assessment and because many components are involved in various activities at different levels of participation, the cost for this activity is fairly uniform across the components.

**Full Time Equivalent (FTE):** This activity requires no FTE.

PPA: DHS Cross-Cutting Activities

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>2</b>            | <b>2</b>   | <b>8,104</b>  |
| <b>2008 Enacted</b>          | <b>1</b>            | <b>1</b>   | <b>13,117</b> |
| 2009 Adjustments-to-Base     | 0                   | 0          | 262           |
| <b>2009 Current Services</b> | <b>1</b>            | <b>1</b>   | <b>13,380</b> |
| 2009 Program Change          | 3                   | 3          | 0             |
| <b>2009 Request</b>          | <b>4</b>            | <b>4</b>   | <b>13,380</b> |
| Total Change 2008-2009       | 3                   | 3          | 262           |

Working Capital Fund requests \$13.38 million for DHS Cross-Cutting activities. This is an increase of \$.03 million and 3 FTEs over FY 2008.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

### ***DEPARTMENT OF HOMELAND SECURITY CROSSCUTTING ACTIVITY***

#### **Capital Planning & Investment Control (CPIC) – DHS Crosscutting Activity**

**Description of Service:** A CPIC process is required to comply with the budget preparation guidance provided by OMB Circular A-11, preparation, submission and execution of the budget, and the management guidance provided by OMB Circular A-130, Management of Federal Information Resources, under the legislative authorities and requirements in the Clinger-Cohen Act and the Homeland Security Act. Project management offices throughout the components prepare business cases to demonstrate to the Department and OMB that they are on-track and ready to effectively use the additional funding requested. These CPIC services include automated tools to assist with document preparation, document review and scoring, and formal training, informational briefings, and remedial coaching to improve document quality, as well as support to Program Management Offices (PMOs) in the review and feedback on briefings for DHS oversight.

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each participating component's Exhibits 300 total divided by the total DHS Exhibit 300's multiplied by the total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE.

#### **Ready Campaign – DHS Crosscutting Activity**

**Description of Service:** The DHS "Be Ready" campaign and Ready.gov web site helps citizens make a kit of emergency supplies; make a plan of what to do in an emergency, and be informed of biological, chemical, explosion, nuclear blast and radiation threats.

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each participating component's adjusted total budget divided by DHS's adjusted total budget (excluding grant funding) multiplied by the total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requires no FTE

#### **Strategic Sourcing – DHS Crosscutting Activity**

**Description of Service:** DHS has established Strategic Sourcing Group (SSG) to implement a department-wide approach to acquiring goods and services. The SSG has established commodity councils that are working to identify the department's needs for each commodity and developing more efficient purchasing mechanisms to address those needs. The total number of commodity councils established thus far is 16 covering such commodities as weapons and ammunition, uniforms, electricity, office supplies, airport services, and copiers.

**Cost Allocation Methodology:** The cost allocation methodology is a pro-rata share based on the percent of each component’s measurement of three contract acquisition variables divided by the total sum of all component measurements of the same three variables multiplied by total estimated cost of the activity. The three contract acquisition variables measured for each component is as follows: (1) the number of personnel providing contractor support, (2) number of contracts processed and (3) the dollar volume of contracts processed.

**Full Time Equivalent (FTE):** This activity requires no FTE.

**CPO Shared Reporting – DHS Crosscutting Activity**

**Description of Services:** The DHS Shared Reporting - CPO system, known otherwise as the Homeland Security Contract Information System (HSCIS), is the acquisition data feeder system to the Federal Procurement Data System - Next Generation (FPDS-NG) that is required by statute. This data source is the primary source of all acquisition data for the federal government, used by U.S. agencies, governments around the world, the public, and the commercial world for planning marketing opportunities with the American government related to its \$310 trillion annual acquisition budget. DHS uses HSCIS to provide data to FPDS-NG and to monitor acquisition data.

**Cost Allocation Methodology:** The cost allocation methodology for this activity is a pro-rata share based on the percent of each participating component’s adjusted total budget by DHS’ adjusted total budget (excluding grant funding) multiplied by total estimated cost of the activity.

**Full Time Equivalent (FTE):** This activity requests 4 FTE.

PPA: WCF Management Activity

|                              | <b>Perm<br/>Pos</b> | <b>FTE</b> | <b>Amount</b> |
|------------------------------|---------------------|------------|---------------|
| <b>2007 Actual</b>           | <b>6</b>            | <b>6</b>   | <b>900</b>    |
| <b>2008 Enacted</b>          | <b>6</b>            | <b>6</b>   | <b>1,037</b>  |
| 2009 Adjustments-to-Base     | 0                   | 0          | 33            |
| <b>2009 Current Services</b> | <b>6</b>            | <b>6</b>   | <b>1,070</b>  |
| 2009 Program Change          | 2                   | 2          | 209           |
| <b>2009 Request</b>          | <b>8</b>            | <b>8</b>   | <b>1,280</b>  |
| Total Change 2008-2009       | 2                   | 2          | 243           |

Working Capital Fund requests \$1.3 million for this activity. This is an increase of \$0.24 million over FY 2008.

## **CURRENT SERVICES PROGRAM DESCRIPTION:**

### ***WCF MANAGEMENT ACTIVITY***

#### **Working Capital Fund Operations – WCF Management Activity**

***Description of Service:*** The Working Capital Fund Operations provides policy, procedures, budget formulation, execution and customer resolution services in managing the WCF. Services are provided to the activity managers as well as customer components across DHS.

#### **Activity Managers Budget Formulation Services:**

- Oversee all budgets, make recommendations to the General Manager on all aspects of the WCF, and perform or direct all duties and responsibilities of financial management not reserved by the General Manager.
- Provide direction and assistance to program managers in the development of operating plans, budgets, and supporting documents relating to use of the WCF.
- In coordination with the Director, Budget Staff, make recommendations to the General Manager of the WCF on operating plans, rate structures and activities to be supported by the fund.

#### **Activity Managers Budget Execution Services**

- Review financial reports for conformance with program and financial plans, and inform the General Manager and other program management officials of trends and changes required in the financial plan. Conduct Quarterly Status of Fund Reviews and a Year-end Close of the Fiscal Year.

***Cost Allocation Methodology:*** The cost allocation methodology for this activity is a pro-rata share based on the percent of each component's WCF assessment amount divided by the total WCF assessment multiplied by total estimated cost of the activity.

***Full Time Equivalent (FTE):*** This activity requires 8 FTE to oversee all budgetary functions of the Working Capital Fund.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**IV. Program Justification of Changes**

**Program Increase 1:** DHS Rent Consolidation

PPA: Fee-For-Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$26,757

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 5               | 5        | \$39,200        |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$26,757        |
| <b>Budget Request</b>         | <b>2</b>       | <b>2</b> | <b>\$36,065</b> | <b>5</b>        | <b>5</b> | <b>\$39,183</b> | <b>5</b>        | <b>5</b> | <b>\$65,957</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$26,757</b> |

Description of Item

The General Services Administration (GSA) charges rent to over 100 federal agencies, which is deposited into the federal building fund and used to operate the government’s buildings and pay rent to private sector for lease space.

GSA provides workspace and related services for over 100 federal client agencies serving more than one million workers through the Public Building Service (PBS). GSA also provides related real estate services including the operation and maintenance of buildings and out-leasing programs. GSA’s Computer Integrated Facility Management program uses cutting edge technology to look at the buildings life cycle. Real estate services provided to clients appear in federal agencies monthly electronic rent bills.

The Department has established a clearing account to expedite the payment of GSA rent billings for the Department of Homeland Security, excluding the major components. The monthly bills include all GSA-controlled space that the Department occupies throughout the United States, including parking spaces allotted to the Department

Justification

The FY09 budget increase includes GSA occupancy agreement updates, Federal Protective Service (FPS) rate increases, and rent from other sites not previously in the WCF such as the Science and Technology location, Office of the Inspector General's site, and the National Protection and Preparedness Directorate. These locations total an additional 406,274 rentable square feet. In addition to these rent mergers, CAO/WCF is working with GSA to acquire approximately 140,000 additional square feet that result from new component space requirements and the completion of renovations at the Nebraska Avenue Complex.

Impact on Performance (Relationship of Increase to Strategic Goals)

These facilities improve the delivery of support services to each DHS component while reducing the cost of operations. The DHS CAO provides common administrative support services to component customer who can be provided most economically and efficiently through centralized coordination, direction and supervision. The centralization of GSA Rent services for the Departmental Management and Operations is critical to the mission of DHS.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 2:** FEDLINK Consolidated Subscriptions

PPA: Fee-For-Service Activity

Program Increase: Positions 1 FTE 1 Dollars \$0

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 3               | 3        | \$11,085        |
| Program Increase              |                |          |                 |                 |          |                 | 1               | 1        | \$0             |
| <b>Budget Request</b>         | <b>3</b>       | <b>3</b> | <b>\$10,546</b> | <b>3</b>        | <b>3</b> | <b>\$10,882</b> | <b>4</b>        | <b>4</b> | <b>\$11,085</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>1</b>        | <b>1</b> | <b>\$0</b>      |

Description of Item

Library/Information Services initiatives provide desktop access to a myriad of mission essential open source, licensed, commercial electronic resources such as LexisNexis/Accurint, Westlaw, Jane’s Terrorism Intelligence, ChoicePoint/AutoTrack, Congressional Quarterly, Dun & Bradstreet, etc., that is central to the intellectual capital of DHS. The Library and Information Services program office manages the DHS enterprise-wide consolidated subscriptions activity through the Working Capital Fund which provides components with cost effective and efficient acquisition and access to mission essential open source information content. The DHS Library and Information Services program goal is to be the center of excellence for dissemination of licensed information content, desktop access, and life cycle management of information assets essential for decision support and intelligence gathering research activities. In support of this goal, the DHS libraries provide timely access to relevant information and virtual reference and referral services to support research and data collection requests from knowledge workers dealing with congressional staff, General Counsels, researchers, scientists and intelligence professionals.

Justification

The Consortium of Department of Homeland Security (DHS) Libraries and Information Services was established in 2004 to implement the functional integration of DHS-wide information assets supporting decision making, enforcement, investigation, research and academic information gathering activities of the DHS workforce. The Libraries and Information Services requires one (1) additional FTE to support the expansion of the Libraries and Information Services. The savings from the consolidated subscriptions will be used to support the one (1) additional FTE, no funding dollars are needed. The additional FTE will perform the following:

- Respond to DHS consolidated subscription customers, provide information in response to inquiries about products or services and to handle and resolve issues.

- Perform miscellaneous tasks as needed. These may include clerical tasks, Web research, editing, or other tasks. -Provide assistance to the librarians, acquire, prepare, organize material and assist in finding information.
- Conduct research to determine the level of demand for products or services and to assess the need for new products or services.

Impact on Performance (Relationship of Increase to Strategic Goals)

The expansion of the Libraries and Information Services across the DHS components has led to the requirement of one (1) FTE to administer the services to the participating components. The success of the DHS-wide program has led to an increased workload for the existing three (3) FTE. Not funding the additional FTE will increase the customer response time required to deliver the Libraries and Information Services. The one additional FTE will support administrative and research requirements for the Libraries and Information Services.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 3:** Financial Statement Audit

PPA: Fee-For-Service

Program Increase: Positions 0 FTE 0 Dollars \$605

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$13,985        |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$605           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$13,322</b> | <b>0</b>        | <b>0</b> | <b>\$13,684</b> | <b>0</b>        | <b>0</b> | <b>\$14,590</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$605</b>    |

Description of Item

DHS awards a contract to an independent CPA firm to perform financial statement audit functions. The contract includes time and material for hours audit services with the auditor providing the services and billing the hours worked at billing rates commensurate with the audit position being billed. The cost include travel and incidental costs associated with the performance of the audit as permitted by the contract maintained by the Office of the Inspector General (OIG) as the Contracting Officer Technical Representative (COTR).

Justification

In FY09, the Financial Statement Audit activity requests a funding increase of \$605,222 for contractor cost. The amount includes an increase for time and material costs for audit services. These services includes a Full Scope audit cost for Custom Boarder Protection (CBP), Federal Law Enforcement Training Center (FLETC ) and Transportation Security Administration (TSA) as well as additional funding for travel oversight costs for the OIG staff.

Impact on Performance (Relationship of Increase to Strategic Goals)

Not funding the enhancement of \$605,222 will impact the number of DHS components requesting Stand-Alone Full Scope audits in FY09. The components include CBP, FLETC and TSA.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 4:** Financial Management Support

PPA: Fee-For-Service Activity

Program Increase: Positions 9 FTE 9 Dollars \$128

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |           |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|-----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE       | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 4               | 4         | \$4,042         |
| Program Increase              |                |          |                 |                 |          |                 | 9               | 9         | \$128           |
| <b>Budget Request</b>         | <b>4</b>       | <b>4</b> | <b>\$4,091</b>  | <b>4</b>        | <b>4</b> | <b>\$3,947</b>  | <b>13</b>       | <b>13</b> | <b>\$4,170</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>9</b>        | <b>9</b>  | <b>\$128</b>    |

Description of Item

The Department of Homeland Security, Under Secretary for Management (USM) provides financial management support to Departmental Management and Operations. Services include budget formulation and execution of the Departmental Management and Operations of the Secretary and Executive Management Offices (OS&EM); the Under Secretary for Management; the Chief Financial Officer and the Chief of the Information Officer. The Executive Management Offices are independent offices that report directly to the Secretary and operate without financial management personnel. These offices rely on the Financial Management Support Activity for financial management and budget support. The services include the following:

- Processing of Procurement Request
- Commitment and Obligation of Funds
- Processing of Travel Authorizations and Voucher
- Reconciling and Centrally Billed Travel Account
- Set up and coordination of Purchase Cards
- Periodic Purchase Card reporting and review
- Invoice Processing and Certification
- Review and Accuracy of Financial Data
- Reconciling of accounting records and financial data in FFMS

Justification

In FY 2009, the Financial Management Support Activity requests a net increase of \$128,000 and 9 additional FTE. The funding level provides \$329,000 and 2 additional FTE to perform budget execution and financial management support due to the expansion of financial management support

services to the office of Health Affairs (OHA). The activity also requires 7 FTE to support the conversion of contractor positions to Government positions. This conversion of these positions will result in a net savings of \$201, 000.

Currently, 17 of the 21 individuals performing the functions of the financial management activity are contractors. The increase is necessary to staff inherently governmental functions with Federal Government individuals since these functions involve decision-making. These functions include but are not limited to: 1) certifying availability of funds, 2) determine if proposed actions are compliant with fiscal law, budget authority, Congressional intent, etc., 3) enforce Federal Travel Regulations, etc.

Impact on Performance (Relationship of Increase to Strategic Goals)

Currently, 80% of the financial management support functions are performed by contractors. In FY09, DHS seeks to convert these positions to FTE in order to build continuity within the Financial Management function. Not fully funding the contractor conversion to FTE plan will result in an increase workload on existing staff, due to the growth of the DHS Executive and Departmental Offices.

**Department of Homeland Security  
Working Capital Fund  
Justification of Resources Above Guidance**

(Dollars in Thousands)

**Program Increase 5:**      NFC Payroll Services & Reporting

PPA:                              Fee-for-Service Activity

Program Increase:              Positions 0 FTE 0 Dollars \$1,020

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$31,324        |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$1,020         |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$31,098</b> | <b>0</b>        | <b>0</b> | <b>\$30,710</b> | <b>0</b>        | <b>0</b> | <b>\$32,344</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$1,020</b>  |

Description of Item

The Department of Agriculture / National Finance Center [NFC] is the servicing agency that delivers Payroll/Personnel service provisioning systems to include the Legacy NFC Systems and EmpowHR for over 180,000 DHS federal full-time and part-time employees. In addition, NFC provides Payroll/Personnel (EmpowHR) companion activities, which would include Payroll/Personnel policy support, Payroll/Personnel benefits reconciliation, tax reporting, and payroll problem resolution.

All NFC issues are handled by DHS OCHCO/HCBS on behalf of the components. The plan calls for all DHS components to implement the new EmpowHR (PeopleSoft Human Resources Management System) by FY 2010.

NFC Services that DHS components are billed for include:

| COST AREA   | COST DRIVER             |
|---|-------------------------|
| Postage-Earnings and Leave and Personal Benefits Statements | Pieces of mail          |
| Treasury FMS Postage Charges for Single Address Checks      | Checks mailed           |
| USDA OIG Oversight of Non-USDA Payroll Processing           | Avg # of employees paid |
| Payroll Operations Branch Support                           | Avg # of employees paid |
| Tax Reporting   | Avg # of employees paid |
| Payroll Policy Support                                      | Avg # of employees paid |
| e-Pay Policy Support  | Avg # of employees paid |
| Benefits Reconciliation and Liaison Area                    | Avg # of employees paid |
| Debt Management   | Receivables established |
| Claims  | Claims processed        |
| Payroll Accounting  | Avg # of employees paid |

|  |                         |
|--|-------------------------|
| Certification                                | Avg # of employees paid |
| Ad-Hoc reporting (based on CPU Minutes used) | CPU Minutes             |
| Data Center Operations (Other than FOCUS)    | Avg # of employees paid |
| Payroll/Personnel Baseline Services          | Avg # of employees paid |

In addition to Payroll costs, EmpowHR personnel systems and related additional maintenance costs assume an estimate of \$90 per employee paid for those using the new EmpowHR PeopleSoft personnel system. The \$90 unit cost is conservative and does not account for more NFC non-DHS customers scheduled for EmpowHR. In other words, as NFC gains a larger customer base for EmpowHR, the DHS unit cost will come down.

Justification

Fundamental to the HCBS mission is reducing costs by consolidating the number and variety of DHS Human Resource systems maintained. Specifically, costs are reduced by centralizing and simplifying training, licensing fees; reducing errors associated with complex interfaces due to redundant and disparate systems; and by retiring older less productive/efficient systems with modern and more flexible systems. This enterprise approach directly supports the DHS Secretary’s priority to strengthen DHS Core Management, Policy and Operational Agenda; the President’s Management Agenda (PMA); and the Human Resources Line of Business (HRLOB) and other “good government” practices.

There are several authorities that support the HCBS mission such as: 1) The Homeland Security Act of 2002 calling for the establishment of a new HR system for DHS that is flexible and contemporary; and 2) The E-Government Act of 2003 calling for the use by the Government of web-based Internet applications and other information technologies, combined with processes that implement these technologies, to bring about improvements in Government operations that may include effectiveness, efficiency, service quality, or transformation. It also calls for the adoption of innovative information technology, including the appropriate use of commercial best practices, as well as the use of electronic signatures.

In addition to the mandated Acts, the business case that resulted from the DHS HRIT Council research provides authority to Human Capital Business Systems to consolidate and modernize the 144+ disparate systems. Furthermore, OPM and OMB mandated other enterprise programs such as the e-Gov initiatives (i.e. e-Payroll, EHRI) and the Human Resources Line of Business (HRLOB), all centered on consolidating and modernizing Payroll and HR systems government wide.

In 2001, OPM was directed by OMB to coordinate the government-wide consolidation of payroll/personnel processing systems on September 30, 2004. In a lengthy process described below, four federal service providers were eventually chosen. The USDA/NFC was assigned as the payroll/personnel service provider to the Department of Homeland Security. This was a logical choice, as the majority of the organizations merged to form the new DHS were already serviced by USDA’s NFC. DHS’ conversion to the USDA NFC system was completed in 2006, and the e-Gov e-Payroll program has been “retired” since all organizations have completed conversion to one of the four mandated government service providers.

This request includes O&M costs for NFC payroll and EmpowHR personnel systems. The funding request increase is a direct result of deploying EmpowHR to additional DHS components (FEMA, FLETC, ICE and CIS) in FY 2009.

Impact on Performance (Relationship of Increase to Strategic Goals)

The activity directly supports the Human Capital Operational Plan, specifically in the areas of Talent Management, Culture of Performance, Learning and Development and Service Excellence. The Government is looking at increasing effectiveness from a business perspective and with an enterprise-wide view. Based on the e-Payroll Business Case, the best decision for the Government is to achieve savings and economies associated with rapid consolidation of Providers while leveraging key technology investment. The goal is to interface payroll systems with customer administrative systems, while increasing interoperability and reducing overall cost. This decision, made from a Government-wide rather than agency perspective, will move us toward the objective of a standard architecture and final Shared Service Provider solution.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 6:**            HQ Human Capital Service Center

PPA:                                Fee-For-Service Activity

Program Increase:            Positions   0      FTE   0      Dollars \$342

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 4               | 4        | \$8,483         |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$342           |
| <b>Budget Request</b>         | <b>4</b>       | <b>4</b> | <b>\$7,277</b>  | <b>4</b>        | <b>4</b> | <b>\$8,311</b>  | <b>4</b>        | <b>4</b> | <b>\$8,825</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$342</b>    |

Description of Item

The HQ Service Center provides coordination and oversight support for outsourced services supporting HQ Human Capital operational needs. The team ensures that the personnel processes for HQ’s managers/employees and service providers runs efficiently and effectively. Examples of services: Staffing and Recruitment; Position Classification/Position Management; Performance Management; Payroll and Personnel Action Processing; Employee and Labor Relations Support; Retirements and Benefits Support; Time and Attendance Support. It is imperative that we continue providing full-time, Federal employee oversight of these services.

Justification

In FY 2009, the estimated HQ population is 3,500-4,000 and assumes “full-service” capacity and the increased funding request will support the continuation of four (4) FTEs, which will improve operational oversight of all contracted services as well as provide more effective focus on customer support.

The HQ Service center will continue to provide the full range of personnel operational support to DHS HQ components (excluding the OIG) and eventually expand that service through functional integration to other DHS components.

Impact on Performance (Relationship of Increase to Strategic Goals)

The HC Service Center will not be able to provide coordinated and prioritized services; ensures timely and effective recruitment of staff; effectively manages the “on-board” staffing process (which includes security clearances and collaboration with the Personnel Security Office), quality personnel staffing services; and, facilitates staff exiting out of DHS HQ.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 7:** DHS Executive Leadership Development Program (SES CDP)

PPA: Fee-For-Service Activity

Program Increase: Positions 1 FTE 1 Dollars \$41

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 1               | 1        | \$951           |
| Program Increase              |                |          |                 |                 |          |                 | 1               | 1        | \$41            |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$620</b>    | <b>0</b>        | <b>0</b> | <b>\$931</b>    | <b>2</b>        | <b>2</b> | <b>\$992</b>    |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>1</b>        | <b>1</b> | <b>\$41</b>     |

Description of Item

The purpose of DHS Executive Leadership Development (ELD) Programs is to initiate and execute learning and development initiatives that foster a “Team DHS” organizational climate. In addition, and most importantly, these programs are designed to help mitigate some of the challenges faced during the Federal response to the Gulf Coast tragedies, particularly Hurricane Katrina – e.g., DHS-enterprise approach to communications and problem resolution.

Justification

In FY 2006, DHS established a Chief Learning Officer (CLO) function in the Chief Human Capital Office to follow through on Second Stage Review (2SR) future state vision objectives related to DHS becoming a learning organization with common elements of DHS culture. As this new function is stood-up, Human Capital Operational Plan (HCOP) Performance Leadership training will continue, the DHS enterprise level succession planning interventions (ESPI’s) will be continued and a gap analysis of DHS-wide training plans will be conducted. In FY 07/08, new CLO policies and structures were implemented that focused on designing, developing and piloting new cross-agency/enterprise-level training programs that bridged gaps.

In FY 2009, a total of 75 DHS employees will be participating in three separate and overlapping SES 18-month-long CDP sessions. The FY 2009 increase cost and request for one additional FTE supports service costs related to running these three separate concurrent SES CDP classes. The Executive Leadership Curriculum consists of three DHS-wide leadership development activities:

- 1 Secretary’s Senior Leadership Conference;
- 2 Enterprise-level Succession Planning Interventions (ESPIs), which includes a CDP; and Department Leadership Assessment (DLA).

Impact on Performance (Relationship of Increase to Strategic Goals)

A well-executed Executive Leadership Program is a key element in sustaining a leadership community

that shares information and implements processes with a common DHS focus. OPM is requiring that agencies have succession planning and management initiatives. Leadership development is one of DHS' areas of focus as per the results of the Workforce Plan.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 8:** Flexible Spending Account Plan Fees (FSA FEDS)

PPA: Fee-For-Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$376

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$1,224         |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$376           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$1,040</b>  | <b>0</b>        | <b>0</b> | <b>\$1,200</b>  | <b>0</b>        | <b>0</b> | <b>\$1,600</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$376</b>    |

Description of Item

Flexible Spending Accounts are employee-funded accounts that are used by the employee account holder to pay for medical expenses that are tax deductible, but not reimbursed by any other source, as well as eligible dependent care costs. Contributions to the accounts come from an employee's pre-taxed salary; the Government does not make a contribution. There is a fee that is paid to the administrator of these accounts.

The FY 2009 and out-year requests are based on a projected increase in the DHS-wide participation rate. DHS is currently participating at a 6% rate. OPM records indicate that mature organizations participate at a minimum 20% rate across the board. The projected growth shown above is predicated on reaching a 20% DHS-wide participation rate in FY 2013.

Justification

The costs for this program are charged back based on actual invoices received in October and March of each calendar year. The March bill assesses a fee for employees of record as of January 1 of the calendar year. The October's bill makes an adjustment for any new employees who have entered the program since January 1. The October bill is generally small, but it is not received in time to be paid out of the appropriation for the year in which the cost was incurred. The Human Capital Business Office will manage the invoicing process with the FSA provider and charge the direct cost of the fees to the component based upon actual invoices received from the vendor.

Impact on Performance (Relationship of Increase to Strategic Goals)

The law now requires that agencies pay these fees on behalf of their employees. In July 2004, SHPS, Inc. was selected by the Office of Personnel Management (OPM) to administer FSAFEDS on behalf of the Executive Branch and those entities of the Judicial and Legislative Branches that elect to participate in the FSAFEDS Program. Agencies must pay SHPS directly (and centrally) for the fees;

there is not an interagency agreement with each component. The increased cost estimate is based on an anticipated increase in enrollment in FY 2008 and beyond.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 9:** DHS HQ Employee Assistance Program

PPA: Fee-For-Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$12

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$48            |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$12            |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$46</b>     | <b>0</b>        | <b>0</b> | <b>\$47</b>     | <b>0</b>        | <b>0</b> | <b>\$60</b>     |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$12</b>     |

Description of Item

Employee Assistance and Work-life programs are an important partner in the creation of a mentally and emotionally healthy workplace. These programs provide support services related to life and work issues. Additionally, they provide for quality services for managers or work groups that are dealing with stressful or potentially stressful organizational issues.

The DHS intends to utilize an integrated Employee Assistance and Work-life Referral Service Program for all DHS HQ employees and their immediate family members. “Immediate Family Members” is defined as members of the immediate household who are dependents, which may include children, elderly parents, and/or spouses/partners who share financial and family caretaking responsibilities.

These services are to be provided to all DHS HQ employees regardless of their function or post of duty. There is no cost to employees and eligible family members for EAP and Work-life services. EAP and WorkLife services will employ both unlimited telephonic access via a toll-free dedicated DHS telephone number and a website and will be available seven days a week, twenty-four hours a day. When services are required that are outside the scope of telephonic counseling services, DHS HQ personnel have access to six (6) face-to-face counseling at no charge to the DHS HQ personnel or their family members.

Justification

Employee Assistance Programs and the Work Life referral services are provided for under these authorities:

- Management Directive 3060.2 establishes the policy, procedures and objectives for the Department of Homeland Security (DHS) Employee Assistance Program (EAP).

- Federal agencies are authorized by 5 U.S.C. § 7901 to establish health services for the promotion and maintenance of the physical and mental fitness of employees in the Federal Government.

The Department of Homeland Security, Headquarters (DHS HQ) recognizes the importance of its employees and realizes its employees may experience a wide range of personal and professional issues from time to time, and that, usually, employees are able to cope successfully with these situations as they occur. In some cases, however, there may be instances when employees may desire assistance with personal and/or family issues, especially if these issues are persistent and/or if job performance is affected. Mental, emotional, professional and family wellness is vital for individual employees and their families, as well as, for the well being of the organization.

EAP and Work-Life are important partners in the creation of a mentally and emotionally healthy workplace and provides support services related to life and work issues. Additionally, the program provides for quality services for managers or work groups that are dealing with stressful or potentially stressful organizational issues.

It is DHS HQ's policy to enhance the Department's work environment and improve job performance by providing its employees and their family members with access to an EAP that ensures that its employees have the resources to address: work-related problems, traumatic incidents, substance abuse, mental illness, and marital, financial or other family problems. It is the Department's policy to provide consultation and training to managers and supervisors seeking guidance in enhancing the work environment; improving employee job performance; and providing problem solving strategies to employees.

#### Impact on Performance (Relationship of Increase to Strategic Goals)

The EAP and WorkLife program relates to the Core Value of "Integrity: Service before Self", of the Strategic Plan that states, "Each of us serves something far greater than ourselves. To our nation, we represent the President and Congress. To the world, seeking to visit or do business with us, we are often the first Americans they meet. We will faithfully execute the duties and responsibilities entrusted to us, and we will maintain the highest ethical and professional standards". In the same token, the EAP and WorkLife program support DHS Strategic Goal 7: Organizational Excellence, Objective 7.7: Provide excellent customer service to support the mission of the Department. This objective states that DHS will "Provide seamless, transparent and dedicated customer support services.....human resources and personnel...to enable the people in frontline programs to accomplish the mission of the department effectively". One of the most effective ways to accomplish this objective is through a well-integrated and fully-functional EAP and WorkLife program which allows for DHS personnel to have available resources to cope with personal and work stresses, thereby allowing for their ability to effectively and efficiently perform their Departmental duties.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 10:**            NCR

PPA:                                    Fee for Service Activity

Program Increase:                Positions   0      FTE   0      Dollars \$7,368

|                               | FY 2007 Actual |          |                  | FY 2008 Enacted |          |                  | FY 2009 Request |          |                  |
|-------------------------------|----------------|----------|------------------|-----------------|----------|------------------|-----------------|----------|------------------|
|                               | Pos            | FTE      | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000)  | Pos             | FTE      | Dollars (\$000)  |
| Current Services Level        |                |          |                  |                 |          |                  | 9               | 9        | \$106,499        |
| Program Increase              |                |          |                  |                 |          |                  | 0               | 0        | \$7,368          |
| <b>Budget Request</b>         | <b>9</b>       | <b>7</b> | <b>\$103,171</b> | <b>9</b>        | <b>9</b> | <b>\$106,265</b> | <b>9</b>        | <b>9</b> | <b>\$113,867</b> |
| <b>Increment above budget</b> |                |          |                  |                 |          |                  |                 |          | <b>\$7,368</b>   |

Description of Item

The National Capital Area Information Office (NCAIO) will serve the majority of DHS Headquarters users for network, email, internet, intranet, and telecom infrastructure, as well as all end user desktop computing, telecom, and wireless services. NCAIO’s Program Management Office (PMO) coordinates management and deployment of infrastructure resources along with build-out of new facilities and provides continuous operations, help desk, vendor management, financial management, and technology evaluation. Working with Directorate CIOs, NCAIO will ensure effective customer service, performance management and measurement for continuous availability of all critical infrastructure services along with vendor effectiveness and accountability.

Justification

The requested funding is needed to provide for 500 new additional seats approved for the USM in FY08 for managed IT services (e.g., desktop PCs, LAN service, telephone, E-mail, etc.). The offices under the USM requesting additional personnel will bear the increase in cost assessments. The increase in funding will adequately provide IT services to the offices and ensure continuity in operations.

Impact on Performance (Relationship of Increase to Strategic Goals)

The NCR IT services that will be improved by an additional \$7.368M in funding for OCIO are:

**VTC, Bridge, TV**

This will allow for enhanced video and audio teleconferencing capabilities for DHS HQ and associated Components. This budget would result in the continuation of both unclassified and secure video teleconferencing services as well as Cable TV services.

**Wireless Devices**

This funding will continue all wireless capabilities for DHS HQ and associated Components. There are currently 7500 cell phones, blackberries and pagers used by DHS HQ staff. All wireless services

used by DHS HQ staff with these devices, including the Secretary's Office and Preparedness, would use wireless devices for critical communication method as DHS must be able to respond quickly to identified threats, disasters, and terrorist attacks. The removal of this service guarantees that rapid communications, when critical, will be difficult if not impossible. If not fully funded, this termination would not impact COMSEC devices, Land Mobile Radio or Satellite cell phones.

#### **LAN A Services**

The FTE positions are funded for new equipment consisting of a desktop, phone and blackberries. Funding for this would provide for O&M support services such as repair, replacement or augmenting of IT networks. Funding for this activity is important as Personnel in critical DHS roles need to be able to fulfill their duties in support of the DHS mission.

**Department of Homeland Security  
Working Capital Fund  
Justification of Resources Above Guidance  
(Dollars in Thousands)**

**Program Increase 11:**                    Tri-Bureau HR Services

PPA    Tri-Bureau Shared Service

Program Increase:                    Positions   0                      FTE   0                      Dollars \$990

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$21,841        |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$990           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$26,227</b> | <b>0</b>        | <b>0</b> | <b>\$21,412</b> | <b>0</b>        | <b>0</b> | <b>\$22,831</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$990</b>    |

Description of Item

In October 2004, the Security of the Department of Homeland Security signed a series of functional integration management directives that formalized oversight of the support services by the Line of Business Chiefs, under the direction of the Under Secretary for Management. Pursuant to DHS Management Directive (MD) 00006, Human Capital Line of Business Integration and Management, the Under Secretary re-delegated additional Human Capital authorities not already delegated by law to the Chief Human Capital Officer (CHCO).

In December 2003, Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), and Citizenship and Immigration Services (CIS) formed a “shared services” arrangement under the “TriBureau” Governance Operations Charter for human resource services. Each fiscal year, CBP, ICE, and CIS, under the management of DHS OCHCO (as delegated under MD 0006) set a formal service level agreement that defines customer service expectations and responsibilities between CBP (the provider) and ICE and CIS (the customer). CHCO and CBP have a Memorandum of Understanding for clarifying the financial/oversight relationship through the Working Capital Fund, which transmits funding from ICE and CIS to CBP each fiscal year.

Justification

ICE has additional legislatively-mandated border staffing support requirements beginning in FY 2007 and ongoing through the next several fiscal years. The increased funding in FY 2009 will allow CBP to provide the required human resources support to ICE.

Impact to Performance (Relationship of Increase to Strategic Goals)

This supports three of the Secretary's Goals: to protect our Nation from dangerous people, Protect our Nation from dangerous goods, and Strengthen and unify DHS Operations and Management.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 12:**            Data Center Services from DOJ

PPA:                                    Tri-Bureau Activity

Program Increase:                Positions   0                      FTE   0                      Dollars \$1,612

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 2               | 2        | \$35,618        |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$1,612         |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$36,303</b> | <b>2</b>        | <b>2</b> | <b>\$34,917</b> | <b>2</b>        | <b>2</b> | <b>\$37,230</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$1,612</b>  |

Description of Item

The Data Center Services provide application hosting OS/390 platform for over 40 applications; application hosting on AIX Unix platform for over 25 applications; housing of DHS servers; disk storage and enterprise tape backup capacity, local printing services, management and operation of component owned equipment, transition support for de-installing, packing, and shipping systems, and separate raised-floor computer room space and utilities.

The increase will fund two positions to provide two individuals whose full time responsibility would be management, oversight, and support for funding, invoicing, negotiations and agreements with the DHS service center at DOJ and to provide the primary point for similar work at future DHS service centers. They would perform a multitude of tasks including but not limited to the following.

- (1) Prepare required supporting documentation for interaction with the DHS Service Centers
- (2) Host and coordinate quarterly review meetings with component to discuss requirements and fiscal issues associated with DHS Service Centers.
- (3) Perform Service Center invoice oversight and allocate/distribute portions to 22+ component organizations and multiple DHS Service Centers.
- (4) Transfer funds to the service centers in response to approved invoices and negotiate discrepancies.
- (5) Prepare budget estimates for out years
- (6) Distribute component invoices

### Justification

The positions are required to help coordinate and oversee the delivery of IT data center services to DHS components (ICE, US Visit, CIS, CBP, and HQ/CIO) currently using DOJ facilities, help oversee the DHS Working Capital Fund (WCF) budget for DOJ Data Center services (DOJ DCS) and prepare budget submissions and forecasts, update the data center cost allocation methodology, and help update and define the DOJ Memorandum of Understanding (MOU).

### Impact on Performance (Relationship of Increase to Strategic Goals)

The systems hosted by DOJ DCS support the investigative and enforcement responsibilities required by federal immigration laws, customs laws, and air security laws. These systems are part of a continuum of security measures that begin overseas and continue through a visitor's arrival in and departure from the United States. They incorporate eligibility determinations made by the Departments of Homeland Security and State and implement policy that permits this nation to remain secure while demonstrating that we remain a welcoming nation. The responsibility for management, oversight, and support for funding, invoicing, negotiations and agreements with the DHS service center at DOJ which serves as the primary point for similar work at future DHS service centers would be severely impacted if funding were cut.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 13:**                    USAJOBS (formerly Recruitment One-Stop)

PPA:    Government-wide Mandated Service Activity

Program Increase:                    Positions   0   FTE   0   Dollars \$678

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$424           |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$678           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$419</b>    | <b>0</b>        | <b>0</b> | <b>\$416</b>    | <b>0</b>        | <b>0</b> | <b>\$1,102</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$678</b>    |

Description of Item

In FY 2006, OPM’s Recruitment One-Stop Program graduated from the e-Gov Program, became a Government-wide Mandated Fee For Service Activity, and was renamed “USAJOBS”. The USAJOBS Program Office has increased the content and navigation of Veterans-focused resources; incorporated a new one-stop information center; successfully implemented e-Authentication for Federal HR users; provided a more robust and meaningful online application status tracking mechanism for job seekers; added graphics to announcements and incorporated an applicant survey to provide feedback to agencies about the application process.

In the past, a federal access fee was only assessed based on the number of Competitive Service employees within a given agency. Effective October 1, 2007, in accordance with CFR Title 5, Volume 1, Part 317.501(b)(2), those organizations with Executive Resource Service/Senior Executive Service positions which are required to be posted on USAJOBS must now pay a USAJOBS fee. In addition, similar per-capita staff and SES fees will be charged to excepted-service agencies which voluntarily elect to use USAJOBS. The DHS fee was calculated based upon the Department’s total “on-board” employment levels for competitive, excepted service, and ERS positions as of March 31, 2007.

Justification

The USAJOBS Federal Employment Information System seeks to simplify the process of locating and applying for Federal jobs. Its mission is to deliver a number of new job-seeker focused features including intuitive job searching; clean, concise, understandable and attractive job announcements; online resume submission; applicant data-mining; and on-line feedback on status and eligibility. USAJOBS Federal Employment Information System delivers state-of-the-art on-line recruitment services to job seekers including intuitive job searching, on-line resume submission, applicant data-mining, and on-line feedback on status and eligibility. Since nearly all federal government job announcements are posted via USAJOBS, and most job-seekers are aware of this tool, DHS will continue to be a user of this system.

DHS has no involvement in overseeing the USAJOBS program, other than paying the required amount to OPM. All agencies are required to fund their portion of this program (based on CPDF employment levels). Pursuant to OMB guidance, USAJOBS must operate on a fully reimbursable basis. Regulations contained in 5 CFR Parts 330, 333, and 335 that implement section 4 of Public Law 104-52 authorize the Office of Personnel Management to charge fees to agencies to pay the cost of providing Federal employment information and services.

Impact on Performance (Relationship of Increase to Strategic Goals)

Access to USAJOBS supports the DHS Strategic Goal to Strengthen and unify operations and management, as well as the DHS Human Capital Operations Plan goal to “Hire and Retain a Talented and Diverse Workforce.” USAJOB is a well-known tool for federal job seekers, and continued use of this valuable system will support DHS’ efforts to promote DHS as the workplace of choice.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 14:**            e-Training

PPA:                                Government-Wide Mandated Service Activity

Program Increase:                Positions   3      FTE   3      Dollars \$6,218

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 3               | 3        | \$7,100         |
| Program Increase              |                |          |                 |                 |          |                 | 3               | 3        | \$6,218         |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$2,285</b>  | <b>3</b>        | <b>3</b> | <b>\$6,957</b>  | <b>6</b>        | <b>6</b> | <b>\$13,318</b> |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>3</b>        | <b>3</b> | <b>\$6,218</b>  |

Description of Item

The mission of e-Training is to create a premier e-Training environment that supports development of the federal workforce through simplified and “one-stop access” to the highest quality e-Training products and services.

Justification

The increase in FY 2009 reflects the expansion of dependency on technology to reach a distributed DHS audience with the learning and development and work performance support that our workforce will increasingly depend upon to fulfill the missions and objectives of the Department for the identification and implementation of a Learning Management System (LMS) to support DHS “enterprise” on-line learning and planned migration of legacy systems to the DHS LMS by FY 2010.

The Chief Human Capital Officer currently has an MOU with OPM for developing and implementing a learning management system for HQ. The goal of this MOU is to ultimately provide opportunities for aligning and possibly merging this LMS with other DHS components. This project is in support of the Presidential Management Agenda (PMA) e-Learning initiative and the Department of Homeland Security Learning and Development Strategic Plan for Fiscal Years 2006 to 2010 (Goal 4, Strategy 2, Tactic 1 to implement the recommendations of the Advanced Distributed Learning (ADL) Study).

Impact on Performance (Relationship of Increase to Strategic Goals)

Benefits from the new LMS will be increased functionality through automation of the SF-182 process, automatic Enterprise Human Resources Integration (EHRI) reporting of training, enterprise web conferencing capability, integrated support of the enterprise e-Performance Management System (e-Performance), integration with the EmpowHR personnel system, enterprise leveraged course procurement (i.e., increase buying power), enterprise leveraged course development, and enterprise leveraged course management. Preliminary analysis showed an approximately 75% cost savings through enterprise licensing of Commercial off the Shelf (COTS) courseware versus contracting by individual components.

**Department of Homeland Security  
Working Capital Fund  
Justification of Resources Above Guidance**

**Program Increase 15:**                    Enterprise HR Integration (EHRI)

PPA:    Government-Wide Mandated Service Activity

Program Increase:                        Positions   0                          FTE   0                          Dollars \$1,307

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$2,382         |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$1,307         |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$4,143</b>  | <b>0</b>        | <b>0</b> | <b>\$2,335</b>  | <b>0</b>        | <b>0</b> | <b>\$3,689</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$1,307</b>  |

Description of Item

EHRI is a collaborative e-Government initiative designed to transform the way Federal HR Specialists and Managers access human resource information and the way all Federal employees access their personnel file information. When fully implemented, EHRI will replace the current paper based Official Personnel Folder (OPF) with an electronic employee record (e-OPF) for all Executive Branch employees, resulting in a comprehensive electronic personnel data repository covering the entire life cycle of Federal employment.

DHS will have converted all of its components to e-OPF by FY 2008. The budget levels requested through FY2007 have been maintained; however, OPM under-estimated the maintenance cost of this project and has significantly increased its O&M cost projections. Starting in FY 2009 OPM will raise the maintenance rates to DHS depending on how many customers OPM has on its e-OPF system. FY 2008 rates will be offset by savings in the program up to that point; however starting in FY 2009, the rate increases will impact all components. After FY 2009, there will be a slight increase in costs above inflation through FY 2011.

Justification

The Enterprise HR Integration (EHRI) initiative was a Government-wide mandated fee-for-service activity operated by the Office of Personnel Management (OPM). DHS has no involvement in this program, other than paying the required amount to OPM. All agencies are required to fund their portion of this program.

Costs for EHRI's products and services will be recovered by EHRI from all agencies on an equitable basis related to the size and usage of each participating agency. Charges to each agency will be established by distributing total EHRI costs to all clients on the basis of the number of OPFs or on the basis of actual cost, depending on the service. Usage audits will occur at OPM's discretion, but at least annually, and will be used to make adjustments to cost recovery through the Interagency Agreement (IAA). EHRI will notify DHS of their revised annual costs within DHS's annual cycle, at least 90 days

prior to completion of the cycle. Any optional services provided to DHS will be billed on a cost recovery basis at the time the service request is signed by both EHRI and DHS.

Impact on Performance (Relationship of Increase to Strategic Goals) The mission of achieving the consolidated modernized approach for HR systems does impact other programs. The Government is looking at increasing effectiveness from a business perspective and with an enterprise-wide view. The goal is to increase interoperability and reduce overall costs. This decision, made from a Government-wide rather than agency perspective, will move us toward the objective of a standard architecture and final Shared Service Provider solution.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 16:**            e-Travel

PPA:                                    Government Wide Mandated Service Activity

Program Increase:                Positions   0      FTE   0      Dollars  \$567 

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$567           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$567</b>    |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$567</b>    |

Description of Item

This activity provides a government-wide web based service that applies world class travel management practices to consolidate federal travel, minimize cost and produce superior customer satisfaction. From travel planning and authorization to reimbursement, the e-Travel program will leverage administrative, financial and information technology best practices to realize significant cost savings and improved employee productivity.

Justification

The e-Travel program is part of the President’s Management Agenda goal to expand electronic government through the promotion the cost effectiveness and improvement in services to citizens.

Impact on Performance (Relationship of Increase to Strategic Goals)

The program promotes the use of electronic government for improving services to citizens and reducing the cost of doing business. The program also increases the goal of unifying and strengthening DHS management and operations through the use of electronic government. The program change offsets listed below are due to a work load reduction or reductions in the e-government amounts.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 17:**                    Case Management Line of Business

PPA:    Government Wide Mandated Service Activity

Program Increase:                        Positions   0      FTE   0      Dollars  \$515 

|                               | FY 2007 Actual |     |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|-----|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |     |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase              |                |     |                 |                 |          |                 | 0               | 0        | \$515           |
| <b>Budget Request</b>         |                |     | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$515</b>    |
| <b>Increment above budget</b> |                |     |                 |                 |          |                 |                 |          | <b>\$515</b>    |

Description of Item

Case Management Line of Business is one of the lines of business supporting the President's Management Agenda goal to expand Electronic Government. The goal of the effort is to identify opportunities to reduce the cost of government and improve services to citizens through business performance improvements.

Justification

The Case Management Line of Business is part of the President's Management Agenda goal to expand electronic government through the promotion of cost effectiveness and improvement in services to citizens.

Impact on Performance (Relationship of Increase to Strategic Goals)

The program promotes the use of electronic government for improving services to citizens and reducing the cost of doing business. The program also increases the goal of unifying and strengthening DHS management and operations through the use of electronic government. The program change offsets listed below are due to a work load reduction or reductions in the e-government amounts.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 18:** e-Gov Integrated Acquisitions Environment

PPA: Government-wide Mandated Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$503

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$1,767         |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$503           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$1,048</b>  | <b>0</b>        | <b>0</b> | <b>\$1,733</b>  | <b>0</b>        | <b>0</b> | <b>\$2,271</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$503</b>    |

Description of Item

The Integrated Acquisition Environment (IAE) activity is a secure business environment that facilitates and supports cost-effective acquisition of goods and services in support of mission performance.

Justification

The FY 2009 request includes funding for the Integrated Acquisition Environment (IAE) as the Presidential-mandated e-Gov initiative charged with creating a government-wide "environment" of acquisition related systems that support federal acquisition throughout all federal agencies. For FY06 and beyond, it constitutes approximately 17 operational systems supporting federal buyers and their own contract writing system, which is PRISM for DHS. PRISM is directly dependent on the IAE, and interfaces with more than one of the IAE systems. The FY09 increase is due to significant DHS procurement activity, which translates as IAE budget share increases by the OMB formula to apportion expenses across the federal users.

Impact on Performance (Relationship of Increase to Strategic Goals)

IAE is mandated by OMB and funding is mandatory.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 19:**            e-Gov Benefits

PPA:                                    Government Wide Mandated Activity

Program Increase:                Positions   0      FTE   0      Dollars  \$239 

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$140           |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$239           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>\$161</b>    | <b>0</b>        | <b>0</b> | <b>\$138</b>    | <b>0</b>        | <b>0</b> | <b>\$379</b>    |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$239</b>    |

Description of Item

The GovBenefits.gov activity provides a single point of access for citizens to locate and determine eligibility for government benefits and services. The site now offers links to 234 benefits programs, representing \$1.3 trillion in annual benefits. Program benefits are as follows:

- A partner room, with instructions on how to become a partner of GovBenefits and presentations about the project available to download.
- A press room, with general information, press releases and biographies of the management team.

These enhancement goals to GovBenefits.gov are a direct response to citizen feedback that has been received about the site.

Justification

The increase in funding will go toward supporting the implementation of Executive Order 13411, “Improving Assistance for Disaster Victims” and the expansion of the Dunn and Bradstreet contract.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase in funding will allow the e-Gov Benefits program to comply with the strategic goal of unifying and strengthening DHS management and operations through the execution of Executive Order 13411.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 20:**                    Geospatial Line of Business

PPA:    Government Wide Mandated Service Activity

Program Increase:                        Positions   0      FTE   0              Dollars  \$64 

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$64            |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$64</b>     |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$64</b>     |

Description of Item

The Nation’s interests are served, and the core missions of Federal agencies and their partners are met, through the effective and efficient development, provision, and interoperability of geospatial data and services.

This program will further refine the opportunities for optimizing and consolidating Federal geospatial-related investments to reduce the cost of government and, at the same time, improve services to citizens. Cross-agency coordination of geospatial activities can identify, consolidate, and reduce or eliminate redundant geospatial investments. Developing the Geospatial Line of Business (LoB) will result in a more coordinated approach to producing, maintaining, and using geospatial data, and will ensure sustainable participation from Federal partners to establish a collaborative model for geospatial-related activities and investments.

Justification

Funding is needed to promote a consolidated approach to maintaining and using geospatial data in order to establish a collaborative model for geospatial-related activities and investments.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase in funding will allow DHS to effectively pursue the ability to create a collaborative model for maintaining and using geospatial data and capabilities across the department and further enhance the unification and management of DHS operations.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 21:** IT Infrastructure Line of Business

PPA: Government Wide Mandated Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$160

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$160           |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$160</b>    |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$160</b>    |

Description of Item

The IT Infrastructure LoB will identify the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within agencies and/or across agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure. IT infrastructure consolidation and optimization case studies also demonstrate where agencies could improve IT service levels and, when relieved of the burden of managing these non-core functions, can concentrate more on mission priorities and results.

Justification

The funding requested is needed to identify opportunities across DHS for IT Infrastructure consolidation and optimization, while developing government wide common solutions. The LoB will assist in identifying common service levels, costs, and best practices for the development of transition plans as the department continues its consolidation of legacy infrastructure.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase in funding will allow the department to meet its strategic goal of unifying and strengthening the management and operations of DHS. The initiative will allow DHS to develop a framework for its ongoing consolidation of legacy infrastructure and the impending future of 'One Infrastructure' environment.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 22:** Budget Formulation and Execution Line of Business

PPA: Government Wide Mandated Service Activity

Program Increase: Positions 0 FTE 0 Dollars \$95

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 0               | 0        | \$0             |
| Program Increase              |                |          |                 |                 |          |                 | 0               | 0        | \$95            |
| <b>Budget Request</b>         | <b>0</b>       | <b>0</b> | <b>0</b>        | <b>0</b>        | <b>0</b> | <b>\$0</b>      | <b>0</b>        | <b>0</b> | <b>\$95</b>     |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 |                 |          | <b>\$95</b>     |

Description of Item

The focus of the Budget Formulation and Execution Line of Business (BFE LoB) is to build a “budget of the future” by promoting information sharing across government agency budget offices and building a “community of practice.” With this collaboration, the budget community can start to identify best practices for all aspects of budget formulation and execution. The BFE LoB strives to find solutions that link budget formulation, execution, planning, performance, and financial information. Areas of particular interest include technology, budget performance integration, data collection and tracking, financial management integration, and human capital.

Justification

The increase in funding is needed to promote information sharing across government agencies for the promotion of identifying a “community of practice” for formulating and executing the budget life cycle. Through the formation of a “community of practice”, best practices can be created and implemented for the purpose of combining technology, budget performance integration, data collection and tracking, and human capital for the effective and efficient formulation and execution of a fiscal budget.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase in funding will allow DHS to effectively pursue the ability to create an effective and efficient “community of practice” for the identification of best business practices in formulating and executing budgets. The activity will allow DHS to unify and strengthen budget formulation operations and management.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 23:**                    CPO Shared Reporting

PPA:    DHS Crosscutting Services

Program Increase:                    Positions   3                      FTE   3                      Dollars   \$0  

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 1               | 1        | \$4,724         |
| Program Increase              |                |          |                 |                 |          |                 | 3               | 3        | \$0             |
| <b>Budget Request</b>         | <b>1</b>       | <b>1</b> | <b>\$620</b>    | <b>1</b>        | <b>1</b> | <b>\$4,631</b>  | <b>4</b>        | <b>4</b> | <b>\$4,724</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>3</b>        | <b>3</b> | <b>\$0</b>      |

Description of Item

The DHS Shared Reporting - CPO system is the acquisition data feeder system to the Federal Procurement Data System that is required by statute. This data source is the primary source of all acquisition data for the federal government, used by U.S. agencies, governments around the world, the public, and the commercial world for planning marketing opportunities with the American government related to its annual acquisition budget. Without CPO Shared Reporting, DHS would not be postured to efficiently and effectively provide data, nor secure extensive reports from DHS acquisition data for Congress, the IG, GAO, and DHS management.

Justification

The increase in funding and 3 FTE are needed to provide support of the Acquisition Systems Branch (ASB) due to greatly expanded workload and responsibilities as it directly supports the Enterprise PRISM Instance hosted service providing a comprehensive contract management system for thousands of acquisition workforce members and their customers. In FY 09, the ASB strategic plan calls for more robust security and hosting, with support of the first three component financial system interfaces, and Enterprise Services Bus (ESB), and EPI Advanced Acquisition Plan adoption.

Impact on Performance (Relationship of Increase to Strategic Goals)

The increase in funding will enable the ASB to effectively continue to provide the wide-ranging contract management system support for increased workload and responsibilities, as well as expanded scope of the system support will be unable to provide the needed support services.

**Department of Homeland Security**  
**Working Capital Fund**  
**Justification of Resources Above Guidance**  
(Dollars in Thousands)

**Program Increase 24:**                    Working Capital Fund Operations

PPA:    WCF Management

Program Increase:                    Positions   2                      FTE   2                      Dollars  \$209 

|                               | FY 2007 Actual |          |                 | FY 2008 Enacted |          |                 | FY 2009 Request |          |                 |
|-------------------------------|----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|
|                               | Pos            | FTE      | Dollars (\$000) | Pos             | FT E     | Dollars (\$000) | Pos             | FTE      | Dollars (\$000) |
| Current Services Level        |                |          |                 |                 |          |                 | 6               | 6        | \$1,070         |
| Program Increase              |                |          |                 |                 |          |                 | 2               | 2        | \$209           |
| <b>Budget Request</b>         | <b>6</b>       | <b>6</b> | <b>\$942</b>    | <b>6</b>        | <b>6</b> | <b>\$1,037</b>  | <b>8</b>        | <b>8</b> | <b>\$1,280</b>  |
| <b>Increment above budget</b> |                |          |                 |                 |          |                 | <b>2</b>        | <b>2</b> | <b>\$209</b>    |

*Note: Totals may not add due to rounding.*

Description of Item

The Working Capital Fund Activity develops WCF policy and procedures, formulates and executes the WCF budget and negotiates issues between activity managers and customers.

Justification

DHS established the Working Capital Fund Office in FY 2004. The WCF requires two (2) additional FTE and \$209K to support the expansion of the working capital fund. The two additional FTE will perform the following:

- Incorporate the WCF program into the DHS budget and FYHSP cycle
- Develop a robust review and oversight process to ensure activities funded by the fund are in compliance with applicable laws and regulations
- Develop and conduct training to DHS staff, activity managers and customers on revolving fund principles and procedures.

Impact on Performance (Relationship of Increase to Strategic Goals)

The additional two (2) FTE and \$209K requested in FY09 will directly support the operation and continued development of the fund.

**Program Offsets** listed below are due to a work load reduction or reductions in the e-government amounts:

**Fee for Service Activities (dollars in thousands)**

- -\$2,157 Financial Management (Finance and Accounting Shared Services)
- -\$4,373 Internal Control Audit
- -\$153 Board of Contract Appeals
- -\$852 Software Enterprise Licenses – Microsoft

**Total - \$7.534 million**

**Government-Wide Mandated Activities (dollars in thousands)**

- -\$327 Business Gateway
- -\$4 Human Resources Line of Business
- -\$0.2 e-Authentication

**Total -\$0.331 million**

## V. Exhibits and Other Supporting Materials

### A. Justification of Proposed Legislative Language

[SEC. 504. None of the funds appropriated or otherwise made available to the Department of Homeland Security may be used to make payments to the 'Department of Homeland Security Working Capital Fund', except for the activities and amounts allowed in the President's fiscal year 2008 budget, excluding sedan service, shuttle service, transit subsidy, mail operations, parking, and competitive sourcing: *Provided*, That any additional activities and amounts shall be approved by the Committees on Appropriations of the Senate and the House of Representatives 30 days in advance of obligation.]

[SEC. 524. The Department of Homeland Security Working Capital Fund, established pursuant to section 403 of Public Law 103-356 (31 U.S.C. 501 note), shall continue operations during fiscal year 2008.]

***Sec. 528:** The Department of Homeland Security Working Capital Fund, established pursuant to section 403 of Public Law 103-356 (31 U.S.C. 501 note), shall continue operations as a permanent working capital fund for fiscal year 2009 and thereafter: *Provided*, That funds provided to the Working Capital Fund shall be available for obligation until expended: *Provided further*, That such fund shall be paid in advance or reimbursed at rates which will return the full cost of each service, and an amount necessary to maintain a reasonable operating reserve: *Provided further*, That funds not to exceed 10 percent of the funding for any program, project or activity within the Working Capital Fund may be transferred to another program, project or activity within the Working Capital Fund: *Provided further*, That any such transfer in excess of 10 percent shall be treated as a reprogramming of funds under section 503(b) of this Act and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.*

#### **Explanation of Change:**

The DHS working capital fund used to be a true revolving fund with retained earnings collected to form working capital. In 2005, the Department lost many of its authorities for the working capital fund (i.e. the ability to carry funds across years and collect more than the direct usage costs) and since then, the working capital fund account has been hampered by a rigid structure that prevents the DHS Chief Financial Officer from delivering much economies of scale and efficiencies to participating users.

The Department needs a real and effective working capital fund through which it can better integrate disparate component agencies into a single department through building and maintaining department-wide infrastructure for critical management and administrative functions. Also, the procedural obstacles created by current legal restrictions prevent DHS from being good financial managers that result in a lot of waste. Hence, the Department seeks the following authorities outlined in the proposed legislation above:

- Ability to carry over funds in a no-year revolving fund account
- Ability to retain a modest level of earnings to develop operating reserves for each service offered through the working capital fund.

Ability to reprogram only reasonably small sums of funding across PPAs within the working capital fund account without Congressional approval to cut down on processing times, while still having to report to Congress for reprogramming funding levels greater than 10% of the total collection amount of a given PPA.

**B. FY 2008 to FY 2009**

**Department of Homeland Security  
Working Capital Fund  
FY 2008 to FY 2009 Budget Change  
(Dollars in Thousands)**

|   | <u>Pos</u> | <u>FTE</u> | <u>Amount</u>    |
|---|------------|------------|------------------|
| <b>FY2007 Actuals .....</b>                         | <b>278</b> | <b>278</b> | <b>\$440,806</b> |
| <b>2008 Enacted .....</b>                           | <b>323</b> | <b>323</b> | <b>475,494</b>   |
| <b>Adjustments-to-Base</b>                          |            |            |                  |
| <b>Increases</b>                                    |            |            |                  |
| Annualization of prior year part year funding ..... | --         | --         | --               |
| Annualization of 2008 pay raise.....                | --         | --         | 352              |
| 2009 pay increase.....                              | --         | --         | 1,057            |
| GSA Rent.....                                       | --         | --         | --               |
| Non-pay inflation excluding GSA rent .....          | --         | --         | 4,839            |
| <b>Total Increases .....</b>                        | <b>--</b>  | <b>--</b>  | <b>6,248</b>     |
| <b>Decreases</b>                                    |            |            |                  |
| Termination of one-time costs.....                  | --         | --         | --               |
| Management and Technology efficiencies.....         | --         | --         | --               |
| <b>Total Decreases .....</b>                        | <b>--</b>  | <b>--</b>  | <b>--</b>        |
| <b>Total Adjustments-to-Base.....</b>               | <b>--</b>  | <b>--</b>  | <b>6,248</b>     |
| <b>2009 Current Services .....</b>                  | <b>323</b> | <b>323</b> | <b>481,743</b>   |
| <b>Program Changes</b>                              |            |            |                  |
| Program Increases/(Decreases)                       |            |            |                  |
| Consolidation of DHS Rent Payments to GSA .....     | --         | --         | 26,757           |
| Other Fee For Service Activity .....                | 11         | 11         | 2,048            |
| Tri-Bureau Service Activity .....                   | --         | --         | 2,602            |
| Government-Wide Mandated.....                       | 3          | 3          | 10,014           |
| DHS Cross Cutting Activities .....                  | 3          | 3          | --               |
| WCF Management .....                                | 2          | 2          | 209              |
| <b>Total Program Changes.....</b>                   | <b>19</b>  | <b>19</b>  | <b>41,630</b>    |
| <b>2009 Request .....</b>                           | <b>342</b> | <b>342</b> | <b>523,373</b>   |
| <b>2008 to 2009 Total Change.....</b>               | <b>19</b>  | <b>19</b>  | <b>47,879</b>    |

**C. Summary of Requirements**

**Department of Homeland Security  
Working Capital Fund  
Summary of Requirements  
(Dollars in Thousands)**

|  | 2009 Request |     |         |
|--|--------------|-----|---------|
|  | Perm. Pos.   | FTE | Amount  |
| <b>FY 2007 Actual</b>  | 278          | 278 | 440,806 |
| <b>2008 Enacted</b>  |              | 323 | 475,494 |
| Adjustments-to-Base (See "FY 2008 to FY 2009 Budget Change" for details) |              |     |         |
| Transfers  |              |     |         |
| Increases  |              |     | 6,248   |
| Decreases  |              |     |         |
| Total Adjustments-to-Base  |              |     | 6,248   |
| <b>2009 Current Services</b>   |              | 323 | 481,743 |
| Program Changes (See "FY 2008 to FY 2009 Budget Change" for details)     |              | 19  | 41,630  |
| <b>2009 Total Request</b>  |              | 342 | 523,373 |
| 2008 to 2009 Total Change  |              | 19  | 47,879  |

| Estimates by Program/Project Activity       | 2008 President's Budget |            |                  | 2009 Adjustments-to-Base |           |                | 2009 Program Change |           |                 | 2009 Request |            |                  | 2008 to 2009 Total Change |           |                 |
|---|-------------------------|------------|------------------|--------------------------|-----------|----------------|---------------------|-----------|-----------------|--------------|------------|------------------|---------------------------|-----------|-----------------|
|   | Pos.                    | FTE        | Amount           | Pos.                     | FTE       | Amount         | Pos.                | FTE       | Amount          | Pos.         | FTE        | Amount           | Pos.                      | FTE       | Amount          |
| 1 Fee for Service Activity                  | 311                     | 311        | \$378,208        | --                       | --        | \$4,547        | 11                  | 11        | \$28,805        | 322          | 322        | \$378,208        | 11                        | 11        | \$33,352        |
| 2 Tri-Bureau Service Activity               | 2                       | 2          | \$56,329         | --                       | --        | \$1,129        | --                  | --        | \$2,602         | 2            | 2          | \$60,060         | --                        | --        | \$3,731         |
| 3 Government-wide Mandated Service Activity | 3                       | 3          | \$26,802         | --                       | --        | \$276          | 3                   | 3         | \$10,014        | 6            | 6          | \$37,093         | 3                         | 3         | \$10,291        |
| 4 DHS Crosscutting Activity                 | 1                       | 1          | \$13,117         | --                       | --        | \$262          | 3                   | 3         | --              | 4            | 4          | \$13,380         | 3                         | 3         | \$262           |
| 5 WCF Management Activity                   | 6                       | 6          | \$1,037          | --                       | --        | \$33           | 2                   | 2         | \$209           | 8            | 8          | \$1,280          | 2                         | 2         | \$243           |
| <b>Total</b>                                | <b>323</b>              | <b>323</b> | <b>\$475,494</b> | <b>--</b>                | <b>--</b> | <b>\$6,248</b> | <b>19</b>           | <b>19</b> | <b>\$41,630</b> | <b>342</b>   | <b>342</b> | <b>\$523,373</b> | <b>19</b>                 | <b>19</b> | <b>\$47,879</b> |

**D. Summary of Reimbursable Resources**

Not Applicable to the Working Capital Fund

## E. Summary of Requirements By Object Class

**Department of Homeland Security**  
**Working Capital Fund**  
**Summary of Requirements by Object Class**  
(Dollars in Thousands)

| <b>Object Classes</b>                                 | <b>FY 2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 - 2009<br/>Change</b> |
|---|---------------------------|-------------------------|-------------------------|-------------------------------|
| 11.1 Total FTE & personnel compensation               | 20,004                    | 30,787                  | 32,291                  | \$1,504                       |
| 11.3 Other than full-time permanent                   | ...                       | ...                     | ...                     | ...                           |
| 11.5 Other Personnel Compensation                     | 407                       | 504                     | 556                     | 52                            |
| 11.8 Special Service Pay                              | ...                       | ...                     | ...                     | ...                           |
| 12.1 Benefits   | 5,280                     | 9,263                   | 9,618                   | 355                           |
| 13.0 Benefits - former                                | ...                       | ...                     | ...                     | ...                           |
| <b>Total, Personnel Comp. &amp; Benefits</b>          | <b>\$25,691</b>           | <b>\$40,554</b>         | <b>\$42,465</b>         | <b>\$1,911</b>                |
| Other Object Classes:                                 |                           |                         |                         |                               |
| 21.0 Travel   | 83                        | 274                     | 321                     | 47                            |
| 22.0 Transportation of things                         | 1                         | ...                     | 3                       | 3                             |
| 23.1 GSA rent   | 33,852                    | 40,948                  | 57,679                  | 16,733                        |
| 23.2 Other rent                                       | 6,124                     | 650                     | 12,042                  | 11,392                        |
| 23.3 Communications, utilities, & other misc. charges | ...                       | 9,781                   | 10,757                  | 977                           |
| 24.0 Printing and reproduction                        | ...                       | 19                      | 88                      | 68                            |
| 25.1 Advisory and assistance services                 | 38,223                    | 9,645                   | 9,741                   | 96                            |
| 25.2 Other services                                   | 181,669                   | 157,424                 | 159,232                 | 1,808                         |
| 25.3 Purchases of goods & svcs. from Gov't accounts   | 59,380                    | 62,149                  | 72,713                  | 10,564                        |
| 25.4 Operation & maintenance of facilities            | 55,243                    | 12,300                  | 12,623                  | 323                           |
| 25.5 Research and development contracts               | 2,884                     | ...                     | ...                     | ...                           |
| 25.6 Medical care                                     | ...                       | ...                     | ...                     | ...                           |
| 25.7 Operation and maintenance of equipment           | 9,234                     | 118,476                 | 95,299                  | (23,176)                      |
| 25.8 Subsistence and support of persons               | ...                       | ...                     | ...                     | ...                           |
| 26.0 Supplies and materials                           | 1,204                     | 1,059                   | 1,163                   | 104                           |
| 31.0 Equipment  | 27,218                    | 22,217                  | 49,159                  | 26,942                        |
| 32.0 Land & structures                                | ...                       | ...                     | ...                     | ...                           |
| 41.0 Grants/Subsidies/Contributions                   | ...                       | ...                     | 88                      | 88                            |
| 42.0 Indemnity  | ...                       | ...                     | ...                     | ...                           |
| 43.0 Interest & dividends                             | ...                       | ...                     | ...                     | ...                           |
| 44.0 Refunds  | ...                       | ...                     | ...                     | ...                           |
| 91.0 Unvouchered                                      | ...                       | ...                     | ...                     | ...                           |
| 99.0 Other  | ...                       | ...                     | ...                     | ...                           |
| <b>Total, Other Object Classes</b>                    | <b>\$415,115</b>          | <b>\$434,941</b>        | <b>\$480,907</b>        | <b>\$45,968</b>               |
| <b>Total, Direct Obligations</b>                      | <b>\$440,806</b>          | <b>\$475,495</b>        | <b>\$523,373</b>        | <b>\$47,879</b>               |
| Unobligated balance, start of year                    | ...                       | ...                     | ...                     | ...                           |
| Unobligated balance, end of year                      | ...                       | ...                     | ...                     | ...                           |
| Recoveries of prior year obligations                  | ...                       | ...                     | ...                     | ...                           |
| <b>Total requirements</b>                             | <b>\$440,806</b>          | <b>\$475,495</b>        | <b>\$523,373</b>        | <b>\$47,879</b>               |

**F. Permanent Positions by Grade**

**Department of Homeland Security  
Working Capital Fund  
Permanent Positions by Grade**

| Grades and Salary Ranges         | 2007<br>Actual | 2008<br>Enacted | 2009<br>Request | 2008 to 2009<br>Change |
|----------------------------------|----------------|-----------------|-----------------|------------------------|
|                                  | Pos.           | Pos.            | Pos.            | Total                  |
| Total, SES                       | 1              | 1               | 1               |                        |
| Total, EX                        |                |                 |                 |                        |
| GS-15                            | 59             | 62              | 64              | 2                      |
| GS-14                            | 163            | 164             | 182             | 18                     |
| GS-13                            | 49             | 69              | 68              | (1)                    |
| GS-12                            | 3              | 13              | 16              | 3                      |
| GS-11                            | 2              | 7               | 11              | 4                      |
| GS-10                            |                |                 |                 |                        |
| GS-9                             | 1              | 6               | 6               |                        |
| GS-8                             |                |                 |                 |                        |
| GS-7                             |                |                 | 1               | 1                      |
| GS-6                             |                |                 | 1               | 1                      |
| GS-5                             |                |                 |                 |                        |
| GS-4                             |                |                 |                 |                        |
| GS-3                             |                |                 |                 |                        |
| GS-2                             |                |                 |                 |                        |
| Other Graded Positions           |                |                 |                 |                        |
| Ungraded Positions               |                | 1               |                 | (1)                    |
| <b>Total Permanent Positions</b> | <b>278</b>     | <b>323</b>      | <b>350</b>      | <b>27</b>              |
| Unfilled Positions EOY           |                |                 |                 |                        |
| Total Perm. Employment EOY       |                |                 |                 |                        |
| <b>FTE</b>                       | <b>278</b>     | <b>323</b>      | <b>342</b>      | <b>19</b>              |
| Headquarters                     | 278            | 323             | 342             | 19                     |
| U.S. Field                       |                |                 |                 |                        |
| Foreign Field                    |                |                 |                 |                        |
| <b>Total Permanent Positions</b> | <b>278</b>     | <b>323</b>      | <b>342</b>      | <b>19</b>              |
| <b>Average ES Salary</b>         | \$ 133,915     | \$ 135,773      | \$ 137,552      | \$ 1,779               |
| <b>Average GS Salary</b>         | \$ 106,335     | \$ 121,325      | \$ 106,331      | \$ (14,994)            |
| <b>Average GS Grade</b>          | 13.97          | 13.74           | 13.74           | (0.00)                 |

**G. Capital Investment and Construction Initiative Listing Working Capital Fund**

Not applicable to the Working Capital Fund

**H. PPA Budget Justifications**

**Department of Homeland Security  
Working Capital Fund  
PPA**

**Funding Schedule**  
(Dollars in Thousands)

| <b>PPA: PPA Name</b>                      |  | <b>2007<br/>Actual</b> | <b>2008<br/>Enacted</b> | <b>2009<br/>Request</b> | <b>2008 to 2009<br/>Change</b> |
|---|--|------------------------|-------------------------|-------------------------|--------------------------------|
| <b>Object Classes:</b>                    |  |                        |                         |                         |                                |
| 11.1                                      | Perm Positions                             | 20,004                 | 30,787                  | 32,291                  | 1,504                          |
| 11.3                                      | Other than perm                            | ...                    | ...                     | ...                     | ...                            |
| 11.5                                      | Other per comp                             | 407                    | 504                     | 556                     | 52                             |
| 11.8                                      | Spec Srvc Pay                              | ...                    | ...                     | ...                     | ...                            |
| 12.1                                      | Benefits                                   | 5,280                  | 9,263                   | 9,618                   | 355                            |
| 13.0                                      | Benefits-former                            | ...                    | ...                     | ...                     | ...                            |
| 21.0                                      | Travel                                     | 83                     | 274                     | 321                     | 47                             |
| 22.0                                      | Transportation of things                   | 1                      |                         | 3                       | 3                              |
| 23.1                                      | GSA rent                                   | 33,852                 | 40,948                  | 57,679                  | 16,733                         |
| 23.2                                      | Other rent                                 | 6,124                  | 650                     | 12,042                  | 11,392                         |
| 23.3                                      | Communication, Utilities, and misc charges | ...                    | 9,781                   | 10,757                  | 977                            |
| 24.0                                      | Printing                                   | ...                    | 19                      | 88                      | 68                             |
| 25.1                                      | Advisory & Assistance Services             | 38,223                 | 9,645                   | 9,741                   | 96                             |
| 25.2                                      | Other Services                             | 181,669                | 157,424                 | 159,232                 | 1,808                          |
| 25.3                                      | Purchase from Govt. Accts.                 | 59,380                 | 62,149                  | 72,713                  | 10,564                         |
| 25.4                                      | Operation & maintenance of facilities      | 55,243                 | 12,300                  | 12,623                  | 323                            |
| 25.5                                      | Research & Development                     | 2,884                  | ...                     | ...                     | ...                            |
| 25.6                                      | Medical care                               | ...                    | ...                     | ...                     | ...                            |
| 25.7                                      | Operation & maintenance of equipment       | 9,234                  | 118,476                 | 95,299                  | (23,176)                       |
| 25.8                                      | Subsistence & Support of persons           | ...                    | ...                     | ...                     | ...                            |
| 26.0                                      | Supplies & materials                       | 1,204                  | 1,059                   | 1,163                   | 104                            |
| 31.0                                      | Equipment                                  | 27,218                 | 22,217                  | 49,159                  | 26,942                         |
| 32.0                                      | Land & Structures                          | ...                    | ...                     | ...                     | ...                            |
| 41.0                                      | Grants/Subsidies/Contributions             | ...                    | ...                     | 88                      | 88                             |
| 42.0                                      | Indemnity                                  | ...                    | ...                     | ...                     | ...                            |
| 91.0                                      | Unvouchered                                | ...                    | ...                     | ...                     | ...                            |
| <b>Total, Investigations - Operations</b> |  | <b>\$440,806</b>       | <b>\$475,495</b>        | <b>\$523,373</b>        | <b>\$47,879</b>                |
| Full Time Equivalents                     |  | 278                    | 323                     | 342                     | 19                             |

## I. Changes In FTE

### CHANGES IN FULL-TIME EQUIVALENTS\* Working Capital Fund

|   | FY 2007    | FY 2008    | FY 2009    |
|---|------------|------------|------------|
| <b>BASE: Year-end Actual from Prior Year</b>                            | <b>184</b> | <b>278</b> | <b>323</b> |
| <b>INCREASES</b>  |            |            |            |
| <b>Increase #1:</b>   |            |            |            |
| <b>Description:</b> Fee for Service Activities                          | 93         | 41         | 11         |
| <b>Increase #2:</b>   |            |            |            |
| <b>Description:</b> Tri-Bureau Activity                                 | 1          | 2          | 2          |
| <b>Increase #3:</b>   |            |            |            |
| <b>Description:</b> Government-wide Activity                            | 0          | 2          | 3          |
| <b>Increase #4:</b>   |            |            |            |
| <b>Description:</b> DHS Crosscutting Activity                           | 0          | 0          | 3          |
| <b>Subtotal, Increases</b>  | <b>94</b>  | <b>45</b>  | <b>19</b>  |
| <b>Decreases</b>  |            |            |            |
| <b>Decrease #1:</b>   |            |            |            |
| <b>Description:</b> N/A   |            |            |            |
| <b>Subtotal, Decreases</b>  | <b>0</b>   | <b>0</b>   | <b>0</b>   |
| <b>Year-end Enacted / Estimated FTEs</b>                                | <b>278</b> | <b>323</b> | <b>342</b> |
| <b>Net Change from prior year SOY base to budget year EOY estimate:</b> | <b>94</b>  | <b>45</b>  | <b>19</b>  |

\*Changes shown by year (increases and decreases) are the incremental changes for that year. Changes may be shown to the nearest +/-ten.

**J. FY 2009 Schedule of Working Capital Fund**  
**1. Program/Project Activity**

| Fee for Service Activity  | FY 2008 Enacted |                    | FY 2009 Anticipated |                    | Delta FY 2009 - FY 2008 |                   |
|---|-----------------|--------------------|---------------------|--------------------|-------------------------|-------------------|
|   | FTE             | Amount             | FTE                 | Amount             | FTE                     | Amount            |
| GSA RENT  | 5               | 39,183,002         | 5                   | 65,957,140         | 0                       | 26,774,138        |
| FEDLINK/(Library of Congress)   | 3               | 10,882,000         | 4                   | 11,084,504         | 1                       | 202,504           |
| Financial Management (Finance & Acctg Shared Services)                          | 0               | 28,569,938         | 0                   | 26,413,043         | 0                       | -2,156,895        |
| Financial Statement Audit   | 0               | 13,684,209         | 0                   | 14,590,514         | 0                       | 906,305           |
| Internal Control Audit  | 0               | 6,595,379          | 0                   | 2,222,820          | 0                       | -4,372,559        |
| Financial Management (DOB)  | 4               | 3,946,769          | 13                  | 4,170,044          | 9                       | 223,275           |
| Bankcard Program  | 0               | 521,179            | 0                   | 531,603            | 0                       | 10,424            |
| TIER  | 0               | 694,008            | 0                   | 707,888            | 0                       | 13,880            |
| NFC Payroll Services & Reporting  | 0               | 30,710,016         | 0                   | 32,343,754         | 0                       | 1,633,738         |
| HQ Human Capital (YRCI Services)  | 4               | 8,310,710          | 4                   | 8,825,369          | 0                       | 514,659           |
| HCBS/Payroll Service Ops  | 24              | 7,468,363          | 24                  | 7,617,730          | 0                       | 149,367           |
| Flexible Spending Plan  | 0               | 1,200,000          | 0                   | 1,600,000          | 0                       | 400,000           |
| DHS Executive Leadership Development/Secretary's Leadership Conference          | 1               | 930,555            | 2                   | 992,186            | 1                       | 61,631            |
| HQ Executive Leadership Development (TEI; SES FORUM and General Workforce Trng) | 0               | 300,000            | 0                   | 300,000            | 0                       | 0                 |
| Employee Assistance Program   | 0               | 46,800             | 0                   | 60,000             | 0                       | 13,200            |
| CIO/DHS Infrastructure Transf Pgm   | 10              | 50,590,000         | 10                  | 51,601,800         | 0                       | 1,011,800         |
| NCR Infrastructure Operations   | 9               | 106,264,751        | 9                   | 113,867,609        | 0                       | 7,602,858         |
| - Software Enterprise Licenses - Microsoft                                      | 1               | 22,064,339         | 1                   | 21,658,195         | 0                       | -406,144          |
| SMARTCARD   | -               | 0                  | 0                   | 0                  | 0                       | 0                 |
| Procurement Operations  | 250             | 46,093,320         | 250                 | 47,016,000         | 0                       | 922,680           |
| Board of Contract Appeals   | 0               | 152,700            | 0                   | 0                  | 0                       | -152,700          |
| <b>Sub-Total</b>  | <b>311</b>      | <b>378,208,038</b> | <b>322</b>          | <b>411,560,199</b> | <b>11</b>               | <b>33,352,161</b> |
|   | FY 2008 Enacted |                    | FY 2009 Anticipated |                    | Delta FY 2009 -FY 2008  |                   |
| <b>Tri-Bureau Service Activity</b>  | FTE             | Amount             | FTE                 | Amount             | FTE                     | Amount            |
| Tri-bureau Human Resources Shared Services                                      |                 |                    |                     |                    |                         |                   |
| CBP Service Provider  | 0               | 21,412,481         | 0                   | 22,830,630         | 0                       | 1,418,149         |
| IT Services from DOJ  | 2               | 34,917,000         | 2                   | 37,229,553         | 0                       | 2,312,553         |
| <b>Sub-Total</b>  | <b>2</b>        | <b>56,329,481</b>  | <b>2</b>            | <b>60,060,183</b>  | <b>0</b>                | <b>3,730,702</b>  |

(Continued on next page)



**J. FY 2009 Schedule of Working Capital Fund  
2. FY 2007 Summary of Actuals**

| Fee for Service Activity                                  | CBP                 | FLETC              | ICE                 | TSA                 | FEMA                | NPPD                |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| GSA RENT  | 0                   | 0                  | 0                   | 0                   | 0                   | 4,071,875           |
| Consolidated Subscriptions (Library of Congress)          | 2,459,998           | 128,910            | 1,976,508           | 386,566             | 196,206             | 26,423              |
| Financial Management (Finance & Acctg Shared Services)    | 0                   | 0                  | 0                   | 0                   | 0                   | 3,282,791           |
| Financial Statement Audit                                 | 2,273,926           | 723,511            | 1,773,051           | 1,000,383           | 1,783,997           | 75,826              |
| Internal Control Audit                                    | 0                   | 0                  | 85,304              | 79,075              | 163,776             | 0                   |
| Financial Management (DOB)                                | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| Bankcard Program  | 224,458             | 9,949              | 98,004              | 71,912              | 42,669              | 441                 |
| TIER  | 38,310              | 38,310             | 38,310              | 38,309              | 38,309              | 19,893              |
| NFC Payroll Services & Reporting                          | 6,352,808           | 159,350            | 2,414,663           | 15,568,017          | 1,702,067           | 13,998              |
| HQ Human Capital Services                                 | 0                   | 0                  | 0                   | 0                   | 0                   | 1,200,148           |
| (HCBS) Payroll Service Ops                                | 1,469,015           | 42,264             | 667,257             | 2,033,862           | 94,619              | 22,089              |
| Flexible Spending Plan                                    | 286,406             | 8,240              | 130,092             | 396,531             | 18,447              | 4,306               |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 79,095              | 6,671              | 45,742              | 147,707             | 49,553              | 21,346              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 0                   | 0                  | 0                   | 0                   | 0                   | 65,417              |
| Employee Assistance Program                               | 0                   | 0                  | 0                   | 0                   | 0                   | 6,654               |
| CIO/DHS Infrastructure Transf Pgm                         | 4,000,000           | 30,000             | 10,000,000          | 10,000,000          | 4,000,000           | 3,856,423           |
| NCR Infrastructure Operations                             | 0                   | 0                  | 0                   | 0                   | 0                   | 18,292,129          |
| Software Enterprise Licenses - Microsoft                  | 4,883,878           | 343,175            | 2,708,744           | 2,150,916           | 1,296,739           | 36,473              |
| SMARTCARD   | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| Procurement Operations                                    | 0                   | 0                  | 0                   | 0                   | 0                   | 10,304,828          |
| Board of Contract Appeals                                 | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| Government Advisory Committee Survey Training             | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| <b>Sub-Total</b>  | <b>22,067,894</b>   | <b>1,490,380</b>   | <b>19,937,675</b>   | <b>31,873,278</b>   | <b>9,386,382</b>    | <b>41,301,060</b>   |
| <b>Tri-Bureau Service Activity</b>                        | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         |
| Tri-Bureau Human Resources Shared Services                | 0                   | 0                  | 15,249,103          | 0                   | 0                   | 0                   |
| Data Center Services from DOJ                             | 0                   | 0                  | 17,629,755          | 0                   | 0                   | 0                   |
| <b>Sub-Total</b>  | <b>0</b>            | <b>0</b>           | <b>32,878,858</b>   | <b>0</b>            | <b>0</b>            | <b>0</b>            |
| <b>Government-wide Mandated Service Activity</b>          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         |
| Interagency Council Funding                               | 155,171             | 4,196              | 78,711              | 71,260              | 11,133              | 12,998              |
| Recruitment One-Stop                                      | 127,791             | 3,677              | 58,046              | 176,928             | 8,231               | 1,756               |
| e-Training  | 629,253             | 18,104             | 285,820             | 871,205             | 40,530              | 8,645               |
| Enterprise HR Integration (EHR)                           | 689,258             | 130,895            | 260,377             | 1,368,750           | 200,000             | 57,918              |
| Business Gateway  | 197,736             | 5,348              | 100,302             | 90,807              | 14,187              | 16,533              |
| e-Rulemaking  | 233,190             | 6,306              | 118,286             | 107,089             | 16,731              | 19,458              |
| e-Travel  | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| Case Management Line of Business                          | 197,954             | 0                  | 254,328             | 0                   | 0                   | 0                   |
| e-Grants.gov  | 0                   | 0                  | 998                 | 20,287              | 26,058              | 0                   |
| e-Authentication  | 251,337             | 7,231              | 114,162             | 347,977             | 16,189              | 4,655               |
| Human Resources Line of Business                          | 78,569              | 2,260              | 35,688              | 108,780             | 5,061               | 1,079               |
| e-govBenefits   | 39,675              | 1,141              | 18,021              | 54,930              | 2,555               | 545                 |
| Financial Management Line of Business                     | 22,905              | 619                | 11,617              | 10,517              | 1,643               | 1,915               |
| e-gov.Integrated Acquisition Environment                  | 111,927             | 27,473             | 75,296              | 78,349              | 247,257             | 17,191              |
| e-gov. Disaster Management (DisasterHelp.gov)             | 1,009,974           | 0                  | 1,009,974           | 1,048,819           | 2,602,625           | 1,923,763           |
| <b>Sub-Total</b>  | <b>3,744,740</b>    | <b>207,250</b>     | <b>2,421,626</b>    | <b>4,355,698</b>    | <b>3,192,200</b>    | <b>2,066,456</b>    |
| <b>DHS Crosscutting Activity</b>                          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         |
| Capital Planning and Investment Control (CPIC)            | 732,568             | 33,269             | 161,869             | 772,876             | 446,579             | 396,649             |
| Ready Campaign (Ready.gov)                                | 159,332             | 4,309              | 80,822              | 73,171              | 11,432              | 14,512              |
| Strategic Sourcing  | 771,459             | 22,195             | 350,413             | 1,068,091           | 49,689              | 10,600              |
| Competitive Sourcing                                      | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| CPO Shared Reporting                                      | 0                   | 31,639             | 49,630              | 0                   | 12,407              | 0                   |
| <b>Sub-Total</b>  | <b>1,663,359</b>    | <b>91,412</b>      | <b>642,734</b>      | <b>1,914,138</b>    | <b>520,107</b>      | <b>421,761</b>      |
| <b>WCF Management Activity</b>                            | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         |
| Working Capital Fund Operations                           | 84,734              | 4,393              | 115,315             | 89,467              | 22,321              | 82,968              |
| <b>Sub-Total</b>  | <b>84,734</b>       | <b>4,393</b>       | <b>115,315</b>      | <b>89,467</b>       | <b>22,321</b>       | <b>82,968</b>       |
| <b>FY WCF Grand Total</b>                                 | <b>\$27,560,728</b> | <b>\$1,793,435</b> | <b>\$55,996,208</b> | <b>\$38,232,581</b> | <b>\$13,121,010</b> | <b>\$43,872,245</b> |

| Fee for Service Activity                                  | Grants and Training | US Fire Administration | Radiological Emergency Preparedness | Operations Coord & Intel & Analysis | IG               | S&T                 |
|---|---------------------|------------------------|-------------------------------------|-------------------------------------|------------------|---------------------|
| GSA RENT  | 0                   | 0                      | 0                                   | 6,949,671                           | 0                | 955,174             |
| Consolidated Subscriptions (Library of Congress)          | 0                   | 0                      | 0                                   | 254,166                             | 93,807           | 202,194             |
| Financial Management (Finance & Acctg Shared Services)    | 0                   | 0                      | 0                                   | 1,272,000                           | 0                | 3,873,250           |
| Financial Statement Audit                                 | 619,926             | 0                      | 0                                   | 0                                   | 75,411           | 129,090             |
| Internal Control Audit                                    | 50,251              | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Financial Management (DOB)                                | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Bankcard Program  | 3,088               | 44                     | 0                                   | 2,228                               | 0                | 2,641               |
| TIER  | 10,892              | 3,831                  | 3,831                               | 38,309                              | 38,309           | 27,904              |
| NFC Payroll Services & Reporting                          | 0                   | 0                      | 0                                   | 139,632                             | 71,083           | 50,044              |
| HQ Human Capital Services                                 | 523,660             | 256,211                | 292,171                             | 1,041,786                           | 0                | 840,008             |
| (HCBS) Payroll Service Ops                                | 9,638               | 4,716                  | 5,377                               | 19,174                              | 22,000           | 15,460              |
| Flexible Spending Plan                                    | 1,880               | 919                    | 1,048                               | 3,738                               | 4,289            | 3,014               |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 6,099               | 3,049                  | 0                                   | 13,341                              | 10,482           | 31,447              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 34,252              | 16,759                 | 19,111                              | 62,144                              | 0                | 50,108              |
| Employee Assistance Program                               | 2,903               | 1,420                  | 1,620                               | 5,776                               | 6,627            | 4,657               |
| CIO/DHS Infrastructure Transf Pgm                         | 1,038,383           | 355,196                | 0                                   | 2,445,168                           | 0                | 3,200,000           |
| NCR Infrastructure Operations                             | 7,177,408           | 0                      | 0                                   | 22,317,422                          | 0                | 12,315,067          |
| Software Enterprise Licenses - Microsoft                  | 14,490              | 0                      | 0                                   | 38,703                              | 111,172          | 199,624             |
| SMARTCARD   | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Procurement Operations                                    | 2,024,017           | 0                      | 0                                   | 2,718,837                           | 0                | 7,033,760           |
| Board of Contract Appeals                                 | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Government Advisory Committee Survey Training             | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| <b>Sub-Total</b>  | <b>11,516,887</b>   | <b>642,145</b>         | <b>323,158</b>                      | <b>37,322,095</b>                   | <b>433,180</b>   | <b>28,933,442</b>   |
| Tri-Bureau Service Activity                               | Grants and Training | US Fire Administration | Radiological Emergency Preparedness | Operations Coord & Intel & Analysis | IG               | S&T                 |
| Tri-Bureau Human Resources Shared Services                | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Data Center Services from DOJ                             | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| <b>Sub-Total</b>  | <b>0</b>            | <b>0</b>               | <b>0</b>                            | <b>0</b>                            | <b>0</b>         | <b>0</b>            |
| Government-wide Mandated Service Activity                 | Grants and Training | US Fire Administration | Radiological Emergency Preparedness | Operations Coord & Intel & Analysis | IG               | S&T                 |
| Interagency Council Funding                               | 3,473               | 1,188                  | 0                                   | 5,959                               | 1,694            | 16,865              |
| Recruitment One-Stop                                      | 919                 | 450                    | 513                                 | 1,668                               | 1,914            | 1,345               |
| e-Training  | 4,527               | 2,215                  | 2,526                               | 8,213                               | 9,424            | 6,622               |
| Enterprise HR Integration (EHR)                           | 30,325              | 14,837                 | 16,920                              | 47,854                              | 73,705           | 6,526               |
| Business Gateway  | 4,452               | 1,523                  | 0                                   | 7,594                               | 2,159            | 21,491              |
| e-Rulemaking  | 5,281               | 1,807                  | 0                                   | 8,956                               | 2,546            | 25,344              |
| e-Travel  | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| Case Management Line of Business                          | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| e-Grants.gov  | 520,895             | 0                      | 0                                   | 3,319                               | 0                | 2,110               |
| e-Authentication  | 1,220               | 597                    | 681                                 | 3,281                               | 3,764            | 2,645               |
| Human Resources Line of Business                          | 566                 | 277                    | 315                                 | 1,026                               | 1,177            | 827                 |
| e-govBenefits   | 285                 | 140                    | 159                                 | 517                                 | 594              | 418                 |
| Financial Management Line of Business                     | 516                 | 176                    | 0                                   | 879                                 | 250              | 2,489               |
| e-gov.Integrated Acquisition Environment                  | 4,628               | 1,584                  | 0                                   | 21,877                              | 0                | 27,982              |
| e-gov. Disaster Management (DisasterHelp.gov)             | 1,183,847           | 0                      | 0                                   | 621,522                             | 0                | 194,226             |
| <b>Sub-Total</b>  | <b>1,760,934</b>    | <b>24,794</b>          | <b>21,114</b>                       | <b>732,665</b>                      | <b>97,227</b>    | <b>308,890</b>      |
| DHS Crosscutting Activity                                 | Grants and Training | US Fire Administration | Radiological Emergency Preparedness | Operations Coord & Intel & Analysis | IG               | S&T                 |
| Capital Planning and Investment Control (CPIC)            | 0                   | 54,089                 | 0                                   | 102,368                             | 320              | 259,118             |
| Ready Campaign (Ready.gov)                                | 2,482               | 1,141                  | 0                                   | 6,119                               | 1,739            | 17,317              |
| Strategic Sourcing  | 5,550               | 2,715                  | 3,097                               | 10,069                              | 11,553           | 8,119               |
| Competitive Sourcing                                      | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| CPO Shared Reporting                                      | 0                   | 0                      | 0                                   | 0                                   | 0                | 0                   |
| <b>Sub-Total</b>  | <b>8,032</b>        | <b>57,945</b>          | <b>3,097</b>                        | <b>118,556</b>                      | <b>13,612</b>    | <b>284,554</b>      |
| WCF Management Activity                                   | Grants and Training | US Fire Administration | Radiological Emergency Preparedness | Operations Coord & Intel & Analysis | IG               | S&T                 |
| Working Capital Fund Operations                           | 29,519              | 1,884                  | 706                                 | 67,826                              | 2,426            | 60,902              |
| <b>Sub-Total</b>  | <b>29,519</b>       | <b>1,884</b>           | <b>706</b>                          | <b>67,826</b>                       | <b>2,426</b>     | <b>60,902</b>       |
| <b>FY WCF Grand Total</b>                                 | <b>\$13,315,372</b> | <b>\$726,767</b>       | <b>\$348,075</b>                    | <b>\$38,241,142</b>                 | <b>\$546,445</b> | <b>\$29,587,788</b> |

| Fee for Service Activity                                  | DNDO               | USCG                | USCIS               | USSS               | US VISIT            | Chief Financial Officer | Office of the Undersecretary (USM) | Total                |
|---|--------------------|---------------------|---------------------|--------------------|---------------------|-------------------------|------------------------------------|----------------------|
| GSA RENT  | 2,957,442          | 0                   | 0                   | 0                  | 0                   | 501,176                 | 20,560,873                         | 35,996,211           |
| Consolidated Subscriptions (Library of Congress)          | 71,990             | 431,689             | 1,745,579           | 123,618            | 13,220              | 79,836                  | 951,482                            | 9,142,193            |
| Financial Management (Finance & Acctg Shared Services)    | 0                  | 0                   | 10,948,110          | 0                  | 2,748,606           | 187,014                 | 4,560,629                          | 26,872,400           |
| Financial Statement Audit                                 | 0                  | 3,300,584           | 924,114             | 115,387            | 97,382              | 4,479                   | 113,498                            | 13,010,565           |
| Internal Control Audit                                    | 0                  | 246,857             | 0                   | 0                  | 0                   | 0                       | 202,339                            | 827,602              |
| Financial Management (DOB)                                | 0                  | 0                   | 0                   | 0                  | 0                   | 330,771                 | 3,703,269                          | 4,034,040            |
| Bankcard Program  | 0                  | 0                   | 29,245              | 16,793             | 634                 | 0                       | 6,762                              | 508,868              |
| TIER  | 10,257             | 38,309              | 38,309              | 38,309             | 38,309              | 38,309                  | 0                                  | 536,319              |
| NFC Payroll Services & Reporting                          | 214                | 1,870,259           | 1,260,619           | 1,014,012          | 3,063               | 52,873                  | 424,852                            | 31,097,554           |
| HQ Human Capital Services                                 | 245,642            | 0                   | 0                   | 0                  | 223,710             | 212,744                 | 2,390,624                          | 7,226,704            |
| (HCBS) Payroll Service Ops                                | 4,521              | 263,270             | 340,773             | 268,396            | 4,117               | 3,916                   | 44,080                             | 5,334,544            |
| Flexible Spending Plan                                    | 881                | 51,328              | 66,439              | 52,328             | 803                 | 767                     | 8,576                              | 1,040,032            |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 7,624              | 11,435              | 30,494              | 40,977             | 3,812               | 7,623                   | 103,873                            | 620,370              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 14,653             | 0                   | 0                   | 0                  | 13,345              | 12,689                  | 142,473                            | 430,951              |
| Employee Assistance Program                               | 1,362              | 0                   | 0                   | 0                  | 1,240               | 1,176                   | 13,365                             | 46,800               |
| CIO/DHS Infrastructure Transf Pgm                         | 0                  | 3,000,000           | 700,000             | 2,500,000          | 2,000,000           | 0                       | 2,664,830                          | 49,790,000           |
| NCR Infrastructure Operations                             | 4,486,816          | 0                   | 0                   | 0                  | 0                   | 190,628                 | 38,391,358                         | 103,170,827          |
| Software Enterprise Licenses - Microsoft                  | 0                  | 9,684,699           | 1,864,105           | 1,053,713          | 0                   | 0                       | 6,361                              | 24,392,792           |
| SMARTCARD   | 0                  | 0                   | 0                   | 0                  | 0                   | 0                       | 0                                  | 0                    |
| Procurement Operations                                    | 1,892,331          | 0                   | 410,961             | 0                  | 4,189,043           | 563,447                 | 5,041,776                          | 34,179,000           |
| Board of Contract Appeals                                 | 0                  | 0                   | 0                   | 0                  | 0                   | 0                       | 0                                  | 0                    |
| Government Advisory Committee Survey Training             | 0                  | 0                   | 0                   | 0                  | 0                   | 0                       | 0                                  | 0                    |
| <b>Sub-Total</b>  | <b>9,693,733</b>   | <b>18,898,430</b>   | <b>18,358,748</b>   | <b>5,223,533</b>   | <b>9,337,284</b>    | <b>2,187,448</b>        | <b>79,331,020</b>                  | <b>348,257,772</b>   |
| Tri-Bureau Service Activity                               | DNDO               | USCG                | USCIS               | USSS               | US VISIT            | Chief Financial Officer | Office of the Undersecretary (USM) | Total                |
| Tri-Bureau Human Resources Shared Services                | 0                  | 0                   | 6,749,570           | 0                  | 0                   | 0                       | 0                                  | 21,998,673           |
| Data Center Services from DOJ                             | 0                  | 0                   | 12,381,196          | 0                  | 5,829,560           | 0                       | 336,733                            | 36,177,244           |
| <b>Sub-Total</b>  | <b>0</b>           | <b>0</b>            | <b>19,130,766</b>   | <b>0</b>           | <b>5,829,560</b>    | <b>0</b>                | <b>336,733</b>                     | <b>58,175,917</b>    |
| Government-wide Mandated Service Activity                 | DNDO               | USCG                | USCIS               | USSS               | US VISIT            | Chief Financial Officer | Office of the Undersecretary (USM) | Total                |
| Interagency Council Funding                               | 9,564              | 143,747             | 3,619               | 25,387             | 7,208               | 520                     | 12,903                             | 565,596              |
| Recruitment One-Stop                                      | 393                | 22,902              | 29,644              | 23,348             | 358                 | 341                     | 3,824                              | 464,048              |
| e-Training  | 1,937              | 112,772             | 145,970             | 114,968            | 1,764               | 1,677                   | 18,828                             | 2,285,000            |
| Enterprise HR Integration (EHR)                           | 200                | 166,140             | 172,129             | 890,741            | 1,720               | 1,174                   | 13,165                             | 4,142,634            |
| Business Gateway  | 12,188             | 183,177             | 4,612               | 32,350             | 9,186               | 659                     | 16,463                             | 720,767              |
| e-Rulemaking  | 14,373             | 216,021             | 5,438               | 38,151             | 10,832              | 775                     | 19,416                             | 850,000              |
| e-Travel  | 0                  | 0                   | 0                   | 0                  | 0                   | 0                       | 0                                  | 0                    |
| Case Management Line of Business                          | 0                  | 13,720              | 0                   | 48,998             | 0                   | 0                       | 0                                  | 515,000              |
| e-Grants.gov  | 0                  | 6,487               | 0                   | 409                | 0                   | 0                       | 154                                | 580,717              |
| e-Authentication  | 774                | 45,043              | 2,521               | 45,920             | 704                 | 670                     | 5,837                              | 855,209              |
| Human Resources Line of Business                          | 242                | 14,081              | 788                 | 14,355             | 220                 | 206                     | 2,353                              | 267,870              |
| e-govBenefits   | 122                | 7,110               | 398                 | 7,249              | 111                 | 109                     | 921                                | 135,000              |
| Financial Management Line of Business                     | 1,412              | 21,215              | 534                 | 3,747              | 1,064               | 76                      | 1,759                              | 83,333               |
| e-gov.Integrated Acquisition Environment                  | 11,193             | 339,852             | 27,473              | 15,263             | 10,175              | 0                       | 0                                  | 1,017,520            |
| e-gov. Disaster Management (DisasterHelp.gov)             | 0                  | 1,786,877           | 504,987             | 271,916            | 0                   | 0                       | 38,845                             | 12,197,375           |
| <b>Sub-Total</b>  | <b>52,398</b>      | <b>3,079,144</b>    | <b>898,113</b>      | <b>1,532,802</b>   | <b>43,342</b>       | <b>6,207</b>            | <b>134,468</b>                     | <b>24,680,069</b>    |
| DHS Crosscutting Activity                                 | DNDO               | USCG                | USCIS               | USSS               | US VISIT            | Chief Financial Officer | Office of the Undersecretary (USM) | Total                |
| Capital Planning and Investment Control (CPIC)            | 0                  | 533,271             | 440,181             | 37,748             | 31,990              | 63,020                  | 252,720                            | 4,318,635            |
| Ready Campaign (Ready.gov)                                | 9,821              | 147,601             | 3,716               | 26,067             | 7,402               | 533                     | 12,253                             | 579,769              |
| Strategic Sourcing  | 2,374              | 138,257             | 7,737               | 140,949            | 2,162               | 2,056                   | 17,915                             | 2,625,000            |
| Competitive Sourcing                                      | 0                  | 0                   | 0                   | 0                  | 0                   | 0                       | 0                                  | 0                    |
| CPO Shared Reporting                                      | 0                  | 0                   | 13,028              | 0                  | 0                   | 0                       | 513,666                            | 620,370              |
| <b>Sub-Total</b>  | <b>12,195</b>      | <b>819,129</b>      | <b>464,662</b>      | <b>204,764</b>     | <b>41,554</b>       | <b>65,609</b>           | <b>796,554</b>                     | <b>8,143,774</b>     |
| WCF Management Activity                                   | DNDO               | USCG                | USCIS               | USSS               | US VISIT            | Chief Financial Officer | Office of the Undersecretary (USM) | Total                |
| Working Capital Fund Operations                           | 24,205             | 54,072              | 96,390              | 11,208             | 22,557              | 90,925                  | 80,732                             | 942,550              |
| <b>Sub-Total</b>  | <b>24,205</b>      | <b>54,072</b>       | <b>96,390</b>       | <b>11,208</b>      | <b>22,557</b>       | <b>90,925</b>           | <b>80,732</b>                      | <b>942,550</b>       |
| <b>FY WCF Grand Total</b>                                 | <b>\$9,782,531</b> | <b>\$22,850,776</b> | <b>\$38,948,679</b> | <b>\$6,972,307</b> | <b>\$15,274,297</b> | <b>\$2,350,189</b>      | <b>\$80,679,507</b>                | <b>\$440,200,082</b> |

**J. FY 2009 Schedule of Working Capital Fund**  
**3. FY 2008 Summary of Assessments**

| <b>Fee for Service Activity</b>                           | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         | <b>OHA</b>         |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| GSA RENT  | 0                   | 0                  | 0                   | 0                   | 0                   | 3,453,530           | 365,648            |
| Consolidated Subscriptions (Library of Congress)          | 3,172,103           | 21,764             | 3,438,712           | 713,859             | 187,170             | 183,027             | 19,378             |
| Financial Management (Finance & Acctg Shared Services)    | 0                   | 0                  | 0                   | 0                   | 976,472             | 3,930,913           | 311,625            |
| Financial Statement Audit                                 | 3,528,952           | 482,082            | 1,820,735           | 1,140,138           | 1,670,769           | 503,659             | 67,300             |
| Internal Control Audit                                    | 1,306,639           | 14,082             | 987,248             | 347,805             | 641,833             | 283,656             | 39,154             |
| Financial Management (Booz-Allen)                         | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| Bankcard Program  | 287,603             | 13,716             | 70,202              | 99,788              | 26,087              | 817                 | 129                |
| TIER  | 49,572              | 49,572             | 49,572              | 49,572              | 64,444              | 79,526              | 4,746              |
| NFC Payroll Services & Reporting                          | 8,360,778           | 211,639            | 3,079,414           | 12,441,283          | 1,734,460           | 55,943              | 6,075              |
| HQ Human Capital Services                                 |                     |                    |                     |                     | 859,053             | 2,047,436           | 274,153            |
| (HCBS) Payroll Service Ops                                | 2,171,808           | 63,550             | 924,675             | 2,335,623           | 520,817             | 16,799              | 1,824              |
| Flexible Spending Plan                                    | 289,164             | 13,759             | 182,104             | 299,142             | 66,790              | 37,198              | 5,671              |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 125,091             | 10,679             | 65,597              | 228,825             | 89,242              | 29,147              | 3,651              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 0                   | 0                  | 0                   | 0                   | 11,719              | 29,854              | 3,740              |
| Employee Assistance Program                               |                     |                    |                     |                     | 2,494               | 7,330               | 796                |
| CIO/DHS Infrastructure Transf Pgm                         | 13,305,170          | 354,130            | 4,300,150           | 8,903,840           | 2,403,025           | 152,848             | 24,217             |
| NCR Infrastructure Operations                             |                     |                    |                     |                     | 9,048,136           | 18,510,143          | 2,917,778          |
| Software Enterprise Licenses - Microsoft                  | 4,933,312           | 364,711            | 2,730,916           | 2,675,137           | 1,381,622           | 163,167             | 25,852             |
| SMARTCARD   | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| Procurement Operations                                    | 0                   | 0                  | 0                   | 0                   | 4,987,952           | 15,696,018          | 1,591,822          |
| Board of Contract Appeals                                 | 23,914              | 5,477              | 12,825              | 22,043              | 10,420              | 0                   | 0                  |
| Government Advisory Committee Survey Training             | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| <b>Sub-Total</b>  | <b>37,554,106</b>   | <b>1,605,161</b>   | <b>17,662,150</b>   | <b>29,257,055</b>   | <b>24,682,507</b>   | <b>45,181,009</b>   | <b>5,663,560</b>   |
| <b>Tri-Bureau Service Activity</b>                        | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         | <b>OHA</b>         |
| Tri-Bureau Human Resources Shared Services                | 0                   | 0                  | 14,808,298          | 0                   | 0                   | 0                   | 0                  |
| Data Center Services from DOJ                             | 0                   | 0                  | 19,913,165          | 0                   | 0                   | 4,888,380           | 0                  |
| <b>Sub-Total</b>  | <b>0</b>            | <b>0</b>           | <b>34,721,463</b>   | <b>0</b>            | <b>0</b>            | <b>4,888,380</b>    | <b>0</b>           |
| <b>Government-wide Mandated Service Activity</b>          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         | <b>OHA</b>         |
| Interagency Council Funding                               | 164,238             | 6,529              | 79,283              | 140,704             | 16,782              | 20,273              | 1,966              |
| Recruitment One-Stop                                      | 124,211             | 2,970              | 47,099              | 156,097             | 7,837               | 1,954               | 262                |
| e-Training  | 1,004,616           | 309,126            | 1,079,029           | 1,370,235           | 736,228             | 36,347              | 4,867              |
| Enterprise HR Integration (EHR)                           | 697,927             | 16,689             | 264,642             | 877,090             | 44,037              | 10,979              | 1,470              |
| Business Gateway  | 99,754              | 3,966              | 48,154              | 85,460              | 10,193              | 12,313              | 1,194              |
| e-Rulemaking  | 168,549             | 6,700              | 81,364              | 144,398             | 17,222              | 20,805              | 2,018              |
| e-Travel  | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| Case Management Line of Business                          | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| e-Grants.gov  | 0                   | 0                  | 1,023               | 20,803              | 186,969             | 322,770             | 51,140             |
| e-Authentication  | 19,491              | 466                | 7,391               | 24,495              | 1,230               | 306                 | 41                 |
| Human Resources Line of Business                          | 79,201              | 1,894              | 30,032              | 99,532              | 4,998               | 1,246               | 167                |
| e-govBenefits   | 41,114              | 983                | 15,590              | 51,668              | 2,595               | 647                 | 87                 |
| Financial Management Line of Business                     | 32,760              | 1,302              | 15,814              | 28,066              | 3,347               | 4,044               | 392                |
| e-gov.Integrated Acquisition Environment                  | 164,594             | 50,245             | 117,815             | 157,664             | 327,456             | 0                   | 0                  |
| e-gov. Disaster Management (DisasterHelp.gov)             | 1,015,987           | 0                  | 1,015,987           | 1,055,064           | 3,555,956           | 1,888,986           | 299,294            |
| <b>Sub-Total</b>  | <b>3,612,442</b>    | <b>400,870</b>     | <b>2,803,223</b>    | <b>4,211,276</b>    | <b>4,914,848</b>    | <b>2,320,670</b>    | <b>362,899</b>     |
| <b>DHS Crosscutting Activity</b>                          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         | <b>OHA</b>         |
| Capital Planning and Investment Control (CPIC)            | 867,360             | 56,651             | 210,295             | 797,834             | 686,420             | 409,774             | 57,853             |
| Ready Campaign (Ready.gov)                                | 141,841             | 5,639              | 68,471              | 121,517             | 14,493              | 17,508              | 1,698              |
| Strategic Sourcing  | 799,441             | 19,117             | 303,135             | 1,004,663           | 50,443              | 12,576              | 1,684              |
| Competitive Sourcing                                      | 0                   | 0                  | 0                   | 0                   | 0                   | 0                   | 0                  |
| CPO Shared Reporting                                      | 203,764             | 282,491            | 606,661             | 208,395             | 1,430,979           | 0                   | 0                  |
| <b>Sub-Total</b>  | <b>2,012,406</b>    | <b>363,898</b>     | <b>1,188,562</b>    | <b>2,132,409</b>    | <b>2,182,335</b>    | <b>439,859</b>      | <b>61,236</b>      |
| <b>WCF Management Activity</b>                            | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>NPPD</b>         | <b>OHA</b>         |
| Working Capital Fund Operations                           | 106,700             | 1,849              | 128,134             | 83,534              | 62,570              | 106,084             | 12,908             |
| <b>Sub-Total</b>  | <b>106,700</b>      | <b>1,849</b>       | <b>128,134</b>      | <b>83,534</b>       | <b>62,570</b>       | <b>106,084</b>      | <b>12,908</b>      |
| <b>FY 2008 WCF Grand Total</b>                            | <b>\$43,285,654</b> | <b>\$2,371,778</b> | <b>\$56,503,532</b> | <b>\$35,684,274</b> | <b>\$31,842,260</b> | <b>\$52,936,002</b> | <b>\$6,100,603</b> |

| Fee for Service Activity                                  | OCIA                | IG               | S&T                 | DNDO               | USCG                |
|---|---------------------|------------------|---------------------|--------------------|---------------------|
| GSA RENT  | 4,500,915           | 0                | 1,028,093           | 2,188,917          | 0                   |
| Consolidated Subscriptions (Library of Congress)          | 230,698             | 32,646           | 400,458             | 30,470             | 550,629             |
| Financial Management (Finance & Acctg Shared Services)    | 1,296,168           | 0                | 3,475,655           | 0                  | 0                   |
| Financial Statement Audit                                 | 56,827              | 106,077          | 68,950              | 0                  | 3,285,733           |
| Internal Control Audit                                    | 21,454              | 52,975           | 64,488              | 17,320             | 2,230,219           |
| Financial Management (Booz-Allen)                         | 0                   | 0                | 0                   | 0                  | 0                   |
| Bankcard Program  | 570                 | 0                | 247                 | 0                  | 0                   |
| TIER  | 49,572              | 49,572           | 49,572              | 0                  | 49,572              |
| NFC Payroll Services & Reporting                          | 53,831              | 92,720           | 30,497              | 1,228              | 1,441,358           |
| HQ Human Capital Services                                 | 1,252,980           |                  | 1,159,706           | 43,528             |                     |
| (HCBS) Payroll Service Ops                                | 16,164              | 13,650           | 9,158               | 369                | 432,805             |
| Flexible Spending Plan                                    | 3,782               | 15,593           | 5,402               | 0                  | 94,489              |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 22,883              | 15,255           | 48,816              | 13,730             | 18,306              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 23,438              | 15,625           | 50,000              | 14,063             | 0                   |
| Employee Assistance Program                               | 7,054               | 12,149           | 3,996               | 161                | 0                   |
| CIO/DHS Infrastructure Transf Pgm                         | 1,163,570           | 303,540          | 1,112,980           | 0                  | 6,880,240           |
| NCR Infrastructure Operations                             | 23,529,922          |                  | 17,935,362          | 4,384,603          |                     |
| Software Enterprise Licenses - Microsoft                  | 205,378             | 111,482          | 312,829             | 0                  | 5,779,034           |
| SMARTCARD   | 0                   | 0                | 0                   | 0                  | 0                   |
| Procurement Operations                                    | 3,666,586           | 0                | 9,485,630           | 2,551,971          | 0                   |
| Board of Contract Appeals                                 | 0                   | 0                | 0                   | 0                  | 45,289              |
| Government Advisory Committee Survey Training             | 0                   | 0                | 0                   | 0                  | 0                   |
| <b>Sub-Total</b>  | <b>36,101,793</b>   | <b>821,284</b>   | <b>35,241,839</b>   | <b>9,246,360</b>   | <b>20,807,674</b>   |
| <b>Tri-Bureau Service Activity</b>                        | <b>OCIA</b>         | <b>IG</b>        | <b>S&amp;T</b>      | <b>DNDO</b>        | <b>USCG</b>         |
| Tri-Bureau Human Resources Shared Services                | 0                   | 0                | 0                   | 0                  | 0                   |
| Data Center Services from DOJ                             |                     |                  |                     |                    |                     |
| <b>Sub-Total</b>  | <b>0</b>            | <b>0</b>         | <b>0</b>            | <b>0</b>           | <b>0</b>            |
| <b>Government-wide Mandated Service Activity</b>          | <b>OCIA</b>         | <b>IG</b>        | <b>S&amp;T</b>      | <b>DNDO</b>        | <b>USCG</b>         |
| Interagency Council Funding                               | 5,908               | 1,920            | 27,379              | 7,353              | 159,005             |
| Recruitment One-Stop                                      | 1,196               | 1,602            | 1,107               | 42                 | 18,910              |
| e-Training  | 22,244              | 10,733           | 20,588              | 773                | 1,421,627           |
| Enterprise HR Integration (EHRI)                          | 6,719               | 9,003            | 6,219               | 233                | 106,254             |
| Business Gateway  | 3,588               | 1,166            | 16,630              | 4,466              | 96,575              |
| e-Rulemaking  | 6,063               | 1,970            | 28,098              | 7,546              | 163,179             |
| e-Travel  | 0                   | 0                | 0                   | 0                  | 0                   |
| Case Management Line of Business                          | 0                   | 0                | 0                   | 0                  | 0                   |
| e-Grants.gov  | 3,403               | 0                | 2,164               | 0                  | 6,653               |
| e-Authentication  | 188                 | 251              | 174                 | 7                  | 2,967               |
| Human Resources Line of Business                          | 762                 | 1,022            | 706                 | 26                 | 12,058              |
| e-govBenefits   | 396                 | 530              | 366                 | 14                 | 6,259               |
| Financial Management Line of Business                     | 1,178               | 383              | 5,461               | 1,467              | 31,716              |
| e-gov.Integrated Acquisition Environment                  | 0                   | 0                | 0                   | 0                  | 687,830             |
| e-gov. Disaster Management (DisasterHelp.gov)             | 625,223             | 0                | 195,382             | 0                  | 1,797,516           |
| <b>Sub-Total</b>  | <b>676,868</b>      | <b>28,580</b>    | <b>304,274</b>      | <b>21,927</b>      | <b>4,510,549</b>    |
| <b>DHS Crosscutting Activity</b>                          | <b>OCIA</b>         | <b>IG</b>        | <b>S&amp;T</b>      | <b>DNDO</b>        | <b>USCG</b>         |
| Capital Planning and Investment Control (CPIC)            | 135,619             | 3,433            | 137,765             | 85,835             | 650,627             |
| Ready Campaign (Ready.gov)                                | 5,102               | 1,658            | 23,646              | 6,351              | 137,322             |
| Strategic Sourcing  | 7,696               | 10,313           | 7,123               | 267                | 121,708             |
| Competitive Sourcing                                      | 0                   | 0                | 0                   | 0                  | 0                   |
| CPO Shared Reporting                                      | 0                   | 0                | 0                   | 0                  | 819,687             |
| <b>Sub-Total</b>  | <b>148,417</b>      | <b>15,404</b>    | <b>168,534</b>      | <b>92,453</b>      | <b>1,729,344</b>    |
| <b>WCF Management Activity</b>                            | <b>OCIA</b>         | <b>IG</b>        | <b>S&amp;T</b>      | <b>DNDO</b>        | <b>USCG</b>         |
| Working Capital Fund Operations                           | 87,607              | 2,398            | 93,800              | 12,726             | 36,409              |
| <b>Sub-Total</b>  | <b>87,607</b>       | <b>2,398</b>     | <b>93,800</b>       | <b>12,726</b>      | <b>36,409</b>       |
| <b>FY 2008 WCF Grand Total</b>                            | <b>\$37,014,684</b> | <b>\$867,666</b> | <b>\$35,808,446</b> | <b>\$9,373,465</b> | <b>\$27,083,977</b> |

| Fee for Service Activity                                  | USCIS               | USSS               | Chief Financial Officer        | Chief Information Officer        | USEM/OSEM           | Total                |
|---|---------------------|--------------------|--------------------------------|----------------------------------|---------------------|----------------------|
| GSA RENT  | 160,049             | 0                  | 140,437                        | 7,354,159                        | 19,991,254          | 39,183,002           |
| Consolidated Subscriptions (Library of Congress)          | 1,271,018           | 3,265              | 10,882                         | 6,529                            | 609,392             | 10,882,000           |
| Financial Management (Finance & Acctg Shared Services)    | 13,734,304          | 0                  | 154,574                        | 2,367,630                        | 2,322,598           | 28,569,938           |
| Financial Statement Audit                                 | 798,797             | 154,190            | 0                              | 0                                | 0                   | 13,684,209           |
| Internal Control Audit                                    | 394,716             | 153,048            | 2,594                          | 1,297                            | 36,851              | 6,595,379            |
| Financial Management (Booz-Allen)                         | 0                   | 0                  | 311,587                        | 279,353                          | 3,355,829           | 3,946,769            |
| Bankcard Program  | 18,917              | 10                 | 0                              | 0                                | 3,092               | 521,179              |
| TIER  | 49,572              | 49,572             | 49,572                         | 0                                | 0                   | 694,008              |
| NFC Payroll Services & Reporting                          | 1,779,695           | 1,323,258          | 12,896                         | 12,485                           | 72,456              | 30,710,016           |
| HQ Human Capital Services (HCBS) Payroll Service Ops      | 534,401             | 397,343            | 270,494                        | 242,512                          | 2,160,848           | 8,310,710            |
| Flexible Spending Plan                                    | 99,636              | 68,573             | 3,872                          | 3,749                            | 21,756              | 7,468,363            |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 45,765              | 65,597             | 2,510                          | 1,122                            | 15,064              | 1,200,000            |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 0                   | 0                  | 12,195                         | 10,679                           | 125,096             | 930,555              |
| Employee Assistance Program                               | 0                   | 0                  | 12,493                         | 10,938                           | 128,130             | 300,000              |
| CIO/DHS Infrastructure Transf Pgm                         | 0                   | 0                  | 1,691                          | 1,636                            | 9,493               | 46,800               |
| NCR Infrastructure Operations                             | 4,856,640           | 1,264,750          | 0                              | 5,564,900                        | 0                   | 50,590,000           |
| Software Enterprise Licenses - Microsoft                  | 0                   | 0                  | 797,803                        | 19,190,630                       | 9,950,375           | 106,264,751          |
| SMARTCARD   | 1,869,719           | 1,056,879          | 44,366                         | 250,859                          | 159,075             | 22,064,339           |
| Procurement Operations                                    | 0                   | 0                  | 0                              | 0                                | 0                   | 0                    |
| Board of Contract Appeals                                 | 554,216             | 0                  | 759,856                        | 5,355,845                        | 1,443,424           | 46,093,320           |
| Government Advisory Committee Survey Training             | 0                   | 3,340              | 0                              | 0                                | 29,391              | 152,700              |
| Sub-Total   | 26,167,445          | 4,539,825          | 2,587,822                      | 40,654,323                       | 40,434,124          | 378,208,038          |
| <b>Tri-Bureau Service Activity</b>                        | <b>USCIS</b>        | <b>USSS</b>        | <b>Chief Financial Officer</b> | <b>Chief Information Officer</b> | <b>USEM/OSEM</b>    | <b>Total</b>         |
| Tri-Bureau Human Resources Shared Services                | 6,604,183           | 0                  | 0                              | 0                                | 0                   | 21,412,481           |
| Data Center Services from DOJ                             | 9,647,567           | 0                  | 0                              | 467,888                          | 0                   | 34,917,000           |
| Sub-Total   | 16,251,750          | 0                  | 0                              | 467,888                          | 0                   | 56,329,481           |
| <b>Government-wide Mandated Service Activity</b>          | <b>USCIS</b>        | <b>USSS</b>        | <b>Chief Financial Officer</b> | <b>Chief Information Officer</b> | <b>USEM/OSEM</b>    | <b>Total</b>         |
| Interagency Council Funding                               | 43,679              | 28,025             | 449                            | 6,873                            | 5,832               | 716,198              |
| Recruitment One-Stop                                      | 30,287              | 19,477             | 258                            | 231                              | 2,063               | 415,603              |
| e-Training  | 737,957             | 154,910            | 4,802                          | 4,305                            | 38,359              | 6,956,744            |
| Enterprise HR Integration (EHR)                           | 170,176             | 109,438            | 1,453                          | 1,300                            | 11,587              | 2,335,216            |
| Business Gateway  | 26,530              | 17,022             | 273                            | 4,172                            | 3,544               | 435,000              |
| e-Rulemaking  | 44,826              | 28,761             | 462                            | 7,053                            | 5,986               | 735,000              |
| e-Travel  | 0                   | 0                  | 0                              | 0                                | 0                   | 0                    |
| Case Management Line of Business                          | 0                   | 0                  | 0                              | 0                                | 0                   | 0                    |
| e-Grants.gov  | 0                   | 420                | 0                              | 0                                | 158                 | 595,503              |
| e-Authentication  | 4,753               | 3,056              | 41                             | 37                               | 323                 | 65,217               |
| Human Resources Line of Business                          | 19,312              | 12,419             | 165                            | 148                              | 1,312               | 265,000              |
| e-govBenefits   | 10,025              | 6,447              | 85                             | 76                               | 683                 | 137,564              |
| Financial Management Line of Business                     | 8,712               | 5,590              | 90                             | 1,371                            | 1,164               | 142,857              |
| e-gov.Integrated Acquisition Environment                  | 0                   | 34,651             | 0                              | 0                                | 192,315             | 1,732,570            |
| e-gov. Disaster Management (DisasterHelp.gov)             | 507,994             | 273,535            | 0                              | 0                                | 39,076              | 12,270,000           |
| Sub-Total   | 1,604,251           | 693,751            | 8,078                          | 25,566                           | 302,402             | 26,802,472           |
| <b>DHS Crosscutting Activity</b>                          | <b>USCIS</b>        | <b>USSS</b>        | <b>Chief Financial Officer</b> | <b>Chief Information Officer</b> | <b>USEM/OSEM</b>    | <b>Total</b>         |
| Capital Planning and Investment Control (CPIC)            | 489,258             | 46,351             | 42,917                         | 386,256                          | 128,752             | 5,193,000            |
| Ready Campaign (Ready.gov)                                | 37,723              | 24,203             | 388                            | 5,934                            | 5,038               | 618,533              |
| Strategic Sourcing  | 194,928             | 125,356            | 1,490                          | 878                              | 14,057              | 2,674,875            |
| Competitive Sourcing                                      | 0                   | 0                  | 0                              | 0                                | 0                   | 0                    |
| CPO Shared Reporting                                      | 0                   | 46,310             | 0                              | 0                                | 1,032,713           | 4,631,000            |
| Sub-Total   | 721,909             | 242,220            | 44,795                         | 393,068                          | 1,180,560           | 13,117,408           |
| <b>WCF Management Activity</b>                            | <b>USCIS</b>        | <b>USSS</b>        | <b>Chief Financial Officer</b> | <b>Chief Information Officer</b> | <b>USEM/OSEM</b>    | <b>Total</b>         |
| Working Capital Fund Operations                           | 94,961              | 13,352             | 13,802                         | 92,163                           | 87,809              | 1,036,805            |
| Sub-Total   | 94,961              | 13,352             | 13,802                         | 92,163                           | 87,809              | 1,036,805            |
| <b>FY 2008 WCF Grand Total</b>                            | <b>\$44,840,316</b> | <b>\$5,489,148</b> | <b>\$2,654,497</b>             | <b>\$41,633,008</b>              | <b>\$42,004,894</b> | <b>\$475,494,204</b> |

**J. FY 2009 Schedule of Working Capital Fund**  
**4. FY 2009 Summary of Assessments**

| Fee for Service Activity                                  | CBP                 | FLETC              | ICE                 | TSA                 | FEMA                | G & T            | USFA               | REPP        | NPPD                |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|------------------|--------------------|-------------|---------------------|
| GSA RENT  | 0                   | 0                  | 294,718             | 0                   | 0                   | 0                | 0                  | 0           | 4,293,547           |
| Consolidated Subscriptions (Library of Congress)          | 2,972,502           | 153,868            | 2,408,611           | 496,700             | 241,940             | 0                | 0                  | 0           | 36,529              |
| Financial Management (Finance & Acctg Shared Services)    | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 0                  | 0           | 2,912,038           |
| Financial Statement Audit                                 | 2,530,376           | 769,977            | 1,748,977           | 1,585,516           | 2,233,610           | 0                | 0                  | 0           | 69,709              |
| Financial Management DOB                                  | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 0                  | 0           | 0                   |
| Bankcard Program  | 234,486             | 10,394             | 102,383             | 75,124              | 44,576              | 636              | 267                | 0           | 2,827               |
| TIER  | 50,563              | 50,563             | 50,563              | 50,563              | 50,563              | 0                | 0                  | 0           | 50,563              |
| Internal Control Audit                                    | 48,760              | 0                  | 280,900             | 279,840             | 415,520             | 0                | 0                  | 0           | 0                   |
| NFC Payroll Services & Reporting                          | 7,602,334           | 258,667            | 4,306,105           | 12,371,884          | 1,640,033           | 0                | 0                  | 0           | 134,142             |
| HQ Human Capital Services (HCBS) Payroll Service Ops      | 2,937,144           | 63,461             | 1,056,443           | 1,582,847           | 402,360             | 0                | 0                  | 0           | 1,529,332           |
| Flexible Spending Plan                                    | 537,314             | 11,609             | 188,017             | 554,711             | 27,524              | 0                | 0                  | 0           | 33,162              |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 136,320             | 11,243             | 84,322              | 217,831             | 85,727              | 0                | 0                  | 0           | 37,945              |
| HQ Executive Lead, Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 0                  | 0           | 39,320              |
| Employee Assistance Program                               | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 0                  | 0           | 10,342              |
| CIO/DHS Infrastructure Transf Pgm                         | 13,844,763          | 376,693            | 4,639,002           | 7,760,911           | 2,445,925           | 0                | 0                  | 0           | 258,009             |
| NCR Infrastructure Operations                             | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 8,875,391          | 0           | 19,328,629          |
| Software Enterprise Licenses - Microsoft                  | 5,338,454           | 351,488            | 3,130,851           | 2,203,219           | 1,355,759           | 0                | 0                  | 0           | 23,070              |
| Procurement Operations                                    | 0                   | 0                  | 0                   | 0                   | 0                   | 0                | 0                  | 0           | 9,983,718           |
| <b>Sub-Total</b>  | <b>36,233,015</b>   | <b>2,057,963</b>   | <b>18,290,892</b>   | <b>27,179,146</b>   | <b>8,943,535</b>    | <b>636</b>       | <b>8,875,658</b>   | <b>0</b>    | <b>38,748,901</b>   |
| <b>Tri-Bureau Service Activity</b>                        | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>G &amp; T</b> | <b>USFA</b>        | <b>REPP</b> | <b>NPPD</b>         |
| Tri-Bureau Human Resources Shared Services                | 0                   | 0                  | 16,713,186          | 0                   | 0                   | 0                | 0                  | 0           | 0                   |
| Data Center Services from DOJ                             | 0                   | 0                  | 22,653,972          | 0                   | 0                   | 0                | 0                  | 0           | 0                   |
| <b>Sub-Total</b>  | <b>0</b>            | <b>0</b>           | <b>39,367,158</b>   | <b>0</b>            | <b>0</b>            | <b>0</b>         | <b>0</b>           | <b>0</b>    | <b>0</b>            |
| <b>Government-wide Mandated Service Activity</b>          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>G &amp; T</b> | <b>USFA</b>        | <b>REPP</b> | <b>NPPD</b>         |
| Interagency Council Funding                               | 226,733             | 4,898              | 106,546             | 82,575              | 14,878              | 0                | 0                  | 0           | 13,027              |
| Recruitment One-Stop                                      | 371,330             | 8,023              | 129,936             | 383,353             | 19,021              | 0                | 0                  | 0           | 4,161               |
| e-Training  | 4,494,323           | 97,105             | 1,572,657           | 4,639,842           | 230,219             | 0                | 0                  | 0           | 50,358              |
| Enterprise HR Integration (EHR)                           | 1,238,916           | 26,768             | 433,522             | 1,279,030           | 63,463              | 0                | 0                  | 0           | 13,882              |
| Business Gateway  | 33,617              | 726                | 15,797              | 12,243              | 2,206               | 0                | 0                  | 0           | 1,931               |
| e-Rulemaking  | 232,685             | 5,027              | 109,343             | 84,743              | 15,268              | 0                | 0                  | 0           | 13,370              |
| e-Travel  | 181,432             | 3,920              | 65,258              | 187,494             | 24,854              | 0                | 0                  | 0           | 2,414               |
| Case Management Line of Business                          | 197,954             | 0                  | 254,328             | 0                   | 0                   | 0                | 0                  | 0           | 0                   |
| e-Grants.gov  | 0                   | 0                  | 1,044               | 21,219              | 27,256              | 0                | 0                  | 0           | 544,841             |
| e-Authentication  | 21,830              | 472                | 7,639               | 22,536              | 1,118               | 0                | 0                  | 0           | 245                 |
| Human Resources Line of Business                          | 87,606              | 1,893              | 30,655              | 90,442              | 4,488               | 0                | 0                  | 0           | 982                 |
| e-govBenefits   | 127,350             | 2,752              | 44,563              | 131,474             | 6,523               | 0                | 0                  | 0           | 1,427               |
| Financial Management Line of Business                     | 44,407              | 959                | 20,867              | 16,173              | 2,914               | 0                | 0                  | 0           | 2,551               |
| Geospatial Line of Business                               | 19,820              | 428                | 9,314               | 7,218               | 1,301               | 0                | 0                  | 0           | 1,139               |
| IT Infrastructure Line of Business                        | 49,659              | 1,073              | 23,336              | 18,086              | 3,259               | 0                | 0                  | 0           | 2,853               |
| Budget Formulation and Execution Line of Business         | 29,485              | 637                | 13,856              | 10,738              | 1,935               | 0                | 0                  | 0           | 1,694               |
| e-gov.Integrated Acquisition Environment                  | 225,724             | 62,194             | 236,643             | 220,764             | 508,257             | 0                | 0                  | 0           | 0                   |
| e-gov. Disaster Management (DisasterHelp.gov)             | 1,015,987           | 0                  | 1,015,987           | 1,055,064           | 2,618,121           | 0                | 0                  | 0           | 3,126,115           |
| <b>Sub-Total</b>  | <b>8,598,858</b>    | <b>216,875</b>     | <b>4,091,291</b>    | <b>8,262,994</b>    | <b>3,545,081</b>    | <b>0</b>         | <b>0</b>           | <b>0</b>    | <b>3,780,990</b>    |
| <b>DHS Crosscutting Activity</b>                          | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>G &amp; T</b> | <b>USFA</b>        | <b>REPP</b> | <b>NPPD</b>         |
| Capital Planning and Investment Control (CPIC)            | 741,563             | 169,145            | 285,590             | 782,856             | 473,162             | 0                | 0                  | 0           | 688,193             |
| Ready Campaign (Ready.gov)                                | 195,814             | 4,230              | 92,017              | 71,315              | 12,849              | 0                | 0                  | 0           | 11,251              |
| Strategic Sourcing  | 804,713             | 190,949            | 300,062             | 982,022             | 27,278              | 0                | 0                  | 0           | 0                   |
| CPO Shared Reporting                                      | 72,971              | 222,918            | 994,914             | 70,928              | 1,456,876           | 0                | 0                  | 0           | 0                   |
| <b>Sub-Total</b>  | <b>1,815,061</b>    | <b>587,242</b>     | <b>1,672,583</b>    | <b>1,907,121</b>    | <b>1,970,165</b>    | <b>0</b>         | <b>0</b>           | <b>0</b>    | <b>699,444</b>      |
| <b>WCF Management Activity</b>                            | <b>CBP</b>          | <b>FLETC</b>       | <b>ICE</b>          | <b>TSA</b>          | <b>FEMA</b>         | <b>G &amp; T</b> | <b>USFA</b>        | <b>REPP</b> | <b>NPPD</b>         |
| Working Capital Fund Operations                           | 112,139             | 6,955              | 159,657             | 89,651              | 35,125              | 10,814           | 2                  | 41          | 109,032             |
| <b>Sub-Total</b>  | <b>112,139</b>      | <b>6,955</b>       | <b>159,657</b>      | <b>89,651</b>       | <b>35,125</b>       | <b>10,814</b>    | <b>2</b>           | <b>41</b>   | <b>109,032</b>      |
| <b>FY WCF Grand Total</b>                                 | <b>\$46,759,073</b> | <b>\$2,869,035</b> | <b>\$63,581,581</b> | <b>\$37,438,913</b> | <b>\$14,493,906</b> | <b>\$11,450</b>  | <b>\$8,875,660</b> | <b>\$41</b> | <b>\$43,338,367</b> |

| Fee for Service Activity                                  | OHA                | Operations Coord & Intel & Analysis | IG                 | S&T                 | DNDO                | USCG                | USCIS               |
|---|--------------------|-------------------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| GSA RENT  | 2,954,179          | 12,270,755                          | 1,800,000          | 3,823,991           | 4,081,992           | 0                   | 0                   |
| Consolidated Subscriptions (Library of Congress)          | 0                  | 307,234                             | 112,132            | 278,057             | 87,290              | 527,094             | 2,090,511           |
| Financial Management (Finance & Acctg Shared Services)    | 305,425            | 1,322,091                           | 0                  | 3,796,172           | 0                   | 0                   | 10,730,242          |
| Financial Statement Audit                                 | 0                  | 0                                   | 114,962            | 118,418             | 0                   | 3,560,932           | 900,294             |
| Financial Management DOB                                  | 284,510            | 0                                   | 0                  | 0                   | 0                   | 0                   | 0                   |
| Bankcard Program  | 0                  | 2,329                               | 0                  | 2,759               | 0                   | 0                   | 30,552              |
| TIER  | 0                  | 50,563                              | 50,563             | 50,563              | 0                   | 50,563              | 50,563              |
| Internal Control Audit                                    | 0                  | 0                                   | 0                  | 0                   | 0                   | 760,020             | 0                   |
| NFC Payroll Services & Reporting                          | 12,083             | 127,731,000                         | 86,278             | 93,949              | 29,837              | 1,609,210           | 2,641,906           |
| HQ Human Capital Services                                 | 137,752            | 1,456,239                           | 0                  | 1,071,094           | 340,164             | 0                   | 0                   |
| (HCBS) Payroll Service Ops                                | 2,987              | 31,577                              | 17,383             | 23,226              | 7,376               | 394,797             | 648,154             |
| Flexible Spending Plan                                    | 542                | 5,733                               | 6,098              | 4,217               | 1,339               | 72,223              | 93,428              |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 4,216              | 35,134                              | 16,864             | 44,972              | 12,648              | 19,675              | 64,647              |
| HQ Executive Lead. Dev (TEL, SES Forum, Gen. Wkfrce Trng) | 4,369              | 36,408                              | 0                  | 46,602              | 13,107              | 0                   | 0                   |
| Employee Assistance Program                               | 932                | 9,848                               | 0                  | 7,243               | 2,300               | 0                   | 0                   |
| CIO/DHS Infrastructure Transf Pgm                         | 0                  | 36,121                              | 314,771            | 1,274,564           | 0                   | 7,606,105           | 5,098,258           |
| NCR Infrastructure Operations                             | 4,437,695          | 18,145,243                          | 0                  | 13,668,102          | 4,930,773           | 0                   | 0                   |
| Software Enterprise Licenses - Microsoft                  | 1,111              | 40,235                              | 113,820            | 204,447             | 0                   | 5,900,430           | 1,909,491           |
| Procurement Operations                                    | 1,176,529          | 3,963,824                           | 0                  | 10,416,753          | 2,522,761           | 0                   | 2,625,875           |
| <b>Sub-Total</b>  | <b>9,322,330</b>   | <b>37,841,064</b>                   | <b>2,632,870</b>   | <b>34,925,129</b>   | <b>12,029,588</b>   | <b>20,501,049</b>   | <b>26,883,921</b>   |
| Tri-Bureau Service Activity                               | OHA                | Operations Coord & Intel & Analysis | IG                 | S&T                 | DNDO                | USCG                | USCIS               |
| Tri-Bureau Human Resources Shared Services                | 0                  | 0                                   | 0                  | 0                   | 0                   | 0                   | 6,117,444           |
| Data Center Services from DOJ                             | 0                  | 0                                   | 0                  | 0                   | 0                   | 0                   | 10,774,736          |
| <b>Sub-Total</b>  | <b>0</b>           | <b>0</b>                            | <b>0</b>           | <b>0</b>            | <b>0</b>            | <b>0</b>            | <b>16,892,180</b>   |
| Government-wide Mandated Service Activity                 | OHA                | Operations Coord & Intel & Analysis | IG                 | S&T                 | DNDO                | USCG                | USCIS               |
| Interagency Council Funding                               | 2,628              | 7,013                               | 2,209              | 17,808              | 12,522              | 169,153             | 4,056               |
| Recruitment One-Stop                                      | 375                | 3,962                               | 0                  | 2,914               | 925                 | 49,912              | 64,566              |
| e-Training  | 4,536              | 47,951                              | 0                  | 35,269              | 11,201              | 589,943             | 781,469             |
| Enterprise HR Integration (EHR)                           | 1,250              | 13,218                              | 14,060             | 9,722               | 3,088               | 166,529             | 215,421             |
| Business Gateway  | 390                | 1,041                               | 327                | 2,640               | 1,857               | 25,080              | 601                 |
| e-Rulemaking  | 2,697              | 7,197                               | 2,267              | 18,276              | 12,851              | 173,594             | 4,162               |
| e-Travel  | 183                | 1,936                               | 2,059              | 1,424               | 452                 | 24,387              | 40,038              |
| Case Management Line of Business                          | 0                  | 0                                   | 0                  | 0                   | 0                   | 13,720              | 0                   |
| e-Grants.gov  | 0                  | 3,471                               | 0                  | 2,207               | 0                   | 6,786               | 0                   |
| e-Authentication  | 22                 | 233                                 | 248                | 171                 | 54                  | 2,934               | 3,796               |
| Human Resources Line of Business                          | 88                 | 935                                 | 994                | 687                 | 218                 | 11,776              | 15,233              |
| e-govBenefits   | 129                | 1,359                               | 1,445              | 999                 | 317                 | 17,118              | 22,144              |
| Financial Management Line of Business                     | 515                | 1,373                               | 433                | 3,488               | 2,453               | 33,129              | 794                 |
| Geospatial Line of Business                               | 230                | 613                                 | 193                | 1,557               | 1,095               | 14,787              | 355                 |
| IT Infrastructure Line of Business                        | 576                | 1,536                               | 484                | 3,900               | 2,743               | 37,048              | 888                 |
| Budget Formulation and Execution Line of Business         | 342                | 912                                 | 287                | 2,316               | 1,628               | 21,997              | 527                 |
| e-gov.Integrated Acquisition Environment                  | 0                  | 0                                   | 0                  | 0                   | 0                   | 611,537             | 63,030              |
| e-gov. Disaster Management (DisasterHelp.gov)             | 0                  | 625,223                             | 0                  | 195,382             | 0                   | 1,797,516           | 507,994             |
| <b>Sub-Total</b>  | <b>13,961</b>      | <b>717,973</b>                      | <b>25,006</b>      | <b>298,760</b>      | <b>51,405</b>       | <b>3,766,947</b>    | <b>1,725,074</b>    |
| DHS Crosscutting Activity                                 | OHA                | Operations Coord & Intel & Analysis | IG                 | S&T                 | DNDO                | USCG                | USCIS               |
| Capital Planning and Investment Control (CPIC)            | 0                  | 163,467                             | 3,974              | 172,035             | 154,847             | 576,393             | 473,162             |
| Ready Campaign (Ready.gov)                                | 2,270              | 6,056                               | 1,908              | 15,380              | 10,815              | 146,087             | 3,503               |
| Strategic Sourcing  | 0                  | 0                                   | 6,820              | 5,456               | 0                   | 109,114             | 190,949             |
| CPO Shared Reporting                                      | 0                  | 0                                   | 0                  | 0                   | 0                   | 198,622             | 117,785             |
| <b>Sub-Total</b>  | <b>2,270</b>       | <b>169,523</b>                      | <b>12,702</b>      | <b>192,871</b>      | <b>165,662</b>      | <b>1,030,216</b>    | <b>785,398</b>      |
| WCF Management Activity                                   | OHA                | Operations Coord & Intel & Analysis | IG                 | S&T                 | DNDO                | USCG                | USCIS               |
| Working Capital Fund Operations                           | 12,018             | 104,194                             | 6,440              | 87,867              | 29,015              | 61,272              | 125,164             |
| <b>Sub-Total</b>  | <b>12,018</b>      | <b>104,194</b>                      | <b>6,440</b>       | <b>87,867</b>       | <b>29,015</b>       | <b>61,272</b>       | <b>125,164</b>      |
| <b>FY WCF Grand Total</b>                                 | <b>\$9,350,579</b> | <b>\$38,832,754</b>                 | <b>\$2,677,018</b> | <b>\$35,504,627</b> | <b>\$12,275,669</b> | <b>\$25,359,484</b> | <b>\$46,411,738</b> |

| Fee for Service Activity                                  | USSS               | US VISIT           | Chief Financial Officer | Chief Information Officer | Office of the Undersecretary (USM) | Total                |
|---|--------------------|--------------------|-------------------------|---------------------------|------------------------------------|----------------------|
| GSA RENT  | 0                  | 0                  | 2,218,666               | 6,106,358                 | 28,112,934                         | 65,957,140           |
| Consolidated Subscriptions (Library of Congress)          | 147,758            | 15,999             | 84,209                  | 10,362                    | 1,113,708                          | 11,084,504           |
| Financial Management (Finance & Acctg Shared Services)    | 0                  | 2,693,908          | 211,472                 | 1,683,393                 | 2,758,302                          | 26,413,043           |
| Financial Statement Audit                                 | 114,111            | 0                  | 27,358                  | 217,776                   | 598,500                            | 14,590,514           |
| Financial Management DOB                                  | 0                  | 0                  | 337,636                 | 255,950                   | 3,291,949                          | 4,170,044            |
| Bankcard Program  | 17,543             | 663                | 0                       | 0                         | 7,064                              | 531,603              |
| TIER  | 50,563             | 50,563             | 50,569                  | 0                         | 0                                  | 707,888              |
| Internal Control Audit                                    | 0                  | 0                  | 437,780                 | 0                         | 0                                  | 2,222,820            |
| NFC Payroll Services & Reporting                          | 1,049,116          | 25,152             | 30,576                  | 23,179                    | 301,572                            | 32,343,754           |
| HQ Human Capital Services                                 | 0                  | 286,750            | 348,598                 | 264,260                   | 3,391,181                          | 8,825,369            |
| (HCBS) Payroll Service Ops                                | 324,217            | 6,218              | 7,559                   | 5,730                     | 73,090                             | 7,617,730            |
| Flexible Spending Plan                                    | 74,149             | 1,129              | 1,372                   | 1,040                     | 13,535                             | 1,600,000            |
| DHS EXEC. LEAD. (SES CDP, Sec Conf)                       | 66,052             | 8,432              | 11,243                  | 11,243                    | 123,672                            | 992,186              |
| HQ Executive Lead. Dev (TEI, SES Forum, Gen. Wkfrce Trng) | 0                  | 8,738              | 11,650                  | 11,650                    | 128,155                            | 300,000              |
| Employee Assistance Program                               | 0                  | 1,939              | 2,357                   | 1,787                     | 23,251                             | 60,000               |
| CIO/DHS Infrastructure Transf Pgm                         | 1,336,487          | 0                  | 0                       | 6,610,191                 | 0                                  | 51,601,800           |
| NCR Infrastructure Operations                             | 0                  | 0                  | 1,005,878               | 24,359,224                | 19,116,675                         | 113,867,609          |
| Software Enterprise Licenses - Microsoft                  | 1,079,328          | 0                  | 0                       | 6,492                     | 0                                  | 21,658,196           |
| Procurement Operations                                    | 0                  | 3,778,770          | 1,333,125               | 7,859,283                 | 3,355,362                          | 47,016,000           |
| <b>Sub-Total</b>  | <b>4,259,324</b>   | <b>6,878,261</b>   | <b>6,120,048</b>        | <b>47,427,919</b>         | <b>62,408,949</b>                  | <b>411,560,199</b>   |
| Tri-Bureau Service Activity                               | USSS               | US VISIT           | Chief Financial Officer | Chief Information Officer | Office of the Undersecretary (USM) | Total                |
| Tri-Bureau Human Resources Shared Services                | 0                  | 0                  | 0                       | 0                         | 0                                  | 22,830,630           |
| Data Center Services from DOJ                             | 0                  | 2,898,517          | 0                       | 0                         | 902,328                            | 37,229,553           |
| <b>Sub-Total</b>  | <b>0</b>           | <b>2,898,517</b>   | <b>0</b>                | <b>0</b>                  | <b>902,328</b>                     | <b>60,060,183</b>    |
| Government-wide Mandated Service Activity                 | USSS               | US VISIT           | Chief Financial Officer | Chief Information Officer | Office of the Undersecretary (USM) | Total                |
| Interagency Council Funding                               | 35,857             | 8,078              | 731                     | 5,819                     | 15,991                             | 730,522              |
| Recruitment One-Stop                                      | 51,243             | 780                | 948                     | 719                       | 9,354                              | 1,101,523            |
| e-Training  | 620,213            | 9,442              | 11,479                  | 8,701                     | 112,934                            | 13,317,642           |
| Enterprise HR Integration (EHRI)                          | 170,969            | 2,603              | 3,164                   | 2,399                     | 31,209                             | 3,689,213            |
| Business Gateway  | 5,316              | 1,198              | 108                     | 863                       | 2,205                              | 108,146              |
| e-Rulemaking  | 36,798             | 8,290              | 750                     | 5,971                     | 16,411                             | 749,700              |
| e-Travel  | 25,038             | 381                | 463                     | 351                       | 4,573                              | 566,657              |
| Case Management Line of Business                          | 48,998             | 0                  | 0                       | 0                         | 0                                  | 515,000              |
| e-Grants.gov  | 428                | 0                  | 0                       | 0                         | 161                                | 607,413              |
| e-Authentication  | 3,012              | 46                 | 53                      | 41                        | 550                                | 65,000               |
| Human Resources Line of Business                          | 12,090             | 184                | 224                     | 170                       | 2,205                              | 260,870              |
| e-govBenefits   | 17,574             | 268                | 325                     | 247                       | 3,186                              | 379,200              |
| Financial Management Line of Business                     | 7,023              | 1,582              | 143                     | 1,137                     | 2,916                              | 142,857              |
| Geospatial Line of Business                               | 3,135              | 706                | 64                      | 509                       | 1,396                              | 63,860               |
| IT Infrastructure Line of Business                        | 7,853              | 1,769              | 160                     | 1,274                     | 3,503                              | 160,000              |
| Budget Formulation and Execution Line of Business         | 4,663              | 1,051              | 95                      | 757                       | 2,080                              | 95,000               |
| e-gov.Integrated Acquisition Environment                  | 37,142             | 0                  | 0                       | 0                         | 305,229                            | 2,270,520            |
| e-gov. Disaster Management (DisasterHelp.gov)             | 273,535            | 0                  | 0                       | 0                         | 39,076                             | 12,270,000           |
| <b>Sub-Total</b>  | <b>1,360,887</b>   | <b>36,378</b>      | <b>18,707</b>           | <b>28,958</b>             | <b>552,979</b>                     | <b>37,093,123</b>    |
| DHS Crosscutting Activity                                 | USSS               | US VISIT           | Chief Financial Officer | Chief Information Officer | Office of the Undersecretary (USM) | Total                |
| Capital Planning and Investment Control (CPIC)            | 60,236             | 60,184             | 64,829                  | 375,608                   | 51,616                             | 5,296,860            |
| Ready Campaign (Ready.gov)                                | 30,967             | 6,977              | 628                     | 5,025                     | 13,812                             | 630,904              |
| Strategic Sourcing  | 109,114            | 1,364              | 0                       | 0                         | 0                                  | 2,727,840            |
| CPO Shared Reporting                                      | 12,037             | 0                  | 0                       | 0                         | 1,576,949                          | 4,724,000            |
| <b>Sub-Total</b>  | <b>212,353</b>     | <b>68,525</b>      | <b>65,457</b>           | <b>380,633</b>            | <b>1,642,377</b>                   | <b>13,379,604</b>    |
| WCF Management Activity                                   | USSS               | US VISIT           | Chief Financial Officer | Chief Information Officer | Office of the Undersecretary (USM) | Total                |
| Working Capital Fund Operations                           | 13,892             | 35,649             | 14,233                  | 123,717                   | 142,722                            | 1,279,599            |
| <b>Sub-Total</b>  | <b>13,892</b>      | <b>35,649</b>      | <b>14,233</b>           | <b>123,717</b>            | <b>142,722</b>                     | <b>1,279,599</b>     |
| <b>FY WCF Grand Total</b>                                 | <b>\$5,846,457</b> | <b>\$9,917,330</b> | <b>\$6,218,445</b>      | <b>\$47,961,227</b>       | <b>\$65,649,355</b>                | <b>\$523,372,708</b> |